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5 **CLIVE S. MARTIN**
Hearing Officer, Administrative Appeal

7
8 **CITY OF LONG BEACH,**
9 **CALIFORNIA**

10 IN THE ADMINISTRATIVE APPEAL)
11 FROM THE DEPARTMENT OF)
12 FINANCIAL MANAGEMENT)
13 REVOCATION OF BUSINESS LICENSES)
14 BU20134560 & BU20447180 ISSUED TO)
ACCO ENTERPRISES, d.b.a. GAMEPLAY,)
6543 E. SPRING STREET, LONG BEACH)
CA 90808)

REPORT OF FINDINGS,
CONCLUSIONS AND
DECISIONS.

Date: 08/05/2005

15 Applicant and Appellant

16
17 **CITY COUNSEL FOR THE CITY OF LONG BEACH:** This is a consolidated appeal
18 of the revocations of Business Licenses BU20134560 and BU20447180 issued to Gameplay and
19 to ACCO Enterprises, d.b.a. Gameplay located at 6543 East Spring Street, Long Beach. On
20 October 19, 2004 following a business license revocation hearing a decision was handed down
21 by James A. Gooden, Business Services Director revoking the Business License BU20134560
22 held by Gameplay. On November 23, 2004 following a business license revocation hearing a
23 decision was handed down by Pamela Wilson-Horgan, Manager, Commercial Services Bureau
24 revoking Business License BU20447180 issued to ACCO Enterprises, Inc. Pursuant to Long
25 Beach Municipal Code Section 3.80.429.5, ACCO Enterprises doing business as Gameplay
26 timely filed an appeal to both revocation decisions. Commencing April 6 concluding June 21,
27 2005 a hearing was held on this consolidated appeal. The hearing consisted of the reported
28 sworn testimony of eleven witnesses (including two appellant witnesses) and the introduction, by

1 both the City of Long Beach and appellants, of seventy-one exhibits. After review of all the
2 testimony and exhibits, it is this hearing officers decision affirming both revocation decisions and
3 recommend that both Business Licenses BU20134560 and BU20447180 remain revoked.

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5 **REGARDING BUSINESS LICENSE BU20134560**

6 **EVIDENCE AND TESTIMONY**

7 In late 2003 and early 2004 the Long Beach Police Department were notified by security
8 investigators at Target Stores that they were experiencing a large number of thefts and burglaries
9 at local stores. These thefts were of video games, game systems and DVD movies and were
10 documented by surveillance photographs showing suspects committing these thefts. The
11 resulting police investigation resulted in the arrest of one of these suspects, John Leonard Gallow
12 on January 27, 2004.

13 Mr. Gallow was quite cooperative with the police in their investigation and after being
14 fully advised of his rights of silence and counsel by the detectives, he fully admitted to the
15 charges, and more, even to the extent of signing a written confession "...with no promises of
16 leniency or reward" [City exhibit # 2]. Furthermore, Gallow identified himself in Target
17 surveillance photos of him entering the store located at 2270 Bellflower Blvd., Long Beach [City
18 # 2 & 3]. In essence Mr. Gallow said that he goes to stores like Target and steals video games
19 and game systems and sells them. He was in effect a sales agent and in this case he named a
20 video store called Gameplay as his principal. Gameplay is owned and operated by ACCO
21 Enterprises Inc., a California corporation, Appellant herein, and is located at a shopping mall at
22 6543 East Spring Street. To the employees there, Gallow is known only as "Poncho". Gallow,
23 who had been plying his trade for sometime, would regularly be provided with a list of desired
24 items and he would simple go to the store and "fill" it. He would then return to Gameplay and
25 sell them for an agreed to price. Gallow told investigators that he would regularly deal with
26 "Walter" who he believe to be the store owner and "Henry", "Richard" and "Ramon". As part of

