



ADMINISTRATIVE  
MEETING OF THE  
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, January 10, 2012  
Lansing District Office

Present: Andrew J. Deloney Chairman  
Teri L. Quimby, Commissioner  
Donald B. Weatherspoon, Commissioner  
Andy Neumann, Director of Administrative Services Division  
Julie Wendt, Director of Executive Services Division  
Tim Kovacik, Deputy Director of Executive Services Division  
Pam Hamilton, Deputy Director of Finance Division  
Anita Fawcett, Executive Services Division

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The meeting was called to order by Chairman Deloney at 11:02 a.m., noting that a quorum was present.

- I. **Moved by Commissioner Weatherspoon, supported by Commissioner Quimby, that the minutes of the Commission meeting of December 20, 2011, 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 January 29, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Jim Beam Brands Co. (NWS Michigan, Inc.)	50ml Jim Beam/50ml Counter Unit	160 Bottles
Caribbean Distillers LLC (NWS Michigan, Inc.)	50ml Black Roberts Spiced Rum PL	60 Bottles
William Grant & Sons, Inc. (General Wine & Liquor Co.)	375ml Hudson Baby Bourbon	12 Bottles
	375ml Hudson Four Grain	12 Bottles
	375ml Hudson Manhattan Rye	12 Bottles
	375ml Hudson New York Corn	12 Bottles
	375ml Hudson Single Malt Bourbon	12 Bottles

	750ml Solerno Blood Orange Liqueurs	6 Bottles
Louisville Distilling Company, LLC (General Wine & Liquor Co.)	750ml Angels Envy Bourbon	6 Bottles
MHW, Ltd. (General Wine & Liquor Co.)	1000ml Mako Vodka	6 Bottles
Pernod Ricard USA, LLC (NWS Michigan, Inc.)	750ml Redbreast Cask 12 yr Whiskey	6 Bottles
Proximo Spirits, Inc. (General Wine & Liquor Co.)	50ml 1800 Coconut Silver Tequila	60 Bottles
	375ml 1800 Coconut Silver Tequila	12 Bottles
	1000ml 1800 Coconut Silver Tequila	6 Bottles
	1000ml Three Olives Loopy Vodka	6 Bottles
The Patron Spirits Company (NWS Michigan, Inc.)	50ml Patron XO Café Dark Cocoa	60 Bottles
	375ml Patron XO Café Dark Cocoa	12 Bottles
	750ml Patron XO Café Dark Cocoa	6 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	50ml Skyy Infusion Coconut PL Vodka	72 Bottles

**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 February 26, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Remy Cointreau USA, Inc. (NWS Michigan, Inc.)	750ml Macallan Lalique 60yr Scotch	1 Bottle
Caribbean Distillers LLC (General Wine & Liquor Co.)	750ml Glen Grant The Major's Reserve	6 Bottles

**B.** That the following requests for addition of product to the approved products list be approved for listing, effective January 29, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACKSIZE</u>
Sazerac North America, Inc. (NWS Michigan, Inc.)	1000ml Di Amore Quattro Orange	12 Bottles
Beverage Solution Technologies (NWS Michigan, Inc.)	750ml RMD Vodka	12 Bottles
Fish Hook Distilling Company, LLC (General Wine & Liquor Co.)	750ml Valentine White Blossom Vodka	12 Bottles
Heaven Hill Distilleries, Inc. (General Wine & Liquor Co.)	750ml Admiral Nelson Cherry Spice	12 Bottles
	750ml Evan Williams Cinnamon Reserve	12 Bottles
	50ml Evan Williams Cinnamon RSV PL	120 Bottles

