



BUSINESS MEETING OF THE
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, July 9, 2013
Lansing District Office
7150 Harris Drive
Lansing MI 48909

Present: Andrew J. Deloney, Chairman
Teri L. Quimby, Commissioner
Dennis Olshove, Commissioner

Absent: None

Staff: Tom Hagan, Director of Enforcement Division
Julie Wendt, Director of Executive Services Division
Kerry Krone, Business Manager
Barb Subastian, Enforcement Regional Supervisor
Mary Anne Donley, Enforcement Regional Supervisor
Pam Hamilton, Deputy Director of Finance Division
Tim Kovacik, Deputy Director of Executive Services Division
Anita Fawcett, Executive Services Division

The meeting was called to order by Chairman Deloney at 11:05 a.m., noting a quorum was present.

- I. **Moved by Commissioner Olshove, supported by Commissioner Quimby, that the minutes of the Commission meeting of June 25, 2013, and the Closed Session meeting of July 1, 2013, be approved as written and presented, motion carried by unanimous vote.**
- II. Ms. Hamilton presented the E-Quote reports for product listings in four categories and requested approval of the following:
 - A. That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meet other exceptions as indicated and be approved for listing in the approved products list effective July 28, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
A. Hardy/U.S.A. Ltd. (General Wine & Liquor Co.)	750ml Hardy XO Rare Cognac 50ml Rumchata Fishbowl Counter Unit	6 Bottles 60 Bottles

Bacardi U.S.A., Inc. (General Wine & Liquor Co.)	375ml D'usse	12 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	750ml Old Forester Single Barrel	6 Bottles
Cana Distributors LLC (NWS Michigan, Inc.)	750ml Blackwood's Small Batch Gin	6 Bottles
William Grant & Sons, Inc. (General Wine & Liquor Co.)	50ml Raynal Napoleon VSOP (Fr)	60 Bottles
International Spirits, LLC (NWS Michigan, Inc.)	375ml Ivanabitch Cherry PL Vodka	12 Bottles
Laird & Company (NWS Michigan, Inc.)	750ml Lazzaroni Fernet Amaro	6 Bottles
MHW, Ltd. (NWS Michigan, Inc.)	750ml Lazzaroni Infinito	6 Bottles
	750ml Pisco Porton Brandy	6 Bottles
McCormick Distilling Company, Inc. (General Wine & Liquor Co.)	50ml 360 Bing Cherry Pouch PL 10 Pk	60 Bottles
	50ml 360 Vodka Pouch PL 10 Pk	60 Bottles
	50ml Hooks Black Spiced Pouch PL 10 Pk	60 Bottles
	50ml Hooks Spiced Rum Pouch PL 10 Pk	60 Bottles
	50ml Triple Crown Pouch PL 10 Pk	60 Bottles
Shaw-Ross International Importers, LLC (NWS Michigan, Inc.)	750ml Pusser's Navy Rum 15 yr.	6 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	750ml Wild Turkey Forgiven	6 Bottles
	375ml X-Rated Fusion Tropix	12 Bottles
	750ml X-Rated Fusion Tropix	6 Bottles
	1000ml X-Rated Fusion Tropix	6 Bottles
Southern Estates Investments, LLC (NWS Michigan, Inc.)	750ml Palmetto Moonshine	6 Bottles
	750ml Palmetto Moonshine Apple Pie	6 Bottles
	750ml Palmetto Moonshine Blackberry	6 Bottles
	750ml Palmetto Moonshine Peach	6 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective July 28, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Sazerac North America, Inc. (NWS Michigan, Inc.)	50ml Wave Tiki PL	120 Bottles
Jim Beam Brands Co. (NWS Michigan, Inc.)	750ml Crave Chocolate Truffle	12 Bottles
	750ml DeKuyper Rouge	12 Bottles
	375ml Jim Beam Maple Bourbon	24 Bottles
	750ml Jim Beam Maple Bourbon	12 Bottles