1 the follow up investigation Gallow agreed to introduce Detective Lawrence Arnwine to an
2 employee at Gameplay as his uncle. He then placed a recorded phone call to Ramon telling him
3 that his uncle would be bringing in some merchandise in his place. Target security personnel
4 provided Detective Arnwine with specific merchandise and on two occasions he went to
5 Gameplay and exchanged them for money. On the last, February 3, 2004, Detective Arnwine
6 was provided with \$3000 worth of cataloged and photographed video games, game systems and
7 DVDs. A team of officers and Target security personnel armed with a search warrant
8 (Appellant's Exhibit Q) were standing by as undercover Detective Arnwine returned to
9 Gameplay with the merchandise. These items were delivered to Gameplay employee Ramon
10 Lim in exchange for \$1,245. Officers immediately entered the store, arrested Mr. Lim recovered
11 the merchandise and money, searched the premises seizing numerous records, surveillance tapes,
12 equipment and items of merchandise. The merchandise was itemized on a property report
13 consisting of 187 pages (City Exhibit 41). While at the store detectives also interviewed several
14 employees.

15 Ramon Lim was also interviewed by detectives. Like Gallow, he also was very
16 cooperative and agreed to make a written statement which he signed after advisement of his
17 rights and again "...with no promises of leniency or reward" (City Exhibit # 10). Lim
18 acknowledged buying merchandise from a guy (Detective Arnwine) just before his arrest. The
19 guy told him that the merchandise was stolen and he called Griselda at the Venice store and
20 asked her if it was alright to buy it. She said that it was so he examined the items and checked
21 them against the list of wanted items and their prices, took the money from the back room safe,
22 \$1,245, and gave to the, soon to be discovered, detective. Lim told detectives much about store
23 procedure especially about the practice of buying stolen merchandise. He had worked at
24 Gameplay five days per week for three years, three days in the Long Beach store and two days in
25 the Venice store. He was considered a trusted employee and earned the title of "assistant
26 manager". During the time he has worked it was common to see black men come to the stores to
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1 sell stolen merchandise. He always knew it was stolen. In both stores the procedure was the
2 same. Walter told him to refer to the black men as "kokujins", a sort of code word of uncertain
3 origin. That was so other people would not know who was being referred to. These people
4 usually would come in and ask for Walter, Henry, Richard or Griselda. Money for the stolen
5 items came from a safe in the back room in the form of cash. Lim would usually not deal directly
6 with the "Kokujins" unless no one else was available. For the detectives Lim identified some of
7 the record keeping books referred to as "buy back books" and pointed out the initials of Walter,
8 Henry and Richard and even his own. Lim also pointed out the "Goo Gone" which was used to
9 remove store labels off the cellophane wrappers on the stolen merchandise. He has seen store
10 labels from Target, Circuit City, Blockbuster and other stores. In case the cellophane would tear,
11 there was a cellophane-wrapping machine.

12 The detectives also interviewed Richard Perez, a former Gameplay employee. Mr. Perez
13 only worked for Gameplay for a month in May of 2003. He quit when he found out that
14 Gameplay was buying stolen merchandise and selling it for a profit. However, what he had to
15 say strongly supported the accounts given by John Gallow and Ramon Lim.

16 As a result of this investigation a fourteen count felony complaint was filed in the Los
17 Angeles County Superior Court charging John Gallow with the crimes of burglary, grand theft
18 and attempted grand theft, case number NA 060050. On July 9, 2004, having pled nolo
19 contendere and by such plea stood convicted of four counts of burglary, imposition of sentence
20 was suspended and he was placed on five years probation and given credit for 241 days in jail
21 [City # 5]. In like fashion in case number NA060202 a two count felony complaint was filed
22 against Ramon Santos Lim charging him with receiving stolen property. On April 23, 2004
23 defendant Lim entered a nolo contendere plea to one count, the other count being dismissed, and
24 sentence being suspended, was placed on three years probation [City #12].

25 As a further result of this investigation, Anthony W. Batts, Chief of Police for the City of
26 Long Beach caused a letter dated May 12, 2004 to be sent to the Director of Financial
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1 Management requesting that the business license issued to Gameplay be revoked because of
2 criminal activities. Upon application of Walter Sandoval, "president" and Henry Sandoval, "vice
3 president" a business license was issued to Gameplay, 6543 Spring St., Long Beach dated August
4 7, 2003 [City # 22]. Upon review and consideration the requested revocation was agreed to and
5 notice of a revocation hearing was conveyed to Gameplay on October 1, 2004. On October 12
6 pursuant to LBMC section 3.80.429.1 a hearing was held for Gameplay to show cause why their
7 business license should not be revoked. At the hearing testimony was given and evidence was
8 receive. Upon due consideration a decision was rendered entitled "Notice of Final Action" dated
9 October 19, 2004 whereby the license was ordered revoked [City # 34].

