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

BULIETIN 2028

February 8, 1972

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

February 8, 1972

BULLETIN 2028

1. DISCIPLINARY PROCEEDINGS - POSSESSION OF NARCOTICS (HEROIN) - GAMBLING (NUMBERS) - SALE TO APPARENTLY INTOXICATED PATRONS - FOUL AND OBSCENE LANGUAGE - LICENSE REVOKED.

In the Matter of Disciplinary
Proceedings against

Fel's, Inc.
t/a Satan's Lounge
552 South Orange Avenue
Newark, N. J.,

CONCLUSIONS and ORDER

Holder of Plenary Retail Consumption ) License C-610, issued by the Municipal Board of Alcoholic Beverage Control of) the City of Newark.

Louis R. Cerefice, Esq., Attorney for Licensee Walter H. Cleaver, Esq., Appearing for Division

BY THE DIRECTOR:

Licensee entered a plea of  $\underline{\text{non }}$   $\underline{\text{vult}}$  to the following charges:

- "1. On April 29, 1971, you allowed, permitted and suffered the unlawful possession of a narcotic drug, viz., Heroin (Diacetylmorphine) as defined by R.S. 24:21-2 (formerly R.S. 24:18-2), in and upon your licensed premises; in violation of Rule 4 of State Regulation No. 20.
- "2. On April 29, 1971, you possessed, had custody of and allowed, permitted and suffered in and upon your licensed premises tickets and participation rights in a lottery, commonly known as the 'numbers game'; in violation of Rule 6 of State Regulation No. 20.
- "3. On April 29, 1971, you allowed, permitted and suffered a person actually or apparently intoxicated to work in and upon your licensed premises; in violation of Rule 24 of State Regulation No. 20.
- "4. On April 29, 1971, you allowed, permitted and suffered foul, filthy, indecent and obscene language in and upon your licensed premises, viz., the use of such language by a person employed as a bartender on your licensed premises, directed to, at, about and concerning Investigators of the Division of Alcoholic Beverage Control then and there on your licensed premises in performance of their official duties; in violation of Rule 5 of State Regulation No. 20."

Reports of investigation revealed the presence of eighteen envelopes containing heroin found on a counter, numerous "numbers" slips lying atop a refrigerator, and fifteen empty glassine envelopes used for heroin found in the men's room, all within the licensed premises. Furthermore, the single bartender

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in charge of the premises was apparently intoxicated, and used foul and filthy language to the agents and the police. The father of the bartender, who arrived while the investigation was in progress, admitted to the intoxication of his son.

By way of mitigation, the principal stockholder of the corporate licensee alleged that he was in fact an absentee owner, having placed the management of the licensed premises in the hands of those he thought would conduct this facility in a law-abiding manner.

The allegations offered in mitigation are unsubstantial and lacking in merit. It has long been held that a licensee is fully accountable for the actions of his employees. In re Olympic, Inc., 49 N.J. Super. 299 (App.Div. 1958). A licensee must effectively prevent offenses and unlawful conduct from taking place at the licensed premises at the peril of his license. One Eleven Wines v. Div. of Alcoholic Beverage Control, 50 N.J. 329 (1967). A licensee cannot successfully plead lack of knowledge of infraction against the license committed by its employees. Panda v. Driscoll, 135 N.J.L. 164; Rule 33 of State Regulation No. 20.

Even absent prior record, the license would normally be revoked on the narcotic charge herein. El Torero, Inc. v. Newark, Bulletin 1989, Item 1; Re Elite, Inc., Bulletin 1951, Item 1; Clarence's Music World v. Newark, Bulletin 1925, Item 1; Ritz Bar & Grill v. Clifton, Bulletin 1917, Item 1.

In view of the multiple charges herein, their aggravated nature as reflected in the reports of investigation and their serious social consequences, it is apparent that, notwithstanding licensee's plea of non vult, the only proper and justifiable remedy is outright revocation of the license. Cf. Re Richards, Bulletin 1838, Item 1; Re Gnewcenski, Bulletin 1722, Item 1; In re 17 Club, Inc., 26 N.J. Super. 43 (App.Div. 1953).

