

# TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

**MINUTES**  
**March 26, 2013**  
**1:30 pm**

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The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Tuesday, March 26, 2013 in Nashville, Tennessee at 1:30 p.m. Chairperson Mary McDaniel, Commissioner John Jones and Commissioner Bryan Kaegi were present. Interim Director Keith Bell, Attorney Ginna Winfree, SAC Matt Larkins were present.

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1. **The Minutes for February 26, 2013 Commission Meeting were approved.**

3. **RETAIL**

A. **NEW BUSINESS**

1. **TENN SOUTH DISTILLERY, LLC**  
**LYNNVILLE, TENNESSEE (GILES COUNTY)**

**Applicant: Tenn South Distillery, LLC**  
**Member(s): James Blair Butler**  
**Clayton R. Cutler**

Before the Commission is a request for a new retail store located at 1800 Abernathy Road, Lynnville, Tennessee. The co-owners, James Blair Butler and Clayton R. Cutler will be investing an adequate sum of monies to operate the store based on a business loan obtained through First Farmers and Merchants Bank as verified by the TABC staff. James Blair Butler owns the property where Tenn South Distillery will be located. Clayton R. Cutler/Tenn South Distillery, LLC will be leasing the property from James Blair Butler for an initial period of three years at an Annual rate of \$24,000. The lease provides for a renewal of one extended term of one year at an annual rate of \$30,000. All documentation and agency requirements have been submitted with the exception of the **\$850.00 license fee**. The TABC staff recommends approval of this application upon receipt of license fee.

**Discussion/Action Taken:**

Mr. Clayton Cutler was in attendance. Interim Director Bell reviewed the matter to the Commission and recommended approval upon receipt of the application fee.

Commissioner Kaegi made a motion to approve upon receipt of the license fee. Commissioner Jones seconded the motion and it passed with 3 ayes.

**UPDATE: License was issued 4/9/13**

**2. JAI PRABHU LIQUOR, INC.  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Applicant: JAI Prabhu Liquor, Inc.  
d/b/a Discount Liquor**

**Stockholder(s): Piyush J. Desai  
Rameshbhai B. Patel  
Bharatbhai B. Patel**

Before the Commission is a request for a new retail store located at 2181 Nolensville Road, Suite 202A, Tennessee. Each of the three stockholders, Piyush Desai, Rameshbhai Patel, and Bharatbhai Patel will be investing an adequate sum of monies to operate the store based on personal funds as verified by the TABC staff. The LLC will be leasing the property from Emeco Properties, LLC for an initial period of three years at an annual rate of \$12,000. The lease provides for a renewal of two three year additional terms at the same annual rate. All documentation and agency requirements have been submitted with the exception of the **\$850.00 license fee**. The TABC staff recommends approval of this application upon receipt of license fee.

**Discussion/Action Taken:**

Mr. Piyush J. Desai was in attendance. Interim Director Bell reviewed the matter to the Commission and recommended approval pending receipt of the license fee.

Commissioner Kaegi made a motion to approve pending the license fee. Commissioner Jones seconded the motion and it passed with 3 ayes.

**UPDATE: License was issued 3/27/13**

**3. H & H SPIRITS, INC.  
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

**Applicant: H & H SPIRITS, INC.  
d/b/a Crown Liquor**

**Stockholder(s): David Harlow  
William Harlow**



Before the Commission is the request for a transfer of ownership of H & H Spirits, Inc. d/b/a Crown Liquor located at 2530 N. Watkins, Memphis, Tennessee. David Harlow and William Harlow wish to purchase the business for an agreed upon purchase price with Robi, Inc./William & Pamela Klibanoff. David Harlow and William Harlow will each own 50% of the stock. Financing is based upon existing personal funds and a home equity line of credit with Iberia Bank as verified by the TABC staff. H & H Spirits, Inc. will be leasing the property from Strong Family Trust at an annual rate of \$11,400.00 for a period of one year commencing February 1, 2013, with an option to renew for an additional term of 48 months at an annual rate of \$12,000.00. All documentation has been submitted, the TABC staff recommends approval of this application.

**Discussion/Action Taken:**

Mr. David Harlow was in attendance. Interim Director Bell reviewed the matter to the Commission and recommended approval.

Commissioner Kaegi made a motion to approve. Commissioner Jones seconded the motion and it passed with 3 ayes.