10 Testimony in this combined administrative appeal hearing commenced April 6, 2005
11 with the sworn testimony of John Leonard Gallow. He identified both Walter and Griselda
12 Sandoval from Gameplay [RT 49]. He steals merchandise and brings it to them [RT 50]. He
13 knows what merchandise to steal because he is given a list by Walter or who ever is working
14 there. The list includes the hottest stuff, whatever is selling on the market, he would the go to a
15 store such as Target, Blockbuster or Circuit City and steal it [RT 51-53]. He has been doing this
16 for over a year and during this time Walter has paid him "a lot", over \$50,000 [RT 55]. Walter
17 only knew him as "Poncho" and never ask for other identification or address. The stolen
18 merchandise he brought back was always brand new, never used, and still had the store labels on
19 them. He would bring the items back to Gameplay in a bag or box and set them down behind the
20 counter. Walter would then take them into a back room and he would wait for him to return with
21 money in the form of cash in an envelope. He was never given a receipt [RT 56-57, 144, 145].
22 If Walter wasn't there he would deal with other employees such as Richard and Ramon and they
23 also only knew him as "Poncho". Mr. Allow acknowledged his arrest and identified Detectives
24 Mario Razo and John Bruce [RT 63] He also identifies his voluntary signed statement and
25 identifies his signature on City Exhibit #2 and acknowledges the admissions he made [RT 63-
26 75]. He recounts how he helped undercover Detective Arnwine contact people at Gameplay by
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1 placing a phone call to Ramon and telling that his uncle would be coming in with some stolen
2 stuff [RT 75-78]. Mr. Allow was shown two photographs both dated 12/30/03 and marked as
3 City Exhibits 3 and 4 and he identified as him self entering the Target on Bellflower on the
4 indicated date while on a mission to steal for Gameplay. On this occasion he delivered the stolen
5 merchandise to Walter [RT 78-83]. Besides Walter, Richard and Ramon, Allow has also
6 delivered stolen merchandise to Griselda. She also called him "Poncho"[RT 83-85, 143]. Mr.
7 Allow was not shy about being a thief. On cross examination he even described himself as a
8 "good thief" and a "smart thief"[RT 90]. He would change his appearance by stealing and
9 wearing different clothes in the store so as not to appear the same to security cameras as can be
10 seen in the two photographs, City Exhibits #3 and #4, taken inside the store [RT 107-108]. He
11 was also quite adept by being able to dismantle the electrical system that locks the doors [RT 91-
12 92]. He believes he has been a valued customer for Walter [RT 86] having known him for over
13 three years. During that time he has made "way over a hundred" sales to Gameplay [RT 101]
14 and admits to going to the Long Beach Target store to steal merchandise for Gameplay over a
15 hundred times [RT 85]. Perhaps the most compelling part of Mr. Gallow's testimony was his
16 explanation of the video tape, City Exhibit 7, as captured on Gameplay's own surveillance
17 camera showing him entering the Gameplay store with the stolen merchandise, setting it down
18 behind the counter, Walter Sandoval picking it up, taking it into the back room, and then
19 returning with an envelope and handing it to him.

20 Next to testify was **Curt Pamperin**. He was a regional investigator for Target Stores. In
21 the later part of 2003 he was investigating a series of thefts of electronic items. Upon reviewing
22 the surveillance tapes he noticed a common method of operation, namely the entry through the
23 garden section, the disabling of the alarm systems off the fire exits, the stealing of comforters and
24 the hiding of merchandise in them and the pushing them off in shopping carts. He also began to
25 recognize the same individuals one or which was later identified as John Allow. He was
26 investigating perhaps eleven to fifteen thefts and attempted thefts, the average loss being being

1 between three and five thousand dollars per incident "with the most being almost twenty"[RT
2 154-155]. He contacted the Long Beach Police Department, specifically Detectives Razo and
3 Bruce
4 and participated in their investigation. He provided the merchandise that Detective Arnwine
5 used in his undercover operation at Gameplay and was present on February 3, 2004 after
6 execution of the search warrant and recovered them at Gameplay. However, upon inspection of
7 the premises after the search he was unable to identify any other merchandise as coming from
8 Target [RT 171-172]. He did notice a large percentage of new releases as compared to used
9 items which he thought was very unusual [RT 174-175].

