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EMERGENCY SUSPENSION ORDERED FOR SADIE KLUTZ
Liquor Authority Suspends Bar Overrun with Minors

Albany, NY – The New York State Liquor Authority (SLA) suspended the license of Peabody's NY Inc., doing business as "Sadie Klutz" at 847-849 Madison Avenue in Albany. The suspension was ordered by Members of the SLA, Chairman Dennis Rosen, Commissioner Jeanique Greene, and Commissioner Noreen Healey at a Full Board meeting on Friday, February 11, 2011. Effective immediately, no alcohol can be served or consumed on the premises.

On February 5, 2011, Investigators from the SLA the New York State Department of Motor Vehicles (DMV), and the Albany Police Department (APD) conducted a compliance inspection at the premises. Investigators observed over 200 patrons, including more than 40 minors, packed inside Sadie Klutz, a bar with a maximum occupancy of only 80. The SLA obtained 12 statements from minors, 5 that made direct purchases at the bar and another 7 who obtained alcohol from fellow patrons. Several additional underage charges were not documented, as investigators were compelled to exit patrons from the dangerously overcrowded premises. The bar was charged with 17 violations of the Alcoholic Beverage Control Law, including sales to minors, exceeding maximum occupancy, and failure to supervise the premises. In addition, the DMV ticketed 10 minors for possession of a forged, fictitious, or using another person's license.

This collaborative operation is a result of a December meeting with the Albany Police Department and Albany licensees held at the SLA offices. These details and those to follow are part of our joint efforts aimed at targeting and cracking down on irresponsible licensees.

"Bars that cater to minors will be shut down," said SLA CEO Trina Mead. "The SLA will continue taking emergency action whenever a licensee's irresponsible behavior threatens the public health and safety."

"This is another example of what immediate action will be taken against establishments that disregard the law and put the public's safety in jeopardy," said Executive Deputy Commissioner J. David Sampson of the Department of Motor Vehicles. "I commend the SLA, Albany Police Department and DMV investigators for their actions against those who would foster the reckless behavior of underage drinking."

"We are committed to work with the State Liquor Authority, the Department and all of our law enforcement partners in addressing underage drinking and any establishment that caters to minors," said Albany Police Department Chief Steven Krokoff. "We have all seen the negative effects that underage drinking can have and we will hold any bar or tavern that serves minors accountable."

This licensee has a disturbing disciplinary history both at this bar, and at a former establishment. In 2005 the SLA imposed a \$4,500 penalty for selling to minors, using an unauthorized trade name and for contaminated liquor bottles. In 2008 Sadie's was fined \$7,000 again for selling to minors and for charges involving an altercation. In 2009 the SLA fined the establishment \$5,000 for the use of an unauthorized trade name and for allowing alcohol outside the licensed area. In addition, the licensee's prior establishment, Michael's Deli of New York next door to Sadie's at 851 Madison Ave, also had its license summarily suspended and ultimately cancelled in 2009, again for numerous sales to minors and several other violations.

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Background:

The State Administrative Procedure Act authorizes a State agency to summarily suspend a license when the agency finds that public health, safety, or welfare requires emergency action. When the SLA summarily suspends a license, it also serves a Notice of Pleading alleging one or more disciplinary violations. In invoking a summary suspension, the SLA has deemed the violation to be sufficiently serious upon initial review to warrant an immediate suspension. The SLA's decision to summarily suspend a license is not a final determination on the merits of the case. The licensee is entitled to an expedited hearing before an administrative law judge. An order of summary suspension remains in effect until such time as it is modified by the State Liquor Authority or a reviewing Court.

The State Liquor Authority regulates and controls the manufacture, sale and distribution of alcoholic beverages within the state. The Authority works with local law enforcement agencies and localities across the State to ensure compliance with the Alcoholic Beverage Control Law. In addition, the Authority issues and renews licenses and permits to manufacturers, distributors, wholesalers and retailers of alcoholic beverages.

