

**STATE OF VERMONT
LIQUOR CONTROL BOARD**

**IN RE: G. GAUTHIER CELLARS, INC.
 D/B/A GAUTHIER SELECT VINEYARDS
 1075 BUCHLI STATION ROAD
 NAPA, CALIFORNIA**

DECISION AND ORDER REVOKING DIRECT SHIPPERS LICENSE

The Liquor Control Board (“Board”) held formal proceedings in Montpelier, Vermont, on June 11, 2014 to consider the suspension or revocation of the Direct Shipper’s License granted to G. Gauthier Cellars Inc. d/b/a Gauthier Select Vineyards (“Licensee”). The Licensee failed to appear. Assistant Attorney General Jacob A. Humbert, Esq. represented the Department of Liquor Control (“DLC”).

ISSUE PRESENTED:

1. Whether G. Gauthier Cellars, Inc. d/b/a Gauthier Select Vineyards violated 7 V.S.A. §66(e)(4)(A)-(C). If so, what sanction is appropriate?

EXHIBITS:

1. State’s Exhibit 1: 2011 *Stipulation and Consent Order*
2. State’s Exhibit 2: *Notice Of Hearing*
3. State’s Exhibit 3: Return Receipt showing mailing date and receipt of State’s Exhibit 2.

FINDINGS OF FACT

1. At all relevant times, Licensee held a Direct Shipper’s License that permitted it to ship vinous beverages directly to a consumer.
2. DLC sent Licensee and Licensee received a Notice of Hearing dated March 24, 2014 alleging violations of 7 V.S.A. §66(e)(4)(A)-(C).
3. Licensee failed to appear at the properly noticed hearing.

4. Even in Licensee's absence, the Board required that DLC prove Licensee's alleged violations.
5. 7 V.S.A. §66(e) requires that:
A holder of any shipping license granted pursuant to this section shall: [...]
 - (4) Report at least twice a year to the department of liquor control in a manner and form required by the department all the following information:
 - (A) The total amount of vinous beverages shipped into or within the state for the preceding six months.
 - (B) The names and addresses of the purchasers to whom the vinous beverages were shipped.
 - (C) The date purchased, if appropriate, the name of the common carrier used to make each delivery, and the quantity and value of each.
2. Licensee was required to submit timely reports.
3. Licensee failed to submit the required, timely reports.
4. Previously, in 2011, Licensee violated the same statute. It entered into a *Stipulation and Consent Order* by which Licensee assured DLC and the Board that further compliance issues would not occur.

CONCLUSIONS OF LAW

1. Licensee, as the holder of a Direct Shipper's License, failed to submit timely reports as required by 7 V.S.A. §66(e)(4)(A)-(C) and has, therefore, violated that statute.
2. Under 7 V.S.A. §66(j), the Board has broad discretion to suspend or revoke a Licensee's license for such a violation, "among all other remedies available to the board."
3. Given the current and prior compliance issues, revocation is the most appropriate sanction.

ORDER

Based on the foregoing, the Board hereby **REVOKES** G. Gauthier Cellars, Inc. d/b/a Gauthier Select Vineyards' Direct Shipper's license effective June 11, 2014. Should G. Gauthier Cellars Inc. d/b/a Gauthier Select Vineyards and/or any successor entity, be it an individual, partnership or corporation, hereafter seek a new Direct Shipper's License, it shall submit a complete application and appear in person before the Board to address its violations of Vermont law and its failure to appear at the June 11, 2014 hearing before any consideration may be given.

A "successor entity" for this purpose, is an entity that consists in whole or in part, some or all, of the same stockholders, directors, officers, partners and/or individuals.

DATED at Essex Junction, Vermont, on this 23 day of June 2014

VERMONT LIQUOR CONTROL BOARD

By: Melissa Mazza-Paquette
Melissa Mazza-Paquette, Member