



STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LIQUOR CONTROL COMMISSION

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In the matter of the request of)) ROYAL FOOD, INC.) 305 Union Lake) West Bloomfield, Michigan 48323)) White Lake Township Oakland County) _____)	Request ID No: 798709
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At the July 9, 2015 hearing of the Michigan Liquor Control Commission (Commission) in Southfield, Michigan.

PRESENT: Teri L. Quimby, Commissioner
Dennis Olshove, Commissioner

LICENSING APPEAL ORDER

On March 31, 2015, Royal Food, Inc. (applicant) filed a request to transfer ownership of the Specially Designated Distributor and Specially Designated Merchant licenses with Sunday Sales Permits (A.M. & P.M.) from White Lake Convenient Store, Inc., at the above-noted location. The applicant also requested a new Beer and Wine Sampling Permit to be held in conjunction with the licenses.

At a meeting held on June 10, 2015, the Commission denied this request under administrative rule R 436.1105(2)(a) after considering the prior operating record of co-applicant stockholder, Ramzi H. Babi, as a licensee of the Commission cited and found responsible for six (6) violations of the sale of alcoholic liquor to a person under 21 years of age; contrary to MCL 436.1801(2). Commission records reflect that Ramzi H. Babi was the selling clerk in an incident that occurred on June 6, 2008, and that co-applicant stockholder, Patrick Babi was the selling clerk in an incident that occurred on January 18, 2006.

The request was also denied under administrative rule R 436.1105(2)(j) after

considering the effects that issuance of a license would have on the health, welfare, and safety of the general public when determining whether an applicant should be issued a license or permit.

Gus Abro, legal counsel on behalf of the applicant, submitted a timely request for an appeal in this matter and represented the applicant at the July 9, 2015 hearing, held at the Commission's Southfield office.

After hearing arguments, reviewing the MLCC file and documents presented, and discussion of the issue on the record, the Commission finds that the applicant sufficiently demonstrated a course of action has been taken to assist in preventing further violations of the Michigan Liquor Control Code and Administrative Rules.

Article IV, Section 40, of the Michigan Constitution (1963), permits the legislature to establish a Liquor Control Commission, which shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. MCL 436.1201(2) provides the Commission with the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof.

The licensee is authorized to do business in Michigan, as required under MCL 436.1535 for licensure. Under MCL 436.1537(1)(f) and (g), the licensee may sell spirits, mixed spirit drink, beer and wine for consumption off the premises only.

The Commission finds sufficient reasons to reverse its denial issued in this matter and to approve the applicant's request for the reasons stated on the record.

THEREFORE, IT IS ORDERED that:

A. The denial order of June 10, 2015 issued in this matter is reversed and the applicant's request to transfer ownership of the Specially Designated Distributor and Specially Designated Merchant licenses from White Lake Convenient Store, Inc. is APPROVED, subject to the following:

1. The licensee shall submit to the Commission the remaining Specially Designated Distributor license and/or permit transfer fees in the

amount of \$449.55, pursuant to MCL 436.1525(1)(k).

2. The licensee shall submit to the Commission a signed land contract, real estate mortgage, warranty deed or quit claim deed.
3. The licensee shall submit to the Commission an acceptable and executed Lease Agreement.
4. The licensee shall submit to the Commission form LCC-3010 "Report of Stockholders/Members/Partners".
5. The licensee shall submit to the Commission form LCC-3012.
6. The licensee shall provide proof of financial responsibility providing security for liability as required under MCL 436.1803. Failure to maintain proof of financial responsibility providing security for liability will result in the immediate suspension of the subject licenses and permits until the licensee provides the Commission with proof of financial responsibility as required under MCL 436.1803.

B. The applicant's request to transfer the existing Sunday Sales Permit (P.M.) is APPROVED, subject to the following:

1. A reference to the time of day includes daylight savings time, when observed.
2. This permit is subject to revocation by operation of law or otherwise if the Commission receives notice from a county, city, village, or township that it prohibits the sale of spirits, mixed spirit drink, or beer and wine during the time authorized by this permit.

C. The applicant's request to transfer the existing permit to sell alcoholic liquor between 7 A.M. and Noon on Sundays is APPROVED, pursuant to Public Act 213 of 2010, MCL 436.2111-2115. This permit is subject to revocation by operation of law or otherwise if the Commission receives notice from a county, city, village, township, or the local governmental unit, that it prohibits or otherwise objects to the sale of spirits, mixed spirit drink or beer and wine between the hours of 7 A.M. and Noon on Sundays. If notice and supporting documentation is received by the Commission, a show cause hearing will be scheduled before the Commission under administrative rule R 436.1925(1) to determine if

the permit must be revoked.

D. The applicant's request for new Beer and Wine Sampling Permit is APPROVED, subject to the following:

1. No charges for the tasting of the beer and wine are allowed under MCL 436.1537(5)(a).
2. The tasting samples provided to a customer must not exceed 3 servings at up to 3 ounces per serving of beer or 3 servings at up to 2 ounces of wine under MCL 436.1537(5)(b).
3. A customer must not be provided with more than a total of 3 samples of beer or wine within a 24-hour period per licensed premises under MCL 436.1537(5)(b).
4. The Commission must be notified, in writing, a minimum of 10 working days prior to the event, regarding the date, time, and location of the event MCL 436.1537(5)(d).
5. Under MCL 436.1537(6), during the time the permitted beer or wine tasting is conducted, the applicant-permit holder, or its agent or employee who has successfully completed a server training program as provided for in MCL 436.1906, shall devote full time to the beer and wine tasting activity and shall perform no other duties including the sale of alcoholic liquor for consumption off the licensed premises.
6. Beer and wine used for the permitted tasting must come from the specially designated merchant's (SDM's) inventory under MCL 436.1537(6), and all open bottles must be removed from the premises on the same business day or resealed and stored in a locked, separate storage compartment on the licensed premises when not being used for the activities allowed by the Permit.
7. The Permit holder must prohibit a wholesaler from conducting or participating in the beer and wine tastings under MCL 436.1537(7).
8. A permitted beer and wine tasting must be conducted during the legal hours for sale of alcoholic liquor by the licensee under MCL

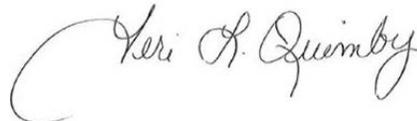
436.1537(8).

E. The licensee shall pay all license fees by April 30th each year pursuant to administrative rule R 436.1107.

F. Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of the licenses and permits by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee shall obtain all other required state and local licenses, permits, and approvals before selling or serving alcoholic liquor.

G. Failure to comply with all requirements of licensure in the State of Michigan will result in the licensee being charged with a violation of the Michigan Liquor Control Code, Administrative Rules, and Commission order, which may result in fines, suspension, and/or revocation of the licenses and permits.

MICHIGAN LIQUOR CONTROL COMMISSION



Teri L. Quimby, Commissioner



Dennis Olshove, Commissioner

Date Mailed:

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