



**TENNESSEE ALCOHOLIC BEVERAGE COMMISSION
MINUTES
TUESDAY, DECEMBER 15
1:00 p.m.**

The December 2020 meeting was held on December 15, 2020 at 1:00 p.m. in Nashville, TN. Chairman Skiles and Commissioner Tomita were present while Commissioner Roberts called in. In attendance on behalf of TABC staff were the following: Director Thomas, Assistant Director Blackwell, and Chief Law Enforcement Officer Bond Tubbs.

Pursuant to T.C.A. §8-44-108, meetings may be conducted permitting participation of electronic or other means of communication.

1. REVIEW/APPROVAL OF THE NOVEMBER 19, 2020, COMMISSION MEETING MINUTES

Discussion/Action Taken: Director Thomas roll called the Commissioners, with Commissioner Tomita moving to approve the minutes and the motion was seconded. The motion passed with three ayes.

2. RETAIL MATTERS

**1. MEMPHIS LIQUOR OUTLET
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Applicant: Memphis Liquor Outlet, LLC
Member(s): Britt Mock (33.33%), Chris Stuart (33.33%),
Scott Anderton (33.33%)

Current licensee: Massa LLC d/b/a Massa Liquors¹
Proposed licensee: Memphis Liquor Outlet, LLC d/b/a Memphis Liquor Outlet

Before the Commission is a request for approval of a retail package store licensee to be located at 791 S B B King Blvd., Memphis, TN 38106. The applicant is acquiring the package store from the existing licensee owned by Massa LLC². The TABC staff recommends conditional approval of the license subject to payment of the license fee.

¹ License no. RTLRS-SHE-1827064

² In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.



Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval subject to payment of the license fee. Commissioner Roberts moved for approval subject to payment of the license fee and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

2. **MUSIC CITY LIQUORS NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Applicant: MUSIC CITY LIQUORS, LLC
Member(s): Tina Sam (100%)

Current licensee: Ed Fryer, III d/b/a Music City Wine and Spirits³
Proposed licensee: MUSIC CITY LIQUORS, LLC d/b/a Music City Liquors

Before the Commission is a request for approval of a retail package store licensee to be located at 2282 Lebanon Pike, Nashville, TN 37214. The applicant is acquiring the package store from the existing licensee owned by Ed Fryer, III⁴. The TABC staff recommends conditional approval of the license subject to payment of the license fee.

Discussion/Action Taken: Director Thomas continued this matter to next month since the matter was missing their certificate of compliance, an item needed in order to be reviewed for approval by the TABC.

³ License no. RTLRPS-DAV-1812897

⁴ In accordance with Tennessee law, sellers are to transfer title and possession of the liquor inventory to the applicant via TABC licensed wholesalers' involvement.



**3. ROSSVILLE BOTTLE SHOP
CHATTANOOGA, TENNESSEE (HAMILTON COUNTY)**

Applicant: CHA BOTTLE SHOP LLC
Shareholders: Current Proposed
Ishwarlal Patel (100%) Ishwarlal Patel (25%)
Rutul Patel (75%)

The retail package store doing business at 4409 Rossville Blvd., Chattanooga, TN 37407 is requesting approval of change in ownership. The only shareholder is selling 75% of his interests to one new shareholder. The TABC staff recommends approval of the change in ownership.

Discussion/Action Taken: Director Thomas summarized the request and recommended approval of the change in ownership. Commissioner Tomita moved for approval and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

**4. BLACK BEAR WINE & SPIRITS
MOUNTAIN CITY, TENNESSEE (JOHNSON COUNTY)**

Applicant: Pandoras Box, LLC

Retail package store licensee no. RTLRPS-JOH-1938646 located at 1123 S Shady St., Mountain City, TN 37683 is requesting to expand their premises. The store wants to put storage in the basement of the package store. The TABC staff recommends approval of the expansion.

Discussion/Action Taken: Director Thomas summarized the request and recommended approval of expansion. Commissioner Roberts moved for approval and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.



