

STATE OF NEW JERSEY  
Department of Law and Public Safety  
DIVISION OF ALCOHOLIC BEVERAGE CONTROL  
1060 Broad Street Newark 2, N. J.

BULLETIN 1004

MARCH 9, 1954.

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STATE OF NEW JERSEY  
Department of Law and Public Safety  
DIVISION OF ALCOHOLIC BEVERAGE CONTROL  
1060 Broad Street Newark 2, N. J.

BULLETIN 1004

MARCH 9, 1954.

1. DISCIPLINARY PROCEEDINGS - CLUB LICENSE - CLUB ACTING AS FRONT FOR  
INDIVIDUAL - LICENSE REVOKED.

In the Matter of Disciplinary )  
Proceedings against )

LOWER PENNS NECK TOWNSHIP )  
REPUBLICAN CLUB )

N/w Corner S. River Drive & )  
Cornell Ave. )

Lower Penns Neck Township )  
P.O. Pennsville, N. J., )

CONCLUSIONS  
AND ORDER

Holder of Club License CB-2, issued )  
by the Township Committee of the )  
Township of Lower Penns Neck. )  
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Joseph Narrow, Esq., Attorney for Defendant-licensee.  
William F. Wood, Esq., appearing for Division of Alcoholic  
Beverage Control.

BY THE DIRECTOR:

Defendant pleaded not guilty to the following charges:

"1. In your application dated June 4, 1953 filed with the Lower Penns Neck Township Committee, upon which you obtained your current club license, you falsely stated 'No' in answer to Question 29, which asks: 'Has any individual,...other than the applicant, any interest, directly or indirectly, in the license applied for or in the business to be conducted under said license?', whereas in truth and fact Arthur Del Duca had such an interest in that he was the real and beneficial owner of the licensed business; said false statement being in violation of R. S. 33:1-25.

"2. In your aforesaid application, you falsely stated 'No' in answer to Question 30, which asks: 'Have you agreed to pay any employee, or other person, any portion or percentage of the profits or income (by way of rent, salary or otherwise) derived from the business to be conducted under the license applied for?', whereas in truth and fact you had agreed to permit Arthur Del Duca to retain 75% of the profits from the licensed business; said false statement being in violation of R. S. 33:1-25.

"3. From on or about February 22, 1950 until the present time, you knowingly aided and abetted Arthur Del Duca to exercise, contrary to R. S. 33:1-26, the rights and privileges of your successive club licenses; in violation of R. S. 33:1-52.

"4. In your aforesaid application, in answer to Questions 14 and 15, which call for the names and addresses of all of your officers and trustees, you listed only Eugene Pyla - president, Arthur D. Price - secretary, Carl Hitchings (correct name, Earl Hitchings) - treasurer and Albert E. Haskey - trustee, thereby evading and suppressing the material facts that John W. Suiters, Jr. and Clarence H. Young, also known as Brigham Young, were your vice-president and trustee, respectively; such evasion and suppression being in violation of R. S. 33:1-25."

When service of the above charges was made, defendant was also served with an order to show cause why its club license should not be cancelled as having been improvidently issued in violation of Rule 2 of State Regulations No. 7.

At the hearing herein, an agent of this Division testified in support of the charges, and various statements taken from officers and trustees of defendant-club and a statement obtained from the aforementioned Arthur Del Duca were introduced in evidence, without objection. There was also introduced in evidence the club's minute book, the treasurer's book and the license application for the 1953-54 license period. Defendant's president and secretary appeared and testified on behalf of defendant.

From the testimony of these witnesses and the exhibits, the following facts appeared to be undisputed: The club was organized in 1946 and its certificate of incorporation was filed with the County Clerk of the County of Salem on January 10, 1947. There is only one class of membership and the annual dues are said to be \$3.00. Some time after the club was organized, Arthur Del Duca, one of its organizers, caused a building to be erected on land owned by him at the present site of the licensed premises. Del Duca purchased the lumber and some of defendant's members helped in the construction of the building which consists of a cellar which has been covered over with a roof. It had been agreed in advance that the building would be divided in such a manner that the club could occupy one portion thereof as its club quarters and Del Duca could occupy the remaining portion as his living quarters. Pursuant to that arrangement, the club has, in fact, occupied the west side of the building, which ultimately became the licensed premises, and Del Duca, who occupies the remainder of the building, became steward and bartender for the club, which had no other employees. As steward and bartender Del Duca took care of the club quarters including the conduct of the licensed business and cleaning up the premises. In return he received no salary, but the club "took care of him" supplying him with food, clothing and other necessities and paid the taxes, upkeep and other expenses on the building. The club held no lease for the premises, had no bank account and no auditing committee. It apparently held monthly meetings but such meetings were not held at the same time each month because most of the members had "shift work." In recent years no regular elections were held, but new officers were selected if incumbent officers became "disinterested." Del Duca installed slot machines in the club's licensed premises, for which he was arrested April 18, 1953 and convicted July 2, 1953. He was fined \$1250.00 and placed on probation for three years. The fine was paid by the club. Thereafter, Del Duca was not supposed to work on the licensed premises and the club selected a new steward who acted as bartender but received no compensation. After his conviction and despite the fact that he was not supposed to perform any services upon the licensed premises, Del Duca continued to reside in the other portion of the building which houses the licensed premises and continued to be supplied by the club with food, clothing and other necessities.

