

The Commonwealth of Massachusetts
Department of the State Treasurer
Alcoholic Beverages Control Commission
Boston, Massachusetts 02114

Steven Grossman
Treasurer and Receiver General

Kim S. Gainsboro, Esq.
Chairman

NOTICE OF SUSPENSION

May 9, 2012

JEFF'S TAVERN INC. DBA LIGHT SHIP LOUNGE
118 SO. UNION ST.
LAWRENCE, MA 01840
LICENSE#: 059400078
HEARD: 05/08/2012

After hearing on May 8, 2012, the Commission finds violations of:

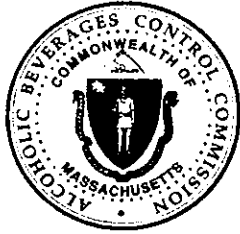
- 1) M.G.L. c. 138, §23-Transfer of the privilege of a license without proper approval; and
- 2) M.G.L. c. 138, §15A-No stock in a corporation holding a license to sell alcoholic beverages shall be transferred, pledged or issued without first obtaining the permission of the local licensing authorities and the commission.

The above-captioned licensee's license is **suspended indefinitely forthwith** until further order from this Commission.

You are advised that you have the right to appeal this decision under M.G.L. c.30A to Superior Court within thirty (30) days upon receipt of this notice.

Kim S. Gainsboro
Chairman

cc: Local Licensing Board
Frederick G. Mahony, Chief Investigator
Brad Doyle, Investigator
Administration
File



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DECISION

JEFF'S TAVERN INC. DBA LIGHT SHIP LOUNGE
118 SO. UNION ST.
LAWRENCE, MA 01840
LICENSE#: 059400078
HEARD: 05/08/2012

Jeff's Tavern Inc. dba Light Ship Lounge (the "Licensee") holds an all-alcohol license issued pursuant to M.G.L. c. 138, §12. The Alcoholic Beverages Control Commission (the "Commission") held a hearing on Tuesday, May 8, 2012, regarding an alleged violation of:

- 1) M.G.L. c. 138, §23-Transfer of the privilege of a license without proper approval; and
- 2) M.G.L. c. 138, §15A-No stock in a corporation holding a license to sell alcoholic beverages shall be transferred, pledged or issued without first obtaining the permission of the local licensing authorities and the commission.

Prior to the commencement of the hearing, the licensee stipulated to the violation alleged in Investigator Doyle's Violation Report.

The following documents are in evidence:

1. Licensee's Stipulation of Facts;
2. Investigator Doyle's Violation Report dated February 3, 2012;
3. Change of Manager License Application dated January 25, 2012;
4. City of Lawrence Business Certificate dated January 11, 2012 for Shairaly L. Rosario; and
5. Insurance Information dated January 27, 2012.

There is one (1) audio recording of this hearing.

FACTS

1. Jeff's Tavern Inc. dba Light Ship Lounge is a Massachusetts corporation organized and filed under M.G.L. c. 156D on March 20, 1942.
2. In August 1985 an application for Change of Ownership, Change of Officers or Directors, was filed listing Anthony R. Silva Jr. as President, Treasurer, Clerk and Sole Director.

3. Anthony R. Silva Jr. is listed as controller of one hundred (100) percent of the shares of the corporation.
4. The manager is listed as Martha Hamelin. This stock was transferred from David A. Silva.
5. The Commission approved this ownership/stock transfer on November 6, 1985.
6. In February 2006, the Commission approved a Change of Manager from Martha Hamelin to Daryl Silva.
7. On February 1, 2012, the Commission received a Change of Manager application that was approved by the Lawrence Licensing Authority. This application requested a change of manager from Daryl Silva to Shairaly L. Rosario. (Ex. 3)
8. On Friday, February 03, 2012 at approximately 08:45 p.m., Investigators Capurso and Doyle conducted an investigation of the business operation of Jeff's Tavern Inc. dba Light Ship Lounge, responding to a complaint from the Lawrence Police Department, that the liquor license was being leased to an unapproved owner.
9. Investigators entered the licensed premises, identified themselves, and asked to speak with the owner.
10. Investigators observed approximately ten (10) people inside getting ready for a "Grand Opening."
11. A woman identified as Shairaly L. Rosario greeted investigators, stating, "Hello, I'm the new owner."
12. Investigators observed the licensed premises had been recently remodeled, and looked dramatically improved from the last time investigators were there in late 2011.
13. Ms. Rosario made the following statements in response to questions from investigators:
 - a. I have spent approximately twenty to twenty-five thousand dollars (\$20,000 - \$25,000) on renovations;
 - b. I have an agreement with Mr. Anthony Silva to pay [him] three thousand dollars (\$3000) a month for the business;
 - c. Mr. Silva, the former owner, would also receive a percentage of sales from the bar but they had not discussed an actual number as of yet;
 - d. I am in charge of hiring and firing of employees, and ordering the alcohol;
 - e. I applied with the city to change the name of the bar to "Area 809"; and
 - f. I purchased liability insurance for the business.
14. Investigators informed Ms. Rosario that she could not lease a liquor license and that she would have to apply and be approved for a transfer of license to legally own the business.

