

ORIGINAL ALCOHOL BEVERAGE LICENSE APPLICATION

Submit to municipal clerk

For the license period beginning _____ 20____ ;
ending JUNE 30 2010

TO THE GOVERNING BODY of the: Town of }
 Village of } MADISON
 City of }

County of _____ Aldermanic Dist. No. _____ (if required by ordinance)

1. The named INDIVIDUAL PARTNERSHIP LIMITED LIABILITY COMPANY
 CORPORATION/NONPROFIT ORGANIZATION

hereby makes application for the alcohol beverage license(s) checked above.

2. Name (individual/partners give last name, first, middle; corporations/limited liability companies give registered name): VEE TABLE, LLL

An "Auxiliary Questionnaire," Form AT-103, must be completed and attached to this application by each individual applicant, by each member of a partnership, and by each officer, director and agent of a corporation or nonprofit organization, and by each member/manager and agent of a limited liability company. List the name, title, and place of residence of each person

Title	Name	Home Address	Post Office & Zip Code
President/Member	<u>JENNIE CAPELLARO</u>		
Vice President/Member			
Secretary/Member			
Treasurer/Member			
Agent	<u>JENNIE CAPELLARO</u>		
Directors/Managers			

3. Trade Name THE GREEN OWL Business Phone Number 608 698-0686
4. Address of Premises 1970 ATWOOD AVE. Post Office & Zip Code 53704

5. Is individual, partners or agent of corporation/limited liability company subject to completion of the responsible beverage server training course for this license period? Yes No
6. Is the applicant an employe or agent of or acting on behalf of anyone except the named applicant? Yes No
7. Does any other alcohol beverage retail licensee or wholesale permittee have any interest in or control of this business? Yes No
8. (a) Corporate/limited liability company applicants only: Insert state _____ and date _____ of registration
(b) Is applicant corporation/limited liability company a subsidiary of any other corporation or limited liability company? Yes No
(c) Does the corporation, or any officer, director, stockholder or agent or limited liability company, or any member/manager or agent hold any interest in any other alcohol beverage license or permit in Wisconsin? Yes No

(NOTE: All applicants explain fully on reverse side of this form every YES answer in sections 5, 6, 7 and 8 above)

9. Premises description: Describe building or buildings where alcohol beverages are to be sold and stored. The applicant must include all rooms including living quarters, if used, for the sales, service, and/or storage of alcohol beverages and records (Alcohol beverages may be sold and stored only on the premises described) SEE ATTACHED
10. Legal description (omit if street address is given above): _____
11. (a) Was this premises licensed for the sale of liquor or beer during the past license year? Yes No
(b) If yes, under what name was license issued? _____
12. Does the applicant understand they must file a Special Occupational Tax return (TTB form 5630 5) before beginning business? [phone 1-800-937-8864] Yes No
13. Does the applicant understand a Wisconsin Seller's Permit must be applied for and issued in the same name as that shown in Section 2, above? [phone (608) 266-2776] Yes No
14. Is the applicant indebted to any wholesaler beyond 15 days for beer or 30 days for liquor? Yes No

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the signers. Signers agree to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted, will not be assigned to another. (Individual applicants and each member of a partnership applicant must sign; corporate officer(s), members/managers of Limited Liability Companies must sign.) Any lack of access to any portion of a licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license.

SUBSCRIBED AND SWORN TO BEFORE ME

this 24 day of SEPTEMBER 2009

[Signature]
(Clerk/Notary Public)

Jennie Capellaro
(Officer of Corporation/Member/Manager of Limited Liability Company/Partner/Individual)

(Officer of Corporation/Member/Manager of Limited Liability Company/Partner)

My commission expires 5-6-2012

(Additional Partner(s)/Member/Manager of Limited Liability Company if Any)

Applicant's Wisconsin Seller's Permit Number: <u>405-0000215794-03</u>	
Federal Employer Identification Number (FEIN): _____	
LICENSE REQUESTED	
TYPE	FEE
<input type="checkbox"/> Class A beer	\$
<input checked="" type="checkbox"/> Class B beer	\$
<input type="checkbox"/> Wholesale beer	\$
<input type="checkbox"/> Class C wine	\$
<input type="checkbox"/> Class A liquor	\$
<input checked="" type="checkbox"/> Class B liquor	\$
<input type="checkbox"/> Reserve Class B liquor	\$
Publication fee	\$
TOTAL FEE	\$ <u>20-</u>

TO BE COMPLETED BY CLERK

Date received and filed with municipal clerk <u>9-24-09</u>	Date reported to council/board	Date provisional license issued	Signature of Clerk / Deputy Clerk
Date license granted	Date license issued	License number issued <u>88011</u>	

15. Utilizing your market research, who would you project your target market to be?

WIDE RANGE; NEIGHBORHOOD, HEALTH-CONSCIOUS, ADVENTUROUS EATERS, MANY GROUPS

16. What age range would you hope to attract to your establishment? WIDE RANGE
KIDS TO SENIORS

17. Describe how you plan to advertise/promote your business. What products will you be advertising?

IT IS PRIMARILY A RESTAURANT AND WILL BE ADVERTISED AS SUCH
I WILL PROMOTE BEING THE ONLY VEGETARIAN RESTAURANT IN TOWN.

18. Are you operating under a lease or franchise agreement? Yes (attach a copy) No

19. Owner of building where establishment is located: KEVIN SENKE, WISCONSIN MGMT.

Address of Owner: 2040 S. PARK ST. MADISON, WI Phone Number 258-2080

20. Private organizations (clubs): Do your membership policies contain any requirement of "Invidious" (likely to give offense) discrimination in regard to race, creed, color, or national origin? Yes No

21. List the Directors of your Corporation/LLC

JENNIE CAPELLARO 1833 HELENA ST. MADISON, WI 53704
Name Address

Name Address

Name Address

22. List the Stockholders of your Corporation/LLC

Name Address % of Ownership

Name Address % of Ownership

Name Address % of Ownership

23. What type of establishment are you? (Check all that apply) Tavern Nightclub Restaurant

Other Please Explain. _____

24. What type of food will you be serving, if any? VEGETARIAN/VEGAN FOOD

Breakfast Lunch Dinner

25. Please submit a sample menu with your application, if possible. What might eventually be included on your operational menu when you open? Appetizers Salads Soups Sandwiches Entrees