While the facts hereinabove set forth are undisputed, the exact method of conducting the club and its licensed business is disputed. In his statement dated August 18, 1953, Del Duca claimed that he had no interest in the licensed business; that he did not receive any percentage from the sale of alcoholic beverages at the club, saying, "---I never received anything except for my keep." He claimed that the receipts from the bar were taken from the cash register at closing time by whoever was tending bar and taken to the treasurer, Earl Hitchings. When asked whether the club had a bank account he answered, "No, the club never had enough money to start a bank account, the club paid it out for charity as fast as it came in, that is why I had the slot machines so I could get more money to help more people."

Eugene Pyla also gave a statement on August 18, 1953 in which, in addition to the matters hereinabove recited, he said that he had been a member of the club for five years and had been its president for the past

two years. He explained that the present steward receives no compensation for his services; that he receives no percentage of the receipts; that when said steward checks the cash register at closing time he leaves a note in the cash register of the amount which he has taken therefrom; that he holds the money and pays bills in cash; that he submits a monthly report of the amount of money received and the amount of money expended and gives the balance to the treasurer, Earl Hitchings, who takes the money home. He further said that, when the club authorizes the purchase of anything or the donation of money to charity, Hitchings pays cash and makes a report of the balance on hand at each meeting. He explained that the club paid Del Duca's fine because he had "been good" to the club and they did not want to see him go to jail. He further stated that such payment did not constitute a loan but was an "out and out payment" and he denied that the club ever received "one penny" from the slot machines.

In his statement dated August 19, 1953, Earl Hitchings, treasurer, stated that he had been appointed to that office in October 1950; that he seldom visits the club premises except for meetings; that the entries in the treasurer's book are made by the president or secretary at meetings and that he holds the money. He stated that the largest amount he had ever held was \$700.00 or \$800.00, except when the new building was started when he had \$1400.00 to pay the lumber bills. He confirmed the original arrangement under which Del Duca was to supply the building and the club was to pay for expenses and repairs. He further stated that, in 1950, it was agreed between Del Duca and the club's officers that Del Duca was to supply the building to be used for club purposes while the club was to pay the taxes, heating, electricity and repairs of the building and that Del Duca was to receive 75% of the net profits and the club 25% thereof. He stated that a motion was adopted at a meeting held February 22, 1950 that this proposition was to go into effect March 1, 1950 and that, as far as he knows, the agreement is still in effect. He further stated that Del Duca had run the bar business, paid the liquor and beer bills and "used the money for his personal use and if he wanted to take care of a poor family in need he would buy them food or clothing for the children and at Christmas he ran a big party for the kids. Arthur Del Duca was the club, he ran things and had everything to say." Adverting to the treasurer's book he added, "These cash balances in this treasurer's book, I never received that money." Asked if the club had been run for Arthur Del Duca's benefit he answered, "Yes, I would say so."

Arthur Price, defendant's secretary, in his statement of August 19, 1953 stated that he had held that office since October 1950; that when he had entered the club premises one day prior to October 25, 1950 he had been told that he was the secretary, "through the inactivity of the secretary, Robert Chambers"; that he prepares the minutes of the meetings; that the president provides him with the figures concerning income and expenses; that he handles no club funds and that he had not seen any money handed to the treasurer. He stated that he knew of no agreement for the division of the profits between Del Duca and the club on a 75%-25% basis, but that he is not too familiar with the conduct of the club's business. He further stated that there are sometimes only two or three members and two or three officers present at club meetings and that the treasurer, Hitchings, is not available throughout the entire year because he goes to Florida in the winter.

On August 19, 1953 President Pyla gave another statement in which he admitted there were large discrepancies between the amounts shown in the treasurer's book and the amounts shown in the minute book, which he could not explain. He admitted that he did not know whether Del Duca ran the premises and gave the club only a small amount of money, saying that he never investigated because he thought that the treasurer had received the money but did not know of any treasurer's receipts. He further said that Del Duca had not asked permission to put the slot machines in the club premises but had merely told him that he was going to do so. He also said that he personally entered the figures in the treasurer's book; that he took the figures from sheets of paper submitted by Del Duca; that these

papers were destroyed and that he had not seen the cash, only the figures. President Pyla gave an additional statement on October 7, 1953 in which he stated that he was President of defendant-club, that John Suiters was first Vice-President; that he did not know who was second Vice-President; that Price was Secretary and that Albert Haskey and Clarence Young were Trustees. He further stated that all dues were paid to the bartender who in turn paid the money to the treasurer but that it did not appear in the minutes. He admitted that he did not know whether Del Duca shared in the dues or whether the treasurer had, in fact, received the dues, explaining that he knew who paid dues by entries on pads behind the bar. With respect to the situation when Del Duca was acting as steward, he said that Del Duca "--- used the money as he saw fit for his own personal use without asking anyone. He got what he wanted and told us what he purchased and what he paid for it. The officers never questioned him about it." Although he denied that Del Duca performed any services for the club after his conviction, Pyla admitted that on October 7, 1953, when the ABC agent was upon the licensed premises, he (Pyla) did not lock the premises when he left but asked Del Duca who was upon the club premises to pick up sweepings which he (Pyla) had left and to lock up for him and admitted that Del Duca sometimes "hangs around" the barroom during the day.

By their statements Suiters, Young and Haskey revealed that they knew very little of the details of the conduct of the licensed business or the club for the past several years. None of them is presently active in the affairs of the club although one is an officer and two are trustees.

