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## Feds getting hip to Chicago club scene

John Kass

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A battle for control of Chicago's hottest nightclubs -- Reserve and Crescendo -- playing out in federal court is drawing the attention of the U.S. attorney's office.

No, U.S. Atty. Patrick Fitzgerald isn't spending \$2,000 for bottle service and VIP treatment at top clubs like Reserve or its rival, RiNo. He doesn't roll that way.

And I don't think Fitzgerald will drop in at Tavern on Rush, the alpha and omega of the Chicago way, to chat about the Chicago bar scene with guys named Marty and Jimmy and Freddie and Tommy and Uncle Amrish.

Instead, the U.S. attorney's office is receiving court documents about the nightclubs from the federal Commodity Futures Trading Commission in a tsunami of a case.

Anthony Demasi, 32, a lawyer from Michigan, arrived in Chicago six years ago to found his investment company, Tsunami Capital. According to sources who've known Demasi for years, he wasn't satisfied with being a capitalist titan. He wanted to get into the nightclub business, despite not knowing beans about it.

Yet this neophyte, then in his 20s, somehow got his city liquor license and City Hall building and occupancy permits without a hitch, and opened the hottest nightclub in the city.

You've heard of Operation Family Secrets, the big Outfit case? Some day, this one might be called Operation In Da Club. No criminal charges have been filed. But after reviewing court documents, and interviewing sources close to Demasi about his rise from obscure tax lawyer to nightclub king, I've got a feeling.

Reserve, his club at 858 W. Lake St., was a smashing success. The club was jammed every night with high rollers, and offered Rolls-Royce service for a \$2,500 VIP membership, top DJs flown in from Los Angeles and fancy bottle service. Here's how the bottle service works:

At Reserve, or other clubs, you could spend about \$300 for a cheap bottle of Johnnie Walker

 <a href="#">Grocery Coupons</a>	 <a href="#">Free Samples</a>	 <a href="#">Pet Coupons</a>	 <a href="#">Baby Coupons</a>
 <a href="#">Diet Offers</a>	 <a href="#">Travel Coupons</a>	 <a href="#">Free Stuff</a>	 <a href="#">View All</a>

[coolsavings.com](http://coolsavings.com)

Black, normally about \$30 on the shelf at your local liquor store. But at your local liquor store, beautiful young women won't ask you what you drive.

Bottle service required state legislation the Chicago way. The bill was passed by political heavyweights, including state Sen. President Emil Jones (D-ComEd), who, according to some Downstate political experts never takes orders from state Sen. Jimmy DeLeo (D-How you Doin'?).

On the House side, the bottle service bill was sponsored by DeLeo's buddy, State Rep. Angelo "Skip" Saviano (R-DeLeo), and it was signed in February by Gov. Rod Blagojevich.

At Reserve, it was all show, the waitress bringing ice and glasses and mixers, though usually it was champagne, \$750 per bottle of Cristal, \$900 for Dom, allowing 30-year-old traders to impress 22-year-old blonds they might want to have meaningful conversations with over breakfast. Or not.

Demasi thrived as a player. But as he tried to open his second club, Crescendo, with a 4 a.m. liquor license he got from restaurateur Phil Stefani, Demasi ran into problems.

One was that his 4 a.m. license put him in direct competition with RiNo, a popular club run by Michael Kaulentis, the son of influential commodities trader James Kaulentis. A feud began.

In April, the Commodity Futures Trading Commission sued Tsunami and Demasi for fraudulently soliciting more than \$300,000 from Tsunami investors. On April 26, U.S. District Judge Robert Gettleman froze all Tsunami and Demasi assets, including the clubs. Creditors claiming they lost millions besieged Demasi.

Crescendo was about to open, yet building contractors demanded payment and Demasi didn't have the cash. He got some through Joe Cacciatore of Lakeside Bank, according to court records.

Lakeside is the same bank that had mayoral friend and trucking boss Fred Bruno Barbara as an investor. Lakeside chairman Victor Cacciatore was recently and repeatedly mentioned in the Family Secrets trial as a victim of Outfit extortion.

According to recent court documents, a loan was engineered by Joe Cacciatore even though Gettleman already had frozen the Demasi/Tsunami assets. Demasi received that \$280,000 emergency loan, using his frozen assets as collateral that required him to pay \$675,000 in six months.

On July 5, the deal went sour, and the next day, armed guards seized Reserve and Crescendo and shuttered them.

Court documents contain the deposition of Stefani, saying Joe Cacciatore told him in June that he knew Gettleman had frozen the assets. On Thursday, the Commodity Futures Trading Commission asked Demasi and Cacciatore to show cause why they should not be held in contempt. The case was continued.

One business plan fronted by the Cacciatore side would give control to Michael Kaulentis, and make him the big cheese of Chicago nightclubs. But that's only one plan.

The feds might have another plan, figuring out how Tony Demasi, a nobody from nowhere, got his city permits and thrived in the cutthroat Chicago nightclub business.

But I doubt this plan involves the U.S. attorney sipping \$950 Reserve martinis in the VIP room.

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jskass@tribune.com

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