



# News Release

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## OLCC Commission Meets in Pendleton

**Businesses share logistical market headaches & stories of recovery**

**Commissioners voice concern over troubled operators**

**PENDLETON, Ore.** – Eastern Oregon brewers, wine makers, distillers and restaurateurs informed the Oregon Liquor and Cannabis Commission (OLCC) that they face some unique pandemic induced challenges, as well as challenges similar to their counterparts elsewhere in the state. However, the Commissioners also heard, during their regular monthly meeting on **Wednesday, October 19, 2022**, that there are some bright spots in the region’s distilling and wine making industries.

The Commission also approved final rules on the [marijuana license moratorium](#) enacted by the legislature which is in effect until March 31, 2024. In addition, Commissioners finalized rules requiring marijuana licensees and their employees to [report suspected sex trafficking or human trafficking](#). The Commission also ratified three alcohol licensee stipulated settlements, and a licensing stipulated settlement agreement, but not before issuing a rebuke and a warning to licensees that don’t follow the rules.

The Commission held its monthly meeting in Pendleton, as part of a swing through the northeast part of the state by Commissioners and OLCC staff. In addition to distillers and winemakers, Commissioners also heard invited testimony from eastern Oregon brewers and a Pendleton restaurant operator.

Distillers in eastern Oregon told the Commission that they’re facing supply chain issues, particularly in packaging for bottling and shipping their products. Transportation costs are also limiting the ability for small distillers to self-distribute outside the region.

However, distillers reported that with more than 80 distillers in the state Oregon’s craft distilling industry continues to gain attention. Distillers also expressed gratitude for Oregon’s independently operated liquor stores that showcase Oregon’s distilling industry.

“We get our products out with very little difficulty, and I talk to other distillers in other states and they try to get (their products) listed with the state, and they have a much bigger challenge,” said Brad Irwin, with the Oregon Distillers Guild. “So what you do from a state level is really impressive.”

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OLCC Commission Meeting

Regional brewers signaled that their sales were essentially flat. While some of that is because of limited distribution due to transportation costs, they testified that a tight labor market is limiting their hours of retail operations.

Wine makers from eastern Oregon noted that an increase in direct-to-consumer sales during the pandemic hasn't declined and pointed to the OLCC's flexibility during the heart of the pandemic that allowed tasting rooms to stay open. "We put picnic tables in the vineyard, and we could get socially isolated tastings, it became very popular" said Bob Morus, of Phelps Creek Winery. "And that preserved cash flow for a lot of small wineries, and that was very important."

In other business, the Commissioners also ratified several stipulated settlement agreements, but voiced alarm that some of the licensees, whose settlement agreements were up for consideration, were consistent bad actors.

"I don't see this individual as contrite because they got caught," said Commissioner Marvin Revoal. "Now that they get caught and they want to do better in our eyes (in order) to keep their license. So I want to stress how important it is to me to check up on these individuals regularly."

Commissioners said this type of behavior jeopardizes public safety, and isn't acceptable, but were willing to keep the licensees on a "short leash" for now. "There are significant restrictions put into place that I do feel comfortable that these conditions should help to resolve," said Commissioner Jennifer Currin.

Detailed information on the specific cases below can be found [on the OLCC website](#):

### **Alcohol Stipulated Settlement Agreements**

**ROY'S PIONEER CLUB (F-COM)** in Central Point, will pay a \$4,950 fine AND serve a two-day suspension OR serve a 32-day license suspension for one violation.

**BAYWAY TAVERN (F-COM)** in Nehalem, will pay a \$3,300 fine OR serve a 20-day license suspension for three violations.

**TIKI LOUNGE (F-COM)** in Salem, will pay a \$17,820 AND serve a two-day license suspension fine OR serve a 110-day license suspension for five violations. The licensee also accepts license restrictions.

### **Alcohol Licensing Stipulated Settlement Agreements**

**FOSTER STRIP (F-COM)** in Portland, due to a history of serious and persistent problems at the location the new owners will accept licensing restrictions.