Desserts Pizza Full Dinners

26. During what hours of your operation do you plan to serve food? 11 Am - 11 pm

27. What hours, if any, will food service not be available? 11 p - 12 p
28. Indicate any other product/service offered. NONE
29. Will your establishment have a kitchen manager? Yes No
30. Will you have a kitchen support staff? Yes No
31. How many wait staff do you anticipate will be employed at your establishment? APPROX. 5
During what hours do you anticipate they will be on duty? LUNCH & DINNER SHIFTS
32. Do you plan to have hosts or hostesses seating customers? Yes No
33. Do your plans call for a full-service bar? Yes No
If yes, how many bar stools do you anticipate having at your bar? 4-5
How many bartenders do you anticipate you would have working at one time on a busy night? 1
34. Will there be a kitchen facility separate from the bar? Yes No
35. Will there be a separate and specific area for eating only? Yes No
If yes, what will be the seating capacity for that area? 45
36. What type of cooking equipment will you have? Stove Oven Fryers Grill Microwave
37. Will you have a walk-in cooler and/or freezer dedicated solely to the storage of food products? Yes No
38. What percentage of your overall payroll do you anticipate will be devoted to food operation salaries?
90%
39. If your business plan includes an advertising budget, what percentage of your advertising budget do you anticipate will be related to food? ~~100%~~ 95%
What percentage of your advertising budget do you anticipate will be drink related? 5%
40. Are you currently, or do you plan to become, a member of the Madison—Dane County Tavern League or the Tavern League of Wisconsin? Yes No
41. Are you currently, or do you plan to become, a member of the Wisconsin Restaurant Association or the National Restaurant Association? Yes No
-

42. What is your estimated capacity? 50

43. Pursuant to Chapter 23 of the Madison General Ordinances, all restaurants and taverns serving alcohol beverages shall substantiate their gross receipts for food and alcohol beverage sales broken down by percentage. For new establishments, the percentage will be an estimate.

Gross Receipts from Alcoholic Beverages	20 %
Gross Receipts from Food and Non-Alcoholic Beverages	80 %
Gross Receipts from Other	%
Total Gross Receipts	100%

44. Do you have written records to document the percentages shown? Yes No
You may be required to submit documentation verifying the percentages you've indicated.

Read carefully before signing: Under penalty provided by law, the applicant states that the above information has been truthfully completed to the best of the knowledge of the signer. Signer agrees to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted will not be assigned to another. Any lack of access to any portion of a licensed premise during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license.

Subscribed and Sworn to before me:

this 24 day of SEPT, 2009
[Signature]
(Clerk/Notary Public)

[Signature]
(Officer of Corporation/Member of LLC/Partner/Individual)

My commission expires 5-6-2012

Appointment of New Liquor/Beer Agent

To be completed by Corporate Officer or Member of LLC

I, JENNIE CAPELLARO, officer/member for VEG TABLE LLC
(Corporation/LLC), doing business as THE GREEN OWL, authorize and appoint
JENNIE CAPELLARO (Name) as the liquor/beer agent for the premise
located at 1970 ATWOOD AVE.

Subscribed and sworn to before me this

24 Day of SEPT, 2009



Notary Public, Dane County, Wisconsin

My Commission Expires 5-6-2012

Jennie Capellaro
Signature of Officer/Member

To be completed by appointed Liquor/Beer Agent

I, JENNIE CAPELLARO, appointed liquor/beer agent for
VEG TABLE, LLC (name of Corporation or LLC), being first duly sworn
say I have vested in me, by properly authorized and executed written delegation, full authority
and control of the premise described in the license of such corporation or limited liability
company, and I am involved in the actual conduct of the business as an employee, or have a
direct financial interest in the business of the licensee, therein relating to the intoxicating
liquor/fermented malt beverage. The interest I have in the business is _____ %.

