

JENNIFER M. GRANHOLM
GOVERNOR



STATE OF MICHIGAN
LIQUOR CONTROL COMMISSION
DEPARTMENT OF LABOR & ECONOMIC GROWTH
DAVID C. HOLLISTER, DIRECTOR

NIDA R. SAMONA
CHAIRPERSON

Bulletin 3083-17

Date: December 16, 2004
To: All Authorized Distribution Agents
From: Michigan Liquor Control Commission
Subject: Commission Order – Returns of Entire Inventory by Licensees

At its administrative meeting on 12-14-2004 the Michigan Liquor Control Commission adopted the attached Business Operating Procedure, which amends the March 13, 2002 Business Operating Procedure regarding the procedure to handle voluntary returns of entire liquor inventories by licensees going out of business either temporarily or permanently.

Please see that copies of this Bulletin are distributed to the appropriate people in your organizations.

If you have any questions please contact Jeff Jones at 517.322.1227 or email at jjones@michigan.gov.

Attachment

STATE OF MICHIGAN

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
LIQUOR CONTROL COMMISSION

General Wine & Liquor Company, Inc.
373 Victor Avenue
Highland Park, MI 48203

NWS Michigan, Inc.
17550 Allen Road
Brownstown, MI 48192

J. Lewis Cooper Co.
Trans-Con, Inc.
3101 Gulley Rd., Suite I
Dearborn, MI 48124-4405

Chinese Import & Export Co.
3508 Bristol
Troy, MI 48083

Henry A. Fox Sales Company
4494 36th Street SE
Kentwood, MI 49512

Fabiano Bros., Inc.
1219 N. Mission, PO Box 469
Mt. Pleasant, MI 48804

ADMINISTRATIVE ORDER

In accordance with the provisions of R 436.1802(14), the February 26, 1997 Commission Order regarding the return of spirit products by licensees that are suspending business, and which was adopted as a Business Operating Procedure on March 13, 2002, be amended and that the following policy for the return of spirit products by licensees that are suspending business be approved and be restated and adopted as a Business Operating Procedure:

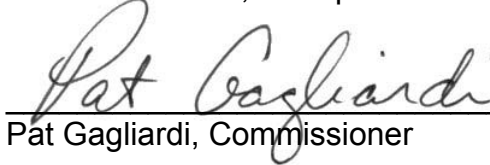
Following is the procedure for the return of spirit products by licensees that are suspending business:

1. Only salable products may be accepted by Authorized Distribution Agents (ADA) and returned to state inventory.
2. Licensee submits a request for return of inventory to the Enforcement Division.
3. Commission considers request at a Licensing Meeting. If approved, the Commission Order will include a proviso that the licensee sorts the inventory by ADA.
4. Enforcement mails the Commission Order and Form LC-663 (Inventory of Returned Liquor) to the licensee.
5. Upon receiving approval from the Commission, licensee sorts inventory by ADA and completes a Form LC-663 for each ADA.
6. Licensee contacts subject ADAs to arrange a time for pickup by the ADA or delivery to the ADA by the licensee.
7. ADAs pick up their products from licensee's establishment and returns products to state inventory or licensee returns product to ADA warehouse.
8. ADAs return products to state owned inventory by including those codes and quantities in the Adjusted Daily Invoice File as adjustment type 05.

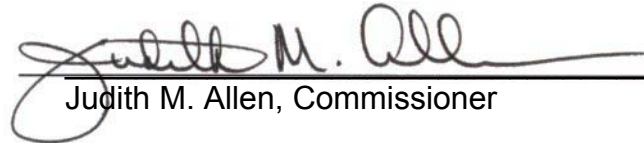
9. ADA verifies to Commission that products have been picked up and returned to state inventory by providing a copy of Form LC-663 which has been signed by both the licensee and the ADA and a statement which includes the reason for return, the licensee's name of business, address, license number, and the date that the returned inventory was put back to stock. These documents shall be returned to the Commission's Financial Data Management Section.
10. Commission pays the licensee for salable products at the current cost for that license type less 10%.
11. Commission pays the ADA the 10% withheld from the licensee's payment.



Nida R. Samona, Chairperson



Pat Gagliardi, Commissioner



Judith M. Allen, Commissioner

December 14, 2004