

STATE OF NEW JERSEY
 Department of Law and Public Safety
 DIVISION OF ALCOHOLIC BEVERAGE CONTROL
 1100 Raymond Blvd. Newark, N.J. 07102

BULLETIN 1724

April 6, 1967

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April 6, 1967

1. DISCIPLINARY PROCEEDINGS - SOLICITATION FOR PROSTITUTION -
LICENSE SUSPENDED FOR 210 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary)
Proceedings against)

Sabato & Carmine Galasso)
4104-06 New York Ave.)
Union City, New Jersey,)

CONCLUSIONS
AND
ORDER

Holder of Plenary Retail Consumption)
License C-55, issued by the Board of)
Commissioners of the City of Union)
City.)

Samuel Raffaello, Esq., Attorney for Licensees
Edward F. Ambrose, Esq., Appearing for Division of Alcoholic
Beverage Control.

BY THE DIRECTOR:

Licensees plead non vult to a charge as follows:

"On Wednesday night July 6 into Thursday morning
July 7, and on Thursday night July 7 into Friday
morning July 8, 1966, you allowed, permitted and
suffered, lewdness and immoral activity in and upon
your licensed premises, viz., in that you, through
you Sabato Galasso, a member of your partnership,
made offers to male patrons and customers thereon to
procure females to engage in acts of illicit sexual
intercourse and/or acts of illicit perverted sexual
relations with them, and in furtherance of those
offers made arrangements with a female to engage in
acts of illicit sexual intercourse and/or acts of
illicit sexual relations with patrons and customers,
as aforesaid; in violation of Rule 5 of State Regulation
No. 20."

Absent prior record, the license will be suspended for
two hundred ten days, with remission of five days for the plea
entered, leaving a net suspension of two hundred five days. Re
Club Delite, Inc., Bulletin 1675, Item 1; Re Tinv's Bar & Grill,
Inc., Bulletin 1718, Item 1.

Accordingly, it is, on this 1st day of February, 1967,

ORDERED that Plenary Retail Consumption License C-55,
issued by the Board of Commissioners of the City of Union City
to Sabato & Carmine Galasso, for premises 4104-06 New York
Avenue, Union City, be and the same is hereby suspended for the
balance of its term, viz., until midnight June 30, 1967, commenc-
ing at 3 a.m. Wednesday, February 8, 1967; and it is further

ORDERED that any renewal license that may be granted
shall be and the same is hereby suspended until 3 a.m. Friday,
September 1, 1967.

JOSEPH P. LORDI,
DIRECTOR

2. DISCIPLINARY PROCEEDINGS - SOLICITATION FOR PROSTITUTION - PREVIOUS DISSIMILAR RECORD - LICENSE SUSPENDED FOR 95 DAYS.

In the Matter of Disciplinary Proceedings against)

Rocky Birch, Inc.)
t/a Rocky Castellani's Sports Bar)
2203 Atlantic Avenue)
Atlantic City, N. J.)

CONCLUSIONS
AND
ORDER

Holder of Plenary Retail Consumption License C-200, issued by the Board of Commissioners of the City of Atlantic City.)

-----)
Edward I. Feinberg, Esq., Attorney for Licensee
Edward F. Ambrose, Esq., Appearing for the Division of Alcoholic Beverage Control

BY THE DIRECTOR:

The Hearer has filed the following report herein:

Hearer's Report

Licensee pleaded not guilty to the following charge:

"On July 8, 1966, you allowed, permitted and suffered lewdness and immoral activity in and upon your licensed premises, viz., solicitation for prostitution and the making of overtures and arrangements for acts of illicit sexual intercourse; in violation of Rule 5 of State Regulation No. 20."

Three ABC agents participated in the investigation leading to the preferment of the charge.

Agent C testified that, acting under specific assignment to investigate acts of alleged prostitution and accompanied by Agents J and B, he arrived at the vicinity of the licensed premises on Friday, July 8, 1966, at 11:30 p.m. Upon arrival Agent B immediately entered the licensed premises, followed shortly thereafter by Agent C. The agent described the licensed premises as a long, narrow, dimly lit barroom. Upon entering, the agent positioned himself two stools to the right of Agent B. There were approximately twenty-five male and female patrons in the barroom. A person identified as Karl Molnar was tending bar with another person who was unidentified.

The agent observed a female called Judy --- (Judy) in the company of Agent B. They were engaged in drinking and conversation. Molnar was tending bar directly in front of them and moving along the bar in that area.

Agent C then testified that he heard conversations between Agent B and Molnar as follows:

"I heard Investigator B--- say to Mr. Molnar that Judy wanted to screw him for twenty dollars and five dollars for the room, but he was concerned about getting hit in the head. Mr. Molnar replied, 'You don't have to worry about that. That's never happened.'"

