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Former Karu & Y owner Seecomar pursued for $60M

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Paul Brinkmann, South Florida Business Journal

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A business owned by former Miami nightclub operator Clive Seecomar has been slammed with a $60 million judgment for civil theft related to a cellphone recycling business he was involved in.

The multimillion judgment is based on alleged civil theft that occurred around the time Seecomar was the toast of Miami briefly in 2008, when he resurrected the ultra-chic, 42,000-square foot Karu & Y nightclub in the Overtown neighborhood. It hosted music celebrities like Flo Rida and sports heroes like Lebron James. The club closed for a second and final time in 2010.

On April 19, Miami-Dade Circuit JudgeSpencer Eig entered the new judgment against Seecomar's company for $60 million – in favor of Campbell, CA-based Brix Group.

Seecomar's attorney Jeffrey Schatzman of Miami, continues to deny the allegations of theft. "It's absolutely false," Schatzman said in a phone interview Wednesday.

The Brix Group accused Seecomar and his company Cell Solutions of failing to repay $20 million that had been fronted for the purchase of used cellphones. According to the Brix lawsuit, Seecomar's company was supposed to buy cellphones and resell them in Latin America. Brix alleges that its founder, the late Harry Brix, trusted Seecomar's claims that he had connections in Latin America. Seecomar is a native of British Guyana.

Judge Eig's default judgment includes treble damages for $60 million under Florida's punitive damages provision for civil theft. The default judgment was

granted partly because Seecomar failed to appear for a scheduled deposition. Twice during the litigation, Seecomar filed for personal bankruptcy and sought a delay in the Brix lawsuit.

Karu & Y first opened in October 2006, with a $20 million investment by businessman Elliot Monter. The 42,000-square-foot property included a reported $1 million sound system, waterfalls and a Dale Chihuly chandelier.

When the recession hit, the club closed briefly in June 2008 before Seecomar reopened it. The club building at 71 NW 14th St. is now part of film studio complex, Ice Palace.

The Brix lawsuit alleges that, in 2008, around the time that Seecomar reopened Karu & Y, companies related to the Seecomar cellphone contracts fell behind in required payments.

The Brix Group filed suit in 2009, so Seecomar had three years to defend himself. The judgment was entered against Seecomar's company, Cell Solutions, and not Seecomar personally, because of the bankruptcy stay.

Brix Group's attorneys are John Gravante, of Miami-based Podhurst Orseck, and Solomon Genet, of Meland Budwick, P. A. Gravante said they will pursue a judgment against Seecomar personally.

Schatzman said he is considering an appeal of the default judgment.

The two sides of the dispute have very different versions of what happened. Schatzman said Seecomar denies all the Brix Group's allegations. He said two other companies, Top Quality and Infinity Wireless, were responsible for payment.

"Two other entities were doing business with Brix... they got Cell Solutions to somehow be responsible for all the debt," Schatzman said.

Complicating matters is the death of Brix owner Harry Brix in January 2009.

His son, current Brix Group president and CEO Harrison Brix said in an interview that he believes the stress over the Seecomar deals caused his father's death.

"In January 2009, my father called a meeting with everyone and said, 'I think

Seecomar stole the money,'" Harrison Brix said. "I remember the meeting. My father looked defeated. Two weeks later he was in the hospital with a heart attack. He never woke up. We had to make the decision to take him off life support."