



*Commonwealth of Massachusetts  
Alcoholic Beverages Control Commission  
95 Fourth Street, Suite 3  
Chelsea, Massachusetts 02150-2358*

**Jean M. Lorizio, Esq.**  
*Chairman*

**DECISION**

**MASTER BRANDS MASSACHUSETTS LLC  
20 OAK STREET, SUITE 1  
NEEDHAM, MA 02492  
LICENSE#: WA-LIC-000428  
VIOLATION DATES: 1/1/2019 to 9/1/2019  
HEARD: 10/12/2021**

Master Brands Massachusetts LLC (the "Licensee" or "MBM") holds an all-alcoholic beverages wholesaler license issued pursuant to M.G.L. c. 138, § 18. The Alcoholic Beverages Control Commission ("ABCC" or "Commission") held a remote hearing via Microsoft Teams on Tuesday, October 12, 2021, regarding alleged violations of:

- 1) M.G.L. Ch. 138, § 18 In order to ensure the necessary control of traffic in alcoholic beverages for the preservation of the public peace and order, the shipment of such beverages into the commonwealth, except as provided in this section and section 19F, is hereby prohibited;
- 2) M.G.L. Ch. 138, § 18B No person who holds a certificate under this section shall hold or be granted a license under section eighteen;
- 3) M.G.L. Ch. 138, § 23 Transfer of the privilege of a license without proper approval;
- 4) M.G.L. Ch. 138, § 77 The licensing authorities may, after hearing or reasonable opportunity therefor, cancel any license issued under this chapter if the licensee ceases to conduct the licensed business.
- 5) M.G.L. Ch. 138, § 18 All alcoholic beverages, wines and malt beverages purchased by any licensee under this section, and all alcoholic beverages, wines and malt beverages shipped into the commonwealth pursuant to any such purchase, shall be warehoused at the warehouse facilities of such licensee and held in his physical possession at such warehouse prior to reshipment to persons holding licenses under section twelve or section fifteen;
- 6) 204 CMR 2.02 (2) Nor shall there be inserted in any invoice given or accepted by any licensee any statement which makes the invoice a false record, wholly or in part, of the transaction represented therein; nor shall there be withheld from any invoice given or accepted by any licensee any statements which properly should be included therein, so that in the absence of such statements the invoice does not truly reflect the transaction involved.

The above captioned occurred from January 1, 2019, through September 1, 2019, according to Investigator Velez's report.

The following documents are in evidence:

1. Investigative Report;
  2. Master Brands Massachusetts LLC 2018 and 2019 ABCC Wholesaler Licenses;
  3. Master Brands Massachusetts LLC ABCC license File;
  4. Connecticut Secretary of State records for Master Brands Distributors LLC;
  5. Connecticut Secretary of State records for Master Brands Holding LLC;
  6. Wine Trust Cellars LLC 2019 ABCC COC License;
  7. Wine Trust Cellars LLC's New York State Liquor Authority file;
  8. Connecticut Secretary of State records for Gironde Partners LLC and Nine Carlyle LLC;
  9. Gironde website information;
  10. Angers Trucking Inc. 2019 ABCC Express Transportation and Public Warehouseman's Permits;
  11. Email Correspondence from Ryan Freely;
  12. Pictures of the Licensed Premises of Master Brands Massachusetts LLC;
  13. Email Correspondence from Ryan Freeley;
  14. Invoices of Angers Trucking Inc. deliveries and manifests;
  15. Purchase Orders of Master Brands Massachusetts LLC;
  16. Invoices provided by Master Brands Massachusetts LLC ;
  17. Wine Trust Cellars LLC's Credit Memorandums;
  18. Invoices and records of payment by Falmouth Wine and Spirits, Cedarville Wine and Spirits, Blanchard's, and Duxbury Wine and Spirits;
  19. Master Brands Massachusetts, LLC/ Wine Trust Cellars, LLC's invoices to Massachusetts retailers and copies of checks.
- A. Master Brands Massachusetts LLC's Corporate Organizational Chart.

There is one (1) audio recording of this hearing and two (2) witnesses testified.