15. Ms. Rosario then stated, "I'm just an investor, Anthony paid for the renovations."
16. Investigators asked to see the liquor license.
17. Ms. Rosario produced the liquor license and a business certificate applying for a name change.
18. The business certificate listed Shairaly L. Rosario as the business owner, and it had been approved on January 11, 2012 by the Lawrence Licensing Authority. (Ex. 4)
19. Ms. Rosario stated she did not have a copy of the liability insurance paperwork.
20. At approximately 9:30 p.m., investigators exited the licensed premises and walked to 94 South Union Street, Lightship Liquors of Lawrence, Inc., owned by Mr. Anthony R. Silva Jr.
21. Investigators identified themselves and asked to speak with Mr. Silva. They notified Mr. Silva that they had just spoken to Ms. Rosario, and that they were investigating a complaint of transfer without proper approval.
22. Mr. Silva made the following statements in response to questions from investigators:
 - a. I paid for the renovations for the bar, the cost was twenty thousand dollars (\$20,000) or more;
 - b. I have a verbal agreement with Ms. Rosario to lease the liquor license (Jeff's Tavern Inc.) for three thousand dollars (\$3000) a month;
 - c. I received a cash payment for three thousand dollars (\$3000) on January 1st, and on February 1st of this year from Ms. Rosario;
 - d. The verbal agreement of cash was to repay the cost of renovations;
 - e. We also have an agreement that I will get a percentage of the sales of liquor. This was a verbal agreement, and we did not settle on a percentage or dollar amount;
 - f. Ms. Rosario has purchased liability insurance for the premises; and
 - g. Ms. Rosario put a down payment for the insurance; however, I am not aware if she paid by cash or by check.
23. Investigators asked Mr. Silva to send to them by facsimile a copy of the liquor liability paperwork.
24. Mr. Silva sent by facsimile a copy of the insurance binder which lists Ms. Rosario dba Area 809 as the "named insured." (Ex. 5)
25. Investigators informed Mr. Silva that a violation report would be submitted to the Chief Investigator.

CONCLUSION

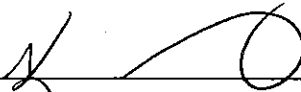
Based on the evidence, the Commission finds the licensee violated:

- 1) M.G.L. c. 138, §23-Transfer of the privilege of a license without proper approval; and
- 2) M.G.L. c. 138, §15A-No stock in a corporation holding a license to sell alcoholic beverages shall be transferred, pledged or issued without first obtaining the permission of the local licensing authorities and the commission.

Therefore, the Commission **INDEFINITELY SUSPENDS** the license of **Jeff's Tavern Inc. dba Light Ship Lounge** effective forthwith until further order from this Commission. Furthermore, the Commission refers the matter of Lightship Liquors of Lawrence, Inc. to the Investigation and Enforcement Division for further investigation of potential violations of the Liquor Control Act.

ALCOHOLIC BEVERAGES CONTROL COMMISSION

Kim S. Gainsboro, Chairman



Susan Corcoran, Commissioner



Kathleen McNally, Commissioner



Dated: May 9, 2012

You have the right to appeal this decision to the Superior Courts under the provisions of Chapter 30A of the Massachusetts General Laws within thirty (30) days of receipt of this decision.

cc: Local Licensing Board
Frederick G. Mahony, Chief Investigator
Brad Doyle, Investigator
Administration
File