Accordingly, it is, on this 10th day of January 1972,

ORDERED that Plenary Retail Consumption License C-610, issued by the Municipal Board of Alcoholic Beverage Control of the City of Newark to Fel's, Inc., t/a Satan's Lounge, for premises 552 South Orange Avenue, Newark, be and the same is hereby revoked, effective immediately.

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2. DISCIPLINARY PROCEEDINGS - LEWDNESS AND IMMORAL ACTIVITY (GO-GO GIRLS) - LICENSE SUSPENDED FOR 150 DAYS.

In the Matter of Disciplinary

Proceedings against

Club Aquarius, Inc.
t/a Club Aquarius
57 Wilson Avenue
Newark, N.J.,

Holder of Plenary Retail Consumption
License C-714, issued by the Municipal
Board of Alcoholic Beverage Control
of the City of Newark.

C. Robert Sarcone, Esq., Attorney for Licensee
Edward F. Ambrose, Esq., Appearing for Division

BY THE DIRECTOR:

The Hearer has filed the following report herein:

### Hearer's Report

Licensee pleaded not guilty to the following charge:

"On Friday night, May 21 into Saturday morning May 22, 1971, you allowed, permitted and suffered lewdness and immoral activity in and upon your licensed premises, viz., in that you allowed, permitted and suffered a female person to perform on your licensed premises for the entertainment of your customers and patrons in a lewd, indecent and immoral manner; in violation of Rule 5 of State Regulation No. 20."

In support of the charge, the Division offered the testimony of two ABC agents.

Agent B testified that, accompanied by agent H, he entered the licensed premises (characterized by him as a neighborhood barroom) on May 21, 1971 at approximately 11:05 p.m. They positioned themselves at the bar. The patronage of approximately twenty-six persons upon entry increased to approximately fifty patrons. Three males were tending bar, one of whom was identified as John Salkowski.

A male, identified as Dominick Gaeta, was acting in a managerial capacity. The agent observed a female, identified as Maria Martinez, performing on the "go-go" stage at recurring intervals from the time he entered the barroom at 11:05 p.m. to approximately 12:20 a.m. Miss Martinez wore a two piece whitesequined costume consisting of a bra and a panty brief.

The "go-go" stage was located along the left wall between the front room which contained an oval bar and the rear room which contained a bowling machine, pool table, telephone booth and rest rooms.

Miss Martinez began by performing a normal "go-go" dance. The dancer then faced the rear of the premises, and "...put her hands in front of her and like make a motion as though opening herself for exposure to the rear of the premises."

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Accompanied by agent H, he proceeded to the rear of the premises and observed the dancer "...unclasping the center portion between her breasts, the little snap, holding the cups of her bra in her hands, opening them and exposing her chest, completely, to the patrons at the rear of the premises." While her breasts were thus completely exposed, the dancer at times, continued to dance and on occasions stood still. The performer was also:

"...observed to place her hands on her breasts, grab the cups of the brassiere, pull it over the top of the breasts, leaving her breasts exposed underneath the brassiere; at which time she would shake them and make them bounce back and forth or up and down. She was also observed to place her hands on the brassiere, pull it underneath her breasts, leave her breasts exposed completely over the top of her brassiere, dancing, shaking her breasts to the motion -- to the music."

Gaeta requested the dancer to stop on several occasions; but he never requested her to leave the stage. When Gaeta turned away from the dancer, she would again open her bra.

The agent observed her unclasp her bra and completely expose her breasts approximately one hundred times.

On an occasion while Miss Martinez was facing the rear, agent B overheard Gaeta say to her, "All the guys are in the back. You're doing this in the back but nobody's drinking at the bar." Miss Martinez unclasped her bra, exposed her breasts to the males in the rear room and said, "Go to the front bar and drink. I'm going to do it in front." She then turned around, faced the bar and exposed her breasts on several additional occasions.

Agent B departed at approximately 12:20 a.m. on May 22 and returned at approximately 12:50 a.m. accompanied by several local police officers. He identified himself to Gaeta and informed him that he observed the topless performance. Gaeta replied, "I know."

On cross examination, the agent asserted that patrons walked from the bar area to the rear of the room to observe Miss Martinez's performance. He observed her on one instance get off the stage and proceed to the kitchen. She may have gone in alone, or with Gaeta, or with a female.

No assertion was made by Gaeta or by the dancer that either the bra or the clasp was broken.