Subscribed and sworn to before me this

24 Day of SEPT, 2009



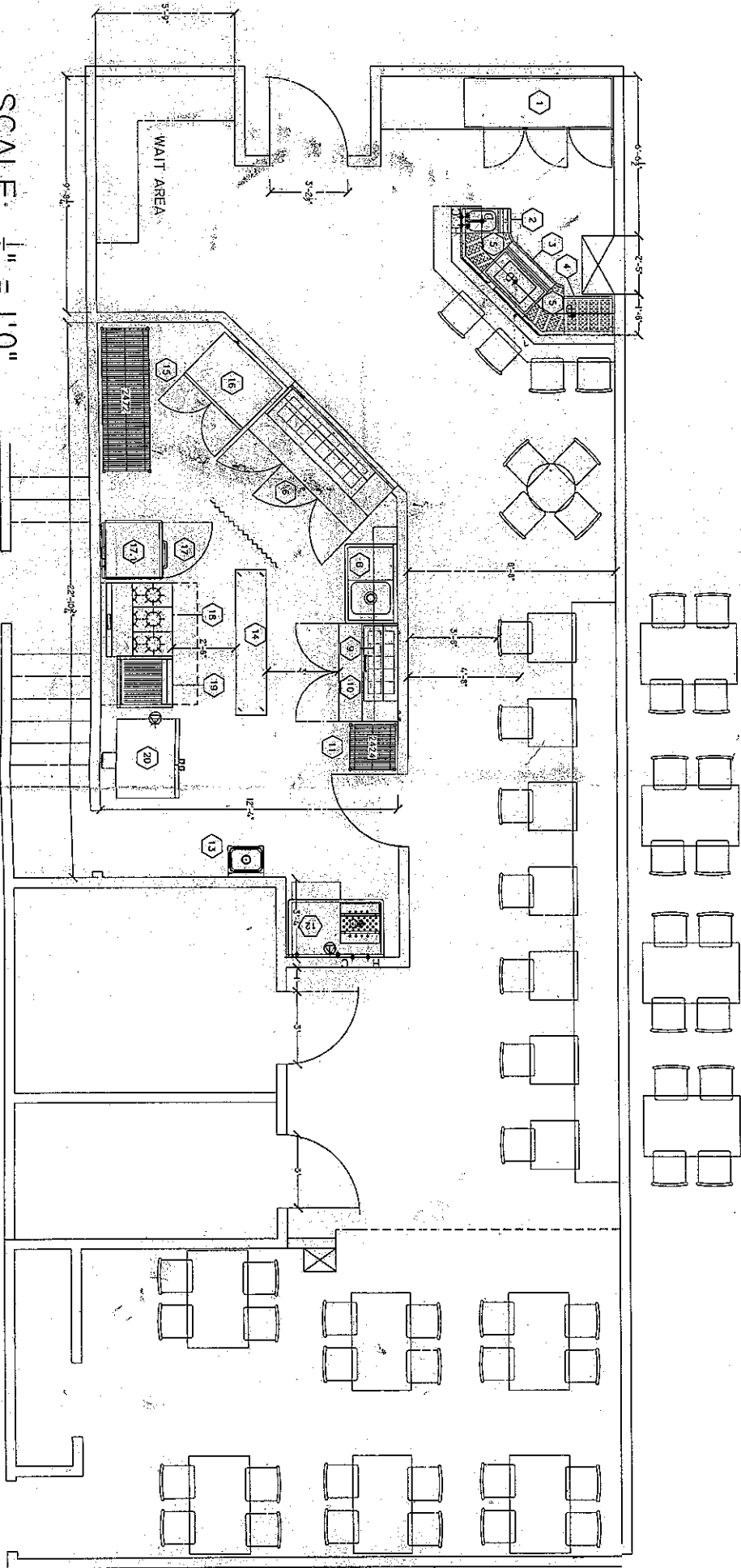
Notary Public, Dane County, Wisconsin

My Commission Expires 5-6-2012

Jennie Capellaro
Signature of Agent

The appointed Liquor/Beer Agent must complete the other side of this form.

SCALE: $\frac{1}{4}$ " = 1'0"



The Green Owl

Home-style Vegetarian and Vegan Cuisine for People Who Love Food

Appetizers

Buffalo Chicken Wings-A vegan version of the tavern classic. Served with celery and a choice of vegan ranch or bleu cheese dip.

Crab Cakes-A tofu and mushroom-based patty, baked to a golden brown. Topped with a vegan chipotle rémoulade.

Middle-Eastern Plate-Falafel, hummus, tabouli and pita (A family favorite).

Grilled Haloumi Cheese-A Greek cheese made from a combination of goat and sheep's milk. Grilled and served with a sweet chili sauce.

Baked Sweet Potatoes-Fresh sweet potatoes tossed in olive oil and sea salt and oven roasted.

The Daily Green-Chef's choice of sautéed leafy greens. Ask your server about today's selection.

Vegan Pâte-Mushrooms, tofu and lentils come together in this delectable spread. Served with sliced baguette.

Sandwiches

- served with a side salad, oven-roasted sweet potatoes or kale crisps

Veggie Capellaro-Our version of the classic New Orleans muffaletta. Crusty bread topped with olive salad, artichoke hearts, marinated tomatoes and vegan aoli. Served with or without Hooks Sweet Constantine cheese.

Crabcake Po'Boy-Our vegan crabcakes, served on a roll with lettuce, tomato and chipotle rémoulade.

Vegetarian Italian Beef-House-made seitan in a rich, spicy broth with giardiniera (pickled vegetables). Served on a roll.

BBQ Jackfruit-Young jackfruit stands in for pulled pork, simmered in our homemade, smoky BBQ sauce.

Special Falafel- Red cabbage, roasted eggplant, tabouli, hummus, Middle-Eastern pickle and fried chickpea patties. Served on pita.

Chili Dog with Cheese-Vegan comfort food. A vegan dog topped with our homemade chili. Served with or without cheddar cheese.

Soups

Chili- Ask your server about today's vegan chili.

Soup of the Day-Jennie Capellaro, the "soup lady" prepares homemade soups, with an emphasis on local and seasonal ingredients.

SALADS

Custom Salad Bar (lunch only) Visit our salad counter where you can choose your greens, an assortment of gourmet topping and one of our homemade dressings. Regular/5 toppings:\$5.95 Large/8 toppings: \$7.95

Tabouli-A Middle-Eastern favorite, bulgar wheat, parsley, mint, tomato and cucumber. With a garlic, lemon and olive oil dressing.

The Green Owl- A green salad with breaded and broiled slices of chevre, sliced pears and roasted pecans. Served with mixed greens and a lemon vinaigrette.

Greek Salad-feta cheese, cucumber, tomato, red onion, kalamata olives and greens with a lemon- oregano vinaigrette.

Cobb Salad-Vegetarian smoked turkey, vegetarian bacon, cubed tomatoes, bleu cheese, avocado, and hard-boiled egg on a bed of lettuce. Served with an herb vinaigrette.

Caesar Salad-Romaine lettuce and garlic croutons tossed with a parmesan-Caesar dressing (no anchovies).

Taco Salad-lettuce, tomatoes, sharp cheddar, sour cream and spicy vegetarian beef on a crispy tortilla bed.

Entrees Served with choice of small green salad or daily green.

Vegan Schnitzel-Our top-secret recipe for cruelty-free schnitzel, served with a creamy mushroom sauce and sautéed vegetables.

Stuffed Red Pepper- A stuffing of bulgar, lentils, slivered almonds and golden raisins baked in a fresh red pepper, topped with a Moroccan tomato sauce.

Vegetarian Meatloaf-A vegetarian meatloaf even meat lovers will enjoy. *Made from tofu, walnuts, mushrooms and our secret blend of spices. Served with mashed potatoes and mushroom gravy.*

Basics Plate-with permission from our *much-missed Savory Thymes*. A macrobiotic trio featuring brown rice, steamed greens, house-made beans, and a miso-tahini sauce.

Spaghetti and Meatballs- *Eggplant meatballs in a family recipe marinara served over spaghetti. Served with garlic bread.*

Vegetarian Jambalaya- A smoky mixture of rice, red beans, vegetarian chicken and tomatoes. Served with the daily green.

Veg. jr.

Mini Loaf -A small portion of vegetarian meatloaf, mashed potatoes, and gravy.

Veggie dog- A dog in a bun, served with oven-roasted sweet potatoes.

Grilled cheese with carrot sticks.

Spaghetti and meatballs.

Desserts ask your server about our delicious dessert selection

The Green Owl

Homestyle Vegetarian Food for a Healthy Madison



Business Plan

Jennie Capellaro
1833 Helena Street
Madison, WI 53704
608-698-0686
jcapellaro@yahoo.com
Confidential

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Mission Statement

The Green Owl restaurant serves creative, healthy, home-style food to Madison's residents and visitors.

Executive Summary

Madison is a healthy city, with an active mayor and fitness-focused populace. And though it boasts a number of creative restaurants, Madison does not have one vegetarian restaurant. In this sense, our usually cutting-edge city is behind the times: Vegetarian dining options are increasing across the country. Nearly 25% of Americans eat meatless meals, and more than 50% often eat meatless meals when dining out. Vegetarian restaurants and restaurants offering meatless options are becoming increasingly popular, and the idea of eating food that is grown and prepared locally is catching on across the country. The Green Owl will fill this empty niche with an innovative and tasty alternative to Madison's current restaurants.

