



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

Jean M. Lorizio, Esq.
Chairman

NOTICE OF SUSPENSION

April 4, 2023

**YOU & YOURS DISTILLING COMPANY LLC
1495 G STREET
SAN DIEGO, CA 92101
LICENSE#: CC-LIC-029817
VIOLATION DATES: 11/2/2021 to 11/16/2021
HEARD: 04/12/2022**

After a hearing on April 12, 2022, the Commission finds You & Yours Distilling Company LLC violated

- 1) M.G.L. Ch. 138, § 2 Unlawful Sale, to wit: M.G.L. Ch. 138, § 18B The Commission shall issue a certificate of compliance to a licensee having a place of business located, and a license granted, outside the Commonwealth and whose license authorizes the exportation or sale of alcoholic beverages to licensees in this Commonwealth; (Date of Alleged Violation: November 2, 2021)
- 2) M.G.L. Ch. 138 § 18 Unlawful Shipment: 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 sections 19F and 19G, is hereby prohibited. (Date of Alleged Violations: from November 2, 2021, to November 16, 2021)

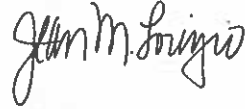
The Commission suspends the license for a period of 30 days to be served.

The suspension shall commence on Monday, June 1, 2023, and terminate on Friday, June 30, 2023. The license will be delivered to the Alcoholic Beverages Control Commission or its designee on Monday, June 1, 2023, at 9:00 A.M. It will be returned to the Licensee on Saturday, July 1, 2023.

You are advised that pursuant to the provisions of M.G.L. c. 138, § 23, you may petition the Commission to accept an offer in compromise in lieu of suspension within twenty (20) calendar days following such notice of such suspension. If accepted, you may pay a fine using the enclosed form which must be signed by the Licensee and a Massachusetts Licensed Accountant.

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

This document is important and should be translated immediately.
Este documento es importante y debe ser traducido inmediatamente.
Este documento é importante e deve ser traduzido imediatamente.
Ce document est important et devrait être traduit immédiatement.
Questo documento è importante e dovrebbe essere tradotto immediatamente.
Το έγγραφο αυτό είναι σημαντικό και θα πρέπει να μεταφραστούν αμέσως.
这份文件是重要的，应立即进行翻译。
यह दस्तावेज़ महत्वपूर्ण है और इसका तुरंत अनुवाद किया जाना चाहिए
Dokiman sa a enpòtan epi li ta dwe tradwi touswit
'Đây là tài liệu quan trọng và cần được dịch ngay'
ឯកសារនេះសំខាន់ណាស់ ហើយត្រូវបកប្រែជាបន្ទាន់។

cc: Local Licensing Board
Frederick G. Mahony, Chief Investigator
Kyle E. Gill, Esq., Associate General Counsel
David Bolcome, Investigator
Mark Dickison, Esq.
Joshua Segal, Esq.
Administration, File



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

Jean M. Lorizio, Esq.
Chairman

DECISION

**YOU & YOURS DISTILLING COMPANY LLC
1495 G STREET
SAN DIEGO, CA 92101
LICENSE#: CC-LIC-029817
VIOLATION DATES: 11/2/2021 to 11/16/2021
HEARD: 04/12/2022**

You & Yours Distilling Company LLC (the “Licensee” or “You and Yours”) holds a certificate of compliance issued pursuant to M.G.L. c. 138, § 18B. The Alcoholic Beverages Control Commission (“ABCC” or “Commission”) held a remote hearing via Microsoft Teams on Tuesday, April 12, 2022, regarding alleged violations of:

- 1) M.G.L. Ch. 138, § 2 Unlawful Sale, to wit: M.G.L. Ch. 138, § 18B The Commission shall issue a certificate of compliance to a licensee having a place of business located, and a license granted, outside the Commonwealth and whose license authorizes the exportation or sale of alcoholic beverages to licensees in this Commonwealth; (Date of Alleged Violation: November 2, 2021)
- 2) M.G.L. Ch. 138 § 18 Unlawful Shipment: 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 sections 19F and 19G, is hereby prohibited. (Date of Alleged Violations: from November 2, 2021, to November 16, 2021)

Prior to the commencement of the hearing the Licensee stipulated to the facts alleged in Investigator Bolcome’s report.

The following documents are in evidence:

1. Investigator Bolcome’s Report;
 2. Licensee’s Commission File;
 3. Screenshots of Alcoholic Beverages Order and Payment;
 4. Photographs re: Alcoholic Beverage’s Delivery;
 5. Licensee’s Stipulation of Facts.
- A. Licensee’s Hearing Memorandum.

There is one (1) audio recording of this hearing.

