

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 55100 / January 12, 2007

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 2541 / January 12, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12536

In the Matter of

Glenn E. Glasshagel,

Respondent.

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**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO RULE
102(e)(3)(i) OF THE COMMISSION’S
RULES OF PRACTICE, MAKING
FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against Glenn E. Glasshagel (“Respondent” or “Glasshagel”) pursuant to Rule 102(e)(3)(i) of the Commission’s Rules of Practice.¹

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission's jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.3 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Rule 102(e) of the Commission's Rules of Practice, Making Findings, and Imposing Remedial Sanctions as to Glenn E. Glasshagel ("Order"), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. Glasshagel, age 60, was a certified public accountant licensed to practice in the States of California and Illinois until 2001. Glasshagel served as Chief Financial Officer, Principal Financial Officer and Principal Accounting Officer of Roadhouse Grill, Inc. ("Roadhouse") from 1998 until he resigned during approximately July 2000.

2. Roadhouse, a Florida corporation with its corporate headquarters in Pompano Beach, Florida, is a restaurant chain. At all relevant times, Roadhouse was an issuer subject to the reporting requirements of Section 12(g) of the Securities Exchange Act of 1934 ("Exchange Act"). Roadhouse was listed on the NASDAQ National Market from November 1996 until July 2001, when NASDAQ halted quotations in Roadhouse's stock after the company delayed the filing of its Form 10-K for the fiscal year ended April 29, 2001. In May 2002, Roadhouse was delisted from NASDAQ.

3. On July 15, 2005, the Commission filed a complaint against Glasshagel in the United States District Court, Southern District of Florida. [SEC v. Glenn E. Glasshagel, Civil Action No. 05-61159-Cooke]. On October 31, 2006, the court entered an order permanently enjoining Glasshagel, by consent, from future violations of Sections 10(b) and 13(b)(5) of the Exchange Act and Rules 10b-5, 13b2-1 and 13b2-2 thereunder, and aiding and abetting violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. The Court also barred Glasshagel from serving as an officer or director pursuant to Section 21(d)(2) of the Exchange Act.

4. The Commission's complaint alleged, among other things, that from at least 1999 through 2000, Glasshagel violated the federal securities laws when he fraudulently manipulated Roadhouse's income by (1) making improper adjustments to the company's expense accounts and (2) recognizing fictitious revenue. Glasshagel's financial chicanery violated Generally Accepted Accounting Principles and materially misrepresented Roadhouse's net income in financial statements filed with the Commission during fiscal years 1999 and 2000. This overstatement of net income allowed Roadhouse to meet or exceed an outside analyst's estimates. As a result of Glasshagel's misconduct, Roadhouse overstated its net income by at least 5% for the fiscal year ended April 25, 1999, and by approximately 35% for the fiscal year ended April 30, 2000.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanction agreed to in Respondent Glasshagel's Offer.

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Respondent Glasshagel is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Nancy M. Morris
Secretary