

BUSINESS MEETING OF THE

MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, October 9, 2018 Lansing District Office 525 W Allegan Lansing MI 48933

None

Absent:

- Present: Andrew J. Deloney, Chairman Teri L. Quimby, Commissioner Dennis Olshove, Commissioner
- Staff: Pam Hamilton, Director of Finance Division Liliana Paceagiu, Deputy Director of Finance Division Anita Fawcett, Administrative Assistant

The meeting was called to order by Chairman Deloney at 9:47 a.m., noting a quorum was present.

- I. Moved by Commissioner Olshove, supported by Commissioner Quimby, that the minutes of the Commission meeting of September 25, 2018, be approved as written and presented, motion carried by unanimous vote.
- **II.** Ms. Hamilton presented the E-Quote report for product listings in three categories (see attached report) and requested approval of the following:

That 77 new items with case size exceptions be approved for listing with an effective date of October 28, 2018, and that 1 new item with case size exception be approved for listing with an effective date of December 2, 2018; and

That 67 regular new items be approved for listing with an effective date of October 28, 2018; and that 4 regular new items be approved for listing with an effective date of December 2, 2018; and

That 26 new items with special packaging be approved for listing with an effective date of October 28, 2018, and that 2 items with special packaging be approved for listing with an effective date of December 2, 2018.

After discussion, the following products were denied as the Commission does not want to be the wholesaler for these products:

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MHW, Ltd.375ml Twisted Shotz Variety6 Bottles/caseBier Barrel Distillery, LLC750 ml Crescent Creek Bourbon12 Bottles/caseHigh Five Spirits, LLC750ml Mackinac Island Rum12 Bottles/case

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the above actions be taken in accordance with the E-Quote report dated October 3, 2018, as written and presented; motion carried by unanimous vote.

III. Ms. Paceagiu 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 thirty two (32) different licensees requesting price reductions; that 262 product price reductions could be approved; and that 2 product price reductions should be denied.

Moved by Commissioner Olshove, supported by Commissioner Quimby that the 262 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor reports, motion carried by unanimous vote.

Moved by Commissioner Olshove, supported by Commissioner Quimby that 2 special price reductions be denied for the reason stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.

IV. Old Business.

There was no Old Business.

V. New Business.

Chairman Deloney advised that the Commission has received a letter from Attorney Scott Breen who represents the Michigan Beer & Wine Wholesalers Association (MB&WWA), dated September 21, 2018. Chairman Deloney advised they were asking about the Commission policy to allow a licensed retailer to transfer beer and wine from one licensed retail location to a different licensed location. After requesting clarification from Attorney Breen, it was made clear that the letter was not a request for a declaratory ruling. Chairman Deloney advised the Commission would take it under advisement. Meeting Conducted on Tuesday, October 9, 2018 Page 3

VI. Public Comments.

There were no Public Comments.

With no further business, moved by Commissioner Olshove, supported by Commissioner Quimby, that the business meeting be adjourned at 9:50 a.m., motion carried by unanimous vote.

Andrew J. Deloney Chairman

Anita Fawcett Administrative Assistant STUDY MICHIGAN

BUSINESS MEETING OF THE

MICHIGAN LIQUOR CONTROL COMMISSION

- Held: Tuesday, October 16, 2018 Lansing District Office 525 W Allegan Lansing MI 48933
- Present: Andrew J. Deloney, Chairman Teri L. Quimby, Commissioner Dennis Olshove, Commissioner
- Absent: None
- Staff: Kerry Krone, Business Manager Pam Hamilton, Director of Finance Division Sara Weber, Director of Licensing Division David Marvin, Administrative Manager, Licensing Anita Fawcett, Administrative Assistant

The meeting was called to order by Chairman Deloney at 9:30 a.m., noting a quorum was present.

- I. Moved by Commissioner Olshove, supported by Commissioner Quimby, that the minutes of the Commission meeting of October 9, 2018, be approved as written and presented, motion carried by unanimous vote.
- II. Chairman Deloney advised we have received a request for a declaratory ruling from Attorney Sandra Cotter on behalf of Direct Wines Inc. The request was received on October 11, 2018. He stated the Commission, under administrative rule R 436.1973(1) has 30 days to notify the petitioner whether a declaratory ruling will be issued. A copy of the request will be posted to the Commission's website.
- III. Chairman Deloney advised we have received three (3) requests for declaratory ruling from Attorney J. Patrick Howe on behalf of his clients, SLJ Group, Inc., Cornerstone Wine distributors LLC, and Wine Dock Liquor & Fine Wine, Inc., respectively. The requests were received on October 11, 2018. He stated the Commission, under administrative rule R 436.1973(1) has 30 days to notify the petitioner whether a declaratory ruling will be issued. A copy of the request will be posted to the Commission's website.