## FINDINGS OF FACT

1. Master Brands Massachusetts, LLC (the "Licensee" or "MBM") is licensed by the Commission pursuant to M.G.L. c. 138, §18. MBM held a § 18 wine and malt beverages license from August 5, 2013, through March 8, 2016, when MBM was approved by the Commission for a § 18 all-alcoholic beverages license. MBM's address is 20 Oak Street, Suite 1, Needham, Massachusetts. Ryan Freeley is the license manager of MBM (Exhibits 1, 3)
2. Mr. Freeley is the sole LLC Manager of MBM. MBM is 100% owned by Master Brands Distributors, LLC ("MBD"), a Connecticut Limited Liability Company located at 325 Riggs Street, Oxford, Connecticut. (Exhibits 3, 13)
3. The Connecticut Secretary of State Corporations Division records identify the sole member of MBD as Master Brands Holding, Inc. ("MBH"), located at 325 Riggs Street, Oxford, CT. (Exhibit 4)
4. The Connecticut Secretary of State Corporations Division records indicate MBH's officers are: Hendrik Jacobus Van Der Merwe, Director; Timothy Clew, Director; Brian Mota, Director; Tony Wion, Director; and Jamie Bachrach, President. (Exhibit 5)
5. Wine Trust Cellars, LLC ("WTC") held a Certificate of Compliance pursuant to M.G.L. c. 138, § 18B which was approved by the Commission on March 30, 2015. WTC's business address is 160 June Road, Suite 212, North Salem, New York. WTC last held a Certificate of Compliance for the calendar year 2019. (Testimony, Exhibits 1, 6, 7)
6. Records from the NYSLA indicate Brian Mota as WTC's President and Manager. Since April 1, 2016, WTC was 100% owned by Master Brands Distributors ("MBD"). (Exhibit 7)

## DISCUSSION

Licenses to sell alcoholic beverages are a special privilege subject to public regulation and control, Connolly v. Alcoholic Beverages Control Comm'n, 334 Mass. 613, 619 (1956), for which States have especially wide latitude pursuant to the Twenty-First Amendment to the United States Constitution. Opinion of the Justices, 368 Mass. 857, 861 (1975). The procedure for the issuance of licenses and required conduct of licensees who sell alcoholic beverages is set out in Massachusetts General Laws, Chapter 138.

Chapter 138 gives the Commission the authority to grant, revoke and suspend licenses. Chapter 138 was "enacted ... to serve the public need and ... to protect the common good." M.G.L. c. 138, § 23. "[T]he purpose of discipline is not retribution, but the protection of the public." Arthurs v. Bd. of Registration in Medicine, 383 Mass. 299, 317 (1981). The Commission is given "comprehensive powers of supervision over licensees." Connolly, 334 Mass. at 617.

The "[r]egulation of the liquor industry in Massachusetts is comprehensive and pervasive." Cellarmaster Wines of Mass., Inc. v. Alcoholic Beverages Control Comm'n, 27 Mass. App. Ct. 25, 27 (1989); see Miller Brewing Co. v. Alcoholic Beverages Control Comm'n, 56 Mass. App. Ct. 801, 808-809 (2002). "Massachusetts law requires that alcohol products sold in this State by

manufacturers or suppliers be sold initially to licensed Massachusetts wholesalers. Those wholesalers in turn sell to retailers who sell to consumers. G.L. c. 138, §§ 12, 15, 18, 18B, 19.” Heublein, Inc. v. Capital Distributing Co., 434 Mass. 698, 699 (2001); see Miller Brewing Co., 56 Mass. App. Ct. at 808-809.

Section 23 provides that whenever the Commission determines that any holder of a license or permit originally issued by it, “fails to maintain compliance with the requirements of this chapter, . . . it may, after hearing or opportunity therefor, modify, suspend, revoke or cancel such license or permit.” M.G.L. c. 138, § 23. See Number Three Lounge, Inc. v. Alcoholic Beverages Control Commission, 7 Mass. App. Ct. 301 (1979) (affirming decision to revoke license). Section 23 authorizes the imposition of a suspension or revocation for noncompliance. See Cleary v. Cardullo’s, Inc., 347 Mass. 337, 346-350 (1964).

The Commission’s finding of a violation must be based on substantial evidence. See Embers of Salisbury, Inc. v. Alcoholic Beverages Control Comm’n, 401 Mass. 526, 528 (1988). “Substantial evidence” is “such evidence as a reasonable mind might accept as adequate to support a conclusion.” *Id.* Evidence from which a rational mind might draw the desired inference is not enough. See Blue Cross and Blue Shield of Mass. Inc., v. Comm’r of Ins., 420 Mass 707, 710 (1995). Disbelief of any particular evidence does not constitute substantial evidence to the contrary. New Boston Garden Corp. v. Bd. of Assessor of Boston, 383 Mass. 456, 467 (1981).