In his testimony at the hearing Pyla gave substantially the same testimony as is contained in his statements, as hereinabove set forth. Specifically with respect to the alleged percentage arrangement with Del Duca, he testified that such an arrangement was discussed at a meeting; that he did not think it went through; of his own knowledge he does not know whether Del Duca ever received any percentage of the earnings or profits derived from the conduct of the licensed business; that "---he was supposed to get a percentage of the profits, but as long as I have been there he has not received any, and I do not think it ever went through, it was fought over, it was talked over, and some agreement made, but I don't think it actually went through because he never received any. I haven't seen any one turn over anything to him." He denied that Del Duca took what he wanted for his own use without asking and claimed that Del Duca would tell them a day or two in advance what there was that he wanted and that they would give their approval. However, when asked whether Del Duca actually turned any money over to the club officers Pyla replied, "No, not that I know of." He admitted that there had been no change in the arrangements between Del Duca and the club before the filing of the current license application in June 1953. With respect to charge (4), he testified that, when the license application for the current license was prepared, he did not believe that it was necessary to supply the names of all of the officers and trustees and that there was no reason to conceal the identity of any of the officers or trustees.

Secretary Price testified that his testimony with respect to charge (4) would be substantially the same as the testimony of Pyla. He confirmed the accuracy of his statement dated August 19, 1953 and further testified that he had no knowledge of how the proceeds derived from the licensed premises were used. He further testified that he kept the minutes of the club but entered therein the amounts read by the president, having no access to the original records.

Mr. Vincent, Chairman of the Township Committee stated for the record that, before the license had been issued by the local issuing authority, it had been assured that Del Duca was not going to hold any office in the club; that otherwise they would not have issued the license and that they have had no complaints against the club which is "run very decently" and carries on charitable work.

An examination of the treasurer's book and the minute book discloses some wide discrepancies between the alleged balances of club funds on hand. These have not been explained.

Del Duca was not called to testify at the hearing.

A careful consideration of all of the evidence leads inescapably to the conclusion that, for a number of years, the licensed business has been conducted in such a manner that Arthur Del Duca had an interest therein and was, to all intents and purposes, the real and beneficial owner thereof. From the time of the erection of the building until July 2, 1953, when Del Duca was convicted, as aforementioned, he personally ran the bar business and handled the proceeds therefrom as he pleased. He apparently took what he wanted for his own needs and, although he supplied to the club certain figures and may have paid over to it some monies, the club appears to have made no effort to verify these figures and its own books show wide discrepancies. It is noteworthy that, even after his conviction, on July 2, 1953, Del Duca continued to receive his "keep" from the club, apparently to the same extent as theretofore although he was supposed to have discontinued rendering any personal services to the club.

Although there may be some doubt as to whether or not the agreement to permit Del Duca to retain 75% of the profits from the licensed business was actually carried out, there seems to be no doubt that such an agreement was negotiated and agreed upon.

I find defendant guilty on charges (1), (2), and (3).

With respect to charge (4), while it appears that there may not have been any ulterior motive for the failure to supply the names of all of the officers and trustees, the fact remains that some of these names were omitted. All statements in license applications are deemed material and must be fully and truthfully answered. R. S. 33:1-25.

I find defendant guilty as to charge (4).

Defendant has a prior record. Its license was suspended by the local issuing authority for five days, effective July 20, 1953, for possession of slot machines.

Under all of the circumstances, and especially in view of the long-term "farming out" of its club license, which is designed to meet the special needs of bona fide clubs, the only proper penalty is revocation of the license. No action will be taken on the order to show cause, aforementioned. Re Bohemian Club, Bulletin 967, Item 3.

Accordingly, it is, on this 11th day of February, 1954,

ORDERED that Club License CB-2, issued by the Lower Penns Neck Township Committee to Lower Penns Neck Township Republican Club, n/w Corner S. River Drive & Cornell Avenue, Lower Penns Neck Township, be and the same is hereby revoked, effective at 7:00 a.m. February 15, 1954.

DOMINIC A. CAVICCHIA  
Director.



2. DISCIPLINARY PROCEEDINGS - HINDERING INVESTIGATION - FALSE ANSWER IN APPLICATION RE CONDITIONAL BILL OF SALE - LICENSE SUSPENDED FOR 20 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary Proceedings against )

MILDRED LAURIA )  
T/a POINT GRILL )  
Brown Avenue & Point of Old & )  
New Black Horse Pike )  
Hilltop, Gloucester Township )  
P.O. R.F.D. Blackwood, N. J., )

CONCLUSIONS  
AND ORDER

Holder of Plenary Retail Consump- )  
tion License C-10, issued by the )  
Township Committee of the Township )  
of Gloucester. )

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William T. Cahill, Esq., Attorney for Defendant-licensee.  
William F. Wood, Esq., appearing for Division of Alcoholic  
Beverage Control.

BY THE DIRECTOR:

Defendant has pleaded non vult to the following charges:

"1. During September and October 1953, while an inspector of the Division of Alcoholic Beverage Control was investigating an alleged undisclosed interest in your license and your licensed business and also an alleged employment of a person who had been convicted of a disqualifying crime, you, individually and by Marie R. Lauria and Frank M. Lauria, your agents and employees, failed to facilitate and hindered and delayed and caused the hindrance and delay of such investigation; in violation of R. S. 33:1-35.

