In the matter of

SHERMAN GIVHAN
d/b/a GOLD DIGGERS DETROIT
8040-8050 Livernois
Detroit, Michigan  48204
Wayne County

At the December 18, 2014 meeting of the Michigan Liquor Control Commission (Commission) in Lansing, Michigan.

PRESENT: Teri L. Quimby, Commissioner
           Dennis Olshove, Commissioner

ORDER TO CONTINUE SUSPENSION AND ORDER TO CONTINUE SHOW CAUSE HEARING

Under Article IV, Section 40 of the Michigan Constitution, the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, MCL 436.1201(2) gives the Commission the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the manufacture, importation, possession, transportation and sale thereof.

A review of the licensing records of the Michigan Liquor Control Commission reflects that Sherman Givhan, d/b/a Gold Diggers Detroit (licensee) has held an interest in this Class C and Specially Designated Merchant licensed establishment with Sunday Sales Permit (P.M.), Sunday Sales Permit (P.M.), Dance-Entertainment Permit and Topless Activity Permit at the above-noted location since May 31, 1995, and Sherman Givhan was the licensee of record at the time of his death on August 30, 2013.
Commission records reflect the following licensing history at this location:

- On October 14, 1970, Stanford Givhan was issued a Class C license with Topless Activity Permit at 8050 Livernois, Detroit, Wayne County as a result of a transfer of ownership from Harold V. Wilcoxon. A new Specially Designated Merchant license and new Dance Permit were issued on October 14, 1970; a new Sunday Sales Permit was issued on May 1, 1971; and a new Entertainment Permit was issued on March 19, 1991.
- On September 11, 1991, Inez Givhan was added as a partner on the license with Stanford Givhan.
- On May 31, 1995, an Add Space request was approved to include 8040 Livernois, Detroit, Wayne County, to the address of the licensed premises.
- On August 16, 1994, the Commission was notified that Stanford Givhan deceased. Inez Givhan was appointed as personal representative of his estate until the estate was settled in 1995.
- On May 31, 1995, Stanford Givhan Estate was dropped as a partner on the licenses and Sherman Givhan was added as a partner with Inez Givhan.
- On May 31, 1995, the name of the d/b/a of the licensed establishment was changed from The Brass Key Bar to Brass Key Club.
- On April 5, 2001, the Commission was notified that Inez Givhan was deceased. Sherman Givhan was appointed as personal representative of her estate until the estate was settled on April 14, 2004. Inez Givhan Estate was officially dropped from the license on December 16, 2004, leaving Sherman Givhan as the individual licensee.
- On January 12, 2010, the name of the d/b/a of the licensed establishment was changed from Brass Key Club to Starvin Marvin’s.
- On February 10, 2010, an application to transfer ownership of the subject licenses and permits was submitted by M & L’s Hot Spot, LLC [Members: Bilal Haidar and Bernice Jackson]. A Management Agreement with M & L’s Hot Spot, LLC dated September 23, 2009 was also submitted on this date. The transfer request was cancelled by the Commission on September 27,
2011 due to a lack of progress being made on the application.

- On February 23, 2011, the name of the d/b/a of the licensed establishment was changed from Starvin Marvin’s to Gold Diggers Detroit.

At a meeting held on October 22, 2013, the Commission concluded that emergency action was necessary to protect the health, safety, and welfare of the general public because a person or entity not licensed or approved by the Commission to sell alcoholic liquor was operating the business. The Commission issued an Emergency Suspension Order summarily suspending the licenses and permit effective October 22, 2013, with the licenses to remain suspended until further order of the Commission. The Commission's Enforcement Division was allowed entrance to the premises to confiscate the licenses on October 22, 2013 and inventoried the impounded alcohol.

Commission records reflect the following information which provided the basis for issuance of the Emergency Suspension Order on October 22, 2013:

- The sole proprietor licensee, Sherman Givhan, is deceased as of August 30, 2013.
- Throughout the month of September, 2013, the Commission’s Enforcement Division made numerous attempts to ascertain information as to how the business was being operated and by whom. These attempts proved to be unsuccessful.
- The Commission was not in receipt of any documentation at that time, from any Michigan Court, appointing a personal representative or receiver to operate the liquor licensed business on behalf of the now deceased licensee.
- The licensee currently has numerous outstanding violations before the Commission at this time, including:
  1. Gave away alcohol;
  2. Advertised and/or sold unlimited quantity of alcohol at a specific price;
  3. Clerk, servant, agent or employee engaged in illegal occupation/act upon the licensed premises;
  4. Failed to make records available for inspection.
- This person has been a Commission licensee since May 31, 1995 and has amassed an extensive violation history, which includes violations that were either acknowledged by the licensee or the licensee was found guilty by a Hearings
Commissioner or an Administrative Law Judge. These violations include, but are not limited to the following:

1. Illegal act on the licensed premises;
2. Prohibited sexual acts committed on the licensed premises;
3. Failed to comply with all state and local laws and ordinances;
4. Simulated sexual intercourse on the licensed premises;
5. Failed to cooperate with law enforcement officers and/or obstructed law enforcement officers;
6. Allowed sale, possession, or use of controlled substance on licensed premises, specifically: Marijuana;
7. Failed to return licenses and permits to the Commission after closing active operation;
8. Failed to maintain records to determine ownership and to whom accrues profits and losses;
9. Failed to maintain appropriate records over a four year period of time;
10. Non-sufficient funds;
11. Sold alcoholic beverages during which time the subject licenses and permits were in escrow;
12. Failed to maintain proper records for alcoholic beverage purchases/sales.

