



STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY
AFFAIRS LIQUOR CONTROL COMMISSION

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In the matter of Distilled Spirit)
Value Added Packages, Distributed by the)
Authorized Distribution Agents)

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

NWS Michigan, LLC)
13000 Eckles Road)
Livonia, MI 48150)

Imperial Beverage Company)
3825 Emerald Drive)
Kalamazoo, MI 49001)
_____)

At the April 7, 2020 meeting of the Michigan Liquor Control Commission (Commission) in Lansing, Michigan.

PRESENT: Pat Gagliardi, Chair
Dennis Olshove, Commissioner
Geraldyn A. Lasher, Commissioner

ADMINISTRATIVE ORDER NO. 2020-12
DISTILLED SPIRIT VALUE ADDED PACKAGES

Article IV, Section 40, of the Constitution of Michigan (1963), permits the Legislature to establish a Liquor Control Commission, which shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. The Commission has the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof, subject to the Liquor Control Code's provisions. MCL 436.1201(2).

Further, the Commission may establish, by order, further business operating procedures for authorized distribution agents (ADAs) relative to the wholesaling and distribution of spirits. Mich Admin Code, R 436.1802(14).

In order to regulate distilled spirit products offered for sale within the state, the Commission finds that Administrative Order 2020-01, which was issued on January 29, 2020, should be amended to address concentrated distilled spirit products.

After review and discussion of these issues at the meeting, the Commission finds that Administrative Order 2020-01, dated January 29, 2020, should be rescinded effective immediately and replaced with this administrative order. The only change this order makes to the substantive provisions of Administrative Order 2020-01 is to permit concentrated distilled products in sizes smaller than other standard bottle sizes to be combined to equal a standard bottle size.

THEREFORE, IT IS ORDERED THAT:

- A. Administrative Order 2020-01 issued by the Commission regarding distilled spirit value added package requirements is rescinded effective immediately. Administrative Order 2015-02, dated March 3, 2015, is also rescinded.
- B. A vendor/supplier may offer for sale any of the following value added packages, after approval by the Commission with a liquor code assigned:
 1. A package that contains one 50 milliliter (ML), one 100 ML, one 200 ML, one 375 ML, one 750 ML, one 1000 ML or one 1750 ML size bottle (primary bottle) of a distilled spirit product and non-alcoholic merchandise.
 - a. Non-alcoholic merchandise must be attached to the primary bottle.
 2. A package that contains one primary bottle of a distilled spirit product and a bonus distilled spirit product in one 50 ML bottle, subject to the following:
 - a. The bonus 50 ML bottle may contain either the same distilled spirit product or a different distilled spirit product from the primary bottle.

- b. The distilled spirit product in the bonus 50 ML bottle must be listed with the Commission.
 - c. The bonus 50 ML bottle must be attached to the primary bottle.
 - 3. Each primary bottle cannot be composed of smaller sizes to “equal” a standard bottle size, unless the smaller sizes are comprised of concentrated distilled spirits.
- C. The vendor/supplier must complete the comments section in E-Quote to include a detailed description of the contents in the value added package.
- D. The certified ADAs may warehouse and distribute only those distilled spirit value added packages that have been approved by the Commission.
- E. For all distilled spirit value added packages approved by the Commission, the certified ADA shall not separate from the primary bottle any of the items attached or enclosed in the package.
- F. For all distilled spirit value added packages approved by the Commission, licensed off-premises retailers shall not separate from the primary bottle any of the items attached or enclosed in the package.
- G. This Administrative Order is effective immediately.
- H. Products currently listed that do not comply with this Order will be delisted effective May 3, 2020, and not available for pickup by or delivery to licensees on or after that date. Products received by licensees prior to May 3, 2020 may continue to be sold by licensees on or after May 3, 2020 until the product is depleted.

MICHIGAN LIQUOR CONTROL COMMISSION



Pat Gagliardi, Chair



Dennis Olshove, Commissioner



GERALYN A. LASHER, Commissioner

Dated: April 7, 2020
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