



Questions and Answers

Topic: Live Liquor Auction

Date: November 1, 2012

Q: What exactly is being sold?

A: The WSLCB will be auctioning off its remaining inventory. This is comprised of returned inventory from former state liquor stores and other products suppliers have authorized us to sell. Specifically we will auction off 5 lots of minis, 8 lots of pints and other small sizes, 10 lots of high dollar items, 115 lots of mixed product, including spirits, wine, mixers, garnish and beer.

Q: How much product is being sold?

A: There are approximately 15,000 total cases divided into 138 lots. The LCB's acquisition cost of this product was roughly \$1.29 million.

Q: Where is the auction being held?

A: The auction will be held at the LCB Distribution Center (4401 East Marginal Way South) in Seattle. Since the auction will be held inside a warehouse (which can be dusty and prone to temperature extremes) we encourage you to dress appropriately. Due to limited parking at the Distribution Center we also encourage participants to carpool if possible.

Q: Could I get a good deal at this auction?

A: Yes. The lots are being auctioned with a minimum bid based on our original costs. In addition, the 10 percent distributor fee will not apply to successful bids. However, liter and spirits sales taxes will be applied to all spirits sold to on-premises licensees.

Q: What is a lot?

A: A collection of alcohol and alcohol-related products. The size of each lot will vary. Please refer to the product catalog for the number of cases and pallets in each lot.

Q: Can I inspect the lots before the auction?

A: Lots will not be available for inspection either before, or during the auction. Please consult the auction catalog to view each lot's make-up.

Q: Where can I get a catalog?

A: Catalogs can be downloaded on the WSLCB website from October 20 until November 1. please print your own reference copy before attending the auction.

Q: Can I buy a partial lot?

A: No. All of the lots will be sold as a whole unit.

Q: Is there a minimum bid?

A: Yes, each lot has a reserve price based on the LCB's cost. Starting bid will be set at the cost of the items to the LCB. We will not sell any lot if its reserve price is not met.

Q: Are there taxes and fees on the sale?

A: Since the Liquor Control Board is not a licensed distributor, we will not collect the 10% distributor license issuance fee on the auctioned product. Also, under these unique circumstances, no licensee purchasing product at auction will be responsible for paying the distributor fee.

However on-premise licensees (restaurants, nightclubs, etc) that purchase a lot at auction will be required to pay the appropriate spirit and liter taxes.

Q: Do I have to transport the liquor that I buy?

A: You will be responsible for the transport of your lots, or to hire someone to move it for you. The LCB will not transport any product. Please refer to the case and pallet count in the catalog. If you are the winning bidder you will need to identify what mode of transportation you will be using when you schedule the appointment (SCAC coded carrier or self-transportation).

Q: Can anybody bid? Do I have to be 21?

A: Participation in the auction is only available to those people who have a current liquor license or Temporary Pre-Approval (TPP), are 21 years of age, and in good financial standing with the Liquor Control Board. As proof of your qualifications you will be required to present your liquor license (or TPP) and valid state identification during registration.

Q: I only have a beer and wine license. Am I eligible to participate in the auction?

A: No. You must have a valid spirits license or TPP in addition to your beer and wine license in order to participate in the auction.

Q: I cannot attend the auction. May I designate someone to bid on my behalf?

A: You may authorize someone to participate in the auction on your behalf provided they meet the necessary requirements listed above. In addition your designee will need to bring a copy of the license and a letter from the license holder stating that they are being designated to bid on your behalf.

Q: Can I buy multiple lots?

A: There are no restrictions on the number of lots a participant can buy.

Q: Why did you mix the lots?

A: Mixed auction lots streamline the process and allow for a faster auction. Since lots have already been verified and sorted, winning bidders can collect their liquor more quickly after payment.

Q: How will I pay for my deposit and bid if I win?

A: Deposit and bid payment will be paid by cashier's check only. No cash or personal checks.

The deposit to qualify for the auction needs to be paid during registration on November 1, 2012. All bid deposits must be in Auctioneer's possession prior to the auction for you to be eligible to participate

The auction winners may submit their bid payment in person at the following locations:

- 4401 East Marginal Way S, Seattle, WA 98134 (6:30 am to 2:00 pm)
- 3000 Pacific Ave S, Olympia, WA (8:30 am to 4:00 pm)

Q: Who can I contact if I have questions?

A: You may contact Smriti Batra at SMBA@liq.wa.gov or Scott McCulley at SMM@liq.wa.gov

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