10 Next to testify was **Lawrence Arnwine**, a detective with the Long Beach Police
11 Department. He testified that on February 3, 2004 he went to Gameplay and made direct contact
12 with Ramon Lim. He told Mr. Lim that he was Pancho's uncle [RT 182]. Earlier he had been
13 provided with a list of items that Gameplay wanted. Mr. Pamperin assembled the items on the
14 list. Detective Arnwine then took those items contained in a brown paper bag and delivered
15 them to Mr. Lim. He told Lim that the items were stolen [RT 181]. In return, Lim handed him a
16 white envelope containing \$1,245.

17 **Ramon Santos Lim** testified on April 6th and 14th, 2005 He identifies Walter and
18 Griselda Sandoval seated in the hearing room. He also knows Henry Sandoval, Walter's brother,
19 "I used to work for them"....at "Gameplay" [RT 188, 224] in Long Beach. Hired by Walter he
20 worked there for almost three years reaching the position of assistant manager. As such he was
21 familiar with the policy regarding the purchase of stolen property. After his second year on the
22 job, Walter taught him the procedure for buying back stolen merchandise [RT 189,195, 225,
23 246, 338, 348]. Walter would prepare a list called a "buy-back list" of the top selling games [RT
24 190]. Walter would establish the prices [RT 348]. These list would be given to African-
25 Americans, who Walter referred to as "Kokujins" or "Koko", who in turn would go out and steal
26 the items and sell them back to Gameplay, thus the term "Kokujin buyback"[RT 196, 250- 251,

1 260, 262, 356]. This was occurring almost every day for thousands of dollars [RT 266]. The
2 money used for these stolen buy backs was in the form of cash kept in a back room safe as
3 opposed to legitimate transactions from the front cash register [RT 251- 252, 253, 342]. It was
4 different from the legitimate transactions [RT 364]. The safe was also used for safekeeping of
5 register money as exhibited by Appellants Exhibit C [RT 310]. The money given to the Kokujins
6 was less than for legitimate wholesalers [RT 349]. No receipts were ever given for the buy backs
7 [RT 348]. The accounting for these transactions, that is stolen property, was made in buyback
8 books called "X files"[RT 250,256, 261, 275, 341]. All of the transactions in the buy back books
9 were for illegal or stolen merchandise [RT 345]. Mr. Lim identified four pages of these files
10 introduced into evidence as City Exhibit 13 which were seized by police upon execution of their
11 search warrant on February 3rd from Gameplay [RT 311]. As an example, he identifies a
12 document (City Exhibit # 17) in his hand writing, dated January 27, 2004 which was for stolen
13 property received from a Kokujin and for which he paid \$1,008.76 [RT 355]. He also identified
14 a green notebook entitled "Buy Back 2003" and introduced in evidence as City Exhibit # 15.
15 These were buy back list of what the store wanted and generated by Walter [RT 275-276]. In
16 City Exhibit #13 he identified the initials as the persons who were making the buy backs: HS for
17 Henry Sandoval, GS for Griselda Sandoval, RS for Richard, W for Walter Sandoval and of
18 course RL and RA for himself [RT 248, 257-259, 314]. These were forms that Walter provided
19 and taught him how to use. They were kept in the back office [RT 263]. Mr. Lim explains the
20 meaning of the various notations in these two exhibits including the various persons who made
21 the buy backs [RT 275-292]. Walter taught Mr. Lim how to remove the tags from other retail
22 stores off of the stolen merchandise by using Goo Gone and the heat gun and the cellophane
23 wrapping machine [RT 233, 235, 247, 292]. He is shown a group of four DVDs, City Exhibit #
24 16, where he is able to show markings on the cellophane as being caused by the removal of these
25 tags [RT 292- 293]. On cross examination Mr. Lim gives some conflicting testimony. For
26 example, he states that no one ever told him that it was Gameplay policy to buy stolen stuff.