"2. In your application dated June 4, 1953, filed with the Gloucester Township Committee, upon which you obtained your current plenary retail consumption license, you falsely stated 'No' in answer to Question 32, which asks: 'Does any individual, partnership, corporation or association hold any chattel mortgage or conditional bill of sale on any furniture, fixtures, goods or equipment used or to be used in connection with the conduct of the alcoholic beverage business to be operated under the license herein applied for?', whereas in truth and fact (1) the Central-Penn National Bank of Philadelphia held a conditional bill of sale for a beer dispenser and other equipment purchased from 4 Bros. Refrigeration Mfg. Co., (2) the Commerce Investment Co. of Camden held a conditional bill of sale for an oil burner purchased from Runnemede Heating Co., Inc., and (3) the South Jersey Gas Company held a conditional bill of sale for an automatic water heater purchased from that company itself, all of which equipment was being used in connection with such business; said false statement being in violation of R. S. 33:1-25."

The file herein discloses that on September 24, 1953 an ABC agent visited the defendant's licensed premises; that he identified himself to a woman who was behind the bar and that the woman identified herself to the agent as Mildred Lauria, the defendant-licensee. The agent explained to the woman that he desired to obtain a statement from her and that she would be asked to swear as to the truth of the contents thereof. Sundry questions were addressed to her by the agent, to which she gave responsive answers. After completion of the first page of the statement, the woman was requested to read it and, thereafter, she signed her name as "Mildred Lauria" at the bottom of the page. The agent continued the interview, during which he asked to be permitted to see the deed to the property and the "bill of sale" which was received from the prior owner of the business. After these documents were examined by the agent, it was discovered that the defendant-licensee was unmarried and that the woman who posed as



Mildred Lauria was, in fact, Marie R. Lauria, the wife of one Frank M. Lauria, and sister-in-law of the defendant. A statement was then taken from Frank M. Lauria, who was also on the licensed premises, in which he denied that he had ever been paid for services performed at the licensed premises and asserted that he had no financial interest in the license or the business conducted thereunder. Frank M. Lauria would not reveal to the agent whether he had a criminal record and refused to permit himself to be fingerprinted in order that his criminal status might be ascertained.

On September 25, 1953, the agent questioned the defendant, who denied that anyone other than herself had an interest in the license and the business conducted thereunder; that, although her brother Frank M. Lauria, and her sister-in-law, Marie R. Lauria, worked on the licensed premises, neither was paid anything for the services rendered and that she had no knowledge whether her brother, aforementioned, had a criminal record.

In defendant's application, dated June 4, 1953, upon which she obtained her current license, she denied the existence of any conditional bills of sale, when, in fact, there are three such instruments presently existing on various equipment now installed in defendant's licensed premises. A detailed account of the equipment in question, with the names of the companies holding the respective titles thereto, is set forth in Charge (2) hereof.

Defendant has no prior adjudicated record. The minimum penalty imposed for a violation of the kind set forth in Charge (1) is a suspension of the license for a period of fifteen days. Re Kaplan & Paszun, Bulletin 955, Item 3. I shall suspend defendant's license for an additional period of five days because of the violation set forth in Charge (2). Re Cervino, Bulletin 494, Item 1; Re Vitale, Bulletin 971, Item 3. This makes a total suspension of twenty days. Five days will be remitted for the plea entered herein, leaving a net suspension of fifteen days.

Accordingly, it is, on this 9th day of February, 1954,

ORDERED that Plenary Retail Consumption License C-10, issued by the Township Committee of the Township of Gloucester to Mildred Lauria, t/a Point Grill, Brown Avenue & Point of Old & New Black Horse Pike, Hilltop, Gloucester Township, be and the same is hereby suspended for a period of fifteen (15) days, commencing at 2:00 a.m. February 16, 1954, and terminating at 2:00 a.m. March 3, 1954.

DOMINIC A. CAVICCHIA  
Director.

### 3. STATE BEVERAGE DISTRIBUTOR'S LICENSE - OBJECTION TO ISSUANCE HELD TO BE MERITORIOUS - APPLICATION DENIED.

In the Matter of Objections to )  
the Issuance of a State Beverage )  
Distributor's License to )

HARRY E. GEORGE )

CONCLUSIONS

For Premises located at 62 Laurel )  
Avenue, Union, N. J. )  
-----)

Philip Blank, Esq., Attorney for Applicant.

Leo J. Berg, Esq., Attorney for State Beverage Distributors Association, an Objector.

Julius R. Pollatschek, Esq., Attorney for Union County Liquor Dealers Association, an Objector.

Samuel Moskowitz, Esq., Attorney for New Jersey Retail Liquor Association, an Objector.

BY THE DIRECTOR:

A written objection to the issuance of the license having been filed with me, a hearing was duly scheduled to be held. Rule 11 of State Regulations No. 1.

At the hearing the objectors alleged that there is no public need or necessity for the issuance of a State Beverage Distributor's license for the premises in question.

Harry E. George, the applicant, testified that he now conducts a grocery store and supermarket at 62 Laurel Avenue, Union, and that since May 14, 1951, he has continuously held a Limited Retail Distribution License issued by the Township Committee of the Township of Union for said premises. In his application for the State Beverage Distributor's license he reveals the fact that he now holds said license and states that he "proposes to surrender said license upon the approval of this application." The applicant testified that he is now selling about eighty cases of beer every week to his customers in the southwesterly section of Essex County and the northeasterly section of Union County, and that the sale of beer constitutes about thirty-five per centum of his present total volume of business. He further testified that he has applied for a State Beverage Distributor's license because he likes the beer and soda business and doesn't like the grocery business which he intends to sell or at least dissolve.