B then said that he "wouldn't want to get involved because he was married and didn't want his wife to hear about it", to which Molnar responded, "You don't have to worry about that."

Judy told Agent B "to go over to the Terminal Hotel and she would be along in about five minutes." At that time Molnar was directly in front of them and there were two stools between the agents at the time the reference to the hotel was made. Thereafter Agent B departed from the premises. C remained at the bar.

Agent C described the next step in his investigation as follows:

"She [Judy] looked in my direction and smiled broadly and greeted me by saying, 'Hi,' and I returned the greeting and said, 'Hi.' She said, 'Slide over,' which I did, and she said 'Are you going to buy a girl a drink?' I said, 'Go ahead.'"

Thereupon Judy called the bartender Molnar by his first name, "Karl", and ordered a drink. Molnar was about six feet away at that time. At this point Agent J moved from his position near the entrance to a position immediately behind Agent C and remained there approximately fifteen minutes.

C testified that he engaged in the following conversation with Judy during the time that Molnar was serving the pair:

"She [Judy] said, 'Are you looking for fun?' And I said, 'Well, what kind of fun?' And she said, 'Going to bed.' I said, 'Maybe. What's it going to cost me?' She said, 'It will cost you fifty dollars.' I said, 'Well, maybe.' She said, 'Are you going to be here a while?' I said, 'About an hour.' At this time she said she had to go to the hotel to take care of the guy that just left."

Judy departed from the tavern at approximately 12:15 a.m. Subsequent thereto the agent called Molnar and testified as follows concerning his conversation with Molnar:

"I told Mr. Molnar that the female was going over to take care of the guy at the hotel and is supposed to come back to take care of me. I said, 'I'm going out for a sandwich' and would he tell her I would be back. And he said, 'All right, I'll tell her when she comes in.'"

At approximately 12:20 a.m. the agent departed from the tavern (preceded by Agent J) and joined the other two agents. Upon re-entry at 12:40 a.m. the agent had in his possession two marked ten-dollar bills and a marked five-dollar bill. Agent J followed directly behind Agent C in re-entering the barroom. C positioned himself at the bar alongside Judy. Agent J stayed no further than three feet removed from C. With Molnar about four feet away from the couple, Judy said that "the other guy had stood her up" and she wondered if he (Agent C) was returning. While Molnar was serving Agent C and Judy a drink, and standing directly in front of the pair, Judy said it would cost \$50 for the agent "to go to bed." The agent looked at Molnar, who was still at the same position, and said, "Is she going to give you twenty-five dollars of it?" Molnar responded, "Oh, No." The agent stepped back two or three feet and said to Molnar, "Well, she's too steep for me." Thereupon Judy reached over, grabbed the agent by his privates,

pulled him back and said, "I'm only kidding. How about twenty and five?" C responded, "It sounds more like it, yes" and asked Molnar, "Is she worth twenty and five?" Molnar responded, "Yes, I guess so. She's all right." While Molnar was still looking on, "several feet, three, four feet" away, the agent asked Judy what he would get for the \$20. Judy clearly detailed the acts of sexual misbehavior she would perform. The agent then testified to an additional conversation he had with Molnar as follows:

"He [Molnar] was serving us another drink and I said I was going to the hotel, 'Judy was going to screw me for twenty dollars, but I'm concerned about some pimp knocking me in the head.' Mr. Molnar said -- or Judy interrupted and said, 'You don't have to worry about that,' and he said, 'No, that doesn't happen.'"

In response to the agent's inquiry as to whether Judy "was as good in bed as she said she is," Molnar said, "Well, I don't know. She's one of the new girls."

At this point, and while Molnar was within four or five feet distant, Judy advised the agent to go to the Terminal Hotel and that she "would be along in about five minutes." Agent C departed the licensed premises for the Terminal Hotel at approximately 1:05 a.m. At the hotel he was assigned a room and thereafter Judy met him in the room. Judy requested payment of \$20 and the agent handed her the two marked ten-dollar bills which she put in her purse on the bureau. Judy was completely disrobed and the agent was partially disrobed when he heard a knock on the door. Upon unlocking the door, Agents J and B walked in, accompanied by three Atlantic City Police Department detectives. Agent J recovered the two marked ten-dollar bills from Judy's purse.

Agents C and J, the three detectives and Judy left the hotel and entered the licensed premises at 1:40 a.m. The agents identified themselves to Molnar, who was still behind the bar. The agents met a person identified as Attilio Castellani, who later testified that he was employed as the manager of the barroom by the licensee corporation. Agent J informed Castellani that Judy was a prostitute and solicited Agent C for prostitution. Castellani denied having knowledge of such activity. Finally, when questioned as to what conversation Agent J had with Molnar, the agent testified:

"Inspector J--- said, 'You were present and had conversation with the agent about the price twenty dollars and five dollars and is she all right and is she good in bed and will he get knocked in the head,' and so forth, and Mr. Molnar admitted to having a conversation."