It was stipulated that the testimony of agent H would be the same as the testimony offered by agent B concerning the period of time that both agents were in the tavern together.

Additionally, agent H testified that during the time that agent B was not in the premises between 12:20 a.m. and 12:50 a.m. he observed Miss Martinez unclasp her bra and expose her breasts a total of approximately twenty times. On most of these occasions she faced the rear. When positioned at the bar he had a side view of her breasts through the mirror behind the stage. During this period of time Gaeta stopped the performance several times. However, when Gaeta departed from the area, the dancer would resume exposing her breasts. At no time did Gaeta request that she leave the stage.

He observed Miss Martinez leave the stage on one occasion and enter a room. There was no discussion of any difficulty with the bra or the clasp, nor did he observe the dancer have any difficulty in clasping or unclasping the bra.

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The bra was admitted in evidence. The clasp opens in the front with a simple hook and eye device attached to either end of thin elasticized cords which are attached to either side of the cups of the bra.

In defense of the charge, John Salkowski, who was performing his duties as a bartender at the time herein mentioned, testified that he never observed Miss Martinez expose her breasts.

Gaeta asked him to see if any of the patrons had a pin. He ascertained that a Helen Guimaraes who was in the premises had a pin and he requested that she see Gaeta.

On cross examination, the witness conceded that he was busy and he did not concentrate his attention on the dancer.

Maria Martinez testified that during her second performance on May 21, which commenced at approximately 11:00 p.m. she was performing her usual dance routine and as she bent down the hook of her bra opened. She tried to hold the bra together and Gaeta asked her if she was having some difficulty. Upon responding affirmatively Gaeta told her to get off the platform until she fixed it. Helen Guimaraes produced a safety pin and she assisted in pinning the hook. Upon returning to the stage, the witness asserted:

"I was dancing and I pulled my hands back, the pressure opened the pin because it was very small. And I got back down. I held it together, and he (Gaeta) pulled me down from the stage."

Helen Guimaraes and the dancer entered the kitchen and they again pinned the hook. Upon resuming her performance she again had difficulty with the bra and she was trying to hold it together at the time of the confrontation with the law enforcement officers. She asserted that she, at no time, intentionally opened the clasp and removed the cup part of the bra in order to expose her breasts. The witness admitted that the bra received in evidence was the one that she wore at the time in question.

On cross examination, the witness testified that she regularly performed topless dances in New York. She admitted that the hook and eye attached to the thin elasticized cord attached to each side of the cup parts of the bra were placed in front for greater ease in unhooking those parts for topless dancing.

At the time of the subject occurrence the hook was opened instead of being bent down and upon bending down during the course of her performance the pressure unclasped the hook and eye combination. Her testimony then revealed the following:

- "Q If you had wanted to, instead of a safety pin, could you not have yourself or have Mr. Gaeta or someone else just exert a little pressure on the hook to push it down?
- A I didn't think of that at the moment.
- Q Is the angle of that hook the same now as it was on the night you were working in this place?
- A Yes. 11

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Helen Guimaraes testified that, accompanied by her husband, she patronized the licensed premises on May 21, arriving at approximately 10:00 p.m. and remained for a period of approximately two hours. At no time did she see Miss Martinez intentionally remove her bra in order to expose herself. At the bartender's request, she handed Miss Martinez a safety pin that she had in her possession. While at the bar she "...fastened the hook to the safety pin and I pinned it to the bra." Later she observed the dancer having difficulty holding the bra together. She was not trying to expose herself. Later it was her impression that the pin snapped open, because Miss Martinez descended from the stage and asked for another pin. The two females entered the kitchen and there "... tried to fasten it a little bit better."

On cross examination, the witness testified that the first time she hooked the pin into the eye and then into the material. On the second occasion, in the kitchen, she used a larger pin and hooked the material in the lower part of both cups together.

John Ruela testified that he patronized the licensed premises on May 21 from 10:00 p.m. to approximately 11:30 p.m. Most of the time he was playing pool in the rear room. When not shooting pool he watched Miss Martinez perform. Usually her back was toward the pool table. He never saw the dancer remove anything or expose her breasts.