**5. NORTHSHORE LIQUOR AND WINE
 CHATTANOOGA, TENNESSEE (HAMILTON COUNTY)**

Applicant: Armin Inc

Current location: 6015 Dayton Blvd., Chattanooga, TN 37415
New location: 319 Cherokee Blvd., Chattanooga, TN 37405

Retail package store licensee no. RTLRPS-HAM-2008343 at 6015 Dayton Blvd., Chattanooga, TN 37415 is requesting a change in location. The TABC staff recommends conditional approval of the change in location subject to an inspection.

Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval of the change in location subject to an inspection. Commissioner Roberts moved for conditional approval subject to an inspection and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

**6. GOLDEN BEAR LIQUOR #3
 LEBANON, TENNESSEE (WILSON COUNTY)**

Applicant: PC7074747, INC.

Current location: 512 W Main St., Lebanon, TN 37087
New location: 1051 Murfreesboro Rd., Lebanon, TN 37090

Current d/b/a name: West Main Wine & Spirits
Proposed d/b/a name: Golden Bear Liquor #3

Retail package store licensee no. RTLRPS-WLS-2009068 at 512 W Main St., Lebanon, TN 37087 is requesting a change in location and new d/b/a name. The TABC staff recommends conditional approval of the change in location and new d/b/a name subject to receipt of the deed after closing.



Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval of the change in location subject to receipt of the deed after closing. Commissioner Tomita moved for conditional approval subject to receipt of the deed after closing and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

**7. RADNOR WINE & SPIRITS
BERRY HILL, TENNESSEE (DAVIDSON COUNTY)**

Applicant: HAPPY HOUR, LLC

Current location: 4685 Trousdale Dr., Suite C, Nashville, TN 37204

New location: 2635 8th Ave. South, Berry Hill, TN 37204

Retail package store licensee no. RTLRPS-DAV-1816306 at 4685 Trousdale Dr., Suite C, Nashville, TN 37204 is requesting a change in location. The TABC staff recommends conditional approval of the change in location subject to receipt of the certificate of occupancy.

Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval of the change in location subject to receipt of the certificate of occupancy. Commissioner Roberts moved for conditional approval subject to receipt of the certificate of occupancy and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.



3. MANUFACTURER MATTERS

**1. DAM WHISKEY CORPORATION
GUILD, TENNESSEE (MARION COUNTY)**

Applicant: Dam Whiskey Corporation

Before the Commission is a request for approval of a manufacturer to be located at 1265 Hales Bar Rd., Guild, TN 37340. The TABC staff recommends conditional approval of the manufacturer subject to payment of the license fee.

Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval subject to payment of the license fee. Commissioner Tomita moved for approval subject to payment of the license fee and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

**2. CASCADE HOLLOW DISTILLING CO.
TULLAHOMA, TENNESSEE (COFFEE COUNTY)**

Applicant: DIAGEO AMERICAS SUPPLY, INC.

Officer:	<u>Current</u>	<u>Proposed</u>
	Erik Snyder	Perry Jones

The manufacturer doing business at 1950 Cascade Hollow Rd., Tullahoma, TN 37388 is requesting approval of a change in officers. This is an officer change in a publicly traded company. The TABC staff recommends approval of the change in officers at the manufacturer.



Discussion/Action Taken: Director Thomas summarized the request and recommended approval of the change in officers. Commissioner Roberts moved for approval and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

**3. YEE-HAW BREWING
JOHNSON CITY, TENNESSEE (WASHINGTON COUNTY)**

Applicant: YEE-HAW BREWING, LLC

The manufacturer doing business at 126 Buffalo St., Johnson City, TN 37604 is requesting to expand their premises. The manufacturer will have non-contiguous storage. The TABC staff recommends conditional approval of the expansion subject to:

- a. certificate of occupancy
- b. inspection

Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval of the expansion subject to the certificate of occupancy and inspection. Commissioner Tomita moved for approval subject to the certificate of occupancy and inspection and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.



**4. TENNESSEE DISTILLING GROUP
COLUMBIA, TENNESSEE (MAURY COUNTY)**

Applicant: Tennessee Distilling Group LLC

The manufacturer doing business at 1929 Ridgecrest Dr., Columbia, TN 38401 is requesting to expand their premises. The manufacturer is adding a building to their complex. The TABC staff recommends conditional approval of the expansion subject to an inspection.

Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval of the expansion subject to inspection. Commissioner Roberts moved for approval subject to inspection and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

4. WHOLESALER MATTERS

**1. SOUTHERN GLAZER'S OF TN
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Applicant:	Southern Glazer's Wine and Spirits of Tennessee, LLC	
Shareholders:	<u>Current</u>	<u>Proposed</u>
	SGTN Holdings, LLC (51%)	SGTN Holdings, LLC (100%)
	Spritzer Holding Co. (47%)	
	David Benson, LLC (1%)	
	PFICO, LLC (1%)	

The wholesaler doing business at 6290 Shelby View Dr., Memphis, TN 38134 is requesting approval of change in ownership. The majority shareholder will now have full ownership of the wholesaler. The TABC staff recommends conditional approval of the change in ownership subject to receipt of executed transfer agreement.



Discussion/Action Taken: Director Thomas summarized the request and recommended conditional approval of the change in ownership subject to receipt of the executed transfer agreement. Commissioner Tomita moved for approval subject to receipt of the executed transfer agreement and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

**2. ATHENS DISTRIBUTING COMPANY OF NASHVILLE
ANTIOCH, TENNESSEE (DAVIDSON COUNTY)**

Applicant: Athens Distributing Company of Nashville

Shareholders: Current

John P. Donnelly (15.0%)
JPD Investments, GP (20.0%)
Judith White Speed Qualified Marital Trust (8.0%)
Richard L. Speed, Jr. (12.5%)
Scott R. Moore (12.5%)
John H. Aaron, Sr. (5.0%)
John P. Donnelly, Jr. (5.0%)
Donald J. White, Sr. (8.0%)
Speed Family 2012 Irrevocable Trust (4.0%)
Thomas H. White III (5.0%)
Ryan Donnelly (5.0%)

Proposed

John P. Donnelly (15.0%)
JPD Investments, GP (20.0%)
Judith White Speed Qualified Marital Trust (8.0%)
Richard L. Speed, Jr. (12.5%)
Scott R. Moore (10%)
Moore Children 2020 Irrevocable Trust (2.5%)
John H. Aaron, Sr. (5.0%)
John P. Donnelly, Jr. (5.0%)
Donald J. White, Sr. (8.0%)



Speed Family 2012 Irrevocable Trust (4.0%)

Thomas H. White III (5.0%)

Ryan Donnelly (5.0%)

The wholesaler doing business at 3001 Owen Dr., Antioch, TN 37013 is requesting approval of change in ownership. Current member, Scott R. Moore, wishes to transfer 2.5% of his ownership interest in the license holder to the Moore Children 2020 Irrevocable Trust, for which Richard L. Speed, Jr. will serve as Trustee. Upon approval, 1.25% of Mr. Moore's interest will be transferred on December 31, 2020, with the remaining 1.25% being transferred on January 1, 2021. The TABC staff recommends approval of the change in ownership.

Discussion/Action Taken: Director Thomas summarized the request and recommended approval of the change in ownership. Commissioner Roberts moved for approval and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

3. ATHENS DISTRIBUTING COMPANY OF MEMPHIS MEMPHIS, TENNESSEE (SHELBY COUNTY)

Applicant: Athens Distributing Company of Memphis

Shareholders: Current

John H. Aaron (14.2222%)

John H. Aaron, Jr. (4.0000%)

Michael E. Aaron (4.0000%)

John P. Donnelly (13.3334%)

JPD Investments LP (14.4444%)

Don J. White (6.0000%)

The Donald J. White, Jr. 2015 Irrevocable Trust
(5.0000%)

The Jeremy H. White 2015 Irrevocable Trust (5.0000%)

Boggie 33, GP (25.0000%)



Scott R. Moore (3.0000%)
Richard L. Speed, Jr. (3.0000%)
Thomas H. White, III (3.000%)

