



COLORADO

Department of Revenue

Specialized Business Group—
Liquor & Tobacco

Physical Address:
1707 Cole Boulevard, Suite 300
Lakewood, CO 80401

Mailing Address:
P.O. Box 17087
Denver, CO 80217-0087
Fax: 303-866-2428

Liquor Advisory Group Marketplace Structure Subgroup

July 20, 2023

Meeting will be held virtually

8:30 a.m. - 10:30 a.m. MT

Zoom Link: <https://zoom.us/j/98490657695?pwd=OFU0SVJ4TG1GdnB5Y0VOODZCS2VYUT09>

This subgroup will consider changes to the marketplace structure and regulation of manufacturers, wholesalers and retailers that would allow for greater trade and competition within and between the tiers for a fairer and equitable marketplace.

Agenda:

8:30 a.m.	Welcome and Introductions
8:40 a.m.	Review subgroup process/expectations <ul style="list-style-type: none"> ● Review timeline of topics (see bottom of agenda) ● Volunteer to provide subgroup update at the August LAG meeting.
8:50 a.m.	Topic Discussion: <ul style="list-style-type: none"> ● Wholesaler to Retailer Issues <ul style="list-style-type: none"> ○ Merchandising material and marketing support - Topic identified during initial LAG meeting. <ul style="list-style-type: none"> ■ Public Comment ○ Equitable pricing and volume purchasing - Topic identified during initial LAG meeting. <ul style="list-style-type: none"> ■ Public Comment ○ Damaged product - Topic identified during initial LAG meeting. <ul style="list-style-type: none"> ■ Public Comment ○ Credit terms- Received from Wendy Turk <ul style="list-style-type: none"> ■ Public Comment ● Eliminate the “4th tier” import license required for wine and spirits importing and wholesaling in Colorado. - Received by Mike Lazlo <ul style="list-style-type: none"> ○ Public Comment ● Permit Distilleries and Distillery Pubs to be Alternating Proprietorships. - Received by Mike Lazlo <ul style="list-style-type: none"> ○ Public Comment
10:10 a.m.	Public Comment
10:25 a.m.	Next Steps
10:30 a.m.	Adjourn

Subgroup Members:

Fuad Jezzini, *Wholesaler (Vinous/Spirituos)*
 Joe Durso, *National Spirituous Manufacturer*
 Dan Diebolt, *Local Brewery (Small)*
 Anne Huffsmith, *National Vinous Manufacturer*
 Kris Staaf, *Off-Premises Retailer (Large)*
 Jim Shpall, *Off-Premises Retailer (Medium)*

Eric Foster, *Hard Cider Industry*
 Seyoum Tesfaye, *Off-Premises Retailer (Small)*
 Stephen Gould, *Local Spirituous Manufacturer*
 Robert Hunt, *Brewery (Large)*
 Joseph Dirnberger, *Colorado State Patrol*

Timeline of Marketplace Structure Discussion Topics

Note: Sequencing of topics may change throughout process due to varying factors and/or needs

2023	Topic(s) to be discussed and create recommendations	Requested information?
March	<ul style="list-style-type: none"> ● Further discussion of beer and spirits direct to consumer sales particularly regarding: <ul style="list-style-type: none"> ○ Regulation of delivery ○ Mitigation of any impacts to wholesalers & retailers ● Allow wholesalers to hold sampling opportunities for retailers at trade shows 	
April	<ul style="list-style-type: none"> ● Modifications to the 3-tier system: <ul style="list-style-type: none"> ○ Review of regulatory differences among manufacturers and consider any changes ○ Should wholesalers have a monopoly on specific brands/manufacturers? ○ Should retailers be allowed to purchase from multiple wholesalers? 	
May	<ul style="list-style-type: none"> ● Modifications of 3-Tier System <ul style="list-style-type: none"> ○ Alternate proprietorships between beer, wine, spirits ○ Noncontiguous production sites ● Allow large retailers to warehouse 	
June	<ul style="list-style-type: none"> ● Modifications to 3-Tier System <ul style="list-style-type: none"> ○ Should manufacturers be allowed to sell directly to retailers? ● Consideration of tax equity and collection 	
July	<ul style="list-style-type: none"> ● Consideration of wholesaler to retailer issues: <ul style="list-style-type: none"> ○ Merchandising material and marketing support ○ Equitable pricing and volume purchasing ○ Damaged product 	
August	<ul style="list-style-type: none"> ● Consideration of Direct to Consumer sales proposal which was postponed earlier by LAG. ● Continuation of any previous issues not yet discussed or resolved 	

	<ul style="list-style-type: none">• Consideration of any new marketplace structure issues not identified in January but identified in subsequent work of the LAG or subgroups	
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