Dominick Gaeta testified that he was acting in a managerial capacity at the time of the subject inquiry; that Miss Martinez had performed at the subject premises on several occasions prior to May 21; that she never performed topless in the licensed premises on those prior occasions; that on May 21 he observed that she was "struggling" with her bra; "a couple" of patrons informed him that they saw her breasts and that, thereupon, he immediately ordered her to remove herself from the stage. The dancer informed him that she was having difficulty keeping the bra together. Mrs. Guimaraes furnished a pin and the performer resumed dancing. Thereafter, he again saw her struggling to keep her bra closed and he requested his nephew and his friend to assist the dancer while he took care of another matter. He did not observe Miss Martinez remove the bra in order to expose her breasts. He would not have permitted such a performance.

It is apparent that a purely factual question has been presented for determination. In matters of this nature 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, 36 N.J. Super. 512, aff'd 20 N.J. 373.

In appraising the factual picture presented herein, the credibility of witnesses must be weighed. Testimony, to be believed, must not only proceed from the mouth of a credible witness but must be credible in itself. It 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.

After carefully considering and evaluating the testimony of the witnesses herein, I accept as factual and credible the agents' version of the performance given by the female entertainer. I find that their graphic, detailed and explicit pertrayal of the performance was wholly believable.

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I find that the performer manipulated her bra in a manner so as to intentionally expose her breasts and thus perform topless.

I reject as entirely incredible the testimony offered by the licensee that the clasp or hook device in the performer's bra disengaged itself and that they sought to remedy this condition by use of a safety pin. A physical inspection of the article of attire reveals the futility of attaching a pin thereto with the expectation that the garment could thus be worn. Further, it is apparent even to inexperienced eyes that all that was required was for the hook attached to the elastic cord shaped strap which was attached to one of the cups of the bra to be bent down to its normal bent position. It is obvious that the hook or clasp was in a more than normal opened position. This enabled the dancer to more readily open the bra during her performance and thus go topless. In sum, I am convinced that the licensee, in its testimony, did not make a clean breast of the occurrence complained of.

In adjudicating this matter I note the logic used by Judge Jayne speaking for the court in McFadden's Lounge v. Div. of Alcoholic Beverage Control, 33 N.J. Super 61 (App. Div. 1954), wherein he stated at p.62:

"Experience has firmly established that taverns where wine, men, women, and song centralize should be conducted with circumspect respectability. Such is a reasonable and justifiable demand of our social and moral welfare intelligently to be recognized by our licensed tavern proprietors in the maintenance and continuation of their individualized privilege and concession."

Furthermore, in a business as highly sensitive as the traffic of liquor, the Director is charged with the exercise of constant vigilance in the enforcement of the various statutes and the rules and regulations pertaining thereto. A relaxation from the requirements of the provisions contained in the Alcoholic Beverage Law and the rules and regulations of this Division would be contrary to their intendment and against the dictates of sound public policy. A public convenience should not be allowed to degenerate into a social evil. See Jeanne's Enterprises, Inc. v. Division of Alcoholic Beverage Control, 93 N.J. Super. 230 (App. Div. 1966), aff'd 48 N.J. 359 (1966); cf. Paterson Tavern & Bar v. Hawthorne, 108 N.J. Super. 433 (App. Div. 1970), rev'd on other grounds, 57 N.J. 180 (1970).

The Division's unrelenting policy of prohibiting "topless" female employees whether entertainers or otherwise has been affirmed by the courts. See In re Club "D" Lane, Inc., 112 N.J. Super. 577 (App. Div. 1971).

Accordingly, after examining the various precedents cited. I am persuaded by the clear and convincing proof in this case, that the charge has been sustained by a fair preponderance of the credible evidence. I, therefore, recommend that the licensee be found guilty of the charge.

Licensee has a previous record of suspension of license by the municipal issuing authority for twenty days, effective February 22, 1971, for "hours" and "view" violations of local ordinance; and by the Director for ninety-five days, effective November 18, 1971, for allowing solicitation for prostitution (Re Club Aquarius, Inc., Bulletin 2017, Item 1).

I further recommend that the license be suspended for thirty days, Re Club "D" Lane, Inc., supra. to which should be added ten days for the two (2) dissimilar violations occurring within the past five years, or a total of forty days.

## Conclusions and Order

No exceptions to the Hearer's report were filed pursuant to Rule 6 of State Regulation No. 16.