The Green Owl will appeal to Madison's vegetarian population, and the originality of The Green Owl's cuisine will also attract *non-vegetarians*. This business plan provides statistics on the surprisingly large and growing number of non-vegetarians who seek meatless options when dining out. These statistics are borne out by my own market research survey of Madison and by discussions with vegetarian restaurants in markets similar to Madison.

The Green Owl will be owned and operated by me, Jennie Capellaro. I would like my restaurant to be located on either downtown or on the Near-East side. It will be open six days a week for lunch and dinner. Lunch will be geared toward those looking for a quick, healthy lunch. Lunch-break patrons will appreciate The Green Owl's quick service, which will include a custom salad bar and homemade soups and sandwiches, all at prices that compare favorably to the competition. Dinner will attract people who are looking for a creative and healthy meal in a fashionable atmosphere. The menu will feature classic American dishes done in a vegetarian style. In every dish, I will pride myself on great taste. Although the atmosphere will be inviting and stylish, the food will be more affordable than that found at restaurants such as Harvest and L'Etoile, thus attracting families, couples, and groups of friends looking for a memorable night out.

My marketing plans include a warm opening and grand opening events, advertising in print and radio, and participating in charity events such as meals for the homeless and donating to charities such as the WHA fundraising auction.

I have spent the past several years preparing for this business launch. I have run a food-service business, honed my cooking and management skills, created this business plan, scouted locations, and designed restaurant layouts. Additionally, I have taken business classes, managed Bunky's Restaurant, and made contacts with people who can help me with my endeavor. I have created an LLC so that my business entity will be well established before opening my doors.

I am seeking a loan of \$100,000 to renovate a rental space of approximately 2,000 sq. ft. I anticipate improving an existing kitchen, revamping a dining room, and using the

remaining funds to help get the business off the ground. My financial projections indicate a profit after the first year of business.

I am excited to begin this project. My background in food and restaurant management and my dedication to this endeavor make me uniquely qualified to operate a restaurant of this nature. My research, my empirical observations of my community, and my gut instinct tell me that this type of restaurant will succeed in Madison. I am willing to work tirelessly to see that it does.

Business Description

The Green Owl will be a vegetarian restaurant owned and operated by me, serving healthy and unique dishes at lunch and dinner to people living, working, or visiting Madison.

The restaurant is currently in the planning stages. While working on this business plan, I have been scouting locations for the restaurant. I hope to open by Spring 2009.

My restaurant location will be about 2,000 square feet. The Green Owl will be open 6 days a week (closed Sunday) to start, but we may modify these hours as customers' buying patterns become more apparent. We will open for lunch at 11:00 and a few employees will assist me in preparing the sandwiches and soups for the lunch menu. Customers will also be able to customize a gourmet salad at our attended salad bar. Lunch will be counter service only. Customers will order at the cash register and pay and pick up their food at the counter once their names are called. The Green Owl will use waitstaff at dinner, which will be slightly more refined both in atmosphere and menu choices. The restaurant will stop serving at 9:00 p.m. on weekdays, 10:00 p.m. on Fridays and Saturdays.

The food at The Green Owl will be delicious and exciting. Many items on the menu are unique and not available anywhere else in Madison. Prices will cover a range from moderate to medium-high. I believe people will pay a premium for some unique dishes, because vegetarian food is labor-intensive and local produce can be expensive. However, the dishes don't include expensive cuts of meat, so customers will still pay less for entrées than they will at a high-end restaurant. The menu theme is classic American cuisine redux—comfort foods done in a vegetarian style. There will also be daily lunch and dinner specials, which will usually be ethnic dishes. The ingredients will be fresh and organic whenever price allows. I plan to establish relationships with local farmers and producers to provide locally sourced ingredients. As stated, the lunch salad bar will be stocked with gourmet ingredients such as fine cheeses, roasted nuts, and popular vegetables. I will also offer a range of fresh juices. Once the restaurant has been up and running for a while, I will add catering services and will consider opening for a limited breakfast.

Aside from my empirical observation that Madison has a higher-than-average percentage of vegetarians and vegans, all kinds of people have begun to seek out vegetarian options, according to several studies. While most restaurants have one or two vegetarian choices, I

will provide several different options for a healthy lunch or dinner. As a longtime vegetarian, I've often had to settle for one item stuck at the bottom of the menu. At The Green Owl, vegetables will take center stage. The taste of my dishes will match or exceed most dishes available at nearby restaurants. Although vegetarian, The Green Owl's food will appeal to meat-eaters and vegetarians alike because The Green Owl is dedicated primarily to taste. I believe some vegetarian restaurants sacrifice flavor for other objectives, and therefore lose the chance to attract meat-eaters. We feel confident that Madison's health and taste-savvy population will support The Green Owl and make it a success.

As the owner of The Green Owl, I intend to put all my energy into making this endeavor a success. I will be the head chef and manager. I have assembled a group of consultants whose experience will augment my skills. For instance, the Certified Public Accountant I've worked with to develop the financial projections has also agreed to do the bookkeeping and accounting for the restaurant. I plan to hire people for positions that I will not have time to cover myself, such as a front-of-the-house manager. I have both worked in the food industry and run my own catering business, where I learned about the pace and pitfalls of this industry. I have prepared myself by reading books on business and taking business classes.

My lunch customers will need their lunch to be prepared speedily as most will probably be on their lunch breaks from nearby offices. I think people will choose The Green Owl because they want to eat a healthy meal. For many people, this may be their only opportunity to have a healthy meal during the day as many people rely on packaged, processed foods for their meals at home. A customer who eats a custom salad at The Green Owl for lunch will feel virtuous, even if she has frozen pizza for dinner. People will come to The Green Owl for dinner for the exceptional food and the hip atmosphere. While the lunch crowd will be more of a captive audience, people will come from further distances to have dinner at The Green Owl.

I became a vegetarian for moral reasons. Other vegetarians do it for health reasons. Some people simply prefer to have a meal without meat. I plan to capture all those customers. I also feel I will have helped my community and the environment once the tastiness of my food convinces Madison diners that food is more delicious when it's made from fresh, local ingredients without meat.

