

**UNITED STATES OF AMERICA  
DEPARTMENT OF THE TREASURY  
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU**

In the Matter of the Proposed )  
Suspension of the Basic Permit Issued )  
to: )  
)  
) No. AF-97818  
)  
Amalie Robert Estate, LLC )  
13095 Bursell Road )  
Dallas, OR 97338 )  
Basic Permit OR-P-15002 )

**INITIAL DECISION**

Preceding this decision, the Alcohol and Tobacco Tax and Trade Bureau (TTB) issued to Amalie Robert Estate, LLC (hereinafter “Amalie Robert”) an Order to Show Cause (OTSC) why its authority to operate under basic permit number OR-P-15002 should not be suspended due to willful violations of the conditions of the permit, as set forth in the OTSC. Amalie Robert received the OTSC on March 4, 2019, as indicated by a signed Registered Mail Receipt. The OTSC was accompanied by a letter informing Amalie Robert that it had 15 days from the date of service to request a hearing and/or file a written Answer, and that if it did not respond within that period, TTB would issue an Order suspending Amalie Robert’s permit for a period of one (1) day. Although Amalie Robert had until March 19, 2019, to request a hearing and/or file a written Answer in this matter, it has not done so. Additionally, Mr. Ernest Pink of Amalie Robert confirmed by email on March 18, 2019, that the entity would not be filing a response to the OTSC. Accordingly, under the authority of 27 C.F.R. § 71.79(b), TTB’s Deputy Assistant Administrator (Field Operations) hereby issues this Initial Decision.

Title 27, United States Code, Section 204(e), provides in pertinent part that, by order of the Secretary of the Treasury, and after due notice and opportunity for a hearing, a basic permit shall be suspended for such period as the Secretary of the Treasury deems appropriate if the Secretary finds that the permittee has willfully violated any of the conditions of the permit. 27 U.S.C. § 204(e)(1). A permittee’s first violation subjects its permit to suspension only. *Id.*

Amalie Robert has signed receipt of the OTSC, noted above, which is now incorporated into and made part of this Decision. Therefore, under the authority of 27 C.F.R. § 71.79(b), TTB makes the following Findings and Decision.

## **EVIDENCE PRESENTED BY THE GOVERNMENT**

1. The Order to Show Cause issued February 19, 2019.
2. TTB's February 19, 2019, cover letter that accompanied the OTSC.
3. United States Postal Service (USPS) Registered Mail Receipt RB254505152US, signed by Ernest Pink and dated 3/4/2019.

## **FINDINGS OF FACT AND CONCLUSIONS OF LAW**

1. Amalie Robert is a TTB-permitted wine wholesaler located in Oregon (and an "industry member" within the meaning of 27 C.F.R. § 11.11).
2. [REDACTED] is a TTB-permitted wine wholesaler located in [REDACTED] (and a "trade buyer" within the meaning of 27 U.S.C. § 205(d) and 27 C.F.R. § 11.21).
3. On October 4, 2016, Amalie Robert sold wine to [REDACTED] on consignment. Specifically, Amalie Robert provided wine to [REDACTED] pursuant to an arrangement whereby [REDACTED] was not obligated to pay for the wine until after it was sold to retailers.
4. Amalie Robert voluntarily entered into this sales arrangement with [REDACTED].
5. Amalie Robert acted willfully, or with plain indifference to the requirements of the FAA Act, in entering into the consignment sale arrangement with [REDACTED].
6. An FAA Act basic permit is conditioned in part upon compliance with the requirements of 27 U.S.C. § 205 (relating to unfair competition and unlawful practices). Section 205, in pertinent part, prohibits industry members (such as Amalie Robert) from engaging in consignment sales.
7. Amalie Robert, by willfully engaging in unlawful consignment sales, violated the conditions of its permit and subjected its permit to suspension.
8. Amalie Robert received service of TTB's February 19, 2019, OTSC and signed for receipt on March 4, 2019.
9. Amalie Robert was afforded due notice and opportunity for hearing.
10. Amalie Robert did not request a hearing within fifteen (15) days of receipt of the OTSC.
11. The findings in the foregoing Paragraphs 1-10 of this section provide sufficient grounds upon which to suspend Amalie Robert's permit.

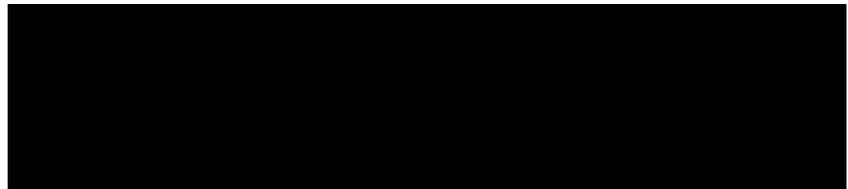
12. Amalie Robert's authority to operate as an FAA Act basic permittee may and should be suspended for a period of one (1) day.

### **DECISION AND ORDER**

For the foregoing reasons, Amalie Robert's authority to operate as a winery is hereby suspended for one (1) day. Amalie Robert shall serve its suspension on Monday, April 1, 2019.

TTB will exercise its enforcement discretion and will not treat this suspension issued in connection with the violations alleged in this Order as a "first violation" under 27 U.S.C. § 204(e)(1), unless it discovers Amalie Robert engaged in conduct similar to the violations alleged in such Order on or after the date you are ordered to serve your suspension.

March 22, 2019  
Dated



Ronald Hancock  
Deputy Assistant Administrator, Field Operations  
Alcohol and Tobacco Tax and Trade Bureau