

# TENNESSEE ALCOHOLIC BEVERAGE COMMISSION



## MINUTES May 25, 2011 1:30 pm

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The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Wednesday, May 25, 2011 in Nashville, Tennessee at 1:30 p.m. Chairperson Mary McDaniel, Commissioner Bryan Kaegi and Commissioner John Jones were present. Executive Director Danielle Elks, CLEO Mark Hutchens, SAC Brad Allison, SA Carrie Webb and Jack Byrd, III, Intern, were present.

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1. **The Minutes for April 21, 2011 Commission Meeting were approved.**

2. **RETAIL MATTERS**

A. **141 WINE AND SPIRITS  
CARYVILLE, TENNESSEE (CAMPBELL COUNTY)**

**Applicant: 141 Wine and Spirits, LLC**

**Members: Mark L. Hoskins and Jeff Hoskins**

Before the Commission is a request for a new retail store to be located at 295 Howard Baker Highway in Pioneer, Tennessee. Mark Hoskins and Jeff Hoskins wish to initially invest \$100,000 each. Financing is based upon a line of credit from American Trust Bank and existing personal funds. If approved, each would own 50% of the business. The applicant LLC is leasing the property from Legacy Land Company, LLC for a period of five years at \$3000/month. (Jeff Hoskins is the sole member of Legacy Land Company, LLC.) Although the applicant did submit a copy of the newspaper notice, the notice was published only once—as opposed to the required publication in three consecutive issues. However, it should be noted that it was the City of Caryville that published the notice—not the applicant. Further, on this notice, all possible applicants for a certificate of compliance—including the current applicant—were listed in the published notice. All documentation has been submitted with the exception of the following:

- a. Use and Occupancy permit;
- b. Actual loan agreements.

**Discussion/Action Taken:**

. Director Elks reviewed the matter to the Commissioners and stated that one of the requirements to obtain a retail package store license. Director Elks stated that the newspaper ad was only run once in the local newspaper. She stated that the City of Caryville did issue the Certificate of Compliance. Director Elks stated that the newspaper will need to be run twice more in the newspaper and the City of Caryville will need to reissue the Certificate of Compliance. She also stated that the Use and Occupancy will need to be submitted. Director Elks recommended that this matter be continued to the June Commission meeting.

Commissioner Jones made a motion to continue this matter to the June Commission meeting. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**B. EXPRESS WINE AND SPIRITS  
GREENEVILLE, TENNESSEE (GREENE COUNTY)**

**Applicant: Express Wine & Spirits, LLC**  
**Members: Jason and Susan Brandon**

Before the Commission is a request for a new retail store to be located at 3100 East Andrew Johnson Highway, Suite 2 in Greeneville, Tennessee. Mr. and Mrs. Brandon wish to invest \$200,000 to initially operate the business. Financing is based upon a loan with Greeneville Federal Bank. The applicant LLC is leasing the property from Gem Holdings, LLC for a period of ten years, with rent beginning at \$1 for the first six months of the lease, and then increasing from \$3000 to \$4000 over the remaining term of the lease. All documentation has been submitted with the exception of the following:

- a. Sales tax number;
- b. Acknowledgement of the rules and regulations.

**Discussion/Action Taken:**

Amy Wood was present. Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the Acknowledgement of the rules and regulations.

Commissioner Jones made a motion for approval. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**C. 11-E WINE AND SPIRITS  
JONESBOROUGH, TENNESSEE (WASHINGTON COUNTY)**

**Applicant: Don Price, Inc.**  
**Stockholders: Don Price**

Before the Commission is a request for a new retail store to be located at 1537 E. Jackson Boulevard, Suite 2 in Jonesborough, Tennessee. Mr. Don Price wishes to initially invest \$105,000 to operate the business. Financing is based upon existing personal funds as verified by FSG Bank. Mr. Price would be the sole stockholder. The corporate applicant is leasing the property from Jeff Jones for a period of five years at \$3200/month. All documentation has been submitted with the exception of the following:

- a. Signatures on lease;
- b. Use and Occupancy permit.
- c.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the signatures on lease and Use and Occupancy permit.

Commissioner Jones made a motion for approval. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**D. MEADOWS LIQUOR  
MURFREESBORO, TENNESSEE (RUTHERFORD COUNTY)**

**Applicant: Gaytri, Inc.**  
**Stockholders: Andy Patel**

Before the Commission is a request for a new retail store to be located at 4205 Manson Pike, Suite B and C, in Murfreesboro, Tennessee. Mr. Andy Patel wishes to initially invest \$100,000 to operate the business. Financing is based upon existing personal funds and a gift of \$50,000 from his father. Mr. Patel would be the sole stockholder. The corporate applicant will be leasing the property from AMBE, LLC for a period of 5 years at \$4500/month. All documentation has been submitted with the exception of the following:

- a. Deed to AMBE, LLC
- b. Newspaper affidavit;
- c. Use and Occupancy permit;
- d. TABC Inspection;

**MINUTES FOR THE MAY 25, 2011 COMMISSION MEETING – PAGE 4**

- e. Acknowledgment of the rules and regulations;
- f. Financial background check on Ramesh Patel and verification of funds.