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> Chairman Deloney advised that these requests for declaratory rulings are public documents and that the public is able to submit written comments to the Commission with regards to these requests. He stated that if the Commission accepts the declaratory rulings, the Commission will have 90 days from the receipt of the requests to issue a ruling. If the requests for the rulings are denied, the Commission will have 30 days from the date of denial to issue a concise written statement with the reasons for denial.

IV. Chairman Deloney advised a request for a declaratory ruling was received on September 18, 2018 from Benjamin Anderson, Corporate Counsel for Meijers, Inc., regarding certain parcels of real property commonly known as "425 Agreements". He advised that after reviewing the documents that were submitted, the request is for a different section of the law that is not administered by the Commission.

After a brief discussion on the issue, it was **Moved by Chairman Deloney**, supported by Commissioner Olshove, that the request for a declaratory ruling be denied, motion carried by unanimous vote.

Under administrative rule R 436.1975, if a request for a declaratory ruling is denied, the Commission shall issue a concise written statement of its principal reasons for denial within 30 days of the denial.

V. Old Business.

There was no Old Business.

VI. New Business.

Ms. Hamilton requested approval of a bulletin for the submission of quotations for Quarterly Price Book, which is effective February 3, 2019. She advised this is a routine bulletin sent out quarterly to Vendors of Spirits and Vendor Representatives to remind them of the deadlines for the next price book.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that Bulletin No. 2018-06, Quarterly Price Book Deadline Dates, be approved as written and presented, motion carried by unanimous vote.

VII. Public Comments.

There were no Public Comments.

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With no further business, moved by Commissioner Olshove, supported by Commissioner Quimby, that the business meeting be adjourned at 9:40 a.m., motion carried by unanimous vote.

Andrew J. Deloney Chairman



BUSINESS MEETING OF THE

MICHIGAN LIQUOR CONTROL COMMISSION

- Held: Tuesday, October 30, 2018 Lansing District Office 525 W Allegan Lansing MI 48933
- Present: Andrew J. Deloney, Chairman Dennis Olshove, Commissioner
- Absent: Teri L. Quimby, Commissioner
- Staff: Kerry Krone, Business Manager Tom Hagan, Director of Enforcement Division Barb Subastian, Regional Supervisory Enforcement Division Sara Weber, Director of Licensing Division Julie Wendt, Director of Executive Services Jason Geissler, Assistant Attorney General Anita Fawcett, Administrative Assistant

The meeting was called to order by Chairman Deloney at 9:36 a.m., noting a quorum was present.

- I. Moved by Commissioner Olshove, supported by Chairman Deloney that the minutes of the Commission meeting of October 16, 2018, be approved as written and presented, motion carried by unanimous vote.
- II. Chairman Deloney advised we have received a request for a declaratory ruling from Attorney Sandra Cotter on behalf of Direct Wines Inc. He also advised we have received three (3) requests for declaratory rulings from Attorney J. Patrick Howe on behalf of his clients, SLJ Group, Inc., Cornerstone Wine Distributors LLC, and Wine Dock Liquor & Fine Wine, Inc., respectively.

Chairman Deloney advised we have received a letter from Attorney Scott Breen on behalf of his client, Michigan Beer & Wine Wholesalers Association, which was received late in the afternoon on Monday, October 29, 2018 in response to the requests for declaratory rulings. Attorney Cotter and Attorney Howe advised they would like the Commission to make a decision based on the merits of their request and not let the letter from Attorney Breen sway their judgement.

After discussion by the Commission on these matters, it was:

Moved by Chairman Deloney, supported by Commissioner Olshove, that the request for a declaratory ruling from Direct Wines, Inc. be denied, motion carried by unanimous vote.

Moved by Chairman Deloney, supported by Commissioner Olshove, that the request for a declaratory ruling from SLJ Group, Inc. be denied, motion carried by unanimous vote.

Moved by Chairman Deloney, supported by Commissioner Olshove, that the request for a declaratory ruling from Cornerstone Wine Distributors LLC, be denied, motion carried by unanimous vote.

Moved by Chairman Deloney, supported by Commissioner Olshove, that the request for a declaratory ruling from Wine Dock Liquor & Fine Wine, Inc. be denied, motion carried by unanimous vote.

Moved by Chairman Deloney, supported by Commissioner Olshove, that the request for a motion to hold the Commission's Enforcement Division in abeyance, received from Direct Wines, Inc. be denied, motion carried by unanimous vote.

Under administrative rule R 436.1975, if a request for a declaratory ruling is denied, the Commission shall issue a concise written statement of its principal reasons for denial within 30 days of the denial.

V. Old Business.

There was no Old Business.

VI. New Business.

None

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VII. Public Comments.

There were no Public Comments.

With no further business, moved by Commissioner Olshove, supported by Chairman Deloney, that the business meeting be adjourned at 9:46 a.m., motion carried by unanimous vote.

Andrew J. Deloney Chairman

Anita Fawcett Administrative Assistant