The Commission conducted a post-suspension Show Cause Hearing on January 16, 2014 at the Southfield office of the Commission. Attorney David Draper appeared on behalf of the Estate of Sherman Givhan. Also appearing was Rosalind Givhan, widow of the deceased licensee, at the hearing.

Mr. Draper summarized for the Commission the current judicial proceedings concerning the estate as follows:

- Letters of Authority appointing Rosalind Givhan were issued by Judge Milton Mack Jr. on November 1, 2013. This appointment, however, expired December 2, 2013. File No. 2013-791119-DE, County of Wayne Probate Court. Commission records reflect that the Commission received this document on December 2, 2013.
Based upon the Docket Information Sheet provided by Mr. Draper, the Court held a hearing on December 2, 2013, and appointed a new Special Personal Representative: Attorney Eric V. Smith. At this Show Cause Hearing today, the Commission is not in receipt of any documents issued by the Court for this appointment, and has not received any requests from Eric V. Smith in this matter.

Tiffany R. Givhan is an interested party to these proceedings, as the daughter of Sherman Givhan, and has made challenges during the proceedings.

More proceedings before the Court are scheduled, and the Docket Information Sheet notes that the Special Personal Representative Appointment of Eric V. Smith expires on April 7, 2014. This is also the date for the next scheduled court date.

Mr. Draper requested that given the nature of the court proceedings, it would be best to have the business “stay at a closed status.”

At the conclusion of the post-suspension Show Cause Hearing held on January 16, 2014, the Commission continued the suspension in this matter and ordered that the hearing be continued on April 10, 2014 at the Southfield office of the Commission.

Appearing at the continued hearing on April 10, 2014 on behalf of the licensee was Attorney Warren Evans. Also present at the hearing was Attorney Eric Smith, personal representative of the estate, Attorney Lynn Marine representing the estate regarding the probate matters, and Rosalind Givhan, widow of the deceased licensee. The attorneys stated the court proceedings for the estate are continuing in May.

At the conclusion of the post-suspension Show Cause Hearing held on April 10, 2014, the Commission continued the suspension in this matter and ordered that the hearing be continued on June 19, 2014 at the Southfield office of the Commission.

Appearing at the continued hearing on June 19, 2014 on behalf of the licensee was Attorney Warren Evans. Also present at the hearing was Attorney Eric Smith, personal representative of the estate and Attorney Lynn Marine representing the estate regarding the probate matters. The attorneys stated that the court proceedings for the estate were concluding and that court orders would be forthcoming.

At the conclusion of the post-suspension Show Cause Hearing held on June 19, 2014, the Commission continued the suspension in this matter and ordered that the
hearing be continued on December 11, 2014 at the Southfield office of the Commission. The hearing was subsequently re-scheduled for December 18, 2014. Appearing at the continued hearing on December 18, 2014 on behalf of the licensee was Attorney Warren Evans, Attorney Eric Smith, personal representative of the estate, and Attorney Lynn Marine representing the estate regarding the probate matters.

Also present at this hearing was Attorney Mark Thomas, legal counsel on behalf of Cheniko Thigpen and CMT Investment Group, LLC, who has a pending application to transfer ownership of the subject license. (Request ID No. 773185)

The attorneys stated that the bar is still secured, and court proceedings for the estate were concluding.

At the conclusion of the post-suspension Show Cause Hearing held on December 18, 2014, the Commission continued the suspension in this matter to April 30, 2015.

On April 16, 2015, the Commission reviewed this matter and approved a motion to continue the suspension until October 30, 2015.

For reasons stated on the record, the Commission finds that the Suspension Order shall remain in effect and the license shall remain suspended until the Show Cause hearing in this matter continues on October 22, 2015 at the Southfield office of the Commission.

THEREFORE, IT IS ORDERED that:

A. The escrowed 2014 Class C license with Sunday Sales Permit (P.M.) with Sunday Sales Permit (P.M.), Dance-Entertainment Permit and Topless Activity Permit held by Sherman Givhan, d/b/a Gold Diggers Detroit, at the above-noted location shall remain suspended until the Show Cause hearing in this matter continues on Thursday, October 22, 2015 at 10:00 A.M. at Offices of Liquor Control Commission, located at 25680 W. Eight Mile Road, Southfield, Michigan.

B. The licensee’s personal representative, Eric Smith, shall continue to ensure that the licensed establishment remains closed and secure.

C. The licensee’s personal representative, Eric Smith, shall continue to comply with the Commission Order impounding the inventoried alcohol, and to work
with the Commission and wholesalers and distributors on the return or disposal of remaining inventory onsite.

D. The licensee’s personal representative, Eric Smith, shall immediately notify the Commission if the court terminates or changes the personal representative authorization.

MICHIGAN LIQUOR CONTROL COMMISSION

Teri L. Quimby, Commissioner

Dennis Olshove, Commissioner

Date Mailed:
tlc