Further explanation of meals at The Green Owl

Our Lunch—a New Concept for Madison

Lunch will offer a unique experience. Along with options such as soup and sandwiches, The Green Owl will offer an "attended salad bar." This salad bar will be stocked with many delicious gourmet and exotic ingredients, which will be tastefully displayed in individual containers on ice (not metal boxes like a serve-yourself salad bar). Patrons will be able to peruse a list of ingredients and choose five for their salads, along with a choice of dressings. They will denote their choices on an order sheet, which they'll bring to an

employee working at the salad station. Starting with the correct amount of salad greens in a large stainless steel bowl, the employee will quickly scoop up the requested ingredients, pour on the dressing, and toss the salad in the bowl with tongs. The salad is then quickly slid onto a plate and the customer takes it to the cash register to pay. The process can take as little as two minutes. (The concept is modeled on restaurants in San Francisco and New York that do high volumes of these salads very quickly). For example, in a few minutes' time, a customer is able to create a salad with these wonderful ingredients: orange sections, bleu cheese, candied walnuts, grilled fennel, homemade croutons, and a balsamic herb vinaigrette. The important thing is that customers are able to tailor the salads to their tastes and they watch the interesting process of their individual salads being prepared.

The attended salad bar will offer numerous salad ingredients, which will be listed on the menu and menu boards. We will try to use local and organic produce whenever financially possible and in season. Organic farming is another industry that has expanded significantly in recent years and many people who are looking for healthy lunches will be impressed that they can have fresh, chemical-free vegetables on their salad. In obtaining organic vegetables, The Green Owl plans to utilize one of the finest resources available in the Midwest: the Madison Farmer's Market. While the menu lists the fixed ingredients, The Green Owl will also feature one or two special salad ingredients consisting of items only available seasonally. In addition, we will also feature a special dressing of the day.

In addition to the custom salads, we will also provide homemade soups and creative vegetarian sandwiches for lunch.

Dinner

Dinner at The Green Owl will be more casual in pace but more upscale in food choice. The basic foundation for the restaurant will be classic American dishes done vegetarian style. However, The Green Owl will offer at least one special nightly that will feature ethnic cooking and adventurous flavors. For example, in addition to the specials mentioned in the executive summary, The Green Owl will offer other specials such as a German sauerbraten made with homemade seitan (a delicious meat substitute made with gluten); stuffed grape leaves with tzaziki sauce; Monterey jack cheese and jalapeno tamales topped with pineapple salsa; or Larb, a Laotian dish composed of vegetarian "chicken" infused with lime, garlic and chile, served with lettuce and sticky rice. The specials will serve as a test market for menu items. If an item is extremely popular we may consider adding it to the permanent restaurant menu. These specials will impress customers and keep them coming back to try the next new special.

As more dinner customers will probably drive to the restaurant, I am seeking a location that has parking nearby. As incentive for customers to reduce their carbon footprints, I also would like to pioneer a bonus (free appetizer or dessert) for customers who bike, walk, or take the bus to the restaurant. Also, The Green Owl will apply for a full liquor license. This is customarily a high-profit component of the restaurant business. You will see that I have built these numbers into the financial projections. Finally, after six months

in operation, The Green Owl will transition into catering for special events. I have delayed that element of the business so I can focus on having a strong opening. Meanwhile, as the restaurant develops a loyal client base, I will begin marketing The Green Owl's catering.

Market analysis

I. Market research demonstrates that, across a range of different groups, demand for vegetarian food is rising

Vegetarian and organic foods are growing in popularity around the country. Whether it's because of cost, environmental reasons, or health concerns, the number of people who seek out vegetarian food has grown steadily over the past decades. The number of people who seek vegetarian food options at least some of the time is approximately 30 to 40 percent of the population, according to the Vegetarian Resource Group.¹ Sales of vegetarian foods have increased an average of 37 percent per year over the last five years in grocery stores, versus the 1 percent to 2 percent in overall grocery sales. According to a survey for Kellogg conducted by Bruskin/Goldring Research, "30 percent of Americans would prefer a veggie burger option at barbecues this summer, almost twice those who say they were offered them at last summer's fetes (17 percent)."² Here in Madison, demand for non-meat proteins is constantly growing, according to Wynston Estis, Assistant Manager of the Willy St. Co-op. The co-op, which has more than 16,000 members, has done \$17 million in sales this year. Prepared food comprised 15 percent of that total, and 85 percent of the co-op's prepared foods are vegetarian. Estis says 25 percent of the co-op's shoppers look for vegetarian options.³

A. Groups that order vegetarian options

Strict Vegetarians

There are several reasons people choose to give up meat entirely, including religious or ethical beliefs, health concerns about food-borne diseases (such as Mad Cow Disease), or concerns that a meat-based diet may give rise to heart disease and obesity. Some vegetarians are animal-rights advocates or are concerned about the effect that meat consumption has on the environment. Whatever the reasons, studies have shown that strict vegetarians account for approximately 2.8% of the U.S. population.⁴ A study conducted by *Time* magazine concluded that 4% of the population considers themselves vegetarian.⁵ If we use the lower figure of 2.8%, Dane County, with its 500,000 residents, could be home to approximately 14,000 vegetarians.

Intermittent Vegetarians

¹ Charles Staler, "How Many Adults Are Vegetarian?" *Vegetarian Journal*, July-August, 2006.

² Matthew Grimm, "Veggie Delight," *American Demographics*, Aug. 2000, pg. 66.

³ Interview with Wynston Estis, July 25, 2008.

⁴ Vegetarian Resource Group poll, conducted by Harris Interactive, 2003.

⁵ "Should We All Be Vegetarians?" *Time*, July 15, 2002.

The statistical estimate that vegetarians make up 2.8% of the population is misleading, however. This 2.8 % includes people who say they “never” eat meat, fish, or fowl. ⁶Chip Walker writes in *American Demographics* that while vegetarianism has traditionally meant excluding all meat from one’s diet, “many of today’s ‘vegetarians’ are restricting their consumption of meat without eliminating it entirely.”⁷ Occasional or intermittent vegetarians constitute a large base of restaurant-goers that should not be overlooked.

Mintel Consumer Intelligence, a Chicago-based market research firm says that while committed vegetarianism is on the rise, an estimated 25% of Americans are occasional vegetarians who “replace meat with meat alternatives for at least some of their meals.” (emphasis added) Mintel also predicts that the vegetarian food market will continue to grow for the next five years and that as of 2001, this market segment was worth a projected \$1.25 billion. Furthermore, The 1999 poll conducted by the Vegetarian Resource Group found that 57 percent of people sometimes, often or always order vegetarian meals when dining out.⁸ These “intermittent vegetarians” will constitute a significant proportion of The Green Owl’s customer base.