Having carefully considered the entire record herein, including transcripts of testimony, the exhibits and the Hearer's report, I concur in the findings and conclusions of the Hearer and adopt his recommendations.

Accordingly, it is, on this 7th day of January 1972,

ORDERED that Plenary Retail Consumption License C-714, issued by the Municipal Board of Alcoholic Beverage Control of the City of Newark to Club Aquarius, Inc., t/a Club Aquarius, for premises 57 Wilson Avenue, Newark, be and the same is hereby suspended for forty (40) days, commencing at 2 a.m. Monday, February 21, 1972, and terminating at 2 a.m. Saturday, April 1, 1972.

Furthermore, in view of its unenviable record of two prior suspensions of license within the period of one year (1971), the licensee is pointedly warned that any future violation may well result in outright revocation of the license.

# . Richard C. McDonough Director

3. DISCIPLINARY PROCEEDINGS - LEWDNESS AND IMMORAL ACTIVITY (INDECENT ENTERTAINMENT) - HOSTESS ACTIVITY - PRIOR DISSIMILAR RECORD - LICENSE SUSPENDED FOR 55 DAYS, LESS 11 DAYS FOR PLEA.

In the Matter of Disciplinary

Proceedings against

Ol Ed's, Inc.
82 President St.
Passaic, N. J.,

and
ORDER

Holder of Plenary Retail Consumption
License C-156, issued by the Municipal)
Board of Alcoholic Beverage Control
of the City of Passaic.

Louis F. Treole, Esq., Attorney for Licensee Edward F. Ambrose, Esq., Appearing for Division

## BY THE DIRECTOR:

Licensee pleads non vult to two charges alleging that (1) on July 24, 1971 it permitted immoral activity upon the licensed premises (indecent entertainment), in violation of Rule 5 of State Regulation No. 20, and (2) on said date permitted a female employee to accept beverages at the expense of patrons, in violation of Rule 22 of State Regulation No. 20.

Licensee has a prior record of suspension of license by the municipal issuing authority for ten days for sale to minors, effective July 1, 1971.

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Reports of investigation reveal that a female go-go dancer was encouraged by the licensee's agents to dance topless and thereafter was encouraged to accept drinks from the patrons. Reports further revealed that a female patron was permitted to dance in a lewd and suggestive manner, and the go-go dancer was instructed to remove her bra.

The license will be suspended on the first charge for thirty days (Re Caprio, Bulletin 1974, Item 5) and on the second charge for twenty days (Re Miller, Bulletin 1911, Item 3), to which will be added five days for the record of suspension for dissimilar violation occurring within the past five years, making a total of fifty-five days, with remission of eleven days for the plea entered, leaving a net suspension of forty-four days.

Accordingly, it is, on this 11th day of January 1972,

ORDERED that Plenary Retail Consumption License C-156, issued by the Municipal Board of Alcoholic Beverage Control of the City of Passaic to Ol Ed's, Inc., for premises 82 President Street, Passaic, be and the same is hereby suspended for forty-four (44) days, commencing at 3 a.m. Wednesday, January 26, 1972, and terminating at 3 a.m. Friday, March 10, 1972.