Journeyman Distillery, LLC (General Wine & Liquor Co.)	750ml Journeyman Bilberry Blk Hrts	12 Bottles
	750ml Journeyman Buggy Whip Wheat	12 Bottles
	750ml Journeyman Featherbone Bourbon	12 Bottles
	750ml Journeyman Ravenswood Rye	12 Bottles
	750ml Journeyman Red Arrow	12 Bottles
	750ml Journeyman Three Oaks	12 Bottles
	750ml Journeyman W.R.	12 Bottles
M.S. Walker, Inc. (General Wine & Liquor Co.)	750ml Choco Lat Deluxe Chocolate	12 Bottles
M.S. Walker, Inc. (NWS Michigan, Inc.)	750ml Grand Macnish 12 yr Scotch	12 Bottles
	1000ml Old Mexico Blanco PL	12 Bottles
	1000ml Old Mexico Oro PL	12 Bottles
Monsieur Henri Wine Company (NWS Michigan, Inc.)	1000ml Margaritaville Teq Silver	12 Bottles
	1750ml Margaritaville Teq Silver	6 Bottles
Overseas International, Inc. (General Wine & Liquor Co.)	750ml Bardaklija Brandy	12 Bottles
	750ml Excellentia Brandy	12 Bottles
	750ml Navip Klekovaca	12 Bottles
	1000ml Rubin Loza Brandy	12 Bottles
	1000ml Rubin Prepecenica Brandy	12 Bottles
	750ml Stroh 60 Rum	12 Bottles
	750ml Stroh 80 Rum	12 Bottles
	750ml Williams Pear-Viljamovka	12 Bottles
Proximo Spirits, Inc. (General Wine & Liquor Co.)	750ml 1800 Coconut Silver Tequila	12 Bottles
	750ml Three Olives Loopy	12 Bottles
	1750ml Three Olives Loopy	6 Bottles
	750ml Three Olives Supercola	12 Bottles
RGI Brands, LLC (General Wine & Liquor Co.)	750ml Redemption Rye	12 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	750ml Skyy Infusion Coconut Vodka	12 Bottles
	1000ml Skyy Infusion Coconut Vodka	12 Bottles
	1750ml Skyy Infusion Coconut Vodka	6 Bottles
	750ml Wild Turkey Rye	12 Bottles
The Wine Group, Inc. (General Wine & Liquor Co.)	750ml Lulu B Chocolate Martini	12 Bottles
	750ml Lulu B Cranberry Cosmo	12 Bottles
	750ml Lulu B Margarita	12 Bottles
	750ml Lulu B Mojito	12 Bottles
Diageo Americas, Inc. (NWS Michigan, Inc.)	50ml Captain Morgan Black Spiced Rum	120 Bottles
	375ml Captain Morgan Black Spiced Rum	24 Bottles
	750ml Captain Morgan Black Spiced Rum	12 Bottles
	1000ml Captain Morgan Black Spiced Rum	12 Bottles
White Rock Distilleries, Inc. (NWS Michigan, Inc.)	1000ml Pinnacle Key Lime Whipped Vodka	12 Bottles

**B.** That the following requests for addition of product to the approved products list be approved for listing, effective February 26, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACKSIZE</u>
Overseas International, Inc. (NWS Michigan, Inc.)	750ml Bela Osa Brandy	12 Bottles

**C.** That the following requests for promotional or special packaging be approved for listing, effective January 29, 2012:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Sidney Frank Importing Co., Inc. (General Wine & Liquor Co.)	750ml Jagermeister w/Stainless Flask	12 Bottles

**D.** That the following requests for deletion of product from the approved products list be approved for listing, effective January 29, 2012:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Beverage Solution Technologies, LLC (Small Distiller)	750ml RMD Vodka	12 Bottles
Journeyman Distillery, LLC (Small Distiller)	750ml Journeyman Bilberry Blk Hrts	6 Bottles
	750ml Journeyman Buggy Whip Wheat	6 Bottles
	750ml Journeyman Featherbone Bourbon	6 Bottles
	750ml Journeyman Ravenswood Rye	6 Bottles
	750ml Journeyman Red Arrow	6 Bottles
	750ml Journeyman Three Oaks	6 Bottles
	750ml Journeyman W.R.	6 Bottles
MHW, Ltd. (General Wine & Liquor Co.)	1000ml Mako Vodka	12 Bottles
Niche Import Co. (General Wine & Liquor Co.)	750ml Killepitsch Herbal Liqueur	12 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	750ml Wild Turkey Rye	12 Bottles

**Moved by Chairman Deloney, supported by Commissioner Quimby, that the above actions be taken in accordance with the E-Quote reports dated January 9, 2012, 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 February 15, 2006 regarding special price reductions on spirit products. She advised there are 20 different licensees requesting price reductions, and that 361 price reductions should be approved, with 51 price reductions being denied for reasons stated in the attached reports.

