



DEPARTMENT OF EMPLOYMENT AND TRAINING

STATE OF MARYLAND
1100 NORTH EUTAW STREET
BALTIMORE, MARYLAND 21201

383 - 5032

DECISION

BOARD OF APPEALS
THOMAS W. KEECH
Chairman

HAZEL A. WARNICK
MAURICE E. DILL
Associate Members

SEVERN E. LANIER
Appeals Counsel

STATE OF MARYLAND
HARRY HUGHES
Governor

DECISION NO.: 181-BH-84

DATE: February 17, 1984

CLAIMANT: William Nachand

APPEAL NO.: 04482

S. S. NO.:

EMPLOYER:

L.O. NO.: 12

APPELLANT: CLAIMANT

ISSUE: Whether the claimant is unemployed within the meaning of §20(1) of the law.

NOTICE OF RIGHT OF APPEAL TO COURT

YOU MAY FILE AN APPEAL FROM THIS DECISION IN ACCORDANCE WITH THE LAWS OF MARYLAND. THE APPEAL MAY BE TAKEN IN PERSON OR THROUGH AN ATTORNEY IN THE CIRCUIT COURT OF BALTIMORE CITY, OR THE CIRCUIT COURT OF THE COUNTY IN MARYLAND IN WHICH YOU RESIDE. -

THE PERIOD FOR FILING AN APPEAL EXPIRES AT MIDNIGHT

March 18, 1984

APPEARANCE

FOR THE CLAIMANT:

FOR THE EMPLOYER:

William Nachand - Claimant
Robert E. Farnell, III. Attorney

DEPARTMENT OF EMPLOYMENT & TRAINING
John Roberts - Special Counsel

EVIDENCE CONSIDERED

The Board of Appeals has considered all of the documentary evidence presented and the testimony offered at the hearings. The Board has also considered the Department of Employment & Training's documents contained in the appeal file.

FINDINGS OF FACT

The claimant was president and owner of a corporation known as Nachand & Mercogliano, Inc.. Since early in 1982 the claimant had been the sole owner.

The business conducted by the claimant consisted of the manufacture and sale of water pipes to be used for smoking through water. In addition to himself, there were two other employees engaged in the corporation business. One employee was a full-time employee; the other was part-time. The claimant earned a salary which began at approximately \$200.00 per week. At the time the corporation went out of business his salary, was approximately \$700.00 per week. The full-time employee was earning \$5.46 per hour and the part-time employee was earning \$4.00 per hour at the time the corporate business ceased.

The claimant was the owner and ran the corporation. He did all the physical work that was necessary in running the business and, in addition, he supplied the management and supervision for the operation. He decided what his salary was and also the hourly rate of the two other employees.

On March 7, 1983, the local police raided the corporate business and confiscated all of the business assets. The claimant was charged and arrested for manufacture and sale of illegal products. As a result of the police raid and seizure and corporation assets, the corporation was forced to close down and was unable to carry on any business. Criminal charges were placed against the claimant, but these charges were eventually dropped.

For the period from March 7, 1983 until the week beginning August 21, 1983, the claimant actively sought employment in the Salisbury, Maryland area. He was unable to find work. He felt that his lack of success in obtaining employment was due to the adverse publicity he received through the raid of his corporation and the criminal charges brought against him. Since he felt the publicity concerning his business and himself seriously hampered the possibilities of his obtaining a job in the area in which he was located, the claimant moved to Clearwater, Florida during the week of August 25, 1983.

At the present time, the local authorities have filed civil proceedings against the corporation and the claimant to obtain legal possession of the merchandise seized by the police department in the raid which was conducted on March 7, 1983.