## RECAPITULATION OF ACTIVITY BY QUARTERLY PERIODS FROM JULY 1, 1971 THROUGH DECEMBER 31, 1971

	1st Quarter July, Aug., Sept.	2nd Quarter Oct., Nov., Dec.	Total
ARRESTS: Total number of persons arrested Licensees and employees Bootleggers Minors Disorderly person SEIZURES:	151 54 21 75 1	115 48 16 51	266 102 37 126 1
Motor vehicles – cars Stills – 50 gallons or under Alcohol – gallons Mash – gallons Distilled alcoholic beverages – gallons Wine – gallons Brewed mait alcoholic beverages – gallons	1 50 825 34.937 62.025 222. <b>769</b>	105 128.96 59.223 152.393	1 3 91 930 163.897 121.248 375.162
Inspections & visits made on assigned investigations Complaints assigned for investigation Investigations completed Investigations pending Premises where alcoholic beverages were gauged Bottles gauged Premises where violations were found Number of violations found License applications investigated Contacts made with other law enforcement agencies %ABORATORY:	5,785 976 1,025 (320) 966 15,807 462 708 30 701	970 917 (357) 1,450 23,014 597 797	8,583 1,946 1,942 (357) 2,416 8,821 1,059 1,505 42 1,852
Analyses made Refills from licensed premises - bottles Bottles from unlicensed premises IDENTIFICATION:	288 184 22	449 333 31	737 517 53
Criminal fingerprint identifications made Persons fingerprinted for non-criminal purposes Ident. contacts made w/other enforcement agencies M.V. identifications made via N.J. State Police teletype	75 1,509 967 1	46 1,045 657	121 2,554 1,624
Cases transmitted to municipalities  Violations involved Sale to minors Sale during prohibited hours Failure to close during prohibited hours Failure to close during prohibited hours Cases instituted at Division  Violations involved Sale to minors Sale during prohibited hours Permitting lottery activity on premises Possessing liquor not truly labeled Permitting immoral activity on premises Fraud and front Possessing indecent matter Permitting misc. gambling on premises Failure to close premises during prohibited hours Permitting bookmaking activity on premises Sales to non-members by club Failure to keep true books of account Unqualified employees Fraud in application Mindering investigation Purchase from improper source Permitting houl language on premises Sale outside scope of license Permitting hostess activity on premises Permitting lottery & bookmaking on premises Permitting lottery, bookmaking on premises Permitting narcotic activity on premises Possessing contraceptives on premises Possessing contraceptives on premises Possessing contraceptives on premises Single instance of other violations Cases brought by municipalities on own initiative and reported to	4431 -88891597344445133 -1112122213	221-1855405584422225114211-11-16	664116118866544452222222229
Cases brought by municipalities on own initiative and reported to Division Violations involved Sale to minors Sale during prohibited hours Permitting gambling on premises Conducting business as a nuisance Failure to close premises during prohibited hours Permitting brawl, etc. on premises Unqualified employees Permitting minors on premises unaccomp. by adults (local reg.) Act of violence Employee without I.D. card (local reg.) Hindering investigation	651 67 67 67 67 67 67 67 67 67 67 67 67 67	542388453331111	117 147 17 11 10 10 10 76 5

	1st Quarter July, Aug., Sept.	2nd Quarter Oct.,Nov.,Dec.	<u>Total</u>
DISCIPLINARY PROCEEDINGS (CONTINUED)  Cases brought by municipalities on own initiative and reported to Di  Permitting premises to be used for narcotic activity  Failed to afford view into premises during prohibited hours  No Form E-141-A on premises  Permitting persons of ill repute on premises  Single instance of other violations  HEARINGS HELD AT DIVISION:	vision (Continued) 1 2 1 1 1 1	1 1 1 5	2 2 2 2 7
Total number of hearings held Appeals Disciplinary proceedings Eligibility Seizures Tax Revocations	146 30 87 23 5	122 21 78 16 7	268 51 165 39 12
STATE LICENSES AND PERMITS: Total number issued   Licenses   Solicitors' permits   Employment permits   Disposal permits   Social affair permits   Wine permits   Miscellaneous permits   Transit insignia   Transit certificates	5,574 572 148 1,564 213 1,279 113 988 512 185	4,756 3 466 972 262 956 504 813 709 71	10,330 575 614 2,536 4,235 617 1,801 1,221 256
OFFICE OF AMUSEMENT GAMES CONTROL:  Licenses issued State Fair licenses Premises inspected Premises where violations were found Number of violations found Enforcement files established	15 176 1,075 42 51 59	69 - - - - - - - - - - - - - - - - - - -	84 176 1,075 42 51 97

RICHARD C. McDONOUGH Director of Alcoholic Beverage Control Commissioner of Amusement Games Control

Dated: January 11, 1972

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5. NOTICE TO PRICE FILERS - MINIMUM RESALE PRICE ON IMPORTED DISTILLED SPIRITS - AMENDED.

### TO ALL DIVISION PRICE FILERS:

By ruling of December 30, 1971, I determined that by reason of the recent international revaluation of many currencies amended prices of imported alcoholic beverages at each of the three levels of the industry would be authorized to be filed with this Division no later than January 10, 1972, to become effective February 1, 1972. All of the amended price filings have now been received by the Division and a pamphlet containing both amended wholesale-to-retail and minimum consumer resale price filings is being prepared by the Division, to become effective February 1, 1972.