On cross examination the agent testified that a juke box, located at the extreme rear of the barroom, was playing periodically at normal volume so that a conversation could be carried on in a normal tone. There were about ten girls seated at the bar. The agent did not single out Judy specifically for conversation. He reiterated that Molnar was standing in front of him on the bartender's side of the bar when Judy mentioned "fifty dollars" and "twenty and five." Molnar was "in the vicinity, within three, four feet of our position" when there was a discussion as to what Judy would do for the "twenty and five." Molnar was standing directly in front when the agent asked him "about being hit in the head by a pimp" and "about her ability in bed." He did not talk with any other females at the bar concerning having intercourse that night.

On redirect examination the agent testified that he observed ten females at the bar that "appeared to be alone." Referring to the ten females, he testified that "they were spaced and once in a while one would walk over and talk with another and then move away."

Agent J testified that he participated in the investigation of the matter now in trial and, accompanied by ABC Agents C and B, arrived at the vicinity of the licensed premises on July 8, 1966 at approximately 11:30 p.m. Agent B entered the barroom first at approximately 11:30 p.m., followed by Agent C about five minutes later. Agent J entered the barroom about five minutes after Agent C's entrance. He positioned himself about six or eight feet distant from Agents B and C. After B departed from the premises at "about 12 midnight" and Agent C seated himself next to Judy (in response to Judy's invitation to C that he "slide over"), Agent J moved to a position directly behind C and Judy. He described the lighting as "very dark." He identified Molnar as the bartender serving Agent C. The balance of the testimony elicited on direct examination substantially corroborated the testimony of Agent C as to the conversations had between Agent C, Judy and Molnar leading to the agent and Judy being found in the hotel room. The marked bills referred to by Agent C in his testimony were found in Judy's purse in the hotel room.

On cross examination the agent admitted that Castellani denied having knowledge of the incident and that he wasn't acquainted with Judy.

Agent B testified that he preceded C and J in entering the licensed premises and was joined at the bar by Judy. He had not been acquainted with Judy prior to the date in question. Judy asked him as to whether he was "interested in having a little fun." In response to the agent's question as to the kind of fun she meant, Judy responded, "Oh, I mean going to bed." In response to B's inquiry as to the cost, Judy answered that it would cost "twenty and five for the room." At that time Molnar was approximately three feet away on the other side of the bar. Molnar had served them a drink at the commencement of the meeting between the pair.

The testimony then revealed the following:

"Q And after she told you that what if anything did you say to Mr. Molnar?

A I asked him if he knew her and I said, 'She wanted me to go to bed with her and it was going to cost me twenty-five dollars and I was a little scared getting hit over the head by a pimp, do you think she's all right?' And he said, 'No, you don't have to worry about it. You won't get hit over the head. She's okay.'

* * *

Q Then did you say anything else to Mr. Molnar?

A I had mentioned it to him again that I was a little scared of going to the hotel, 'She wanted me to go to a hotel.' I said, 'I don't want to break up a happy home if my wife finds out anything about it.' He said, 'Don't worry. Nothing will happen. She's all right.'"

Upon being advised by Judy to register at the Terminal Hotel, the agent departed from the licensed premises at about midnight. Previous thereto he had noted the presence of Agents

C and J in the barroom. They remained in the barroom after B's departure. About twenty minutes later the three ABC agents met at C's car. Thereafter Agents C and J re-entered the licensed premises. B remained outside.

In behalf of the licensee Attilio "Rocky" Castellani testified that he had been the manager of the licensed premises since the year 1958. Karl Molnar had been employed as a bartender for five years. On the night of July 8 and the early morning of July 9, 1966 he was performing his managerial duties, greeting and seating patrons at the bar, taking pictures of patrons and giving them the pictures. He was a "camera bug." Although he took a picture of Judy on the night in question, he had not seen or met her before. He recalled admitting Agents C and J, two members of the vice squad and Judy to the back room of the licensed premises on the night of the alleged occurrence. When questioned as to what conversation he had with Agent J, the witness replied:

"... he [J] identified himself and all with credentials and then I told him, 'What's the story? Why are you pulling us all back here?' And he started to explain to me about Karl Molnar, which was there, that he was soliciting for prostitution and I jumped on Karl and I said to him, I said, 'Didn't I tell you you are not supposed to talk to anyone? You are not allowed. That's the way I hired you. You're not allowed to be a pimp. You are a bartender.' And Karl said, 'I didn't do any such thing.' Then I went back to the agent and I said, 'What did he say to you?' And the one agent said, I think he asked a question is the girl worth twenty dollars and Karl said, 'I don't know, I guess so.' I said, 'That's what you pulled me back here for?' I don't know, I guess so? 'You say that's soliciting prostitution?'"