**Discussion/Action Taken:**

Andy Patel was present at the meeting. Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the following documentation:

- a. Newspaper affidavit;
- b. Use and Occupancy permit;
- c. TABC Inspection;
- d. Acknowledgment of the rules and regulations;
- e. Financial background check on Ramesh Patel and verification of funds.

Commissioner Kaegi made a motion for approval upon submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**E. JEFFERSON WINE AND LIQUOR  
COOKEVILLE, TENNESSEE (PUTNAM COUNTY)**

**Applicant: KDR1, Inc.**

**Stockholders: Dipti Patel, Rekha Patel, and Chirag Shah**

Before the Commission is a request for a new retail store to be located at 620 S. Jefferson Avenue, Suite 108, in Cookeville, Tennessee. Mr Dipti Patel, Rekha Patel and Chirog Shah wish to initially invest a total of \$155,000: \$100,000 is based upon a loan with First National Bank of Tennessee, with the remaining \$55,000 financed through personal funds of Dipti and Chirag Shah. If approved, each would own 33% of the business. The corporate applicant is leasing the property from Raymond Abel for a period of five years (with two options to renew) at \$3000/month. All documentation has been submitted with the exception of the following:

- a. Questionnaires for Nainesh Patel, Rajesh Patel and Kanah Shah as guarantors on loan;
- b. Property owners of 918 Hwy. 68 in Crossville and 1576 Rosebank Avenue in Cookeville;
- c. Bank statements for Mr. Shah and Mr. D. Patel indicating sufficient personal funds in accounts.

**Discussion/Action Taken:**

Chirag Shah and Dipti Patel were present at the meeting. Director Elks reviewed the matter to the Commissioners and stated that all documentation has been submitted. Director Elks recommended approval.

Commissioner Kaegi made a motion for approval. Commissioner Jones seconded the motion and it passed with 3 ayes.

**F. IROQUOIS WINE AND SPIRITS  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Applicant: PPT Enterprises, LLC**

**Stockholder: Mary Thomas**

Before the Commission is a request for a new retail store to be located at 7063 Highway 70 in Nashville, Tennessee. Ms. Thomas wishes to initially invest \$100,000 to operate the business. Financing is based upon a loan from her father, Al Thomas. The applicant LLC is leasing the property from Bellevue Properties, LP for a period of five years, with two five-year options to renew. Monthly rent begins at \$5133.33/month and increases to \$5780.13/month, plus an additional \$1781.27/month for common area maintenance, property tax and insurance. It should be noted that Mr. Thomas is the owner of the restaurant licensee, Sperry's. Further, Ms. Thomas's mother, Patricia, was the original applicant for this store; however, when advised that she could not qualify for a license, the applicant was changed to Mary Thomas. All documentation has been submitted with the exception of the following:

- a. Certificate of Compliance;
- b. TABC Inspection;
- c. Acknowledgement of the rules/regulations;
- d. Sales tax registration in applicant's name;
- e. Explanation of joint checking account;
- f. Loan agreement;
- g. Financial and bank check on Al Thomas.

**Discussion/Action Taken:**

Director Elks stated that the attorney, Adam Dread, has requested that this matter be continued to the June Commission meeting in order to obtain the Certificate of Compliance.

Commissioner Kaegi made a motion to continue this matter to the June Commission meeting or until the Certificate of Compliance can be issued. Commissioner Jones seconded the motion and it passed with 3 ayes.

**G. UNIVERSITY PACKAGE  
CLARKSVILLE, TENNESSEE (MONTGOMERY COUNTY)**

**Former Licensee: Lovisia Harris**  
**Applicant: Steven Howard**

Before the Commission is a request for a change of ownership of the retail store located at 303 College Street in Clarksville, Tennessee. Ms. Harris passed away on January 18, 2011. Her son, Mr. Howard, has inherited the business pursuant to Ms. Harris' will. Mr. Harris now makes application for the license. He will be leasing the property from Gary and Karen Meeks for one year at \$800/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules and regulations.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the TABC Inspection and the Acknowledgement of the rules and regulations.