Proposed

John H. Aaron (10.2222%)
John H. Aaron, Jr. (6.0000%)
Michael E. Aaron (6.0000%)
John P. Donnelly (13.3334%)
JPD Investments LP (14.4444%)
Don J. White (6.0000%)
The Donald J. White, Jr. 2015 Irrevocable Trust
(5.0000%)
The Jeremy H. White 2015 Irrevocable Trust (5.0000%)
Boggie 33, GP (25.0000%)
Scott R. Moore (3.0000%)
Richard L. Speed, Jr. (3.0000%)
Thomas H. White, III (3.000%)

The wholesaler doing business at 905 James St., Memphis, TN 38106 is requesting approval of change in ownership. Current member, John H. Aaron, wishes to transfer a total of 4% of his interest to current owners John H. Aaron, Jr. and Michael E. Aaron. Upon approval, each transferee will receive 2% of Mr. Aaron's currently held interest, with 1% being transferred to each transferee on December 31, 2020, and 1% being transferred to each transferee on January 1, 2021. The TABC staff recommends conditional approval of the change in ownership subject to receipt of executed transfer agreement.

Discussion/Action Taken: Director Thomas summarized the request and recommended approval of the change in ownership. Commissioner Tomita moved for approval and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.



**4. CHEROKEE DISTRIBUTING COMPANY, INC.
KNOXVILLE, TENNESSEE (KNOX COUNTY)**

Applicant: CHEROKEE DISTRIBUTING COMPANY, INC.

Shareholders:

Current

George B. Simpson Family Trust (17.6%)

Proposed

2012 Sampson Family Trust FBO Lauren Brooks Sampson (3.52%)

2012 Sampson Family Trust FBO George B. Sampson, Jr. (3.52%)

2012 Sampson Family Trust FBO James Michael Sampson (3.52%)

2012 Sampson Family Trust FBO Steven Mitchell Sampson (3.52%)

2012 Sampson Family Trust FBO Kristen Margaret Sampson (3.52%)

The wholesaler doing business at 200 Miller Main Cir., Knoxville, TN 37919 is requesting approval of change in ownership. One of the primary owners, George B. Simpson, passed away. The decedent owned some interest individually and then other interest was held in a family trust for the benefit of his five children. This transfer is from one trust to five different trusts. The interest that the decedent held individually is in probate and thus will be deemed to be held by his estate for the time being. The trustees of the five new trusts are the same as trustees for other trusts that already own an interest in the licensee, so this does not change control any or result in any additional people. The TABC staff recommends approval of the change in ownership.

Discussion/Action Taken: Director Thomas summarized the request and recommended approval of the change in ownership. Commissioner Roberts moved for approval and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.



**5. PREMIER CRUSH
CLARKSVILLE, TENNESSEE (MONTGOMERY COUNTY)**

Applicant: Premier Crush LLC

Current location: 7284 Highway 41-A, Cedar Hill, TN 37146

New location: 1375 Ashland City Rd., Clarksville, TN 37040

The wholesaler doing business at 7284 Highway 41-A, Cedar Hill, TN 37146 is requesting a change in location. The TABC staff recommends approval of the change in location.

Discussion/Action Taken: Director Thomas summarized the request and recommended approval of the change in location. Commissioner Tomita moved for approval and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.



5. TENNESSEE ALCOHOLIC BEVERAGE COMMISSION V. TOBACCO & MORE, INC. D/B/A MIDDLEBROOK DISCOUNT TOBACCO & LIQUOR, APD Case No. 33.02-200648J

A hearing was held on July 20, 2020, before Administrative Judge Phillip R. Hilliard, assigned by the Secretary of State's Administrative Procedures Division (**APD**). An order was issued on September 17, 2020, stating that the Petitioner (**TABC**) having met its burden of proof to show that the Respondent (**Middlebrook Discount Tobacco & Liquor**) did not comply with the sales requirements contained in T.C.A. § 57-3-222, and due to the Respondent's sales significantly decreasing during 2019, the Respondent's license was hereby **revoked**. The respondent (**Middlebrook Discount Tobacco & Liquor**) has requested that the Tennessee Alcoholic Beverage Commission review this matter.

