

TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

**Minutes
December 17, 2013
1:30 pm**

The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Tuesday, December 17, 2013 in the headquarters offices in Nashville, Tennessee at 1:30 p.m. Commission Chairperson Mary McDaniel, Commissioner John A. Jones and Commissioner Bryan Kaegi were present. Director E. Keith Bell, Assistant Director Ginna Winfree, CLEO Mark Hutchens, and Staff Attorney Joshua Stepp were present.

1. **Minutes for the November 19, 2013 Commission Meeting were approved.** Commissioner Kaegi motioned to add the Addendum to the Agenda. Commissioner Jones seconded the motion. Motioned passed with 3 ayes.

2. **RETAIL**

- A. **NEW BUSINESS**

1. **GRAPEVINE WINE & SPIRITS, LLC
BRENTWOOD, TENNESSEE (WILLIAMSON COUNTY)**

Applicant: Grapevine Wine & Spirits, LLC

Members: John A. Lee, Jr. (Managing Member 100%)

Before the Commission is a request for expansion/addition to the premises of the retail store located at 8109 Moores Lane, Brentwood, Tennessee 37027. Changes to the existing building (6,561 sf) includes enclosing 706 sf of the western side and a portion of the eastern side of the outdoor walkway on the front (north side) of the building with glass storefront. This area will be used for additional retail and office space. Enclosing 602 sf for additional storage in the former solid waste area at the rear of the building. The Municipal Planning Commission of the City of Brentwood has previously approved these changes/additions.

The TABC staff recommended approval of this expansion/addition.

Discussion/Action Taken:

Director Bell reviewed the matter to the Commission and recommended approval.

Commissioner Kaegi made a motion to approve the expansion/addition. Commissioner Jones seconded the motion and the motion passed with 3 ayes.

2. DSJJ, LLC
d/b/a CAMPBELL STATION WINE AND SPIRITS
FARRAGUT, TENNESSEE (KNOX COUNTY)

Applicant: DSJJ, LLC
Member(s): David D. Stevens (90%)
Jared W. Jordan (10%)

Before the Commission is a request for a new retail store licensee to be located at 707 N. Campbell Station Road, Farragut, Tennessee 37934. Currently, permit #3664 is being operated from this location with the current licensee being Silver Linings, LLC, d/b/a Campbell Station Wine and Spirits. Silver Linings, LLC's sole member, Eugene L. Treacy died on July 30, 2012 and subsequently his widow Pamela C. Treacy was appointed Executrix by Order of the Knox County Probate Court. Thereafter, Ms Treacy provided notice to the TABC of the death of the sole member of the licensee and of the court's Order. Ms Treacy has since operated the current licensee in compliance with state law, TABC rules and the court's Order.

Together the two members of applicant, DSJJ, LLC will be investing \$850,000.00 from personal funds (as verified by the TABC staff) to be used for the purchase of the existing retail business and inventory (said inventory to be transferred pursuant to law and rules via wholesaler involvement). The real property upon which the retail store is located is being purchased by member David D. Stevens and his wife Debbie Stevens through their company DDSCLS, LLC, in a separate transaction.

The TABC staff recommended approval of this application upon receipt of the following:

- a. \$850.00 License Fee--**rec'd**
- b. Certificate of Compliance—**rec'd**
Retailer Permit issued 01/02/2014

Discussion/Action Taken:

Director Bell reviewed the matter to the Commission and recommended conditional approval of the application.

Commissioner Jones made a motion to approve the transfer of ownership in the existing retail store upon receipt of missing items. Commissioner Kaegi seconded the motion and the motion passed with 3 ayes.

3. WHOLESALERS

A. NEW BUSINESS

- 1. FIRESIDE DISTRIBUTING COMPANY, LLC**
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)

Applicant: Fireside Distributing Company, LLC
Wholesale License No. 1234

Members(s): Currently:

John H. Fields (Managing-Member 50%)
Randall L. Bennett (Manag-Member 50%)

Proposed:

John H. Fields (Managing-Member 42.42%)
Randall L. Bennett (Member 42.42%)
Donald Herring (Member 6.06%)
Stephen M. Lackey (Member 6.06%)
Authorized unissued interest—3.04%

Before the Commission is a request to change the ownership/membership of an existing licensed wholesale distributor (#1234) located at 470 Metroplex Drive, Suite 207, Nashville, Tennessee 37211 (approved for licensing on 09/21/2012). Mr. Donald Herring of Memphis, TN will acquire an ownership interest of 6.06% in Fireside Distributing Company, LLC for the sum of \$50,000.00. Likewise, Mr. Stephen M. Lackey of Memphis, TN will acquire an ownership interest of 6.06% in Fireside Distributing Company, LLC for the sum of \$50,000.00. This ownership change becomes effective only upon approval of the TABC as set out in the LLC's Operating and Purchase Agreement. All documentation has been provided.