Continuing, he testified that Agent C said, "Well, the girl is soliciting drinks." Castellani responded, "She don't work for me. How could she solicit drinks?"

In questioning Judy in the presence of the ABC agents, Judy asserted that she had never been in the licensed premises prior to the night in question, she was not employed therein and was thirty-four years of age. Castellani denied that he had anything to do with the alleged illegal activity. He heard none of the alleged conversations between Molnar, Judy and the agents. If he had, he wouldn't have permitted it. Whenever he caught a girl talking to a patron he would ask her to leave and, if she would not leave, he would call the police.

Additionally he testified that Agent J told him that he had difficulty hearing any conversation between Agent C, Judy and Molnar due to the loudness of the music. Due to the position of the amplifier near the front end of the licensed premises, the music was loud at the section of the bar serviced by Molnar.

Karl Molnar testified that he had been employed as a bartender at the licensed premises for a period of five years. He commenced working behind the bar on July 8, 1966 at 9 p.m. Due to the position of the amplifier near the door, the music from the juke box was playing very loud at his station. He heard no conversation between Agent C and Judy concerning having intercourse or going anywhere to engage in intercourse. He testified that the only conversation he had with Agent C concerning Judy was as follows:

"When I was serving drinks I was pretty busy and I was serving drinks. I had two glasses in my hand. He called me over and I bent over and he said, 'Is she all right for twenty dollars?' I said, 'I don't know, I guess so,' and I walked away from him, and I was keeping busy. I was serving drinks. That's all I had."

He denied that Agent C mentioned to him that he was "going out and coming back in a half hour." He denied having met Judy prior to the night in question, having any conversation with her involving intercourse, or having any knowledge that she was in the licensed premises for immoral purposes. Additionally, he testified that the statement he made to the agents in the back room of the tavern did not differ from his testimony on the witness stand. Molnar then testified as follows:

"Q Did you place any weight or any meaning on the question Mr. C-- asked you about her being worth twenty dollars?

A No.

Q What was your understanding of what he meant?

A I don't know what he was talking about. I was busy.

I don't know. So many people -- what the hell they're talking about.

Q Were you very busy this night?

A I'm usually busy on Fridays. We were pretty busy, yes.

Q Did you hear any conversations about having fun?

A No, I didn't.

Q Any bed fun or what Judy J--- would do for twenty dollars, did you hear any of those conversations at all?

A No, I didn't, no."

On cross examination, when Molnar was asked, "Did it occur to you that what C--- meant when he said that to you was that the girl was going to take him out for intercourse and that her price was twenty dollars for the act and five dollars for the room?", he responded, "No, I didn't." Later, he testified that he did not ask C what he meant by that statement. He denied seeing Agent B in the licensed premises on the night in question. The first time that he noted Judy's presence in the tavern was at approximately 11 p.m., at which time she was alone. He did not know the circumstances under which Judy and Agent C got together. He did not observe Judy in the company of another male prior to meeting with C. No one spoke to him about getting in trouble with his wife or breaking up his home on the night in question.

On redirect examination Agent J testified that he was not aware of amplifiers in operation at the section of the bar where he was positioned. It was his thought that "the music was very low." It seemed to emanate from the juke box at the rear of the room.

In brief, the licensee's attorney argued that the charge should be dismissed because (1) the evidence is insufficient to sustain a finding of guilt; (2) the Division failed to produce as witnesses the two Atlantic City police officers and the girl Judy ---, and (3) the evidence is insufficient to sustain a finding that licensee allowed, permitted and suffered the violation charged herein.

It is apparent that this proceeding presents a purely factual question.

In evaluating the testimony and its legal impact, we are guided by the firmly established principle that disciplinary

proceedings against liquor licensees are civil in nature and require proof by a preponderance of the believable evidence only. Butler Oak Tavern v. Division of Alcoholic Beverage Control, 20 N.J. 373 (1956); Freud v. Davis, 64 N.J. Super. 242 (App. Div. 1960); Howard Tavern, Inc. v. Division of Alcoholic Beverage Control (App. Div. 1962), not officially reported, reprinted in Bulletin 1491, Item 1.

In appraising the factual picture presented in this proceeding, the credibility of witnesses must be weighed. Evidence, to be believed, must not only proceed from the mouths of credible witnesses, but must be credible in itself, and must be such as common experience and observation of mankind can approve as probable in the circumstances. Spagnuolo v. Bonnet, 16 N.J. 546 (1954); Gallo v. Gallo, 66 N.J. Super. 1 (App. Div. 1961).