However, since only a very minimal number of amended prices have been filed with respect to imported distilled alcoholic beverages, I have determined that there is not sufficient cause to warrant the publication of amended prices of imported distilled alcoholic beverages. Accordingly, no amendment of wholesale-to-retail and minimum consumer resale prices of imported distilled alcoholic beverages will be authorized to be effective February 1, 1972. Therefore, the above mentioned pamphlet will contain only amended prices of imported wines and malt alcoholic beverages and will not contain any amended prices of imported distilled alcoholic beverages.

Notwithstanding the foregoing, amended wholesale-to-wholesale prices of imported distilled alcoholic beverages effective February 1, 1972 will be authorized since these prices are not published, in accordance with State Regulation No. 34. In this connection, manufacturers and wholesalers are cautioned that Rule 2(a) of State Regulation No. 34 (the so-called "affirmation" Rule) prohibits any manufacturer or wholesaler from selling or purchasing distilled alcoholic beverages at a price higher than the lowest price at which such alcoholic beverages are sold by any manufacturer or wholesaler in New Jersey or anywhere else in the United States, at any time during the month in which such sales take place. If any imported distilled alcoholic beverages for which an amended price has been filed increasing the price effective February 1, 1972, is to be sold elsewhere at a lower price during the month of February 1972, it may not be sold in New Jersey at the higher filed price during such month. In order to accommodate the industry the Division will accept notice of price reductions concerning such imported distilled alcoholic beverages if the notice is received here on or before Thursday, January 20, 1972.

All price filers are further advised that in view of the uncertainty of current events concerning the prices of imported alcoholic beverages, the Division will follow the situation carefully and will take appropriate action affecting price filings where good cause so warrants.

Richard C. McDonough Director

Dated: January 13, 1972

6. DISCIPLINARY PROCEEDINGS - SALE TO MINOR - LICENSE SUSPENDED FOR 20 DAYS, LESS 5 FOR PLEA.

In the Matter of Disciplinary

Proceedings against

Top Spirits, Inc.
760 Main Street
Hackensack, N. J.,
Holder of Plenary Retail Distribution
License D-2, issued by the City Council)
of the City of Hackensack.

Licensee, by H. M. Shin, Pro se Dennis M. Brew, Appearing for Division

BY THE DIRECTOR:

Licensee pleads non vult to a charge alleging that on November 13, 1971, it sold alcoholic beverages to a minor, age 17, in violation of Rule 1 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 Prager, Bulletin 1998, Item 9.

Accordingly, it is, on this 13th day of January 1972,

ORDERED that Plenary Retail Distribution License D-2, issued by the City Council of the City of Hackensack to Top Spirits, Inc., for premises 760 Main Street, Hackensack, be and the same is hereby suspended for fifteen (15) days, commencing at 2 a.m. Monday, January 24, 1972, and terminating at 2 a.m. Tuesday, February 8, 1972.

BY THE DIRECTOR:

7. DISCIPLINARY PROCEEDINGS - GAMBLING (NUMBERS) - PRIOR DISSIMILAR RECORD - LICENSE SUSPENDED FOR 65 DAYS, LESS 13 FOR PLEA.

In the Matter of Disciplinary )

Proceedings against )

Scholnan, Inc.

t/a Oasis ) CONCLUSIONS

400 Lamberton Street and
Trenton, N. J., ) ORDER

Holder of Plenary Retail Consumption )

License C-212, issued by the
City Council of the City of Trenton. )

Sills, Beck, Cummis, Radin & Tischman, Esqs., by Thomas J. Demski,
Esq., Attorneys for Licensee
Walter H. Cleaver, Esq., Appearing for Division

Licensee pleads non vult to a charge alleging that on December 23, 1970 it permitted the acceptance of numbers bets on licensed premises, in violation of Rule 6 of State Regulation No. 20.

Licensee has prior record of two suspensions by the Director: (1) for thirty-five days effective July 13, 1965, for possessing liquor not truly labeled. Re Scholnan, Inc., Bulletin 1631, Item 4; and (2) for balance of term with leave to lift after twenty days, effective September 14, 1971, for fraud and front violations. Re Scholnan, Inc., Bulletin 2004, Item 5. (The suspension was lifted on October 8, 1971, Bulletin 2012, Item 8.)