The evidence herein indicates that, aside from numerous retail licensees, there are at least fourteen State Beverage Distributor licensees who sell beer in the same area in which the applicant intends to conduct business.

Under the circumstances there appears to be no public need or necessity for the issuance of an additional State Beverage Distributor's license for the premises in question. Hence the application will be denied.

DOMINIC A. CAVICCHIA  
Director.

Dated: February 8, 1954.

4. DISCIPLINARY PROCEEDINGS - FRONT FOR PERSONS WHO ERRONEOUSLY BELIEVED THEY WERE INELIGIBLE TO HOLD LICENSE - EFFECT OF LOCAL REGULATION REQUIRING APPLICANT TO BE RESIDENT OF MUNICIPALITY - ILLEGAL SITUATION CORRECTED - LICENSE SUSPENDED FOR 20 DAYS.

In the Matter of Disciplinary )  
Proceedings against )

FRANK SARAPPO, INC. )  
19-23 West River Road )  
Rumson, N. J., )

CONCLUSIONS  
AND ORDER

Holder of Plenary Retail Consump- )  
tion License C-7, issued by the )  
Borough Council of the Borough of )  
Rumson. )  
----- )

Quinn, Doremus, McCue & Russell, Esqs., Attorneys for Defendant-licensee.  
William F. Wood, Esq., appearing for Division of Alcoholic Beverage  
Control.

BY THE DIRECTOR:

Defendant has pleaded guilty to the following charge:

"In your application dated June 4, 1953, filed with the Rumson Borough Council, as amended July 14, 1953, upon which you obtained your current plenary retail consumption license, you, after listing your stockholders as Phillip Riddle (82 shares or 82%), Frank Sarappo (9 shares or 9%) and Anna Sarappo (9 shares or 9%), falsely stated 'No' in answer to Question 24 which asks: 'Has any stockholder of the applicant corporation any beneficial interest, directly or indirectly, in the stock of any other stockholder of the applicant corporation?' whereas in truth and fact Frank Sarappo and Anna Sarappo had such an interest as the real and beneficial owners of all the stock held by Phillip Riddle; said false statement being in violation of R. S. 33:1-25."

The file herein discloses that the license for the premises in question was transferred on August 12, 1949, from Paul Pazicky to Anthony Mazzacco Inc. In an application dated June 4, 1953, and filed by Anthony Mazzacco Inc. for a renewal of its license for the present licensing year, Joseph F. Cross, Frederick Jordan and Benedict R. Nicosia were named as the officers, directors and stockholders of said corporation. The license for the present licensing year was renewed in the name of said corporation.

It further appears that on July 10, 1953, all of the stock of the aforesaid corporation was transferred from the above named stockholders to other individuals in the following manner: to Frank Sarappo, 9 shares; to Anna Sarappo (his wife), 9 shares; and to Phillip Riddle, 82 shares. By letter dated July 14, 1953, the local issuing authority was advised of said change of stockholders of Anthony Mazzacco Inc. On July 17, 1953, a certificate was filed in the Office of the Secretary of State changing the name of the corporation to Frank Sarappo, Inc. and by letter dated July 24, 1953, the local issuing authority was advised of said change of name.

It is clear that all of the stock of the corporation was purchased and is now owned by Frank Sarappo and Anna Sarappo who reside in Red Bank, N. J. Phillip Riddle, who resides in Rumson, N. J., never had any interest in the stock of the corporation. The shares of stock were placed in his name because Mr. & Mrs. Sarappo were erroneously advised that an ordinance of the Borough of Rumson prevented a non-resident of the Borough from holding more than ten per centum of the stock of a licensed corporation. In fact, the ordinance refers only to individuals and does not apply to stockholders of a corporation. Sachs v. Trenton et al., Bulletin 321, Item 12.

It appears that, subsequent to the institution of these proceedings, the stock held by Phillip Riddle was transferred to Frank Sarappo and Anna Sarappo or their nominee, and that by letter dated January 14, 1954, the local issuing authority was advised that the stock of the corporation is now held in the following manner: Frank Sarappo, 80%; Anna Sarappo, 19%, and Francis Vetrano, 1%. It thus appears that the illegal situation has been corrected.

Defendant has no prior record. I shall suspend defendant's license for a period of twenty days. Cf. Re R.J.S. Inc., Bulletin 776, Item 10; Re Albach, Bulletin 824, Item 4.

Accordingly, it is, on this 8th day of February, 1954,

ORDERED that Plenary Retail Consumption License C-7, issued by the Borough Council of the Borough of Rumson to Frank Sarappo, Inc., for premises 19-23 West River Road, Rumson, be and the same is hereby suspended for twenty (20) days, commencing at 2:00 a.m. February 16, 1954, and terminating at 2:00 a.m. March 8, 1954.

DOMINIC A. CAVICCHIA  
Director.