	50ml Jim Beam Maple PL Bourbon	120 Bottles
	750ml Jim Beam Spanish Brandy Finish	12 Bottles
	750ml Jim Beam 12 Yr.	12 Bottles
	1000ml Kessler Spiced	12 Bottles
	750ml Pinnacle Caramel Apple Vodka	12 Bottles
	750ml Pinnacle Peppermint Bark Vodka	12 Bottles
	750ml Pinnacle Salted Caramel Vodka	12 Bottles
	750ml Pucker Primal Peach Vodka	12 Bottles
	1000ml Terry Centenario Brandy	12 Bottles
	750ml Jack Daniels Winter Jack	12 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)		
Cana Distributors LLC (NWS Michigan, Inc.)	750ml James MacArthur's 14 Yr.	12 Bottles
	750ml James MacArthur's 15 Yr.	12 Bottles
Constellation Brands, Inc. (General Wine & Liquor Co.)	1000ml Black Velvet Cinnamon Rush	12 Bottles
	1000ml Black Velvet Toasted Caramel	12 Bottles
Copa Cachaca Corporation (NWS Michigan, Inc.)	1000ml Arehucas Carta Oro Rum	12 Bottles
	1000ml Arehucas Ron Meil Guanche	12 Bottles
Laird & Company (NWS Michigan, Inc.)	750ml Da Vinci Amaretto	12 Bottles
	1000ml Stulski Vodka	12 Bottles
	1750ml Stulski PL Vodka	6 Bottles
McCormick Distilling Company, Inc. (General Wine & Liquor Co.)	1000ml McCormick Vodka PL	12 Bottles
Sazerac Company, Inc. (NWS Michigan, Inc.)	50ml Dr McGillicuddy's Cherry PL	120 Bottles
	50ml Dr McGillicuddy's Mentholmn PL	120 Bottles
	50ml Dr McGillicuddy's Ice Mint PL	120 Bottles
	50ml Dr McGillicuddy's Root Beer PL	120 Bottles
	50ml Dr McGillicuddy's Wild Grape PL	120 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	750ml Wild Turkey Spiced	12 Bottles
	1000ml Wild Turkey Spiced	12 Bottles
	50ml Wild Turkey Spiced PL	120 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective July 28, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Jim Beam Brands Co. (NWS Michigan, Inc.)	375ml Cour VS w/50ml Pucker Wtrmln	12 Bottles
	750ml Jim Beam w/50ml JB Honey	12 Bottles
	375ml Jim Beam w/50ml Red Stag Cider	12 Bottles
	750ml Pinnacle w/3-50mls	6 Bottles
	750ml Red Stag w/3-50mls	6 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	750ml Finlandia w/Shot Glass	12 Bottles
	1750ml Gentleman Jack w/Money Clip	6 Bottles

	750ml Tuaca Liq (IT) w/Sht GI Ice Mold	12 Bottles
E. & J. Gallo Winery (General Wine & Liquor Co.)	750ml E & J XO w/50ml New Am Peach	12 Bottles
	750ml E & J XO w/50ml New Am Vodka	12 Bottles
	750ml E & J XO w/50ml New Am Red Brry	12 Bottles
Remy Cointreau USA, Inc. (NWS Michigan, Inc.)	750ml Black Grouse w/Ron White DVD	6 Bottles
	750ml Brugal Especial w/Lime Squeezer	6 Bottles
	750ml Cointreau Liq w/Carafe	6 Bottles
	1750ml Cutty Sark w/Flask	6 Bottles
	750ml Mt Gay Eclipse w/50ml Blk Brll	12 Bottles
	750ml Remy Martin V w/2 Glasses	6 Bottles
Luxco, Inc. (General Wine & Liquor Co.)	1750ml Lord Calvert W/Sunglasses	6 Bottles
	1750ml Salvador's Orig w/Sunglasses	6 Bottles
Diageo Americas, Inc. (NWS Michigan, Inc.)	750ml Bulleit 95 Rye w/50ml Ketel One	12 Bottles
	750ml Bulleit Bourbon w/50ml Ketel One	12 Bottles
	750ml Ciroc Snap Frost w/2-50mls	12 Bottles
	750ml Ciroc Snap Frost w/50ml Snp Frst	12 Bottles
	750ml Don Julio Blanco w/50ml Cr Ryl	6 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective July 28, 2013:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
MHW, Ltd. (NWS Michigan, Inc.)	750ml Pisco Porton Brandy	12 Bottles
Remy Cointreau USA, Inc. (NWS Michigan, Inc.)	750ml Brugal Gold Rum	12 Bottles
	1750ml Cutty Sark w/Poker Set	6 Bottles
	750ml MaCallan Fine Oak 30 Yr. Photo	1 Bottle
	750ml MaCallan Lalique 55 Yr.	1 Bottle
	750ml MaCallan SO 1989 MOP Leibovitz	2 Bottles
	750ml MaCallan SO 1991 MOP Leibovitz	2 Bottles
	750ml MaCallan 12 Yr. w/50ml 18 Yr.	6 Bottles
	1750ml Remy Martin Louis XIII Blk Prl	1 Bottle
Sazerac Company, Inc. (NWS Michigan, Inc.)	50ml Dr McGillicuddy's Cherry PL	60 Bottles
	50ml Dr McGillicuddy's Mentholmn PL	60 Bottles
	50ml Dr McGillicuddy's Ice Mint PL	60 Bottles
	50ml Dr McGillicuddy's Root Beer PL	60 Bottles
	50ml Dr McGillicuddy's Wild Grape PL	60 Bottles
Diageo Americas, Inc. (NWS Michigan, Inc.)	750ml Circo Snap Frost w/2-50mls	6 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective September 1, 2013:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Skyy Spirits, LLC	375ml Flor DeCana Extra Dry Rum	24 Bottles
(General Wine & Liquor Co.)	375ml Flor DeCana Gold Rum	24 Bottles