**UPDATE: License was issued 3/28/13**

**4. LIQUORS, INC.  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Applicant: Liquors, Inc.**  
**Stockholder(s): Jane B. Eakes**

Before the Commission is a request for change in ownership of the retail store located at 15565 Old Hickory Blvd, in Nashville, Tennessee. The licensee, Mr. Luther H. Eakes passed away on September 20, 2012 leaving a written will, in which Jane Baldwin Eakes has been appointed Executrix. Jane B. Eakes now wishes to hold the license with herself as the sole stockholder. The applicant will be leasing the property from HJL, L.P. d/b/a HJL Management for a period of 1 year at \$5909.82/month. All documentation has been provided; the TABC staff recommends approval of this application.

**Discussion/Action Taken:**

Mr. David Herbert and Mrs. Jane Eakes were in attendance. Interim Director Bell reviewed the matter to the Commission and recommended approval upon receipt of the missing items.

- a. TBC Inspection - **received**
- b. Acknowledgement of Rules & Regulations – **rec'd**
- c. \$850.00 License Fee – **received** – **license pending**

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

**UPDATE: Advised Mrs. Eakes that the change was made in our system referencing her as the owner.**

**5. TLM, INC.  
MADISONVILLE, TENNESSEE (MONROE COUNTY)**

**Applicant:** TLM Inc.  
d/b/a Sunset Wine & Spirits  
**Stockholder(s):** Timothy Lynn Maxwell  
Angelia Long  
**Proposed Stockholder(s):** Timothy Lynn Maxwell

Before the Commission is a request for change in ownership of the retail store located at 4435 Highway 411, in Madisonville, Tennessee. Timothy Maxwell has 49% of stock in TLM, Inc. and his sister, Angelia Long has 51% of TLM, Inc. Mr. Maxwell bought his sister, Angelia's 51% of stock effective February 1, 2013. This transaction made Mr. Tim Maxwell 100% owner in TLM, Inc. d/b/a Sunset Wine & Spirits. All documentation has been provided, the TABC staff recommends approval of this application upon receipt of a citation to be issued for transferring ownership without prior Commission approval.

**Discussion/Action Taken:**

Interim Director Bell reviewed the matter to the Commission and recommended approval of the request for change in ownership of the retail store pending receipt of payment for a citation to be issued in the amount of \$1,500.00 for changing ownership prior to the Commissions approval.



Commissioner Kaegi made a motion to approve the request for a change of ownership upon receipt of the payment for the citation. Commissioner Jones seconded the motion and it passed with 3 ayes.

**UPDATE: Applicants were misinformed by staff regarding time frame in which execution of transfer may take place and therefore citation should not be issued.**

Mr. Timothy L. Maxwell is also requesting to store alcohol in a storage POD behind Sunset Wine & Spirits. This POD will be secured by the same ADT security system he has in his liquor store. Timothy Maxwell is the owner of the property, and leases his property to TLM, Inc. If this request is not approved by the Commission, the applicant would like to know if there is anything he can do to make this POD acceptable for storage. The TABC staff does NOT recommend approval of the request to store alcohol in a POD.

**Discussion/Action Taken:**

Interim Director Bell reviewed the matter to the Commission and recommended a denial of the request to store alcohol in a storage POD behind the retail store.

Commissioner Jones made a motion to deny the request for a storage POD. Chairperson McDaniel seconded the motion and it passed with 3 ayes.

**6. BHAIKAVDADA, LLC  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Applicant: Bhairavdada, LLC  
d/b/a Mr. Liquors  
Member(s): Alpekshumar Patel  
Komal Patel**

Before the Commission is a request for transfer in ownership of the retail store located at 2815 Smith Springs Road, in Nashville, Tennessee. Alpekshum Patel and Komal Patel, husband and wife, will be investing an adequate sum of monies to operate the store based on personal funds as verified by the TABC staff. Mr. & Mrs. Patel will each own 50% of the LLC after this transfer commences. Mr. & Mrs. Patel will be leasing the property from Pleming Shopping Centers, LLC at an annual rate of \$35,400.00 for 1 year with a renewal option of 4 lease

periods of 5 years with an increase of 3% each year. All documentation has been provided with the exception of the **\$850.00 license fee**, the TABC staff recommends approval of this application upon receipt of the license fee.