The TABC staff recommended approval of this Change of Ownership application.

Discussion/Action Taken:

Director Bell reviewed the matter to the Commission and recommended approval.

Commissioner Kaegi made a motion to approve the change of ownership. Commissioner Jones seconded the motion and the motion passed with 3 ayes.

Data Base/File updated 12/18/2013

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

Applicant: Athens Distributing Co. of Nashville, GP
Partner(s): As of 12/30/12: John P. Donnelly (20%)
JPD Investments, GP
(20%)

Judith White Speed Qualified
Marital Trust (18%)
Richard L. Speed, Jr. (15%)
Scott R. Moore (15%)
John H. Aaron, Sr. (5%)
John P. Donnelly, Jr. (5%)
Donald J. White, Sr. (2%)

After 12/31/12: John P. Donnelly (20%)
JPD Investments, GP (20%)
Judith White Speed Qualified Marital
Trust (8%)
Richard L. Speed, Jr. (18%)
Scott R. Moore (18%)
John H. Aaron, Sr. (5%)
John P. Donnelly, Jr. (5%)
Donald J. White, Sr. (2%)
Speed Family 2012 Irrevocable Trust (4%)

Before the Commission is a belated request by the applicant for approval of previous, unapproved yet self-reported transfers of ownership interest in the general partnership's existing Wholesalers license, Athens Distributing Co. of Nashville (permit #2) located at 3001 Owen Drive, Antioch Tennessee 37013.

All documentation, with the exception of the following, has been provided:

- a. Payment of the \$300 application fee;--**rec'd 12/17/2013**
- b. Submission of a properly completed applications;--**rec'd**
- c. Payment of the \$500 civil penalty for licensee's failure to notify the TABC of previous and unapproved transfer of partnership interest;--**rec'd 12/17/2013**

The TABC staff recommended approval of the previous and unapproved transfers of partnership interest upon receipt of the missing items and documents noted above.

Discussion/Action Taken:

Director Bell reviewed the matter to the Commission and recommended conditional approval of the application.

Commissioner Kaegi made a motion to approve the transfer of partnership interest upon receipt of missing items. Commissioner Jones seconded the motion and the motion passed with 3 ayes.

Data Base/File updated 01/16/2014

4. **DISTILLERY**

A. **NEW BUSINESS**

1. **DUCK RIVER DISTILLERY, INC.
LEWISBURG, TENNESSEE (MARSHALL COUNTY)**

Applicant: Duck River Distillery, Inc.
Stockholder(s): William Patrick Warner (50%)
Joseph Park Warner (50%)

Before the Commission is a request for a new distillery located at 1410 Powell Lane, Lewisburg, Tennessee, 37091. The applicant, Duck River Distillery, Inc., by and through its two (2) stockholders noted above, will be investing an initial sum of \$125,000.00 per a loan agreement with First Commerce Bank, Lewisburg, Tennessee, as verified by TABC staff, and an additional investment of a discounted annual rental rate of \$10.00, payable to the landlords, the above noted two (2) stockholders. The real property is being leased to the applicant from the two (2) stockholders, William Patrick Warner and Joseph Park Warner, as joint owners of the parcel where the distillery will be located, for a term of twenty (20) years, ending June 1, 2033, at the annual lease rate of ten dollars (\$10.00) per year. All documentation, with the exception of the following items noted below, has been provided:

- a. TABC Inspection
- b. Acknowledgement of TABC Rules and Regulations
- c. Receipt of licensing fee of \$1,000.00

The TABC staff recommended approval of this application upon receipt of the missing documentation and license fee.

Discussion/Action Taken:

Director Bell reviewed the matter to the Commission and recommended conditional approval of the application.

Commissioner Kaegi made a motion to approve the request for a new distillery located at 1410 Powell Lane, Lewisburg, Tennessee, 37091 upon receipt of missing items. Commissioner Jones seconded the motion and the motion passed with 3 ayes.