The general rule in these cases is that the finding must be based on competent legal evidence and must be grounded on a reasonable certainty as to the probabilities arising from a fair consideration of the evidence. 32A C.J.S. Evidence, sec. 1042.

In view of the gravity of the charge, I have made a careful analysis and evaluation of the testimony adduced at the hearing and carefully noted the demeanor of the witnesses as they testified.

The evidence is overwhelming that Judy solicited for prostitution and made overtures and arrangements for acts of illicit sexual intercourse in the licensed premises as charged. Additionally, the evidence clearly indicates that the licensee's bartender was fully aware of the female patron's activity in the licensed premises in this connection.

It is apparent that Judy first solicited ABC Agent B and, not only was the bartender aware of the overtures and arrangements but, he also reassured the agent of the safety of the undertaking. Agent B's testimony was amply corroborated by the testimony of Agent C.

Additionally, it is apparent that Judy next turned her attention to Agent C and that the bartender was fully aware of Judy's solicitation of that agent. Agent C's testimony of the solicitation was fully buttressed by the testimony of Agent J.

I am persuaded that the testimony of the ABC agents was factual, credible and truly depicted the proscribed activities. It is apparent the agents' testimony was free of taint of personal animus against the licensee. Furthermore, the licensee, in the exercise of ordinary prudence in the operation and management of the licensed premises, should have carefully observed the activities of an inordinately large number of female patrons who frequented the barroom as "singles."

It is a sufficient response to the licensee's second argument to point out that it was not incumbent upon the Division to produce members of the local police force and the girl involved herein as witnesses at the hearing. The licensee could have effected their presence at the hearing if it so desired.

In answer to the third argument, it is my view that the evidence amply justified a finding that the bartender was well aware of the solicitation and allowed and permitted it to occur.

In any event, a licensee cannot escape the consequences of the occurrence of incidents, such as hereinabove related, on the licensed premises. A licensee may not avoid his responsibility for conduct occurring on his premises by merely closing his eyes and ears. On the contrary, licensees or their agents or employees must use their eyes and ears, and use them effectively, to prevent the improper use of their premises. Bilowith v. Passaic, Bulletin 527, Item 3; Re Ehrlich, Bulletin 1441, Item 5; Re Club Tequila, Inc., Bulletin 1557, Item 1.

An additional basic principle is worthy of emphasis. In disciplinary proceedings, a licensee is fully accountable for all violations committed or permitted by his servants, agents or employees. Rule 33 of State Regulation No. 20. Cf. In re Schneider, 12 N.J. Super. 449 (App.Div. 1951).

I therefore conclude that the Division has met the burden of proving the charge by clear and convincing testimony and by a fair preponderance of the credible evidence. I therefore recommend that the licensee be found guilty of said charge.

Licensee has a previous record of suspension of license by the Board of Commissioners of the City of Atlantic City for fifteen days effective October 14, 1964, for sale to minors.

I further recommend that the license be suspended for ninety days (Re Your Girls, Inc., Bulletin 1713, Item 2), to which should be added five days by reason of the record of suspension for dissimilar violation occurring within the past five years (Re Manruff Corp., Bulletin 1691, Item 1), making a total suspension of ninety-five days.

Conclusions and Order

Written exceptions to the Hearer's report and argument thereto were filed by the licensee's attorney, pursuant to Rule 6 of State Regulation No. 16.

I find that the matters contained in the exceptions have either been considered in detail by the Hearer in his report or are without merit.

Consequently, having considered the entire record herein, including the exceptions filed, I concur in the findings and recommendations of the Hearer and adopt them as my conclusions herein.

Accordingly, it is, on this 30th day of January, 1967,

ORDERED that Plenary Retail Consumption License C-200, issued by the Board of Commissioners of the City of Atlantic City to Rocky Birch, Inc., t/a Rocky Castellani's Sports Bar, for premises 2203 Atlantic Avenue, Atlantic City, be and the same is hereby suspended for ninety-five (95) days, commencing at 7 a.m. Monday, February 6, 1967 and terminating at 7 a.m. Friday, May 12, 1967.

JOSEPH P. LORDI,
DIRECTOR

3. DISCIPLINARY PROCEEDINGS - FALSE STATEMENTS IN APPLICATION FOR LICENSE - NO PENALTY IMPOSED IN VIEW OF CANCELLATION OF LICENSE.

CANCELLATION PROCEEDINGS - CLUB NOT BONA FIDE - LICENSE CANCELLED.

In the Matter of Disciplinary and Cancellation Proceedings against Cedar-Mar Yacht Club Crabbe Road South Toms River PO Toms River, N. J.