1 Neither Walter, Griselda nor Henry ever told him to buy stolen stuff [RT 333-334]. Also, he
2 testified that Poncho never told him he was a thief or that he was selling stolen merchandise, "If
3 he did I wouldn't buy it" [RT 336].

4 Mr. Lim testified about his well documented arrest on February 3, 2004. He was present
5 and heard Detectives Arnwine's testimony. When asked if he knew the property he received
6 from Poncho's uncle was stolen he replied "yes" [RT 228, 244]. When asked how he knew it
7 was stolen he again becomes inconsistent. He doesn't recall being told it was stolen [RT 227].
8 He was told it was stolen [RT 228, 351]. He was not told it was stolen [RT 226, 327, 351-352].
9 Regardless of whether or not he was told the merchandise was stolen, after receiving it from
10 Detective Arnwine he phoned Griselda who was at the Venice store. This was because no one
11 else was present in authority and he had to get her permission to make the buy [RT 268-269]. He
12 would only call Griselda to get authorization to buy stolen property [RT 352]. Whether or not he
13 told Griselda the items were stolen is again in dispute [RT 329]. He made an inventory of the
14 items, introduced into evidence as City Exhibit # 9, and faxed it to Griselda "attn Yani", her
15 nickname [RT 225-226 229-230, 285]. Or did he [RT 328]? She then gave him permission to
16 buy it [RT 243]. He took the cash from the safe [RT 230] and handed it to Detective Arnwine.
17 Shortly thereafter the police entered, he was arrested and the premises was searched [RT 254].
18 He was taken to the police station and questioned by detectives. He made a voluntary statement
19 the contents of which are true and correct which was entered into evidence as City Exhibit # 10
20 [RT 318]. Eventually, he was convicted of receiving stolen property in case number NA060202,
21 a certified copy of which was entered into evidence as City Exhibit #12 [RT 241-242, 296].

22 Ricardo Perez testified on April 14, 2005. He worked for Gameplay for about a month,
23 in May of 2003. He worked in both the Long Beach and the Los Angeles (Venice) stores, five
24 days per week, three days in the Long Beach store [RT 372, 392]. He identifies both Walter and
25 Griselda Sandoval as sitting in the hearing room [RT 373]. He also knows Henry Sandoval and
26 knows Ramon Lim and Richard Ramirez [RT 390]. He learned the word "Kokogin" to mean
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1 black persons who would bring in merchandise from Walter and Henry. They would come in
2 and be given a bag then they would go out and return with the bag full of merchandise and set it
3 beside the counter. He mostly saw Henry take the items into the back room and inventory them.
4 Then he would see Henry hand them an envelope, he never saw cash [RT 376-378]. He mainly
5 worked with Henry but he saw Walter make a couple of "Kokogin" buys [RT 379]. He also saw
6 Walter hand an envelope to a Kokogin [RT 380]. He saw Griselda make buy backs but not in the
7 Long Beach store [RT 386]. Both Walter and Henry instructed him how to use Goo Gone and
8 the heat gun to remove labels [RT 381]. He was shown the four games previously marked as
9 City Exhibit # 16 and he identified the markings on them as the type that would be caused by use
10 of the heat gun to remove the tags [RT 381-382]. During the month that he worked at Gameplay
11 he saw both legitimate and illegal transactions [RT 387]. He saw perhaps ten or so Kokogin buy
12 backs of thirty to fifty items, often with the same title [RT 383-384]. Walter explained how the
13 business was operated, that is to say, by buying back stolen property was how they made their
14 money [RT 389-390]. At one point Walter offered to teach him how to do buy backs but he quit
15 before that happened [RT 396]. He never participated in a buy back purchase [RT 395]. He
16 stopped working for Gameplay because he could see what was going on, the buying of stolen
17 merchandise, it was "very obvious", "you know common sense to realize this product is stolen".
18 It "doesn't take a rocket scientist" [RT 374, 376, 388].

