



STATE OF MICHIGAN  
LIQUOR CONTROL COMMISSION  
DEPARTMENT OF LABOR & ECONOMIC GROWTH  
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CHAIRPERSON

**Bulletin 3101-17**

**Date:** April 26, 2006  
**To:** Vendors, Vendor Representatives, Authorized Distribution Agents  
**From:** Michigan Liquor Control Commission  
**Subject:** ADA Case Cost Increase

The Michigan Liquor Control Commission, at its administrative meeting of April 25, 2006, issued the following Order:

"It is the Order of the Commission that pursuant to MCL436.1205 (13), effective April 30, 2006, the Commission shall pay a vendor of spirits, in addition to the purchase price of the spirits, an amount of \$6.97 for each case of spirits purchased as an offset to the costs being incurred by that vendor of spirits in contracting with an Authorized Distribution Agent for the warehousing and delivery of spirits to retail licensees, and that due to changes in the pricing structure of liquor in effect in Michigan at the time of privatization a total of \$8.32 per case purchased by the Commission will be realized by the vendor of spirits; further, that the vendors of spirits shall continue to pay at least an additional \$1.35 above the per case offset established by the Commission, and that a total of at least \$8.32 per case purchased by the Commission shall be paid to the Authorized Distribution Agents by the vendors of spirits for warehousing and delivery services.

Also, it is the Order of the Commission, that vendors of spirits shall amend each of their Authorized Distribution Agent contracts to reflect that a minimum payment of \$8.32 per case shall be paid by the vendor of spirits to the Authorized Distribution Agent for warehousing and delivery services; it is the further Order of the Commission that vendors of spirits shall have until July 15, 2006 to submit to the Commission an acceptable executed amendment to their Authorized Distribution Agent contract; further, failure to submit amended Authorized Distribution Agent contracts reflecting a minimum payment of \$8.32 per case by July 15, 2006 shall result in delisting of that vendor of spirits' products effective October 29, 2006.

Further, it is the Order of the Commission that pursuant to MCL 436.1205(13), an additional Authorized Distribution Agent distribution fee payment be made to all vendors of spirits at the rate of \$.22 per case for all cases purchased by the State of Michigan between January 29, 2006 and April 29, 2006; the Commission's Financial Management Division shall produce and

send a detailed report to each vendor of spirits; the report, by Authorized Distribution Agent, shall contain code number, quantity of cases purchased, a calculation of the amount of the payment, and a total payment amount for this period.

Additionally, it is the Order of the Commission that vendors of spirits shall pass through each additional distribution fee payment in total for each Authorized Distribution Agent for the period January 29, 2006 through April 29, 2006 from the Commission to the specified Authorized Distribution Agent within 30 days of the Commission payment; failure to make the required payment within 30 days shall result in delisting of that vendor of spirits' products effective October 29, 2006."

Please contact Steve Robinson at 517-322-1389 if you have any questions.