



BUSINESS MEETING OF THE
MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, May 14, 2013
Lansing District Office
7150 Harris Drive
Lansing MI 48909

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

Absent: Andrew J. Deloney, Chairman

Staff: Tom Hagan, Director of Enforcement Division
Kerry Krone, Business Manager
Pam Hamilton, Deputy Director of Finance Division
Anita Fawcett, Executive Services Division

The meeting was called to order by Commissioner Quimby at 9:40 a.m., noting a quorum was present.

- I. **Moved by Commissioner Quimby, supported by Commissioner Olshove, that the minutes of the Commission meeting of April 23, 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 June 2, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Jim Beam Brands Co. (NWS Michigan, Inc.)	750ml Effen Salted Caramel Vodka	6 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	50ml Early Times Fire Eater PL	60 Bottles
Castle Brands (USA) Corp. (General Wine & Liquor Co.)	750ml Jefferson's Pres. Select 21 yr.	6 Bottles
Koval Inc. (NWS Michigan, Inc.)	375ml Koval Chrysanthemum & Honey 375ml Koval Ginger	12 Bottles 12 Bottles

MHW, Ltd.	750ml Aviation Gin	6 Bottles
(General Wine & Liquor Co.)	50ml Milla Marolo Grappa & Camomile	72 Bottles
Phillips Products Co., LLC	50ml UV Vodka 103 PL	60 Bottles
(General Wine & Liquor Co.)		
Proximo Spirits, Inc.	50ml Kraken Black Spiced Rum	60 Bottles
(General Wine & Liquor Co.)		
Luxco, Inc.	375ml Tel Mayor Anejo Tequila	12 Bottles
(General Wine & Liquor Co.)	375ml El Mayor Blanco Tequila	12 Bottles
	750ml El Mayor Extra Anejo Tequila	6 Bottles
	375ml El Mayor Reposado Tequila	12 Bottles
The Country Vintner, Inc.	375ml Bittermens Amere Sauvage	12 Bottles
(NWS Michigan, Inc.)	375ml Bittermens Commonwealth	12 Bottles
	375ml Bittermens Hiver Amer	12 Bottles
	375ml Bittermens New Orleans	12 Bottles
	750ml Boyd & Blair Potato Vodka	6 Bottles
	750ml Boyd & Blair Potato Vodka-151	6 Bottles
	750ml Breuckelen 77 Whiskey	6 Bottles
	750ml Breuckelen Glorious Gin	6 Bottles
	750ml Dancing Pines Black Walnut	6 Bottles
	750ml Dancing Pines Bourbon Whiskey	6 Bottles
	750ml Dancing Pines Brulee	6 Bottles
	750ml Dancing Pines Cask Rum	6 Bottles
	750ml Dancing Pines Chai	6 Bottles
	750ml Dancing Pines Rum	6 Bottles
	750ml Dancing Pines Spice	6 Bottles
	750ml E G Inspiration Vodka	6 Bottles
	750ml E G Windsor Vodka	6 Bottles
	750ml Hum Botanical Spirit	6 Bottles
	750ml Osocalis Rare Alambic Brandy	6 Bottles
	750ml Ridge Distillery Silvertip Gin	6 Bottles
	750ml Smooth Ambler Barrel Aged Gin	6 Bottles
	750ml Smooth Ambler Greenbrier Gin	6 Bottles
	750ml Smooth Ambler Old Scout BBN	6 Bottles
	750ml Smooth Ambler Whitewater Vodka	6 Bottles
	1000ml Tuthilltown Half Moon Gin	9 Bottles
Diageo Americas, Inc.	50ml Ciroc Amaretto Vodka	60 Bottles
(NWS Michigan, Inc.)	200ml Ciroc Amaretto Vodka	24 Bottles
	375ml Ciroc Amaretto Vodka	12 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 June 30, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Bacardi U.S.A., Inc. (General Wine & Liquor Co.)	50ml Bacardi Rainbow Case PL Rum	60 Bottles
MHW, Ltd. (General Wine & Liquor Co.)	50ml Grey Goose Rainbow Case Vodka	60 Bottles
MHW, Ltd. (NWS Michigan, Inc.)	750ml Troyanska Pear Brandy	6 Bottles
Sazerac Company, Inc. (NWS Michigan, Inc.)	750ml Valco Apple Brandy	6 Bottles
The Country Vintner, Inc. (NWS Michigan, Inc.)	50ml Dr McGillicuddys Apple Pie PL	120 Bottles
	375ml Bittermens Amere Nouvelle	12 Bottles
	375ml Bittermens Citron Sauvage	12 Bottles
	750ml Breuckelen 77 Whiskey Rye-Corn	6 Bottles
	750ml Ridge Absinthe Blanche	6 Bottles
	750ml Ridge Absinthe Verte	6 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective June 2, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Jim Beam Brands Co. (NWS Michigan, Inc.)	750ml Cruzan Velvet Cinn	12 Bottles
	750ml Kessler Spiced PL	12 Bottles
	1750ml Kessler Spiced PL	6 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	750ml Early Times Fire Easter	12 Bottles
E. & J. Gallo Winery (General Wine & Liquor Co.)	750ml Souther Comf Fantasy Football	12 Bottles
Heaven Hill Distilleries, Inc. (General Wine & Liquor Co.)	1750ml Camarena Reposado Tequila	6 Bottles
	1750ml Admiral Nelson's Vanilla PL Rum	6 Bottles
	50ml Burnett's Blackberry Cntr PL	120 Bottles
	50ml Burnett's Cherry Cola Cntr PL	120 Bottles
	750ml Burnett's Pumpkin Spice	12 Bottles
	50ml Burnett's Stwry Banana Cntr PL	120 Bottles
	50ml Burnett's Tropical Fruit Cntr PL	120 Bottles
	750ml Fulton's Harvest Apple Pie	12 Bottles
International Spirits & Wines, LLC (NWS Michigan, Inc.)	750ml McFadden Whiskey	12 Bottles
LAC Products, Inc. (NWS Michigan, Inc.)	750ml Arak El Massaya	12 Bottles
	750ml Arak Fakra	12 Bottles
	750ml Arak Hadad Gold Label	12 Bottles
	750ml Arak Hadad Silver Label	12 Bottles
	750ml Arak Sannine	12 Bottles
	750ml Arak Shellelet Zahle	12 Bottles