19 Walter Sandoval testified as proceedings resumed on May 3, 2005. He has been in the
20 game store business since 1989. Gameplay was his first business beginning about 2000 in Los
21 Angeles. He doesn't remember when he decided to open a store in Long Beach but thinks he
22 submitted a business license application in about 2001. His business engaged in the sale of both
23 used and new games, game systems and DVDs. That is to say about 70-60% new, 30-40% used.
24 He would acquire his new merchandise from wholesalers and distributors. He would also take
25 advantage of other retail stores "close-out" sales and "going out of business sales and various
26 sales practices such as "buy one get one free". Reference was made to Appellant's Exhibit L, a
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1 purchase from Wal Mart dated November 28, 2003 and M, a purchase from Circuit City dated
2 March 19, 2003 and Appellant's Exhibit N, O and P three purchases from Toys R Us dated
3 March 20, 2003, October 30, 2002 and September 4, 2004 respectively and Appellant's Exhibit
4 H, an invoice from Star City in Los Angeles, dated January 28, 2004. Sellers of used
5 merchandise would get credit and sellers of new merchandise would get cash. He initiated the
6 buy back list similar to what other stores used. It was available to everyone. It was never
7 intended to be used to buy stolen merchandise. There was never a policy to buy stolen
8 merchandise. He personally instructed employees not to buy stolen merchandise, especially
9 Ramon Lim. On cross examination Mr. Sandoval stated that Ramon Lim lied when he testified
10 that he taught him how to buy stolen property, that he was to contact Griselda for permission to
11 buy stolen property and that the money in the safe was only to be used to buy stolen property.
12 The X file books were used to keep balances he received from customers. Mr. Sandoval referred
13 to documents to illustrate his method to inventory, Appellant's Exhibits E and G. When he would
14 buy merchandise from other retail stores they would have labels on them and he used Goo Gone
15 and other devises to remove them. Goo Gone is a common product that can be purchased at
16 hardware stores. He recalls John Allow who he knew as "Poncho". He doesn't recall when he
17 first met him. He believed he was a wholesaler. Wholesalers are a casual crowd. Poncho never
18 said he was selling stolen merchandise. Store managers approval was not necessary for buy
19 backs. In reference to City Exhibit # 41, the 187 page Long Beach Police property report
20 consisting of merchandise recovered from Gameplay on February 3, 2004, Mr. Sandoval said it
21 was all acquired legitimately. The safe in the back room was used to keep cash and important
22 documents. He did not keep large amounts of money in the register. From January 15 until
23 March, 2004 he was out of the country. Griselda was the manager of the Los Angeles store and
24 had no involvement with the Long Beach store. Richard was manager of the Long Beach store.
25 He recalls hiring Ricardo Perez who had been a frequent customer, but he never told him it was
26 okay to buy stolen items.

- 1 6. I find the credibility of the testimony of Ricardo Perez was strong. As to what was going
2 on at Gameplay "it was very obvious", it didn't "take a rocket scientist".
- 3 7. I find the effect of the testimony of Detective Arnwine and Curt Pamperin to be
4 devastating to Appellant's case.
- 5 8. I find that the corroborative evidence presented by the City was probative and more than
6 enough to support any weakness in witness testimony. This is especially true the with
7 regard to the DVD Surveillance, City Exhibit # 7.
- 8 9. I find the testimony of Walter and Griselda Sandoval to be weak, unconvincing and
9 insufficient to overcome the City's burden of proof.
- 10 10. I find that the City has met it's burden of proof by a preponderance of evidence, "such
11 evidence as, when weighted with that opposed to it, has more convincing force and the
12 greater probability of truth".

13 **CONCLUSIONS**

14 The business license BU20134560 should remain revoked.

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16 **REGARDING BUSINESS LICENSE BU20447180**

17 **EVIDENCE AND TESTIMONY**

18 On October 8, Griselda Sandoval applied for a new business license in the name of
19 ACCO Enterprises, Inc., d.b.a. Gameplay to be located at 6543 East Spring Street, Long Beach.
20 The business license was submitted to Customer Service Representative **Lori Franz**. Ms. Franz
21 ran an address history for the location and learned that there was already an existing license for
22 Gameplay at this location, BU20132560, but it was delinquent with penalties. On the new
23 application Griselda Sandoval represented that she was the only officer for ACCO
24 Enterprises, Inc., and had nothing to do with Gameplay. However, Ms Franz learned that
25 Grizelda Sandoval was already listed as a corporate officer for Gameplay. Lori Franz testified on
26 April 26, 2005 at which time she identified Griselda sitting in the hearing room as well as the
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1 application she submitted, City Exhibit #18. She testified that Ms. Sandoval seemed anxious and
2 wanted to expedite the new issuance and therefore agreed to pay all the penalties attached to the
3 existing license. Ms. Franz proceeded with the application and assigned the number
4 BU20447180. However she needed until the following week to complete the actual mailing of
5 the license, the time being after 4:00 on a Friday afternoon. The following week Ms. Franz was
6 contacted by Jeannine Montoya, her supervisor and learned that the license could not be issued
7 for two reasons. First, a new license can not be issued if there is an existing one and secondly, a
8 business license revocation hearing was pending regarding the existing license, Gameplay having
9 been given notice on October 1, just one week before. She testified that if she had known of
10 these facts she would not have proceeded with the new application.