The prior record of suspension for dissimilar violation occurring in 1965 more than five years ago disregarded for penalty purposes, but the suspension for dissimilar offense occurring in 1971 considered, the license will be suspended for sixty-five days (Re Augustowski, Bulletin 1994, Item 3), the offenses here occurring prior to March 23, 1971 when the penalty therefor was increased by the Director (Re Arnone, Bulletin 1971, Item 3), with remission of thirteen days for the plea entered, leaving a net suspension of fifty-two days.

Accordingly, it is, on this 18th day of January 1972,

ORDERED that Plenary Retail Consumption License C-212, issued by the City Council of the City of Trenton to Scholnan, Inc., t/a Oasis, for premises 400 Lamberton Street, Trenton, be and the same is hereby suspended for fifty-two (52) days, commencing 2:00 a.m. on Wednesday, February 2, 1972 and terminating 2:00 a.m. on Saturday, March 25, 1972.

8. DISCIPLINARY PROCEEDINGS - SALE TO MINORS - LICENSE SUSPENDED FOR 20 DAYS, LESS 5 FOR PLEA - APPLICATION FOR FINE IN LIEU OF SUSPENSION GRANTED.

In the Matter of Disciplinary

Proceedings against

Edwin A. Weber

t/a Ed Weber's

54 Atlantic Avenue
Deal, N. J.,

Holder of Plenary Retail Consumption

License C-1, issued by the Board of
Commissioners of the Borough of Deal.)

Stephen J. Magura, Esq., Attorney for Licensee Walter H. Cleaver, Esq., Appearing for Division

## BY THE DIRECTOR:

Licensee pleads non vult to a charge alleging that on September 24, 1971 he sold alcoholic beverages to three minors, ages 18, 19 and 20, in violation of Rule 1 of State Regulation No. 20.

Absent prior record, the license would normally be suspended for twenty days, with remission of five days for the plea entered, leaving a net suspension of fifteen days. Re The Bunny Hutch, Bulletin 1603, Item 11. However, the licensee has made application for the imposition of a fine in lieu of suspension in accordance with the provisions of Chapter 9 of the Laws of 1971.

Having favorably considered the application in question, I have determined to accept an offer in compromise by the licensee to pay a fine of \$600 in lieu of suspension.

Accordingly, it is, on this 18th day of January 1972,

ORDERED that the payment of a \$600 fine by the licensee is hereby accepted in lieu of a suspension of license for fifteen days.

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9. DISCIPLINARY PROCEEDINGS - SALE TO MINOR - LICENSE SUSPENDED FOR 15 DAYS, LESS 5 FOR PLEA - APPLICATION FOR FINEIIN LIEU OF SUSPENSION GRANTED.

In the Matter of Disciplinary

Proceedings against

Fotini Bourpalis

t/a Royal Bar

12 South Broad Street
Penns Grove, N. J.,

Holder of Plenary Retail Consumption
License C-5, issued by the Borough

CONCLUSIONS and ORDER

Licensee, Pro se Dennis M. Brew, Appearing for Division

Council of the Borough of Penns Grove.)

BY THE DIRECTOR:

Licensee pleads guilty to a charge alleging that on November 6, 1971 he sold alcoholic beverages to a minor, age 20, in violation of Rule 1 of State Regulation No. 20.

Licensee has a prior record of suspensions of license for similar violations (1) by the Director for fifteen days effective October 26, 1959 (Re Bourpalis, Bulletin 1311, Item 7) and (2) by the local issuing authority for five days effective October 19, 1964.

The suspension effective in 1959 occurring more than ten years ago disregarded for penalty purposes, but the suspension effective in 1964 for similar violation occurring within the past ten years considered, the license would normally be suspended for fifteen days, with remission of five days for the plea entered, leaving a net suspension of ten days. Re Buckwald, Bulletin 1982, Item 8.

However, the licensee has made application for the imposition of a fine in lieu of suspension in accordance with the provisions of Chapter 9 of the Laws of 1971.

Having favorably considered the application in question, I have determined to accept an offer in compromise by the licensee to pay a fine of \$400 in lieu of suspension.

Accordingly, it is, on this 18th day of January 1972,

ORDERED that the payment of a \$400 fine by the licensee is hereby accepted in lieu of a suspension of license for ten (10) days.