FINDINGS OF FACT

1. On Tuesday, November 2, 2021, Investigator Bolcome (“Investigator”), visited the Licensee’s website at www.youandyours.com and purchased one 750 ml bottle of You & Yours vodka to be delivered to an address in Beverly, Massachusetts. Once Investigator Bolcome completed the purchase, he was directed to a confirmation page wherein an order number of 462725725 was provided. Investigator Bolcome also received a confirmation via email from no-reply @ editmysite.com. The email referenced confirmation number 462725725 and stated “[t]his email was sent to you by You and Yours Distilling Co.” On the Investigator’s credit card statement, the vendor for the vodka purchase was listed as “YOU AND YOURS DISTILLIN” in the amount of \$54.25. (Testimony, Exhibits 1, 3)
2. On Tuesday, November 16, 2021, Investigator Bolcome received the bottle of You and Yours vodka as it was delivered to the address in Beverly. The FedEx label on the package indicated it had been shipped from You & Yours Distilling Co. 1495 G Street, San Diego, California. (Testimony, Exhibits 1, 4)
3. Upon opening the package, the Investigator observed a 750 ml bottle of You & Yours vodka, 40% alcohol by volume inside. The label of the back of the bottle stated, “Distilled and bottled by You & Yours Distilling Co. in San Diego, CA.” Id.
4. According to the California Department of Alcoholic Beverage Control (“CA-ABC”), 1495 G Street, San Diego, California is the business address of You & Yours Distilling Company, LLC where the entity holds an active Craft Distiller license. You & Yours appears to be licensed with a Craft Distiller license at 367 15th Street, San Diego, California as well. (Testimony, Exhibit 1)
5. According to the California Secretary of State’s Office, You & Yours Distilling Company, LLC is a registered Limited Liability Company with a principal business address of 1495 G Street in San Diego, and its sole manager and chief executive officer is Laura Johnson. Id.
6. According to Commission Records, You and Yours Distilling Company LLC holds a Certificate of Compliance pursuant to M.G.L. c. 138, § 18B first issued August 29, 2019, and exercised at 1495 G Street, San Diego, California. (Testimony, Exhibit 2)
7. M.G.L. c. 138, § 18B states, “*The commission shall issue a certificate of compliance to a licensee having a place of business located, and a license granted, outside the commonwealth and whose license authorizes the exportation or sale of alcoholic beverages to licensees in this commonwealth...*”
8. Ms. Johnson appeared at the Commission hearing and testified You and Yours operates as both a manufacturer and a retailer, with a distillery and tasting room. She explained a temporary change in California law during the COVID-19 pandemic allowed You and Yours to ship directly to consumers within California. Said change was in effect until 12/31/2021. (Testimony)
9. Ms. Johnson testified that an error in the creation of the Licensee’s direct-to-consumer website allowed shipments directly to residents of states other than California. Id.

10. The Licensee has held a license under M.G.L. c. 138, § 18B since 2019 with no prior violations. (Exhibit 2)

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, 534 N.E.2d 21 (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.

Every violation the Commission finds 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).

The Licensee is charged with a violation of M.G.L. Ch. 138, § 2 Unlawful Sale, to wit: M.G.L. Ch. 138, § 18B The Commission shall issue a certificate of compliance to a licensee having a place of business located, and a license granted, outside the Commonwealth and whose license authorizes the exportation or sale of alcoholic beverages to licensees in this Commonwealth, and M.G.L. Ch. 138 § 18 Unlawful Shipment: 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 sections 19F and 19G, is hereby prohibited.

The Commission is persuaded by the evidence and the Licensee stipulated to the fact that a violation of M.G.L. c. 138, § 2, to wit § 18B and § 18 did occur. The Licensee, a certificate of compliance holder, is only authorized to sell and ship alcoholic beverages to *licensees* in the

Commonwealth. You and Yours sold and shipped alcoholic beverages directly to an ABCC Investigator, a Massachusetts consumer. (Exhibits 1, 3, 4)

In this matter, the Commission finds the Licensee violated M.G.L. c. 138, § 2, to wit: c. 138, § 18B and M.G.L. c. 138, § 18.

CONCLUSION

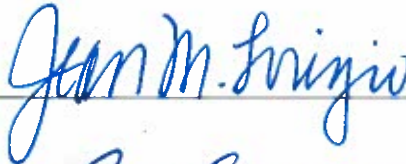
Based on the evidence, the Commission finds the Licensee You & Yours Distilling Company LLC violated:

- 1) M.G.L. Ch. 138, § 2 Unlawful Sale, to wit: M.G.L. Ch. 138, § 18B The Commission shall issue a certificate of compliance to a licensee having a place of business located, and a license granted, outside the Commonwealth and whose license authorizes the exportation or sale of alcoholic beverages to licensees in this Commonwealth;
- 2) M.G.L. Ch. 138 § 18 Unlawful Shipment: 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 sections 19F and 19G, is hereby prohibited.

Therefore, the Commission **suspends the license for a period of thirty (30) days.**

ALCOHOLIC BEVERAGES CONTROL COMMISSION

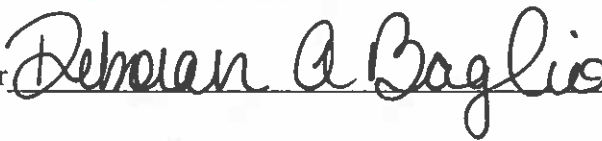
Jean M. Lorizio, Chairman



Crystal Matthews, Commissioner



Deborah A. Baglio, Commissioner



Dated: April 4, 2023

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.

This document is important and should be translated immediately.
Este documento es importante y debe ser traducido inmediatamente.
Este documento é importante e deve ser traduzido imediatamente.
Ce document est important et devrait être traduit immédiatement.
Questo documento è importante e dovrebbe essere tradotto immediatamente.
Το έγγραφο αυτό είναι σημαντικό και θα πρέπει να μεταφραστούν αμέσως.
这份文件是重要的，应立即进行翻译。
यह दस्तावेज़ महत्वपूर्ण है और इसका तुरंत अनुवाद किया जाना चाहिए
Dokiman sa a enpòtan epi li ta dwe tradwi touswit
'Đây là tài liệu quan trọng và cần được dịch ngay'
ឯកសារនេះសំខាន់ណាស់ ហើយត្រូវបកប្រែជាបន្ទាន់។

2022-000029-ad-enf

cc: Local Licensing Board
Frederick G. Mahony, Chief Investigator
Kyle E. Gill, Esq., Associate General Counsel
David Bolcome, Investigator
Mark Dickison, Esq.
Joshua Segal, Esq.
Administration, File