11 Although Griselda said she had nothing to do with Gameplay, the City offered a lot of
12 evidence that indicated the opposite was true. Jeannine Montoya testified that she is the Long
13 Beach Business Services Supervisor. She became concerned after reviewing the new business
14 licence application and concluded that the license was definitely issued in error. She identified
15 the Application for Gameplay issued August 3, 2001 naming Walter Sandoval as president and
16 Henry Sandoval as vice president and that it will deal in second hand property (City Exhibit 22).
17 Business that deal in second hand property requires a police investigation. On October 12 during
18 the Gameplay business license revocation hearing she saw both Walter and Griselda Sandoval
19 and remembers Walter handing James Gooden, the hearing officer, a business card identifying
20 himself as C.E.O. for ACCO Enterprises (City Exhibit # 23). She identified the State of
21 California Certificate of Domestic Corporation for ACCO Enterprises filed June 18, 2004 which
22 list Walter Sandoval as president and Griselda Sandoval as secretary and chief financial officer
23 and Walter, Henry and Griselda Sandoval as directors (City Exhibit # 26). She identifies a check
24 payable to the City of Long Beach issued by ACCO Enterprises, Inc. DBA Gameplay with a
25 signature very similar to the signature of Griselda Sandoval on the October 8 business license
26 application (City Exhibit # 27). She identified the Seller's Permit issued by the State Board of
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1 Equalization to Gameplay ACCO Enterprises, Inc at 10939 Venice Blvd., Los Angeles which
2 includes the names of Walter, Henry and Griselda Sandoval on page 8 and which is dated April
3 5, 2005 (City Exhibit # 30). She testified that these permits are only good at the Los Angeles
4 location and the City of Long Beach requires a valid seller's permit at its location. She noticed
5 that the type of business described was "retail video games - new/used", however the box relating
6 to "second-hand property" was not checked. If it had been, a police investigation would have
7 been required. Finally she testified that Lori Franz made an error in failing to hold issuance of
8 the license.

9 **James Allen Gooden** testified that he was the hearing officer who conducted the business
10 license revocation hearing on October 12, 2004. He identifies City Exhibit # 34 as his "Notice of
11 Final Action" regarding BU20132560. At the hearing Walter Sandoval was present and handed
12 him a business card identifying himself as C.E.O. of ACCO Enterprises and giving an address of
13 10937 Venice Blvd., Los Angeles, CA 90034 (City Exhibit # 23). He identifies the notice of the
14 license revocation hearing sent to Walter Sandoval dated October 1, 2004 set for October 12,
15 2004 on grounds of criminal activity. This notice included a copy of the letter from Chief of
16 Police Anthony W. Batts dated May 12, 2004. He also identifies City Exhibit # 25, as the notice
17 of a Business License Revocation Hearing set for November 17, 2004 regarding BU20447180 on
18 grounds that this license was issued in error which he authored and caused to be sent to ACCO
19 Enterprises, Inc. ATTN: Griselda Sandoval, 6543 Spring Street, Long Beach, CA 90808.

20 **Mario Razo** testified that he is a detective with the Long Beach Police Department
21 currently assigned the "Career-Criminal Apprehension Team" (C-CAT). As such he was one of
22 the investigating officers involved in the arrests and prosecution of John Allow and Ramon Lim.
23 He was present on February 3, 2004 at the Gameplay premises at 6543 Spring Street, Long Beach
24 during the execution of the search warrant, arrest of Ramon Lim and the subsequent search of the
25 location. Although most of his testimony related to the Gameplay license revocation proceedings
26 he did testify that Griselda Sandoval did appear at the location with her attorney while the search
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1 was in progress.

