

Christine Zike  
Biagio Cru and Estate Wines, LLC

VIA E-MAIL: [czike@biagiocru.com](mailto:czike@biagiocru.com)

**RE: Importation and Military Sales**

Dear Ms. Zike:

ISSUE: This is in response to your December 4, 2014 e-mail, in which you state that you are an importer of wine based in New York and that you have a "supplier license" issued by the Pennsylvania Liquor Control Board ("Board"). You ask if it is legal for your company to send unidentified product (presumably wine) to an unidentified warehouse in Pennsylvania so that the warehouse can deliver the product to the military. It is further presumed that you are referring to military installations located in Pennsylvania, and not to individual members of the military who may happen to be in Pennsylvania. It is not clear to which entity payment would be made by the military installations.

Board records indicate that Biagio Cru and Estate Wines LLC ("Biagio") is currently the holder of Vendor Permit No. VP-616 (LID 47157) with a registered address of 73 Powerhouse Road, Roslyn Heights, New York. Biagio was previously the holder of Importer License No. I-720 (LID 50687) for the premises located at 530 California Road, Quakertown, Pennsylvania; however, that license expired on December 31, 2004 and was not renewed.

OPINION: Section 11.11 of the Board's regulations allows United States Armed Forces facilities located within Pennsylvania to procure alcoholic beverages from (a) licensed Pennsylvania importers (i.e., holders of importers' licenses), (b) licensed Pennsylvania manufacturers of alcoholic beverages, (c) licensed distributors and importing distributors, and (d) state liquor stores. [40 Pa. Code Section 11.11]. Biagio's importer license expired ten (10) years ago and was not renewed; therefore, in order to sell to the Board, to licensed manufacturers or to Pennsylvania military installations, Biagio would need to apply for a new importer license and receive Board approval. [Id.].

Alternatively, as the holder of a vendor's permit, Biagio may solicit orders for its products from military installations. [40 Pa. Code Sections 13.71, 13.73]. If Biagio has a relationship with another licensed importer, this importer could sell Biagio's products directly to the military installation. It should also be noted that licensed importers may deliver directly to military installations.

To refresh your recollection, an importer's license permits the holder to bring or import into Pennsylvania from other states or United States possessions and foreign countries, and to purchase wine and liquor from manufacturers located outside Pennsylvania which will be sold either outside Pennsylvania or to the Board. All importations of wine and/or liquor into Pennsylvania by the licensed importer must be consigned to the Board or to the principal place of business or authorized place of storage maintained by the licensee. [47 P.S. Section 4-410(e)].

Once the wine is properly imported into Pennsylvania via a licensed importer, the product may be stored by the importer at its warehouse or at storage facilities maintained by a bailee-for-hire licensee or a bonded warehouse licensee. [47 P.S. Sections 4-410, 5-501 and 5-505.1]. From these storage locations, sales to military installations may be conducted as described above.

Alternatively, Biagio may submit a listing proposal to the Board for the sale of its products through the Board's approximately six hundred (600) wine and spirits stores. Products not listed for regular sale through the Board's wine and spirits stores may be acquired by residents of the Commonwealth (including licensees of the Board and military installations) via special liquor order ("SLO"). [47 P.S. Section 3-305]. SLOs may be placed at any of the Board's wine and spirits stores, or via the Bureau of Product Selection at (717) 783-7601. SLOs must be shipped to a Board-operated store and may be either for personal use or, if purchased by a licensee, for resale in any licensed establishment.

Please note that the holder of a vendor's permit may sell liquor to the Board and employ agents who may promote the sale of liquor through the Board's wine and spirits stores. [40 Pa. Code Section 13.71]. Such agents may also solicit from licensees orders for those brands of liquor that have been listed as an SLO or luxury item. [40 Pa. Code Section 13.73]. SLOs or luxury item orders obtained by the licensed vendors or their agents shall be filed with one (1) of the wine and spirits stores. [40 Pa. Code Section 13.73]. All special liquor order purchases and luxury item purchases must first be consigned to a wine and spirit store before being released for delivery to the consumer. SLOs and luxury item orders placed by a licensed vendor or the vendor's agent for a retail customer may be released by the wine and spirits store for delivery to the consumer. [40 Pa. Code Section 13.79(d)]. A vendor's permit would permit this service. Furthermore, a fee may be charged for these services.

THIS OPINION APPLIES ONLY TO THE FACTUAL SITUATION DESCRIBED HEREIN AND DOES NOT INSULATE THE LICENSEE OR OTHERS FROM CONSEQUENCES OF CONDUCT OCCURRING PRIOR TO ITS ISSUANCE. THE PROPRIETY OF THE PROPOSED CONDUCT HAS BEEN ADDRESSED ONLY UNDER THE LIQUOR CODE AND REGULATIONS. THE LAWS AND POLICIES ON WHICH THIS OPINION IS BASED ARE SUBJECT TO CHANGE BY THE LEGISLATURE OR THE PENNSYLVANIA LIQUOR CONTROL BOARD.

Very truly yours,

FAITH S. DIEHL  
CHIEF COUNSEL

cc: Pennsylvania State Police, Bureau of Liquor Control Enforcement

Jerry W. Waters, Director of Office of Regulatory Affairs  
Tisha Albert, Director, Bureau of Licensing  
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