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the above actions be taken in accordance with the E-Quote reports dated July 3, 2013, motion carried by unanimous vote.

- III. Ms. Hamilton presented licensee requests for special price reductions on spirit products in accordance with the provisions of the Commission's Order of September 11, 2012 regarding special price reductions on spirit products, which was effective on January 1, 2013. She advised there were nineteen (19) different licensees requesting price reductions; that 3388 product price reductions could be approved; and that zero (0) products price reductions should be denied.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the 3388 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.

- IV. Ms. Hamilton requested approval of a bulletin for the submission of quotations for Price List No. 232, which is effective November 3, 2013. She advised this is a quarterly reminder that is sent to Vendors of Spirits and Vendor Representatives to remind them of the deadlines for the next price book.

Moved by Chairman Deloney, supported by Commissioner Quimby, that Bulletin 2013-04, be approved as written and presented, motion carried by unanimous vote.

- V. Ms. Hamilton presented the 2011-2012 fiscal year Annual Financial Statement which shows the results of our operations for the period of October 1, 2011 through September 30, 2012 and is compared with the 2010-2011 fiscal year. She advised Gross Sales were \$1,032,152,214, up from last year by over \$53.6 million or 5.5% and that Distilled Spirit case sales were 7,372,714, up by 255,415 cases or 3.6%. Ms. Hamilton advised Income transferred to the General Fund as a result of liquor operations was \$174,886,346, 6.5% higher than the previous year. She advised combined beer and wine taxes were \$50,827,684, which is \$1,133,652 higher than last year or up 2.3%, and that Total Revenue collected (which includes revenue such as license fees, taxes, fines and income from operations) was \$362,541,746, over \$15,000,000 higher than last year.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the 2011-2012 Annual Financial Statement, be accepted, motion carried by unanimous vote.

VI. Old Business.

There was no Old Business.

VII. New Business.

There was no New Business.

VIII. Public Comments.

Joe David, Eastern States Control Manager for McCormick Distilling Company, Inc. (McCormick), presented a new concept in packaging being introduced to the industry. He advised the new packaging concept is 50ml pouches in 10-pack shelf units, with stickers on the package that the pouches are not for individual sales. Mr. David reported McCormick is having great success with the innovative packaging in the industry and that it is currently being sold in 24 states. He indicated that two control states, West Virginia and Iowa, are currently selling the product and McCormick is beginning to make presentations to other control states. Chairman Deloney advised that the only constant is change in spirit packaging and the Commission will monitor the development of new packaging in the distilling industry. Chairman Deloney stated that the Commission, in reviewing new packaging concepts, will continue to balance its regulatory role of maintaining public health and safety while ensuring that business enterprises can obtain and provide the products customers want to purchase.

With no further business, moved by Commissioner Olshove, supported by Commissioner Quimby, that the business meeting be adjourned at 11:21 a.m., motion carried by unanimous vote.

Anita Fawcett
Executive Services

Andrew J. Deloney
Chairman