2 **Walter Sandoval** testified on May 4, 2005 relevant to these license proceedings.
3 Gameplay was his first business enterprise, first opening in Los Angeles about 2000. ACCO
4 Enterprises, Inc. incorporated in April, 2002 (Appellant's Exhibit D). He applied for a business
5 license August 18, 2001 at 6543 Spring Street, Long Beach (City Exhibit # 22). He recalls
6 giving his business card to James Goodin. Griselda was the manager of the Los Angeles store
7 and had no involvement in the Long Beach store. In reference to City Exhibit # 26, the corporate
8 documents for ACCO Enterprises and page 3 of which is entitled "Statement of Information"
9 filed June 18, 2004, he did acknowledge that he was the Chief Financial Officer and Griselda
10 was listed as the Secretary and Chief Financial Officer. Also that He, Henry and Grizelda
11 Sandoval are directors. He testified that he is no longer affiliated with Gameplay and has sold all
12 of interest to Griselda. City Exhibit # 48 includes an ACCO Enterprise, Inc share certificate in
13 the name of Walter Sandoval, dated May 15, 2002 for thirty four thousand shares. This
14 certificate was transferred to Griselda Sandoval on October 8, 2004.

15 **Griselda Sandoval** testified that she became the manager of the Los Angeles store she
16 thinks in 2002. She had no duties in the Long Beach store and was never in charge of it. She
17 currently owns all the shares of ACCO Enterprise, Inc. On October 8, 2004 she applied for a
18 new business license and turned the application in to Lori Franz who told her that Gameplay no
19 longer existed. Ms. Franz also told her that no articles of incorporation were required. About a
20 week later Ms. Sandoval was contacted by a man named Gene Rodriguez who asked for articles
21 of incorporation. He came by Gameplay and picked up the license and she was told that to get it
22 back she would have to call Jeannine Montoya. Ms. Montoya told her she needed articles of
23 incorporation and that part of the application needed to be completed. She went to City Hall and
24 spoke to Ms. Montoya and delivered to her ACCO Enterprises, Inc corporate minutes. Ms.
25 Montoya received them and game her license back. She was never told that her license
26 application was deficient in any way. With reference to City Exhibit # 26 she acknowledges that
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28

1 she was corporate secretary for ACCO Enterprises, Inc.
2

3 **FINDINGS**

- 4 1. On October 1, 2004 notice of business licence revocation hearing for BU20132560 was
5 set for October 12 was provided to Gameplay located at 6543 E. Spring Street, Long
6 Beach.
- 7 2. On October 8, 2004 Griselda Sandoval applied for a new business license in the name of
8 ACCO Enterprises, Inc., d..b.a.. Gameplay located at 6543 Spring Street, Long Beach.
- 9 3. On October 8, 2004 Business License BU20447180 was issued to ACCO Enterprises Inc.
10 for 6543 Spring St. Long Beach CA 90808
- 11 4. On October 8, 2004 Gameplay was operating at 6543 Spring Street, Long Beach under a
12 valid business BU20132560.
- 13 5. I find that as late as June 10, 2004 Walter, Henry and Griselda Sandoval were listed on
14 state corporate records for ACCO Enterprises, Inc. as corporate officers and directors.
- 15 6. I find that on October 12, 2004 Walter Sandoval represented himself as Chief Executive
16 Officer for ACCO Enterprises, Inc.
- 17 7. I find that the witnesses Lori Franz, Jeannine Montoya, James Gooden and Long Beach
18 Police Detective Razo to be credible.
- 19 8. I find that Business License BU20447180 was issued in error.
- 20 9. I find that the testimony of Walter and Griselda Sandoval was insufficient to overcome
21 the City's burden
- 22 10. I find by a preponderance of evidence that Walter and Griselda Sandoval were jointly
23 engaged in the operation and management of ACCO Enterprises, Inc doing business as
24 Gameplay located at 6543 Spring Street in the City of Long Beach from August 3 through
25 November 11, 2004.

26 **CONCLUSIONS**

The Business license BU20447180 should remain revoked.


CLIVE S. MARTIN, Hearing Officer

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