5. APPELLATE DECISIONS - ZWILLMAN v. NEWARK AND UPTOWN BAR & BOWL, INC.

IRVING ZWILLMAN,	)	
Appellant,	)	
-vs-	)	ON APPEAL
	)	CONCLUSIONS AND ORDER
MUNICIPAL BOARD OF ALCOHOLIC	)	
BEVERAGE CONTROL OF THE CITY OF	)	
NEWARK, and UPTOWN BAR & BOWL, INC.,	)	
Respondents.	)	

-----  
Irving Zwillman, Appellant, Pro Se.  
Horace S. Bellfatto, Esq., by George B. Astley, Esq., Attorney for  
Respondent Municipal Board of Alcoholic Beverage Control.  
Jack L. Cohen, Esq., Attorney for Respondent Uptown Bar & Bowl, Inc.

BY THE DIRECTOR:

This is an appeal from the action of respondent Municipal Board, on December 8, 1953, whereby it transferred Plenary Retail Consumption License C-595 from Paul R. Kleinberg, Receiver of New Uptown Bar, Inc., to respondent Uptown Bar & Bowl, Inc. The licensed premises are located at 566 Springfield Avenue, Newark.

At the hearing scheduled to be held herein appellant requested leave to withdraw the appeal. No reason appearing why the request should not be granted,

It is, on this 19th day of February, 1954,

ORDERED that the appeal herein be and the same is hereby dismissed.

WILLIAM HOWE DAVIS  
Director.

6. DISCIPLINARY PROCEEDINGS - SALE IN VIOLATION OF RULE 1 OF STATE REGULATIONS NO. 38 - LICENSE SUSPENDED FOR 15 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary  
Proceedings against

PICKWICK PRODUCTS, INC.  
497 Communipaw Avenue  
Jersey City, N. J.,

CONCLUSIONS  
AND ORDER

Holder of Plenary Retail Consump-  
tion License C-425, issued by the  
Municipal Board of Alcoholic  
Beverage Control of the City of  
Jersey City.

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Meehan Brothers, Esqs., Attorneys for Defendant-licensee.  
David S. Piltzer, Esq., appearing for Division of Alcoholic  
Beverage Control.

BY THE DIRECTOR:

Defendant has pleaded non vult to a charge alleging that on Sunday, November 29, 1953, it sold alcoholic beverages at retail, in original containers for consumption off its licensed premises, in violation of Rule 1 of State Regulations No. 38.

The file herein discloses that on Sunday, November 29, 1953, at about 9:30 p.m., two ABC agents observed a man as he entered the rear door of defendant's licensed premises. Shortly thereafter this man left the premises through the front door, carrying a large paper bag. The agents stopped the man and discovered that the bag contained 12 cans of Ballantine beer. The cans were cold. The man told the agents that he had purchased a case of beer in defendant's premises on the previous day; that he had taken 12 cans with him at that time and had obtained the other 12 cans shortly before he was stopped by the agents. When the agents and the man returned to defendant's premises, the bartender denied that he gave the beer to the man. However, the agents found Ballantine beer in the cooler and found the same kind of bags behind the bar.

Defendant has no prior record. I shall suspend its license for the minimum period of fifteen days. Re Fleming's Wine & Liquor, Inc., Bulletin 984, Item 6. Five days will be remitted for the plea entered herein, leaving a net suspension of ten days.

Accordingly, it is, on this 19th day of February, 1954,

ORDERED that Plenary Retail Consumption License C-425, issued by the Municipal Board of Alcoholic Beverage Control of the City of Jersey City to Pickwick Products, Inc., for premises 497 Communipaw Avenue, Jersey City, be and the same is hereby suspended for ten (10) days, commencing at 2:00 a.m. March 1, 1954, and terminating at 2:00 a.m. March 11, 1954.

WILLIAM HOWE DAVIS  
Director.

## 7. APPELLATE DECISIONS - DORF v. METUCHEN.

PAUL DORF, trading as  
METUCHEN INN,

Appellant,

-vs-

BOROUGH COUNCIL OF THE BOROUGH  
OF METUCHEN,

Respondent.

ON APPEAL  
CONCLUSIONS AND ORDER

Paul Dorf, Pro Se.

DuBois S. Thompson, Esq., Attorney for Respondent.

BY THE DIRECTOR:

This is an appeal from the action of the respondent's refusal to include as part of the licensed premises, in addition to the main hotel structure, a detached building and the adjacent and surrounding grounds owned by the appellant herein. The respondent, however, approved the person-to-person transfer of the license from Metuchen Inn, Inc., to Paul Dorf, for premises 424 Middlesex Avenue.

Appellant alleges that under previous licenses the privilege of selling and serving alcoholic beverages was permitted in the detached building and the adjacent and surrounding grounds. Therefore, appellant contends that the action of the respondent in refusing to permit this privilege to continue is arbitrary and unreasonable.

It appears from the record that in 1946, the appellant and one Hilda Dorf, acquired all of the capital stock of the Metuchen Inn Inc. It will be necessary in order to obtain a proper perspective of the events which culminated in the present appeal to enumerate the data contained in the various applications filed for renewal of the license now under consideration from the 1947-48 licensing period to date.

The renewal application for the license in question for the period July 1, 1947 to June 30, 1948, stated the location of the premises to be licensed as 424 Middlesex Avenue; described the building containing the licensed premises as, "Three Story Frame Bldg."; and stated that the entire building did not constitute the licensed premises but that the licensed premises consisted of the "Dining Room - ground floor Tap Room off East Corner Bldg."

The information in the renewal application for the licensing period July 1, 1948 to June 30, 1949, was similar to that divulged in the application for renewal for the previous licensing year.

