

STATE OF CONNECTICUT

DEPARTMENT OF CONSUMER PROTECTION

IN THE MATTER OF

Do Valle LLC, d/b/a Murphy Distributors  
P.O. Box 623  
Branford, CT 06405  
Permit No. LIW.627

Case No. 2016-940

MEMORANDUM OF DECISION

This matter involves a request by Dancing Coyote for the termination of Do Valle LLC, d/b/a Murphy Distributors, as distributor in the State of Connecticut of its products. Murphy Distributors is the holder of wholesaler liquor permit LIW.627 and Dancing Coyote is the holder of a shipper winery permit LSW.945.

A formal administrative hearing was held on April 6, 2017, at which time Celia McCormack appeared on behalf of Dancing Coyote. No representative from Murphy Distributors appeared however, Matthew Murphy, President of Murphy Distributors, submitted a letter that was entered into the record.

The hearing was held in accordance with Section 30-179(a)(2)(B) of the Connecticut General Statutes. Section 30-17(a)(2)(B) of the Connecticut General Statutes provides the method by which termination or diminishment of a distributorship may occur. The statute provides, *inter alia*,

No such termination or diminishment shall become  
effective except for just and sufficient cause, provided

such cause shall be set forth in such notice and the Department of Consumer Protection shall determine, after hearing, that just and sufficient cause exists...For the purposes of this section, "just and sufficient cause" means the existence of circumstances which, in the opinion of a reasonable person considering all of the equities of both the wholesaler and the manufacturer or out-of-state shipper warrants a termination or a diminishment of a distributorship as the case may be.

The following facts are found based upon the evidence adduced at the hearing. Dancing Coyote and Murphy Distributors began their relationship in February of 2015. An order was placed in March of 2015 and a second in October of 2015. Ms. McCormack testified the invoices were paid late and they are still owed money. Ms. McCormack testified that they are a small winery and this has caused them financial hardship. She stated that for over two years they have tried to work with Murphy Distributors but it has been very difficult. In its letter submitted as Commission Exhibit A, Murphy Distributors indicated it does not wish to work with Dancing Coyote any longer.

The determination of what constitutes "just and sufficient cause" is a matter for this Commission, after considering the equities of both parties to ascertain

whether termination is warranted. Schiefflin & Co. v. Department of Liquor Control, 194 Conn. 165, 479 A.2d 1191 (1984).

The Liquor Control Commission's authority to prescribe the conditions under which distributorships may be terminated is a legitimate method of structuring the state's liquor distribution system. Schiefflin & Co., 194 Conn. At 183. Based upon the substantial evidence presented, we find there is just and sufficient cause to justify the termination of Murphy Distributors as the distributor of Dancing Coyote products, effective immediately. Dancing Coyote's request to terminate Murphy Distributors is hereby granted.

**DEPARTMENT OF CONSUMER PROTECTION  
LIQUOR CONTROL COMMISSION**

BY: Anne K. Stiber  
Anne K. Stiber, Esq.  
Designated Presiding Officer

Angelo J. Faenza  
Angelo J. Faenza, Commissioner

David A. Scribner  
David A. Scribner, Commissioner

Approved, adopted and so ordered this 3<sup>rd</sup> day of May, 2017.

Michelle Seagull  
Michelle Seagull  
Commissioner of Consumer Protection

Parties:

Murphy Distributors

P.O. Box 623  
Branford, CT 06405  
(Via US Mail and Certified Mail)

Dancing Coyote  
P.O. Box A  
Rio Vista, CA 94571

Non-Parties:

John Suchy, Director, Liquor Control Division  
Connecticut Beverage Journal  
Connecticut State Library, 231 Capitol Avenue, Hartford, CT 06106