Commissioner Kaegi made a motion for approval upon submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**H. JONESBOROUGH WINE AND SPIRITS  
JONESBOROUGH, TENNESSEE (WASHINGTON COUNTY)**

**Applicant: Jonesborough Wine and Spirits, Inc.**  
**Stockholders: Clint and Tyler Douglas**

Before the Commission is a request for a new retail store to be located at 1000 W. Jackson Boulevard, Suites 1-3, in Jonesborough, Tennessee. Clint and Tyler Douglas wish to initially invest \$250,000 to operate the business. Financing is based upon a loan with Peoples Community Bank. Additional financing in the amount of \$100,000 if needed will be provided by another loan from First Community Bank, with Benny Douglas. The corporate applicant is leasing the property from Wolfe Development, GP for a period of three years. Monthly rent will begin at

**MINUTES FOR THE MAY 25, 2011 COMMISSION MEETING – PAGE 7**

\$3360 and increase to \$3640 over the term of the lease. All documentation has been submitted with the exception of the following:

- a. Use and Occupancy permit
- b. Explanation why Mr. Benny Douglas is on Certificate of Compliance.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the Use and Occupancy permit.

Commissioner Jones made a motion for approval upon submission of the pending documentation. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**I. CENTRAL WINE AND SPIRITS  
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

**Licensee: Charles and Rose Finley**

Before the Commission is a request for a transfer of location of the retail store currently located at 2847 Poplar Avenue, Suite 103 in Memphis, Tennessee. Mr. and Mrs. Finley wish to transfer the store's location to 743 N. White Station in Memphis due to decreasing sales. They will be leasing the property from Junior Realty, GP for a period of five years at \$1920/month. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgment of the rules/regulations.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the TABC Inspection and the Acknowledgement of the rules and regulations.

Chairperson McDaniel made a motion for approval upon submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**J. BACCHUS FINE WINES AND LIQUORS  
TULLAHOMA, TENNESSEE (COFFEE COUNTY)**

**Licensee/Seller:** Dipan Patel  
**Applicant/Buyer:** MRT Enterprises, LLC  
**Members:** Marie and Richard Thomasson

Before the Commission is a request for a change in ownership of the retail store located at 1940 North Jackson Street in Tullahoma, Tennessee. Mr. and Mrs. Thomasson wish to purchase the business from Mr. Patel for \$240,000. The Thomassons will finance this amount and an additional \$310,000 to purchase the property from Traders Bank; \$50,000 is from personal funds. If approved, each would own 50%. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Actual loan agreement;
- c. Deed;
- d. Lease to LLC

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the following information:

- a. Actual loan agreement;
- b. Deed;
- c. Lease to LLC

Commissioner Kaegi made a motion for approval upon submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**K. LEGGET LIQUORS / K.T. LIQUOR  
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

**Licensee/Seller:** Clarence Legget  
**Applicant/Buyer:** Johnny Martin King

Before the Commission is a request for a change in ownership of the retail store located at 3957 Jackson Avenue, in Memphis, Tennessee. Mr. King wishes to purchase the business from Mr. Legget for \$90,000. Financing is based upon existing personal funds and a loan for \$85,000 from Ervin Toles. Mr. King will be leasing the property from Susan and Jeffery Paillet for a period of five years, with monthly rent beginning at \$1350 and increasing to \$1485/month over the term of the lease. If approved, Mr. King requests permission to **change the business name** to K.T. Liquor. All documentation has been submitted with the exception of the following::



- a. TABC Inspection;
- b. Acknowledgement of the rules and regulations;
- c. Financial and bank credit check on Ervin Toles with verification of funds;
- d. Lease between Enterprise National Bank and Susan and Jeff Paillet.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the lease between Enterprise National Bank and Susan and Jeff Paillet.

Commissioner Kaegi made a motion for approval of transfer of ownership and name change upon submission of the pending documentation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**L. VINE AND BARREL  
CHATTANOOGA, TENNESSEE (HAMILTON COUNTY)**

**Licensee: Vine and Barrel, LLC**

**Members: Robert Treadway, Jr., Anthony Cobble, and Emily Cameron**

**Proposed Members: Robert Treadway, Jr. and Emily Cameron**

Before the Commission is a request for a change in membership of the licensee, Vine and Barrel, LLC. On August 17, 2010, Mr. Cobble passed away, and was survived by his mother, Emily Cameron. As a result, Ms. Cameron has inherited his interest in the business, and will own 50% of the business, with Mr. Treadway retaining the other 50%. All documentation has been submitted.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval.