MHW, Ltd. (General Wine & Liquor Co.)	750ml Camus Borderies XO	12 Bottles
	750ml Camus XO Elegance	12 Bottles
MHW, Ltd. (NWS Michigan, Inc.)	750ml Cabot Trail Maple Cream	12 Bottles
	750ml Cabot Trail Maple Whiskey	12 Bottles
Overseas International, Inc. (General Wine & Liquor Co.)	750ml Penny Packer Bourbon	12 Bottles
Premiere Distillery, LLC (NWS Michigan, Inc.)	750ml Real Russian Vodka	12 Bottles
Proximo Spirits, Inc. (General Wine & Liquor Co.)	1750ml Hangar 1 Straight Vodka	6 Bottles
Remy Cointreau USA, Inc. (NWS Michigan, Inc.)	1000ml Brugal Especial Extra Dry	12 Bottles
	750ml Brugal Gold Rum	12 Bottles
	750ml Mount Gay Black Barrel	12 Bottles
Luxco, Inc. (General Wine & Liquor Co.)	1000ml Lady Bligh Spiced Rum	12 Bottles
	50ml Lady Bligh Spiced Rum PL	120 Bottles
	750ml Lady Bligh Spiced Rum PL	12 Bottles
	1750ml Lady Bligh Spiced Rum PL	6 Bottles
The Country Vintner, Inc. (NWS Michigan, Inc.)	1000ml Baska Snaps by Bittermens	12 Bottles
	750ml Old Sugar Americanaki Ouzo	12 Bottles
	750ml Old Sugar Cane & Abe	12 Bottles
	750ml Old Sugar Factory Honey	12 Bottles
	750ml Osocalis Apple Brandy	12 Bottles
	750ml Osocalis XO Brandy	12 Bottles
Diageo Americas, Inc. (NWS Michigan, Inc.)	750ml Capt Morgan Spiced Ltd. Edition	12 Bottles
	750ml Ciroc Amaretto Vodka	12 Bottles
	1000ml Ciroc Amaretto Vodka	12 Bottles
	1750ml Ciroc Amaretto Vodka	6 Bottles
Ugly Dog Distillery, LLC (General Wine & Liquor Co.)	750ml Ugly Dog Whipped-Cream Vodka	12 Bottles
Veev Spirits, L.L.C. (General Wine & Liquor Co.)	750ml Veev Vitafrute Cosmopolitan	12 Bottles
	750ml Veev Vitafrute Lemonade	12 Bottles
	750ml Veev Vitafrute Margarita	12 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective June 30, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
The Country Vintner, Inc. (NWS Michigan, Inc.)	750ml Old Sugar Queen Jennie	12 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective June 2, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Bacardi U.S.A., Inc. (General Wine & Liquor Co.)	1750ml Bacardi Superior/50ml Pine PL	6 Bottles
	750ml Bombay Sapphire w/Ice Scoop	6 Bottles
	1750ml DeWars White Label w/Coasters	6 Bottles
Jim Beam Brands Co. (NWS Michigan, Inc.)	375ml Courvoisier VSOP w/50ml Cour VS	12 Bottles
	750ml Hornitos Rep w/50ml Lime Shot	6 Bottles
Pernod Ricard USA, LLC (NWS Michigan, Inc.)	750ml Absolut w/Lemonade	6 Bottles
	750ml Malibu Island Spiced w/Coke	6 Bottles
The Patron Spirits Company (NWS Michigan, Inc.)	1750ml Patron Silver w/Pitcher	3 Bottles
Moet Hennessy USA, Inc. (NWS Michigan, Inc.)	1750ml Belvedere Vodka w/2 Shot Gls	6 Bottles
	375ml Skyy Vodka w/50ml Moscato Grape	12 Bottles
Diageo Americas, Inc. (NWS Michigan, Inc.)	1000ml Baileys Original w/2 Bowls	6 Bottles
	750ml Ciroc Red Berry w/50ml Snp Frost	12 Bottles
	750ml Ciroc Snap Frost w/50ml Red Brry	12 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective June 30, 2013:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
MHW, Ltd. (General Wine & Liquor Co.)	750ml Camus VSOP Elegance w/2 Gls	6 Bottles
	750ml Camus XO Elegance w/2 Gls	6 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective June 2, 2013:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
A. Hardy/U.S.A. Ltd. (General Wine & Liquor Co.)	750ml Belle De Brillet	6 Bottles
Brown-Forman Corp. (General Wine & Liquor Co.)	375ml J Daniels Old 7 Green (Tn)	24 Bottles
	750ml J Daniels Old 7 Green (Tn)	12 Bottles
	1750ml J Daniels Old 7 Green (Tn)	6 Bottles
	750ml J Daniels Single w/Du Tin & 2 Gl	6 Bottles
	375ml Southern Comfort Fiery Pepper	24 Bottles
	750ml Southern Comfort Fiery Pepper	12 Bottles
	1000ml Woodford Reserve Derby 2013	6 Bottles