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

**Moved by Chairman Deloney, supported by Commissioner Quimby, that the special price reductions be denied for the reasons stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.**

- IV. Ms. Hamilton presented a summary of the November 2011 financial statement. She stated that this report shows the results of our operations for the period October 1, 2011 through November 30, 2011, and is compared with the same period from the previous fiscal year. She reported that the Distilled Spirit cases sold, increased by 35,185 (3.0%) during the first two months of 2011-12 year; that Total Gross Sales also increased over the last year by approximately \$7.9 million (4.9%); and that Net Income from the sales of liquor is higher this year by \$1.4 million (5.1%).

Ms. Hamilton advised that the numbers on page 6 of the November 2011 monthly financial statement showing increased Beer Taxes, Wine Taxes and Mixed Spirit Drink Taxes are inaccurate as there was a mistake in the year end closing entries. She advised that as a result, the September 2011 beer/wine/mixed drink taxes are included with October and November in the new fiscal year. Therefore, the tax amounts shown on page 6 for 2011 cover three months, whereas the 2010 numbers are for two months. Ms. Hamilton advised this error will be corrected in January and this information has been shared with the Office of the Auditor General.

Ms. Hamilton reported on a major change concerning the Fire Protection Grant charges for the new fiscal year. She advised for several years, the Liquor Purchase Revolving Fund (LPRF) has been charged with \$2,410,500 of the State's total Fire Protection Grant Payments and that these payments are made to local governments for fire protection services. Ms. Hamilton stated this fiscal year the LPRF will be charged a total grant amount of \$773,900; but will also be responsible for paying Bureau of Fire Services Expenses up to \$2,636,500. She advised this funding change was made by the Legislature during the Budgeting and Appropriation process.

**After a brief discussion, moved by Chairman Deloney, supported by Commissioner Quimby, to accept the financial report for November 2011, motion carried by unanimous vote.**

**V. Old Business**

Ms. Wendt reported that HB 5087 which eliminates production limits for a brewer to sell its beer for on-premises consumption at one location of its brewery licensed premises was signed by the governor and is now Public Act 298. She advised this bill was effective on December 22, 2011.

**VI. New Business – There was no new business to conduct.**

**VII. Public Comments**

Commissioner Weatherspoon requested an explanation and status of the NSF check report dated January 5, 2012. Ms. Hamilton advised that as of January 5, 2012 the Commission had an outstanding balance of NSF checks of \$160,171.97 and that the majority of this balance was checks written by nine different licensees. She reported that approximately one third of this balance has been paid. Ms. Hamilton advised that the Commission has been collecting the NSF checks fairly fast and that in December the balance of outstanding NSF checks is larger because of the holidays.

Chairman Deloney pointed out that the statute requires licensees to pay cash for alcoholic beverages and unlike other products the licensees do not have the option of waiting 10 to 30 days to pay for their product. He further stated that some licensees repeatedly wish to use the Commission as a revolving loan fund. Commissioner Quimby stated this issue is a concern because if a licensee can not control this portion of their business, how are they running the rest of the areas of the licensed business. She indicated that poor management could affect other aspects of their business. Chairman Deloney advised more research will be required to look at other options the Commission may have to address this issue.

**With no further business, moved by Commissioner Weatherspoon, supported by Commissioner Quimby, that the business meeting be adjourned at 11:18 a.m., motion carried by unanimous vote.**

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Andrew J. Deloney  
Chairman

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Anita Fawcett  
Executive Services