Commissioner Jones made a motion for approval. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**M. CORNER WINE AND SPIRITS  
FRANKLIN, TENNESSEE (WILLIAMSON COUNTY)**

**Licensee/Seller:** Elizabeth Ward  
**Applicant/Buyer:** Jai Guru Development of Franklin, LLC  
**Members:** Krishna Patel and Vrushank Surati

Before the Commission is a request for a change in ownership of the retail store located at 1110 Hillsboro Road, Suite 120, in Franklin, Tennessee. Mr. Patel and Mr. Surati wish to purchase the business from Ms. Ward for \$650,000, which includes the inventory. Financing is based upon a loan in the amount of \$480,000 from American Security Bank and Trust, and the remainder upon a loan in the amount of \$107,500 from Manharbhai Patel, Krishna Patel's father. If approved, Krishna Patel will own 51% of the business, and Mr. Surati will own 49%. The applicant LLC will be leasing the property from Harpeth Village Retail Partners for a period of 10 years, with monthly rent beginning at \$7027.25 and increasing to \$8398.22 over the term of the lease. All documentation has been submitted with the exception of the following:

- a. Original questionnaire for Mr. Surati;
- b. Questionnaire for Manharbhai Patel;
- c. Amend application to reflect LLC;
- d. Deed to Harpeth Village Retail Partners;
- e. Certificate of Compliance for Krishna Patel; .
- f. Newspaper Notice and Affidavit for Krishna Patel;
- g. Actual loan agreement with American Security Bank and Trust;
- h. Financial and Bank check, including verification of funds, for Manharbhai Patel.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended that this matter be continued to the June Commission meeting due to Certificate of Compliance issues for one of the two individuals.

Commissioner Jones made a motion to continue to the June Commission meeting.. Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**3. WHOLESALER MATTERS**

**A. CHEROKEE WINE AND SPIRITS  
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

**Applicant:** Cherokee Wine and Spirits, Inc.  
**Stockholders:** George Sampson and Mary Ellen Sampson Brewington

**MINUTES FOR THE MAY 25, 2011 COMMISSION MEETING – PAGE 11**

Before the Commission is a request for a new wholesaler to be located at 200 Miller Main Circle in Knoxville, Tennessee. Mr. Sampson and Ms. Brewington wish to initially invest \$30,000 to operate the business. Financing is based upon existing personal funds. If approved, the business would be operated as a corporation, with Mr. Sampson and Mrs. Brewington each owning 50%. The corporate applicant is leasing the property from Cherokee Distributing Company, Inc., a Knoxville beer distributor, for a period of one year with monthly rent of \$1000. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Acknowledgement of the rules and regulations;
- c. Use and Occupancy permit;
- d. Written acknowledgement/affidavit that the beer distributorship and this business will be operated separately and distinctly, with no merger or combination of product within the building or while transporting;
- e. Verification of Tennessee residency for at least five years;
- f. Copy of wholesale federal basic permit.

**Discussion/Action Taken:**

Director Elks reviewed the matter to the Commissioners and recommended approval upon submission of the pending documentation:

- a. TABC Inspection;
- b. Acknowledgement of the rules and regulations;
- c. Use and Occupancy permit;
- d. Written acknowledgement/affidavit that the beer distributorship and this business will be operated separately and distinctly, with no merger or combination of product within the building or while transporting;
- e. Verification of Tennessee residency for at least five years;

Commissioner Jones made a motion to approve upon submission of the pending documentation and Commissioner Kaegi seconded the motion and it passed with 3 ayes.

**B. TENNESSEE WINE AND SPIRITS, INC.  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Licensee/Seller:** Tennessee Wine and Spirits, Inc.  
**Stockholder:** John Hooper, III  
**Proposed New Stockholder:** Lipman Brothers, Inc.  
**Stockholder:** Robert Lipman, Trust for Gracie Lipman, and  
Trust for Margaret Lipman

Before the Commission is a request for a transfer of stock for the wholesale license at 3710 Vulcan Drive in Nashville, Tennessee. Mr. Hooper wishes to sell his 100% interest in Tennessee Wine and Spirits, Inc. stock to Lipman Brothers, Inc.. Lipman Brothers, Inc. would then own 100% of the stock subject to the provisions of T.C.A. §57-3-203(g). Subsequent to the transfer, a change of location will be requested to comply with the provisions of TABC Rule 011-03-.09, which prohibits a person or corporation from holding a wholesaler's license in more than one municipality in the same county.

**Discussion/Action Taken:**

Robert Lipman, John Hooper, III and Henry Hildebrand, attorney, were present at the meeting. Director Elks reviewed the matter to the Commissioners and recommended approval for ownership and transfer of location.

Commissioner Kaegi made a motion for approval for transfer of ownership and transfer of location. Commissioner Jones seconded the motion and it passed with 3 ayes.

**4. BUDGET**

**5. CONSENT ORDERS**

**6. PENDING MATTERS LIST**

**7. MISCELLANEOUS**

**A. Monthly Summary of TABC Activity**

**8. DATE OF NEXT MEETING – Wednesday, June 15, 2011 at 1:30 p.m. and  
Wednesday, July 27, 2011 at 1:30 p.m.**

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Mary McDaniel  
Chairperson

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Shari Danielle Elks  
Executive Director