Aging Baby Boomers

Many of the same reasons that people become strict vegetarians apply to occasional vegetarians. But more and more Americans are choosing to be “intermittent vegetarians” for health reasons. Walker’s article explains the following:

Many food manufacturers do expect growth in meatless foods to be driven by health-conscious baby boomers and elderly adults who are watching fat and cholesterol. Pillsbury is currently marketing “The Green Giant Harvest Burger,” which has been produced since 1991, says Nancy Perron of Pillsbury. ConAgra has a line of frozen meatless meals called “Life Choice.” The frozen entrees were developed on the recommendations of heart researcher Dr. Dean Ornish. *They appear to target those concerned about cardiac health, rather than vegetarians*” (emphasis added).⁹

This segment of the population is a large part of The Green Owl’s target market. The Green Owl’s healthier offerings will attract the growing population of baby boomers who want to eat healthier, meat-free meals.

Young People

Another significant segment of The Green Owl’s business will be UW-Madison students because of the proximity and the appeal the menu will have to this age group. According to *American Demographics*, “about 15% of the U.S.’s 15 million college students eat vegetarian during a typical day.” In Walker’s article, “Meet the New Vegetarian,” he

⁶ Vegetarian Resource Group poll, conducted by Harris Interactive, 2003.

⁷ Chip Walker, “Meet the New Vegetarian,” *American Demographics*, January 1995.

⁸ Vegetarian Resource Group poll, 1999

⁹ Chip Walker, “Meet the New Vegetarian” *American Demographics*

notes that Oberlin College provides a “veggie dining hall” that serves 20% of the student body. 15% of the 40,000 UW student body would equal approximately 6,000 students looking for vegetarian options for their meals.

While The Green Owl’s target market will be college-aged and older, teenagers may be an important segment to watch:

At a far faster rate than their elders, young adults are turning vegetarian. While the population of non-meat-eating teens is still relatively small—1.8% of all teenagers—it *doubled in 2002 from 2001*, according to NPD Group” (emphasis added).¹⁰

Walker reports that “one-third of girls aged 12 to 15 say vegetarianism is in, and the share increases with age, according to Teenage Research Unlimited of Northbrook, Illinois.” The researchers also found that forty-eight percent of 16-to-17-year-old girls say veggie is hip, along with 50 percent of girls aged 18 to 19. 22 percent of boys the same age say being a vegetarian is in.¹¹

II. Our research of similar restaurants in similar markets points to the success of The Green Owl.

As a research strategy, The Green Owl looked at restaurants with similar themes in towns similar to Madison—those that are a state capital and/or have a large college campus downtown. I conducted phone interviews with owners or managers of these restaurants.

West Lynn Café - Austin, TX

West Lynn Café is located right off the business district and within a mile of campus. The owner, John, operates two vegetarian restaurants in Austin. In 1980 he opened Mother’s, an earthy, natural foods-type of restaurant. Ten years later, he opened the West Lynn Café, a slightly more upscale dining experience. Austin has six vegetarian restaurants and a population of 656,562 (compared to Madison’s 215,211.) When asked about the make-up of his clientele, John said that he believes the slight majority of his customers are not pure vegetarians and that he serves a diverse customer base due to the café’s widespread popularity.

These customers range from college students to professionals. With its proximity to the downtown, John finds the restaurant attracts state and local government workers, lawyers, lobbyists and more during lunch. The dinner crowd consists more of students and older people from the neighborhood, or people “going out on the town.” John said West Lynn Café’s ticket price is relatively low (dinner averages \$14, lunch is \$9.50-11.00) but most of the customers are well off. (John offered to mentor me as much as he could via phone and email and has advice about cost-saving in opening and operations that he is willing to share with me.)

¹⁰ Katy McLaughlin, *Wall Street Journal* (Eastern edition), July 3, 2003, pg. D1

¹¹ Chip Walker, “Meet the New Vegetarian” *American Demographics*

Seva Restaurant- Ann Arbor, MI

I also contacted Seva—a vegetarian restaurant in Ann Arbor, Michigan, which has been open since the 1970s. I spoke with Tanya, who has been the manager of the restaurant for 14 years. Seva is located downtown and draws a mixture of clients that includes professionals and older people who grew up eating at the restaurant as well as University of Michigan students. According to Tanya, the restaurant gets a large doctor and lawyer crowd at lunch. She also reported that the clientele is mixed between true vegetarians and people who come because of the great reputation of the restaurant's food. She said that, aside from the students, most of the customers are professional and financially well-off. Ann Arbor has a population of 114,024 and yet is home to three vegetarian restaurants.

Speaking with the managers of these successful restaurants confirms what the research shows—that vegetarian restaurants can be successful in a market similar to Madison's. The significant conclusion that these interviews point to is that a vegetarian restaurant that provides high quality, imaginative, premium food will attract both vegetarians and non-vegetarians alike.

III. Other factors that indicate presence of market in The Green Owl's downtown locale

High-end downtown living has become quite popular of late. In the last few years alone, several luxury condominium projects have been built. These are large-scale buildings that house many units. The Green Owl will be ideally situated to capture these residents for dinner business. As the age group for the condominium-dweller is likely baby-boomer era or older, the health aspects of The Green Owl's cuisine will be a strong selling point.

People travel from other locales to take advantage of Madison's lively entertainment scene. Downtown Madison is home to the Overture Center, a state-of-the art performance space that hosts multiple cultural events every night. The Orpheum Theater and the Majestic both screen movies and host live music shows, and the Bartell Theatre presents plays and musicals. On the Near East side, the Barrymore and a number of smaller venues host music and theater events. This plethora of cultural events draws diners looking for places to eat before seeing comedy, theater, or live music shows.

IV. Our survey of downtown Madison workers suggests The Green Owl will thrive.

A small, informal survey that I conducted on downtown workers also points to the likely success of The Green Owl. I dropped off 100 surveys to various businesses (a law firm, the state capitol, an advertising agency, and a dentist's office) and got a 20% return rate. The survey participants ranged in age from "25 and under" to "50-65" but were concentrated mostly in the "25-35" bracket. Yearly incomes ranged from "\$20,000 and under" to "over \$100,000" but most of those surveyed fell into the "\$20,000 to 30,000" category. Of all surveys returned, we found a higher number of vegetarians than the national average. More telling were the answers from the non-vegetarians, of course: 71% of those surveyed said it was possible, likely or very likely that they would dine at

the restaurant after viewing the The Green Owl lunch menu that accompanied the survey. For the dinner menu, the result was 62% of those surveyed. Since only 19% of those surveyed checked that they were vegetarian, we can conclude that the menu appeals to many who do not identify as vegetarian. In addition, the group almost unanimously found the menu pricing reasonable.