CONCLUSIONS AND ORDER

Holder of Club License CB-2, issued by the Mayor and Borough Council of the Borough of South Toms River

Gerald W. Kolba, Esq., Attorney for Licensee. Philip Margulies, Esq., Appearing for Division of Alcoholic Beverage Control.

BY THE DIRECTOR:

Licensee pleads non vult to charges (1) and (2) alleging that in its current application for license, it falsely claimed that it had been in active operation and in possession of club quarters for three years immediately prior to the application, as required by Rules 3 and 4 of State Regulation No. 7, in violation of R.S. 33:1-25.

In addition, licensee does not contest an order to show cause why its license should not be cancelled because improvidently issued in violation of R.S. 33:1-12(5) and Rules 2, 3 and 4 of State Regulation No. 7, in that the club was not bona fide within the law and the regulation.

Affiliate charges 3, 4 and 5 alleging, in combined effect, that the licensee was a front for Eric W. Luster and Patricia L. Luster in violation of R.S. 33:1-25 and 52, have been nolle prossed in view of the confessive plea to charges 1 and 2, the non-contest of the order to show cause, and the intended disposition of the whole case to be made.

Under the circumstances and considering the non vult plea to charges 1 and 2 and the lack of contest of the order to show cause, the license will be cancelled. In view of such disposition, it is not deemed necessary to impose any penalty of suspension or revocation of the license on the basis of the charges. Cf. Re South Trenton Social and Political Club, Bulletin 1661, Item 7.

Accordingly, it is, on this 31st day of January, 1967,

ORDERED that Club License CB-2, issued by the Mayor and Borough Council of the Borough of South Toms River to Cedar-Mar Yacht Club for premises on Crabbe Road, South Toms River, be and the same is hereby cancelled and declared null and void, effective immediately.

JOSEPH P. LORDI, DIRECTOR

4. SPECIAL PERMITS - REQUIREMENT FOR DISPENSING ALCOHOLIC BEVERAGES AT INDUSTRY CONVENTIONS BY LICENSED MANUFACTURERS OR WHOLESALERS - NOT AVAILABLE TO NON-LICENSEES.

February 2, 1967

Club Columbia Importers, Inc.
New York, New York 10004

I have yours of January 26th concerning your proposed attendance at the 1967 annual convention of the New Jersey State Beverage Distributors Association and inquiring, in effect, if you may maintain a hospitality room in which you would dispense beer to those attending the convention.

There are no objections to representatives of alcoholic beverage manufacturers or wholesalers, whether or not licensees in this state, attending trade conventions where they may display signs, pass out advertising literature and participate in meetings, dinners or other affairs to the extent allowed by the organization sponsoring the convention. Non-licensees, however, may not display or dispense alcoholic beverages in any manner whatsoever. See Re Century, Bulletin 234, Item 6, copy enclosed. Hence, inasmuch as you do not hold a New Jersey license, your request to dispense beer to those attending the convention must be denied.

A licensed manufacturer or wholesaler -- including any of your distributors -- participating in a trade convention may serve drinks of alcoholic beverages in their respective rooms or suites to convention guests but, in order to engage in such activity, must obtain a special permit for the reason that the New Jersey Alcoholic Beverage Law defines a "sale" as constituting even the gratuitous delivery or service of alcoholic beverages by a licensee. The license of a manufacturer or wholesaler does not include the privilege of dispensing alcoholic beverages, albeit gratuitously, by the drink or to consumers. Accordingly, a special permit is required whether the alcoholic beverages are taken from the licensee's stock, or purchased from another manufacturer or wholesaler or, for that matter, even when purchased from a retail licensee.

Procedurally, application for the permit is simple. The application would be by written request to this Division setting forth the following information:

1. Name, address and license number of the applicant.
2. Name and address of the hotel and suite number, if assigned, where applicant wishes to dispense alcoholic beverages.
3. Nature of the affair for which the permit is desired.
4. The date or dates upon which such beverages are to be dispensed.
5. A statement that such beverages will be served absolutely gratuitously for consumption only within the applicant's room or suite.
6. A statement that the applicant will properly report to the Beverage Tax Bureau in the Division of Taxation, all alcoholic beverages taken from the applicant's stock or purchased from

another manufacturer or wholesaler (no such report need be made where applicant makes his purchases from a licensed retailer).

The fee for each permit is \$25.00 and must accompany the application in cash, money order or certified check payable to the Division of Alcoholic Beverage Control.