Tennessee Alcoholic Beverage Commission Rule 0100-04-.03(1) provides:

An Initial Order issued by an Administrative Law Judge or TABC Hearing Officer, sitting alone, may be reviewed by the Commission pursuant to T.C.A §§ 4-5-301, et seq., these Rules, and the Rules of the Secretary of State Chapter 1360-04-01. The Commission may, in its discretion, decline to exercise any review of an Initial Order issued by an Administrative Law Judge or TABC Hearing Officer, in which event the Initial Order issued by an Administrative Law Judge or TABC Hearing Officer shall become a Final Order as provided by the Uniform Administrative Procedures Act.

This matter is before the Commission to determine whether to exercise any further review of the Order issued on September 17, 2020.



Discussion/Action Taken: Director Thomas summarized the request and recommended a motion for the TABC to decline any further review of this matter. Representative Curtis Isabell, on behalf of his client, asked for the TABC to reconsider and review the matter. Commissioner Tomita moved for the TABC to decline any further review of the matter and the motion was seconded. Director Thomas roll called the Commissioners and the motion passed with three ayes.

6. MISCELLANEOUS

- Director's Update

Discussion/Action Taken: Director Thomas updated the Commission via the Audit Meeting (next page).

- Law Enforcement Update

Discussion/Action Taken: CLEO Tubbs updated the Commission on enforcement activity since the last meeting including statistics on the number of inspections conducted, citations issued, fine amounts, minor compliance checks and compliance rate, seizures, personnel news, and liquor lots in auction.

7. **NEXT MEETING** – Thursday, January 28, 2021 @1:00PM (**TENTATIVE**)

8. **AUDIT MEETING AGENDA (next page)**

9. EXECUTIVE SESSION

- Confidential Findings
- Litigation Update



**TENNESSEE ALCOHOLIC BEVERAGE COMMISSION
AUDIT MEETING
TUESDAY, DECEMBER 15**

Pursuant to T.C.A. 58-44-108, meetings may be conducted permitting participation of electronic or other means of communication.

I. DIRECTOR UPDATE

Discussion/Action Taken: Director Thomas took recommendations from the Comptroller's Office on a couple of changes for the TABC's online application process, which included questions pertaining to wine in grocery stores and reworking the acknowledging of rules and regulations for all applicants. The TABC has fixed computer coding glitches when it comes to background checks with staff double-checking to make sure all is working properly. The TABC has also started a rulemaking process to set a procedure that lays out closing out direct shipper and non-resident seller licensees that are not compliant. In 2021, the TABC will look at other license types in the same light as the direct shipper and non-resident seller licensees.

II. LAW ENFORCEMENT UPDATE

Discussion/Action Taken: CLEO Tubbs updated the committee on this item and noted internal audits with the TABC's four vaults located across the state.

III. INTERNAL AUDIT UPDATE

Discussion/Action Taken: Internal Auditor Scott Wolfe updated the committee on the internal audit, which includes talking to the Director of State Audit in the new year about findings from observations based on forms and evidence used from 10-plus years ago to prevent stuff from appearing in the next audit. Auditor Wolfe is also working on the TABC's risk assessment right now, which will be done by the end of the year. The audits, including samples from wine in grocery stores, have gone well throughout the year.



IV. REGULATORY LICENSING AND PERMITTING SYSTEM (RLPS) UPDATE

Discussion/Action Taken: Director Thomas talked about how RLPS has been used across all platforms and devices with fewer error messages and being more user friendly for the agency's customers thanks to a large update. RLPS also has better operating performance and management for TABC staff now. RLPS has been beneficial while most of the TABC staff has been working remotely from home during the year. IT is currently working on improving RLPS to be even better.

V. FINANCIAL UPDATE

Discussion/Action Taken: Director Thomas reported that Administrative Services Director Nancy Townsend has looked at most of the year's (except for the final month of 2020) financial standing and reports that fees from licenses and fees with the TABC have increased by almost two percent over the year.

APPROVED FOR ENTRY UPON THE MINUTE BOOKS OF THE TENNESSEE ALCOHOLIC BEVERAGE COMMISSION THIS THE 26th DAY OF JANUARY 2021.



Commissioner



Director