**Discussion/Action Taken:**

Mr. Alpeshkumar Patel was in attendance. Interim Director Bell reviewed the matter to the Commission and recommended approval.

Commissioner Kaegi made a motion to approve. Commissioner Jones seconded the motion and it passed with 3 ayes.

**UPDATE: License was issued 4/1/13**

**B. OLD BUSINESS**

**1. HARPETH LIQUORS  
FRANKLIN, TENNESSEE (WILLIAMSON COUNTY)**

**Licensee: Harpeth Liquors Inc.  
Stockholders: Satish Patel**

Before the Commission on November 26, 2012 was a request for a transfer of location for the retail store currently located at 1203 Murfreesboro Road, Suite 405, Franklin, Tennessee to 1203 Murfreesboro Road, Suite 503, Franklin, Tennessee. Mr. Patel requested to move to 1203 Murfreesboro Road, Suite 503, Franklin, Tennessee based upon the new Kroger Store taking their old space. Harpeth Liquors, Inc. will be leasing the new space from Cooke & Cooke Properties under the same terms of their previous lease which states: monthly based rent of \$6246.00/mo for a period of two years beginning August 1, 2012. All documentation has been submitted with the exception of the following:

- a. Certificate of Occupancy;
- b. TABC Inspection;
- c. Acknowledgment of TABC Rules & Regulations;

The transfer was granted by the Commissioners on 11/26/12. Per TABC Rule 0100-03-.18, the transfer must be completed within 90 days. The 90 days expired 2/24/13, an additional 30 days was requested on 2/20/13 which will expire on 3/26/13, approved by Interim Director Bell. Mr. Patel is now requesting from the

Commission an additional 30 day extension; if granted, the extension will expire April 26, 2013.

**Discussion/Action Taken:**

Interim Director Bell reviewed the matter to the Commission and recommended approval of the thirty (30) day extension.

Commissioner Kaegi made a motion to approve. Commissioner Jones seconded the motion and it passed with 3 ayes

**3. WINERIES**

**4. WHOLESALERS**

**5. DISTILLERY**

**A. OLD BUSINESS**

**SPEAKEASY SPIRITS LLC  
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

**Applicant: SPEAKEASY SPIRITS – cont. from Feb. 26, 2013**

**Members: Jeff Pennington  
Jenny Pennington  
Laurie Pennington  
Frank Walton  
Sharon DeBolt  
Cream Share, LLC  
Nancy Inman**

**Proposed Additional Members: Michael Collins  
Karen Collins  
James Murphy, Jr.  
Elizabeth Schenk  
Lisa Renneke  
James Weathers  
Michael Kuzma  
Gail Kuzma  
James Murphy, Sr.  
Elizabeth Murphy  
Jennifer Khazanov**

Before the Commission is a request for additional members to be approved as part of Speakeasy Spirits, LLC located at 900 44<sup>th</sup> Avenue North, Suite 101, Nashville, Tennessee. This matter was originally set for the January 22, 2013 commission meeting and was continued to the February 26,



2013 meeting due to lack of required documentation and other concerns. At the February 26, 2013 commission meeting this matter was continued to the March 26, 2013 commission meeting. The applicant submitted the additional documentation requested by the March 15<sup>th</sup> deadline. The existing members are Jeff Pennington and Jenny Pennington, husband and wife with 41.1532% interest; Laurie Pennington with 3.8584% interest; Frank Walton and Sharon DeBolt, husband and wife with 10.89% interest; Cream Share, LLC with 6.7560% interest; Nancy Inman with 1.1024% interest. The original application included Mr. Race Paquette who has since been removed due to conflicting interest. With approval of the commission the additional members will obtain the following: Michael Collins and Karen Collins, husband and wife, will invest \$142,000.00 for 11.3600% interest; James Murphy, Jr. will invest \$115,000.00 for 9.5000% interest; Elizabeth Schenk will invest \$5,000.00 for 0.5000% interest; Lisa Renneke will invest \$50,000.00 for 4.000% interest; James Weathers will invest \$50,000.00 for 4.000% interest; Michael and Gail Kuzma, husband and wife, will invest \$25,000.00 for 2.0000% interest; James Murphy, Sr. and Elizabeth Murphy, husband and wife, will invest \$25,000.00 for 2.0000% interest; and Jennifer Khazanov will invest \$36,000.00 for 2.8800% interest. All documentation has been received.