The renewal application for the licensing period July 1, 1949 to June 30, 1950, stated the location of the premises to be licensed as 424 Middlesex Avenue; described the building containing the licensed premises as "Two and Half Story Frame Bldg."; and stated that the entire building was to constitute the licensed premises and that the licensed premises consisted of the "Dining Room Ground-Floor Tap Room off East Corner Bldg. and Lot."

The renewal application for the licensing period July 1, 1950 to June 30, 1951, stated the location of the premises to be licensed as 424-26 Middlesex Avenue; described the building containing the licensed premises as "Two and Half Story Frame Bldg." and stated that the purpose for which the building was to be used was "Hotel Restaurant Cocktail Lounge & Package Store"; that the entire building was to constitute the licensed premises and that the licensed premises consisted of the "Dining Rooms Ground Floor Tap Room and Complete Bldgs. and Lots".

The renewal application for the licensing period July 1, 1951 to June 30, 1952, stated the location of the premises to be licensed as 424-26 Middlesex Avenue (the 426 appeared to be crossed out); and stated that the other information was similar to that given in the application of renewal for the previous licensing year.

The renewal application for the year 1952-53 stated the location of the premises as 424-426 Middlesex Avenue and the other information given in said application was similar to that in the application for renewal for the two previous years.

The renewal application for the current licensing period stated the location of the premises as 424-426 Middlesex Avenue (but the 26 was obliterated), the other information given in said license application was similar to that given in the application for renewal for the three previous years.

The application for the transfer of the license which is now under consideration from Metuchen Inn Inc. to Paul Dorf, stated the location of the premises as 424-26 Middlesex Avenue and other information given is similar to that in the applications for renewal for the past four years.

It is apparent from an examination of the various applications listed above for renewal of its license, that the Metuchen Inn, Inc. beginning in 1949 and continuing to date, enlarged its licensed premises without obtaining the necessary permission from the respondent herein. The applications for renewal of the license for 1947-48 and 1948-49 wherein the licensed premises described as "Dining Room - ground floor Tap Room off East Corner Bldg." of the main structure, determines the extent of the licensed premises. In order to obtain lawfully the privilege of including all additional rooms, buildings and grounds thereafter set forth in the renewal applications, it would have been necessary to make an application for a place-to-place transfer of the license to cover the enlarged premises. Re Haney, Bulletin 89, Item 7; Re Campanello, Bulletin 114, Item 8; Re Johnson, Bulletin 170, Item 14. This was not done. The contention by appellant that the failure of the respondent issuing authority over a period of years to discover that the premises where alcoholic beverages were to be sold and consumed were enlarged should permit the continuance of the operation of the licensed business in the enlarged premises, is without merit.

If the members of the local issuing authority decide that it is desirable and for the best interest of the community to permit sale and service of alcoholic beverages only in the main structure and to prohibit such sale and service on the adjacent grounds or detached building, the municipal issuing authority has the inherent power to establish a policy to regulate liquor traffic so as to accomplish the desired end. Re Kotzas v. Dover, Bulletin 854, Item 8.

I might reiterate, however, that as it now stands the licensed premises are limited to the ground floor, dining room and the tap room off the east corner of the main building. Sale, service or consumption of alcoholic beverages must not be permitted elsewhere on appellant's premises unless and until respondent grants an application to transfer the license to cover any additional premises.

After careful consideration of the evidence I conclude that appellant has failed to sustain the burden of proof to establish that the action of the respondent issuing authority was erroneous. Rule 6 of State Regulations No. 15.

Accordingly, it is, on this 19th day of February, 1954,

ORDERED that the appeal herein be and the same is hereby dismissed.

WILLIAM HOWE DAVIS  
Director.



8. ALIENS - HEREIN OF TREATIES BETWEEN UNITED STATES AND FOREIGN COUNTRIES - LIST OF TREATY COUNTRIES.

The New Jersey Alcoholic Beverage Law prohibits aliens from holding licenses or holding in excess of 10% of stock in any corporate retail licensee (except, in the case of a corporation, for premises operated as a bona fide hotel or, in certain instances, at an airport). The law further prohibits the employment of any alien upon licensed premises unless such alien has obtained an employment permit from the Division of Alcoholic Beverage Control. Revised Statutes 33:1-24, 25; Rule 5, State Regulations No. 13.

Where, however, a treaty is in existence between the United States and a foreign country, whereby nationals of the foreign country are guaranteed the same trade privileges as United States citizens, such treaty supersedes the New Jersey Alcoholic Beverage Law and State Regulations, with the consequent result that alien nationals of such foreign country are eligible for license and for employment without permit. Re Guskind, Bulletin 130, Item 5; Re McGuigan, Bulletin 228, Item 2; Re Sacks, Bulletin 942, Item 9.

According to our most recent advices from the United States Department of State, treaties are presently in existence with the countries listed below and alien nationals of these countries are afforded reciprocal trade privileges with United States citizens. Accordingly, alien nationals of these countries, who are otherwise properly qualified, may (a) hold licenses; (b) hold stock in licensed corporations; (c) be employed upon licensed premises without permit.