McCormick Distilling Company, Inc. (General Wine & Liquor Co.)	750ml Ron Rio Rum Silver	12 Bottles
Luxco, Inc. (General Wine & Liquor Co.)	750ml Arrow Pprmnt Schnapp w/Lure PL	12 Bottles
	750ml El Mayor Extra Anejo Tequila	3 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective June 30, 2013:

<u>COMPANY</u>	<u>PRODUCT</u>	<u>PACK SIZE</u>
Pernod Ricard USA, LLC (NWS Michigan, Inc.)	375ml Absolut Citron w/50ml Absolut	12 Bottles
	375ml Absolut Mandrin w/50ml Absolut	12 Bottles
Sazerac Company, Inc. (NWS Michigan, Inc.)	50ml Dr McGillicuddys Apple Pie PL	60 Bottles

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the above actions be taken in accordance with the E-Quote reports dated May 13, 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 three (3) different licensees requesting price reductions; that 98 product price reductions could be approved; and that there were zero (0) products to be denied.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the 98 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.

VI. Ms. Hamilton presented the March, 2013 financial report which shows the results of our operations for the period of October 1, 2012 through March 31, 2013 and is compared with the same 26 week period from the previous fiscal year. Ms. Hamilton advised the Distilled Spirit cases sold increased by 89,841 or 2.5% and the Total Gross Sales increased by almost \$31.1 million or 6.2%. She advised the Net Income from spirit sales was \$81,575,968, a decrease of \$2,339,507 or 2.8%, but the decrease is due to the 1.85% specific tax that was eliminated on October 1, 2012. Ms. Hamilton advised that if we were still collecting this tax, our Net Income would have been about \$5 million higher. She stated the combined Beer and Wine tax revenues were up by \$956,036 or 4.8%.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the March 2013 Financial Report, be accepted, motion carried by unanimous vote.

- V. Ms. Hamilton presented four (4) vendor requests for the continued listing of products which were ordered delisted effective June 30, 2013. She advised that the vendors have asked to save nine (9) products from delisting and that copies of the requests and a summary of the products are on file in the Commission's records. Ms. Hamilton recommends that the Commission approve the requests as these vendors did not receive a full year of sales as there were authorized distribution agent (ADA) changes within the previous 12 months.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the request for continued listing of nine (9) products as attached in the supplemental minutes, be approved; motion carried by unanimous vote.

- VI. Ms. Hamilton presented a request for a Spirit Product Distribution change from Laird & Company (Laird), involving six (6) products, to be effective July 28, 2013. She advised that Laird would like to move these six (6) products from General Wine & Liquor Co. to NWS Michigan, Inc. Ms. Hamilton stated this change would consolidate the warehousing and delivery responsibility along with broker representation for all of Laird's products.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the request of Laird & Company be approved; motion carried by unanimous vote.

- VII. Ms. Hamilton presented a request for a Spirit Product Distribution change from Proximo Spirits, Inc. (Proximo) who ask that they be allowed to distribute the Jose Cuervo and Matador brands through their existing authorized distribution agent (ADA), General Wine & Liquor Co., to be effective July 28, 2013. She advised that Proximo acquired the brands from Diageo Americas, Inc., and the change would consolidate the warehousing and delivery responsibility along with broker representation for all of Proximo's products.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the request of Proximo Spirits, Inc., be approved; motion carried by unanimous vote.

- VIII. Old Business

There was no Old Business.

IX. New Business

There was no Old Business.

X. Public Comments

There were no Public Comments.

With no further business, moved by Commissioner Quimby, supported by Commissioner Olshove, that the business meeting be adjourned at 9:54 a.m., motion carried by unanimous vote.

Anita Fawcett
Executive Services

Teri L. Quimby
Commissioner