

THE ROMAIN GROUP, LLC
LAWYERS & PUBLIC POLICY ADVOCATES

UNION BANK TOWER
707 S.W. WASHINGTON STREET, SUITE 927
PORTLAND, OREGON 97205
TELEPHONE: 503-226-8090
FAX: 503-227-0351

PAUL R ROMAIN
PROMAIN@THEROMAINGROUP.COM
DANELLE ROMAIN
DROMAIN@THEROMAINGROUP.COM

January 12, 2012

Steve Pharo, Administrator
Oregon Liquor Control Commission
9079 SE McLoughlin Blvd.
Portland, OR 97222

RECEIVED
OLCC
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ADMINISTRATIVE
PROCESS DIVISION

Re: Petition to Adopt Rule

Dear Mr. Pharo,

We represent the Oregon Beer & Wine Distributors Association (OBWDA). OBWDA hereby petitions the OLCC to adopt the attached rule regarding the transfer of small quantities of wine from one wholly-owned retail location to another wholly-owned location to manage inventory. All multi-location retailers will be interested in the proposed rule.

The rule would allow a retail licensee with multiple locations to transfer very limited quantities of wine from one location to another. The amount is minimal because the retail licenses do not allow a retailer to transport significant quantities of wine from one location to another. Even though the retail license does not specifically allow storage of wine, the Commission allows a retailer to store enough wine on its premises to facilitate sales of the product, but it does not allow storage of a large quantity that is not going to be sold at that location.

Similarly, the retail license does not allow transportation of wine, but the Commission could allow a limited amount of wine to be taken from one location and delivered to another, wholly-owned location to assist with inventory control or to correct an error in ordering. The rule would not allow one retail location to be used as a storage facility for other retail locations because the quantities allowed to be moved out of or in to a location are so limited.

OBWDA believes that this proposal will reduce costs for retailers by allowing them to move limited quantities of inventory quickly if it would sell better in another wholly-owned location. At the same time, the required record-keeping would assure that suppliers and distributors know where the product is in the event that there is a problem.

Thank you for considering this proposal.

Very truly yours,



Paul R Romain

Wine Transfer Proposed Rule:

For the purposes of balancing inventory at multiple locations, the Commission will allow the transfer of a limited amount of product from one retail location to another location wholly owned by the same entity.

A full on-premises sales license issued pursuant to ORS 471.175, a limited on-premises sales license issued pursuant to ORS 471.178 and an off-premises sales license issued pursuant to ORS 471.186 may transfer small quantities of wine from one licensed retail location to another licensed retail location under the following conditions:

1. Both licensed locations must be under the control of the exact same ownership and license holders;
2. No more than a total of ten cases of wine, irrespective of brand, may be transferred from any one location to another within a twelve month period;
3. No more than a total of ten cases of wine, irrespective of brand, may be received by any one location from all other locations within a twelve month period; and
4. The wholesaler or supplier delivering the wine to the original location must be notified in writing, within 5 days after the date of the transfer, of the date of the transfer, the quantity of transferred wine, and the location from which the wine is being transferred and the location where the wine is being delivered. The retailer and wholesaler or supplier must keep a copy of the written notice for two years after the date of the notice.