JOSEPH P. LORDI,
DIRECTOR

5. DISCIPLINARY PROCEEDINGS - CHARGE OF SALE IN VIOLATION OF STATE REGULATION NO. 38 DISMISSED NOTWITHSTANDING CONFESSIVE PLEA - SALE TO MINORS - LICENSE SUSPENDED FOR 20 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary Proceedings against
The Derby, Inc.
t/a The Derby
Cor. Berkshire Valley Rd. & Lake Rd.
Jefferson Township
PO Oak Ridge, New Jersey,
Holder of Plenary Retail Consumption License C-17, issued by the Township Committee of the Township of Jefferson.

CONCLUSIONS
AND
ORDER

Licensee, by Angela G. Hynes, President, Pro se.
Edward F. Ambrose, Esq., Appearing for Division of Alcoholic Beverage Control.

BY THE DIRECTOR:

Licensee pleads guilty to charges alleging that (1) on August 20-21, 1966 it sold drinks of alcoholic beverages to three minors, ages 18, 19 and 20, in violation of Rule 1 of State Regulation No. 20, and (2) on August 21, 1966 it permitted removal of a 4/5 pint bottle of champagne from its licensed premises during prohibited hours, in violation of Rule 1 of State Regulation No. 38.

Report of additional investigation conducted after receipt of the plea discloses that in fact the bottle of champagne had not been removed from the licensed premises, the patron from whom it was detained having been still in the parking lot which, in addition to the building, is part of the licensed premises. Hence, despite the entry of the guilty plea to both charges, I am, of my own motion, dismissing charge (2). Cf. Re Witherspoon Lodge #178, Bulletin 1214, Item 4; Re Ford's Liquor Stores, Inc., Bulletin 1284, Item 8; Re Higgins, Bulletin 1285, Item 11.

Absent prior record, the license will be suspended on the first charge for twenty days (Re The Bunny Hutch, Bulletin 1603, Item 11), with remission of five days for the plea entered, leaving a net suspension of fifteen days.

Accordingly, it is, on this 1st day of February, 1967,

ORDERED that Plenary Retail Consumption License C-17, issued by the Township Committee of the Township of Jefferson to The Derby, Inc., t/a The Derby, for premises Cor. Berkshire Valley Rd. & Lake Rd., Jefferson Township, be and the same is hereby suspended for fifteen (15) days, commencing at 3 a.m. Wednesday, February 8, 1967, and terminating at 3 a.m. Thursday, February 23, 1967.

JOSEPH P. LORDI,
DIRECTOR

6. DISCIPLINARY PROCEEDINGS - ALCOHOLIC BEVERAGES NOT TRULY LABELED - LICENSE SUSPENDED FOR 20 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary Proceedings against)

Betty N. Scott & Lillian A. Nelson t/a Esquire Cocktail Lounge 29-33 Albany St. New Brunswick, New Jersey)

CONCLUSIONS AND ORDER

Holder of Plenary Retail Consumption License C-79, issued by the Board of Commissioners of the City of New Brunswick)

Joseph A. D'Alessio, Esq., Attorney for Licensees. Philip Margulies, Esq., Appearing for Division of Alcoholic Beverage Control.

BY THE DIRECTOR:

Licensees plead non vult to a charge alleging that on September 22, 1966, they possessed alcoholic beverages in three bottles bearing labels which did not truly describe their contents, in violation of Rule 27 of State Regulation No. 20.

Licensee Lillian A. Nelson (then in partnership with James M. Scott, Jr., holders of license for the same premises) has a previous record of suspension of license by the municipal issuing authority for three days effective August 22, 1960, for serving women at the bar in violation of local regulation, and for five days effective February 13, 1961, for violation of local hours regulation.

The prior record of suspensions of license for dissimilar violation occurring more than five years ago disregarded, the license will be suspended for twenty days, with remission of five days for the plea entered, leaving a net suspension of fifteen days. Re D'Alessandro, Bulletin 1690, Item 6.

Accordingly, it is, on this 6th day of February, 1967,

ORDERED that Plenary Retail Consumption License C-79, issued by the Board of Commissioners of the City of New Brunswick to Betty N. Scott and Lillian A. Nelson, t/a Esquire Cocktail Lounge, for premises 29-33 Albany Street, New Brunswick, be and the same is hereby suspended for fifteen (15) days, commencing at 2:00 a.m. Monday, February 13, 1967, and terminating at 2:00 a.m. Tuesday, February 28, 1967.

JOSEPH P. LORDI, DIRECTOR

7. DISCIPLINARY PROCEEDINGS - ALCOHOLIC BEVERAGES NOT TRULY LABELED
- LICENSE SUSPENDED FOR 20 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary Proceedings against

Walter Bohl and Elizabeth Ripp
580 Avenue C
Bayonne, N. J.

CONCLUSIONS
AND
ORDER

) Holders of Plenary Retail Consumption License C-15, issued by the Municipal Council of the City of Bayonne)
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Leo H. Bergman, Esq., Attorney for Licensees.
Philip Margulies, Esq., Appearing for Division of Alcoholic Beverage Control.