The survey also listed certain characteristics of a restaurant and asked participants to indicate how important these qualities were to the individual. Participants unanimously checked that great-tasting food was "very important" to them. They also overwhelmingly agreed that helpful/friendly service was "very important." The next closest "very important" factors for those surveyed were speed (at lunch), followed by price. These results speak well for the success of The Green Owl because the survey results emphasizing great taste and great service are in line with the priorities of the The Green Owl. The salad bar concept will provide the speedy lunch that customers seek and, as noted, participants agreed that the pricing was reasonable.

Competitive Analysis

Restaurants are plentiful in Madison, especially downtown. Still, observation establishes that there is room for more, especially during the lunchtime rush. An informal study done over several weekdays from 12:00 noon to 1:00 p.m. demonstrated that most restaurants in the downtown area had business ranging from moderate to very busy. (Please see supporting document k) At some downtown restaurants, customers had formed lines.

The following chart compares competitive advantages and disadvantages of several restaurants I believe come close to what The Green Owl will offer. Because The Green Owl will modify its atmosphere at dinner, I have included different restaurants to evaluate for lunch and dinner.

LUNCH

Café Soleil	Marigold	Great Dane	The Green Owl
<ul style="list-style-type: none"> - expensive - counter service - medium-fast service - pleasant atmosphere - high-quality food 	<ul style="list-style-type: none"> - expensive - counter service - fast service - nice atmosphere - inventive dishes, high quality food 	<ul style="list-style-type: none"> - moderate price - table service - slightly slower service - atmosphere differs in different parts of restaurant - food mediocre 	<ul style="list-style-type: none"> - moderate price - counter service (fast) - slightly slower service (for some items) - unique atmosphere - high-quality food

Café Soleil is located in the downstairs of one of Madison's premium restaurants, L'Etoile. They operate an upscale, eco-oriented restaurant, featuring local produce, meats, and cheeses. The atmosphere is pleasant, although it can feel hectic on Farmers' Market days or when there's a large crowd. They make exceptional bakery items, which are priced high, but are extremely popular with diners. They have counter service for coffee and pastries, and a runner brings out salads and soups, which customers order at the counter.

Marigold Kitchen opened several years ago and only serves breakfast and lunch. It has quickly turned into a popular place to get gourmet sandwiches, salads, soups and other items. They also have a large bakery case with homemade goods. A customer at Marigold will get in line at the counter, place their order and pay, and be given a number on a stand. A runner identifies the order by the number and delivers the food when it is ready. Marigold has been lauded for its innovative and unique dishes. The atmosphere inside is pleasant and contemporary, although the acoustics of the space make conversation difficult. Marigold's prices are high, especially given that they serve mainly sandwiches; nonetheless, the restaurant appears to succeed in attracting customers.

The Great Dane is a popular brewpub restaurant. They offer a range of items from soup and hot appetizers to burgers and sandwiches. The service is fast but during busy times the kitchen can get overloaded, delaying orders slightly. The restaurant is usually very busy during lunch. They have large seating areas, enough to accommodate about 100 or more people. Some of the sections of the seating area are charming and unique. I prefer the (seasonal) patio dining area or main room with large wooden booths. The price is about right for slightly upscale bar food (although they offer more than simple bar food). The Great Dane offers a number of vegetarian dishes such as a house-made veggie burger, a vegetarian wrap, and more.

The success of these three popular restaurants points to the success of The Green Owl. Although The Green Owl will not be able to top these restaurants in every aspect, we will be able to match most of their appealing qualities and surpass them in other ways. Below is a comparison of these three restaurants' qualities weighed against what The Green Owl will offer.

PRICE

The Great Dane's pricing is moderate, near where I expect The Green Owl to be. Marigold's and Café Soleil's prices are higher for comparable items. Clearly, diners are willing to pay a little more for higher quality food, but we hope to compete by offering a range of items, some more affordable than those of Marigold or Café Soleil.

SERVICE/SPEED

In general, restaurants that have table service take longer to serve a customer's food. When you compare the system of a counter-service restaurant such as Subway to a table service-type restaurant, and recognize all the steps that the servers go through (bringing menus, water, taking the order, bringing it to the kitchen, bringing the food out later and presenting the check) the reason for the difference in speed becomes obvious. Fast counter service can eliminate the frustration of backed-up table service during a busy lunch hour. The Green Owl can beat one of its main competitors on this count: The Great Dane features the table-service method. Like Marigold and Café Soleil, The Green Owl will feature counter service at lunch, where customers order food at the counter and runners bring it to the table. Additionally, customers who purchase our gourmet salad bar will have their salads almost instantaneously and can take a seat in our dining area. This will accommodate those who are seeking a quick lunch. Other items will take slightly longer to prepare, comparable to Marigold or Café Soleil.

I believe the success of Marigold and Café Soleil dispels concerns that customers associate counter service with being "less fancy" than restaurants with waitstaff. By creating a welcoming atmosphere and offering quality food, customers will appreciate the ease and speed of service at The Green Owl.

ATMOSPHERE

All three competitors provide a nice atmosphere for lunch. It is difficult, however, to have a conversation at Marigold; the space is noisy and the acoustics make it difficult to hear the person you are dining with. I will keep this in mind when planning for the dining space at The Green Owl so that people can conduct business or have conversations over lunch. In decorating The Green Owl I intend to rely on my own interior decorating skills as well as the input of friends and associates who work in that profession. Relying on imaginative ideas more than just expensive materials, we will transform The Green Owl's space into a unique and fashionable environment.

FOOD QUALITY

This is the area in which The Green Owl will stand out because of the novel The Green Owl attended salad bar, the high quality of our food items, and because of the wide range of vegetarian options. First, few restaurants provide The Green Owl's unique salad bar concept. This will attract people seeking out a healthy, quick lunch. Our research shows that this group of people is plentiful. Second, the quality of the food will be superior to the Great Dane and on par with Marigold and Café Soleil. While Marigold does not provide much variety in terms of salads, their use of fresh ingredients best approximates what The Green Owl intends to do. The Green Owl will use only the freshest produce. This will immediately be apparent to customers when they come in and view the The Green Owl salad bar. Fresh ingredients will also have a noticeable impact on the taste quality of The Green Owl food items. We will aim to provide local and organic ingredients and heirloom vegetables, which will appeal to customers on a cognitive level and make an immense difference in how the food tastes.