Here, the Licensee is charged with a violation of M.G.L. c. 138, § 18B: No person who holds a certificate [of compliance] under this section shall hold or be granted a [wholesaler] license under section 18.

M.G.L. c. 138, § 18B further instructs “[v]iolation of the provisions of this section *shall be cause for the revocation of all certificates and licenses held by the certificate holder and his immediate family*. In the case of a corporate certificate holder or licensee any person or his immediate family who owns more than ten per cent of the stock of such corporation shall be deemed to be the certificate holder or licensee under this section.” (Emphasis added) M.G.L. c. 138, § 18B.

The Licensee acknowledged that both MBM and WTC are wholly owned by MBD. However, it argues MBD is merely a pass-through holding company to its ultimate owners, VDM Trust and TWT Investment Partners, L.P.

The Commission is not persuaded by the Licensee’s argument and finds that the evidence shows a violation of M.G.L. c. 138, § 18B did occur.

The Commission is without discretion in this matter and must revoke the Licensee’s § 18 wholesaler license. M.G.L. c. 138, § 18B; see e.g. Griffin’s Brant Rock Package Store, Inc. v. Alcoholic Beverages Control Commission, 12 Mass. App. Ct. 768, 744 (1981) (mandatory “shall” removes discretion from the commission to impose greater or lesser penalties) citing City Bank & Trust Co. v. Board of Bank Incorporation, 346 Mass. 29, 31 (1963).

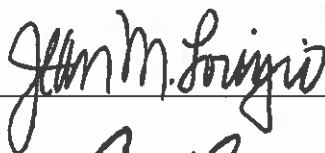
## CONCLUSION

Based on the evidence, the Commission finds the Licensee Master Brands Massachusetts, LLC violated M.G.L. Ch. 138, § 18B: No person who holds a certificate under this section shall hold or be granted a license under section 18. Therefore, the Commission **REVOKES** the § 18 Wholesalers License of Master Brands Massachusetts, LLC **EFFECTIVE FORTHWITH**.

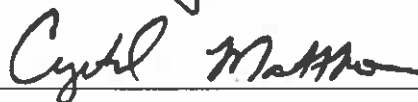
The Commission having found that the Licensee violated § 18B, revocation is dispositive, and it need not determine the merits of the remaining charges.

## **ALCOHOLIC BEVERAGES CONTROL COMMISSION**

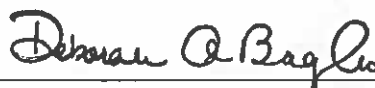
Jean M. Lorizio, Chairman



Crystal Matthews, Commissioner



Deborah A. Baglio, Commissioner



Dated: July 25, 2024

You have the right to appeal this decision to the Superior Courts under the provisions of Chapter 30A of the Massachusetts General Laws within thirty (30) days of receipt of this decision.

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**cc:** Local Licensing Board  
Frederick G. Mahony, Chief Investigator  
Nicholas Velez, Investigator  
Christopher Temple, Investigator  
John P. Connell, Esq.  
Administration, File



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NOTICE OF REVOCATION

July 25, 2024

**MASTER BRANDS MASSACHUSETTS LLC  
20 OAK STREET, SUITE 1  
NEEDHAM, MA 02492  
LICENSE#: WA-LIC-000428  
VIOLATION DATES: 1/1/2019 to 9/1/2019  
HEARD: 10/12/2021**

After a hearing on October 12, 2021, the Commission finds Master Brands Massachusetts LLC violated M.G.L. Ch. 138, § 18B: No person who holds a certificate under this section shall hold or be granted a license under section 18.

The Commission **REVOKES** the § 18 Wholesalers License of Master Brands Massachusetts, LLC **EFFECTIVE FORTHWITH.**

Since the Commission **REVOKES** the license based on the statutory requirements under M.G.L. c. 138, § 18B, it need not determine the merits of the remaining charges.

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You are advised that you have the right to appeal this decision under M.G.L. c. 30A to Superior Court within thirty (30) days upon receipt of this notice.

**ALCOHOLIC BEVERAGES CONTROL COMMISSION**



Jean M. Lorizio  
Chairman

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2019-023954-ad-enf

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