The following list supersedes the previous list published in Bulletin 960, Item 3:

Argentina	Finland	Italy
Austria	Great Britain, including	Japan
Belgium	nationals of Scotland and	Latvia
Bolivia	other British territory	Liberia
Borneo	in Europe, but not includ-	Norway
China	ing nationals of British	Paraguay
Colombia	territory not in Europe,	Spain
Costa Rica	such as Canada	Switzerland
Denmark	Greece	Thailand
El Salvador	Honduras	Turkey
Estonia	Ireland	Yugoslavia

It is to be noted that Japan has been added and Ethiopia has been deleted from previous lists with the consequent result that Japanese nationals, who are otherwise properly qualified, are eligible for license and employment without permit, whereas nationals of Ethiopia may not obtain new licenses or renew present licenses and may not be employed upon licensed premises without permit. Cf. Bulletin 948, Item 1.

WILLIAM HOWE DAVIS  
Director.

Dated: February 17, 1954.

9. DISCIPLINARY PROCEEDINGS - GAMBLING - LICENSE SUSPENDED FOR 20 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary  
Proceedings against

TESSIE N. DISNER & ESTHER GORDON  
T/a SHIRLEY'S GRILLE  
1478 S. 9th Street  
Camden, N. J.,

CONCLUSIONS  
AND ORDER

Holders of Plenary Retail Consump-  
tion License C-134, issued by the  
Municipal Board of Alcoholic Beverage  
Control of the City of Camden.

Tessie N. Disner and Esther Gordon, Defendants Pro Se.  
David S. Piltzer, Esq., appearing for Division of Alcoholic Beverage  
Control.

BY THE DIRECTOR:

Defendants have pleaded non vult to the following charges:

"1. On January 22, 1954, you engaged in and allowed, permitted and suffered gambling, commonly known as 'numbers writing', in and upon your licensed premises; in violation of Rule 7 of State Regulations No. 20.

"2. On January 22, 1954, you allowed, permitted and suffered tickets and participation rights in a lottery, commonly known as the 'numbers game', to be sold and offered for sale in and upon your licensed premises, and you possessed, had custody of and allowed, permitted and suffered such tickets and participation rights in and upon your licensed premises; in violation of Rule 6 of State Regulations No. 20."

The file herein discloses that, while two ABC agents were present on defendants' licensed premises on the afternoon of January 22, 1954, they heard Joseph Disner, the bartender, tell a patron that the winning number yesterday was 666. Thereafter several patrons handed money to the bartender, who wrote numbers on a piece of paper. One of the agents gave a marked one-dollar bill to the bartender to place on a certain number. Later the agents identified themselves and found on the person of Joseph Disner a slip bearing numbers and a sum of money including the marked one-dollar bill.

Defendants have no prior record. I shall suspend their license for the minimum period of twenty days. Re Kimak, Bulletin 685, Item 7; Re Richman, Bulletin 990, Item 5. Five days will be remitted for the plea entered herein, leaving a net suspension of fifteen days.

Accordingly, it is, on this 19th day of February, 1954,

ORDERED that Plenary Retail Consumption License C-134, issued by the Municipal Board of Alcoholic Beverage Control of the City of Camden to Tessie N. Disner & Esther Gordon, t/a Shirley's Grille, for premises 1478 S. 9th Street, Camden, be and the same is hereby suspended for fifteen (15) days, commencing at 2:00 a.m. March 1, 1954, and terminating at 2:00 a.m. March 16, 1954.

WILLIAM HOWE DAVIS  
Director.

## 10. STATE LICENSES - NEW APPLICATIONS FILED.

York Motor Express Co.

35 Florence St., Jersey City, N. J.

Application filed March 1, 1954 for Transportation License with additional warehouse at 2751 Brunswick Avenue, Trenton, N. J.

N. V. Nederlandsch-Amerikaansche Stoomvaart-Maatschappij (Holland-Amerika Lijn), t/a Holland-America Line

29 Broadway, New York, New York.

MV "Westerdam"

Application filed February 26, 1954 for Plenary Retail Transit License.

N. V. Nederlandsch-Amerikaansche Stoomvaart-Maatschappij (Holland-Amerika Lijn), t/a Holland-America Line

29 Broadway, New York, New York.

SS "Nieuw Amsterdam"

Application filed February 26, 1954 for Plenary Retail Transit License.

N. V. Nederlandsch-Amerikaansche Stoomvaart-Maatschappij (Holland-Amerika Lijn), t/a Holland-America Line

29 Broadway, New York, N. Y.

M. V. "Noordam"

Application filed February 26, 1954 for Plenary Retail Transit License.

N. V. Nederlandsch-Amerikaansche Stoomvaart-Maatschappij (Holland-Amerika Lijn), t/a Holland-America Line

29 Broadway, New York, N. Y.

SS "Maasdam"

Application filed February 26, 1954 for Plenary Retail Transit License.

N. V. Nederlandsch-Amerikaansche Stoomvaart Maatschappij (Holland-Amerika Lijn), t/a Holland-America Line

29 Broadway, New York, N. Y.

SS "Ryndam"

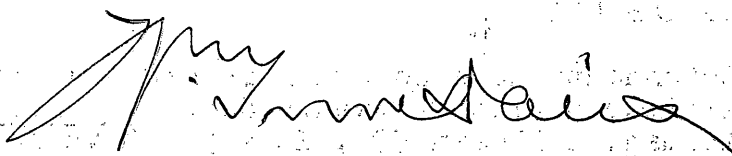
Application filed February 26, 1954 for Plenary Retail Transit License.

United Air Lines, Inc.

5959 So. Cicero Avenue

Chicago, Illinois.

Application filed March 1, 1954 for Plenary Retail Transit License.



William Howe Davis  
Director.