Requested items and documentation remain missing and outstanding.

2. **WISEACRE, LLC
d/b/a WISEACRE BREWING COMPANY
MEMPHIS, TENNESSEE (SHELBY COUNTY)**

Applicant: WISEACRE, LLC
Members: Frank B. Smith, III (President – 33 1/3%)

Kellan Bartosch (Sec/Treasurer—33 1/3%)
Davin Bartosch (VP-Operations – 33 1/3%)

Before the Commission is a request for a new distillery located at 2783 Broad, Memphis, Tennessee, 38112. In 2012 the three members/owners of the applicant, Wiseacre, LLC, opened and began brewing/manufacturing low gravity beer and their initial investment was \$1.2 million. Wiseacre, LLC is now seeking a manufacturers/distillery license in order to brew and sell high gravity beer. Additional equipment to be purchased in order to handle the high gravity beer brewing is expected to be less than \$20,000.00 as the initial equipment investment will also be used to brew the high gravity product. Wiseacre, LLC will continue to brew low gravity beer as well as brew high gravity beer once properly licensed to do so. The lease is by and between, Bell Property Group, G.P., (“landlord”) and Wiseacre, LLC (“tenant”). The initial term of this lease is one hundred twenty-nine (129) months from Feb 1, 2013 to Oct 31, 2023 with an option of renewing this lease for two (2) additional five (5) year terms with at least one hundred eighty (180) days written notice of the exercise of such option. The total rental over the initial term of the lease is \$423,900.00 to be paid in monthly installment of 0.00 per month, months 1-3; \$1650 per month, months 4-9; \$3300 per month, months 10-69 and \$3600 per month, months 70-129.

All documentation, with the exception of the following items noted below, has been provided:

- a. TABC Inspection—**rec’d**
- b. Acknowledgement of TABC Rules and Regulations—**rec’d**
- c. Receipt of licensing fee of \$1,000.00—**rec’d**
- d. Distance approval by local government—**rec’d**
- e. Waiver of any right to admin hearing—**rec’d**
- f. \$850.00 license fee—**rec’d**

The TABC staff recommended approval of this application upon receipt of the missing documentation and license fee.

Discussion/Action Taken:

Director Bell reviewed the matter to the Commission and recommended conditional approval of the application.

Commissioner Jones made a motion to approve the request for a new distillery located at 2783 Broad, Memphis, Tennessee, 37110 upon receipt of missing items. Commissioner Kaegi seconded the motion and the motion passed with 3 ayes.

Distillery Permit Issued 01/10/2014

5. **FARM WINERIES—SEE ADDENDUM**
6. **PRIVATE CLUBS—NO BUSINESS**

7. **BUDGET—NO BUSINESS**

8. **PENDING MATTERS LIST**

Commission Meeting Dates for the 2014 calendar year are noted below:

9. **PERSONNEL—NO BUSINESS**

10. **DATE OF NEXT MEETING** – The January Commission Meeting date is set for Tuesday, January 28, 2014 at 1:30 p.m. (cst). The February Commission Meeting date is set for Tuesday, February 25, 2014 at 1:30 p.m. (cst).

ADDENDUM

NOVEMBER 19, 2013 COMMISSION MEETING

1:30 p.m.

1. **RETAIL**

A. **NEW BUSINESS**

1. **WHITE SQUIRREL WINERY
KENTON, TENNESSEE (OBION COUNTY)**

Applicant: Charles W. (Bill) Sanderson
Sole Proprietorship

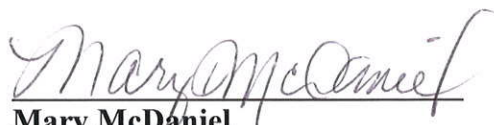
Before the Commission is a request for a thirty (30) day extension, from December 27, 2013, in which to allow the applicant to open for business, i.e. an extension through Sunday, January 26, 2014. Written request for said extension has been provided by the applicant.

The TABC staff recommends approval of this request.

Discussion/Action Taken:

Director Bell reviewed the matter to the Commission and recommended approval.

Commissioner Kaegi made a motion to approve the request for thirty (30) day extension. Commissioner Jones seconded the motion and the motion passed with 3 ayes.


Mary McDaniel
Chairperson


E. Keith Bell
Director