BY THE DIRECTOR:

Licensees plead non vult to a charge alleging that on September 17, 1966, they possessed alcoholic beverages in three bottles bearing labels which did not truly describe their contents, in violation of Rule 27 of State Regulation No. 20.

Absent prior record, the license will be suspended for twenty days, with remission of five days for the plea entered, leaving a net suspension of fifteen days. Re Jon Ray Company, Inc., Bulletin 1696, Item 7.

Accordingly, it is, on this 7th day of February, 1967,

ORDERED that Plenary Retail Consumption License C-15, issued by the Municipal Council of the City of Bayonne to Walter Bohl and Elizabeth Ripp for premises 580 Avenue C, Bayonne, be and the same is hereby suspended for fifteen (15) days, commencing at 2:00 a.m. Tuesday, February 14, 1967, and terminating at 2:00 a.m. Wednesday, March 1, 1967.

JOSEPH P. LORDI,
DIRECTOR

8. DISCIPLINARY PROCEEDINGS - STORAGE OFF LICENSED PREMISES -
LICENSE SUSPENDED FOR 5 DAYS, LESS 2 FOR PLEA.

In the Matter of Disciplinary)
Proceedings against)

Danzis-Wine -Liquor Co. (a corp.))
t/a Danzis-Wine-Liquor)
105 Central Avenue)
Newark, New Jersey)

CONCLUSIONS
AND
ORDER

Holder of Plenary Retail Distribution)
License D-149, issued by the Municipal)
Board of Alcoholic Beverage Control of)
the City of Newark)

-----)
Morris Goldsmith, Esq., Attorney for Licensee.
Edward F. Ambrose, Esq., Appearing for Division of Alcoholic
Beverage Control.

BY THE DIRECTOR:

Licensee pleads non vult to a charge as follows:

"On December 15, 1966, you stored alcoholic beverages in connection with business conducted by you under plenary retail distribution license issued for premises 105 Central Avenue, Newark, New Jersey, at premises known and designated as 248 Peshine Avenue, Newark, New Jersey, contrary to and in violation of Rule 25 of State Regulation No. 20."

Report of investigation discloses that several orders of alcoholic beverages in process of delivery from the licensed premises were stored overnight at the unlicensed drug store premises of Peshine Drugs at 248 Peshine Avenue, Newark, which drug store is operated by Benjamin Danzis, 50% stockholder of the licensee corporation.

Absent prior record, the license will be suspended for five days (Re Dzialo, Bulletin 1428, Item 10), with remission of two days for the plea entered, leaving a net suspension of three days.

Accordingly, it is, on this 31st day of January, 1967,

ORDERED that Plenary Retail Distribution License D-149, issued by the Municipal Board of Alcoholic Beverage Control of the City of Newark to Danzis-Wine-Liquor Co. (a corp.), t/a Danzis-Wine-Liquor, for premises 105 Central Avenue, Newark, be and the same is hereby suspended for three (3) days, commencing at 9:00 a.m. Monday, February 6, 1967, and terminating at 9:00 a.m. Thursday, February 9, 1967.

JOSEPH P. LORDI,
DIRECTOR

9. DISCIPLINARY PROCEEDINGS - ALCOHOLIC BEVERAGES NOT TRULY LABELED - LICENSE SUSPENDED FOR 10 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary Proceedings against)

Mrs. Rose DeGiglio t/a National Cafe 45 Main Street Hackensack, New Jersey)

CONCLUSIONS AND ORDER

Holder of Plenary Retail Consumption License C-7, issued by the City Council of the City of Hackensack)

Licensee, Pro se. Philip Margulies, Esq., Appearing for Division of Alcoholic Beverage Control.

BY THE DIRECTOR:

Licensee pleads non vult to a charge alleging that on November 14, 1966, she possessed an alcoholic beverage in a bottle bearing a label which did not truly describe its contents, in violation of Rule 27 of State Regulation No. 20.

Absent prior record, the license will be suspended for ten days, with remission of five days for the plea entered, leaving a net suspension of five days. Re Daddario and Toguville, Bulletin 1710, Item 6.

Accordingly, it is, on this 6th day of February, 1967,

ORDERED that Plenary Retail Consumption License C-7, issued by the City Council of the City of Hackensack to Mrs. Rose DeGiglio, t/a National Cafe, for premises 45 Main Street, Hackensack, be and the same is hereby suspended for five (5) days, commencing at 2:00 a.m. Monday, February 13, 1967, and terminating at 2:00 a.m. Saturday, February 18, 1967.

Handwritten signature of Joseph P. Lordi, Director