**Discussion/Action Taken:**

Mr. Mike Dolan was in attendance. Interim Director Bell reviewed the matter to the Commission and recommended approval upon completion of our TABC Agents financial verification.

Commissioner Kaegi made a motion to approve upon verification of the additional financials. Commissioner Jones seconded the motion and it passed with 3 ayes.

**6. PRIVATE CLUB**

**A. UPPER NORRIS CONSERVATION CLUB  
134 Brooklyn Street  
Cumberland Gap, TN 37724**

**Applicant: Upper Norris Conservation Club**  
**Owner(s): Brian DeBusk, President**  
**Sam Mars, Jr., Secretary**  
**Sam Mars, III, Vice President**  
**Jerry Burnette, Board of Directors**  
**Richard Gillespie, Board of Directors**  
**James Jordan, Board of Directors**  
**James J. Shoffner, Board of Directors**



Before the Commission is a request of the Private Club, **Upper Norris Conservation Club**, located at 134 Brooklyn Street, Cumberland Gap, Tennessee 37724 for an **On Premise Permit** to sell alcoholic beverages pursuant to T.C.A. §57-4-102(8). This organization is a non-profit association existing under the laws of the State of Tennessee for at least two (2) years prior to this application. The organization has one hundred four (104) residential members, which exceeds the statutory requirement of at least one hundred (100) members. The organization is operated exclusively for pleasure, recreation and other non-profit purposes of its members and no part of the net earnings inures to the benefit of any shareholder or member. The organization has adequate space for the reasonable use of its members with a suitable kitchen and dining room and with sufficient employees for cooking, preparing and serving meals for its members and guests. No member, officer, agent or employee of this Private Club is paid directly, indirectly nor do any of the aforementioned parties directly or indirectly receive in the form of salary or other compensation, any profits from the sale of spirituous liquors, champagnes or malt beverages beyond the amount of such salary as may be fixed by the members at an annual meeting or by its governing body out of the general revenue of the club. The applicant had previous license that expired 5/3/12 located at 336 Brooklyn Street, Cumberland Gap, TN, They moved their location to 134 Brooklyn Street, Cumberland Gap, TN due to the sale of the building in which the Upper Norris Conservation Club was located. The previous permit prior to expiration was on temporary void since they had to move from their previous location 4/3/12. All documentation has been provided with the exception of the following:

- a. Liquor Price Schedule
- b. \$500.00 License Fee
- c. Payment of Citation, RI 13-0171

The TABC staff recommends approval of this application upon receipt of the missing documentation and payment of the citation.

**Discussion/Action Taken:**

Interim Director Bell reviewed the matter to the Commission and recommended approval upon receipt of the missing documentation and payment of license fee and citation.

Commissioner Jones made a motion to approve upon receipt of the missing documentation and payment of license fee and citation. Chairperson McDaniel seconded the motion and it passed with 3 ayes.

UPDATE: Payment of citation and liquor price schedule pending. Items to be delivered to Knoxville POD by Friday, April 19, 2013

7. **BUDGET**

8. **PENDING MATTERS LIST**

- A. **Commission Meeting Dates for the 2013 calendar year** – It was announced that during the Commissions April meeting, in Chairperson McDaniel’s absence, Commissioner Bryan Kaegi will act as Chair.
- B. **Review and ratification of pending proposed TABC rules.** Interim Director Bell reviewed the Direct Shipper proposed ruling to remove two rules. The next step will be approval from the Attorney General.

9. **PERSONNEL**


**Discussion, consideration and appointment of TABC Executive Director.**  
This matter has been continued.

10. **MISCELLANEOUS**

- A. **Monthly Summary of TABC Activity**
- B. **Progress of the Prototype for the new TABC application** – this matter has been rescheduled to a later time.
- C. **Interim Director Bell updated the Commission regarding Pigeon Forge.** – The referendum passed

**DATE OF NEXT MEETING** The date of the next commission meeting is set for Tuesday, April 23, 2013 at 1:30 p.m., the deadline for submitting commission matters is Friday, March 15, 2013, and the May commission meeting will be held, Tuesday, May 21, 2013 at 1:30 p.m., the deadline for submitting commission matters is May 10, 2013.

  
Bryan Kaegi  
Acting Chairperson

  
E. Keith Bell  
Interim Director