Finally, no other restaurant in our direct competition can provide numerous quality vegetarian options. The vegetarian sandwich available at Marigold is ill-conceived. It's both difficult to eat because it is unwieldy and the taste is not overly impressive. Café Soleil has delicious vegetarian offerings, but they are pricey. The Great Dane may have received notice for its variety of vegetarian dishes but that doesn't mean they serve high-quality vegetarian food. In fact, it might mean that Madison vegetarians have slim pickings. As a vegetarian I have found some of their vegetarian dishes nearly inedible. Their homemade veggie burger, for example, resembles a conglomeration of beans mashed together and grilled, lacking any additional flavoring. The Green Owl will maintain standards much higher than that and provide Madison the healthy lunchtime eatery it desires and deserves.

DINNER

The Green Owl will slightly alter its appearance and use a different service style when changing over to dinner. I've looked at three nearby restaurants whose characteristics come closest to how The Green Owl seeks to perform at dinner. I've compared their competitive advantages and disadvantages to those of The Green Owl. Dinner, unlike lunch, is a time where people will make an effort to get to a restaurant. People often aren't just looking for a convenient place that's quick and nearby. It's a more deliberate

decision because there isn't the time crunch factor and many people traditionally feel dinner is when they can unwind and treat themselves. They are also looking for reliable service staff that will help them finish a meal in time to make it to a show.

Great Dane	Tutto Pasta	Monty's Blue Plate	The Green Owl
<ul style="list-style-type: none"> - inexpensive - relatively fast service - atmosphere mediocre - mediocre food 	<ul style="list-style-type: none"> - pricier than the others - more refined, intentionally slower service - nice atmosphere - OK food 	<ul style="list-style-type: none"> - moderately priced - nice service, but can be crowded - pleasant atmosphere - food OK 	<ul style="list-style-type: none"> -moderately priced -nice service -nice atmosphere -high-quality food

The Great Dane, also included in the list of main competitors for lunch, has a similar menu available for dinner with some additional, higher-priced entrees. To some extent, The Great Dane attracts diners because of features other than the food they offer. They are a brewpub and serve a variety of homemade beers. They also have two large bars. One is in the same room as the main serving area. The other is in a separate billiards room where customers can rent pool tables by the hour. It has a "hang-out" kind of feel and I believe people who go there are not primarily interested in finding excellent food. They go to drink beer, play pool, talk with their friends at the bar, and possibly grab a burger or some other food item. I have included The Great Dane not because I intend to open a bustling complex with a variety of entertainment. I do want The Green Owl to be a warm and inviting place—the kind of place that would occur when you're going through your mental list of "a nice place to eat out tonight."

Tutto Pasta is another King Street restaurant that has a similar level of food quality and ambience to what The Green Owl is seeking to provide. It is a nicer restaurant with fairly enjoyable food, professional servers, and an attractive dining area. Tutto pasta serves soups, salads, a variety of pasta dishes, and other entrees. The restaurant consists of two large rooms with a half-wall distinguishing the two areas. The restaurant also provides pleasant seating in the atrium of the building it occupies.

Monty's Blue Plate Diner has become a Madison institution, and has, over the years, added more vegetarian options to their menu. On many nights, customers have to wait more than forty minutes for a table, testament to the fact that diners appreciate comfort food and the bustling family-friendly atmosphere.

PRICE

Monty's is the least expensive of these restaurants. The Great Dane's prices are slightly higher and Tutto Pasta's are slightly higher still. However, the difference in prices between the three is minimal, the only difference in entrée prices being that the Great Dane and Tutto Pasta offer a few higher-priced entrees that include more expensive meat or seafood. The Green Owl's entrees will be priced comparable to those at Tutto Pasta. Restaurants like Le' Toile or Harvest charge much higher prices. The Green Owl's food

will not quite be at that level, but it will rival Tutto Pasta and several other restaurants in food quality. I think this pricing strategy will succeed. I believe people will pay slightly more to eat at a restaurant with higher quality food if given the choice.

SERVICE/SPEED

The service at Tutto Pasta is definitely the closest to a fine dining experience. The waitstaff is very attentive and smooth and the atmosphere is sophisticated. Monty's has attentive servers, but they can get overwhelmed with crowds. The Great Dane is once again at the intermediate level. The service is reliable, but not extremely cordial like the Tutto Pasta staff. The Green Owl aspires to a level of service that is attentive and genial in an atmosphere that is not overly formal—somewhere in between the Tutto Pasta and the Great Dane model. The Green Owl will offer service speed that is comparable to its main competitors.

ATMOSPHERE

As discussed above, the Great Dane has a bar/pub feel to it. Tutto Pasta creates an elegant environment with its graceful interior design and use of lighting. Monty's has a 1950s diner theme. The business description section of this plan communicates specifics of the The Green Owl interior design plan. The customer will notice an atmosphere that is nicely put together. The environment will be pleasant, and customers will want to return. The restaurant will most closely resemble Tutto Pasta in this regard. Customers may frequent the other competitors because of the healthy food offerings or because of the bar and pool tables, but not necessarily because of the décor. I want customers to remember the warm atmosphere *and* the great food when they recall their The Green Owl dining experience.

FOOD QUALITY

The Green Owl intends to surpass or match its main competitors in the area of food quality. Monty's vegetarian options are constantly improving, but The Green Owl will be able to focus even more attention on creating quality meatless offerings. The Great Dane, while it may be a fun place to play pool, does not always serve high-quality food. Of these three in our comparison, Tutto Pasta puts the most energy into its offerings and is thought of as a nice restaurant in which to eat out. The Green Owl will have extremely high standards when it comes to food quality—taste, appearance, freshness, etc. The Green Owl will not shy away from amply spicing our food. The problem that many restaurants have, I believe, is that customers come away from the meal not feeling “wowed.” This is because chefs neglect to correctly season the food. Nature provides wonderful raw ingredients for us, but they have to be put together in the right way to create great tastes. For example, fresh mozzarella has a wonderful creamy texture that has little taste without proper preparation. Add basil-infused olive oil, balsamic vinegar, a touch of salt, and fresh garden tomatoes, and you have an outstanding salad with a blend of flavors that complement one another. I've had this salad before in one of Madison's

finer restaurants and felt disappointed because not enough attention was paid to the seasoning of the dish.

One of the reasons I became interested in opening The Green Owl is because, though Madison does have a number of restaurants, it does not, in my opinion, have enough *great* restaurants. The Green Owl intends to alleviate that problem by providing innovative and delectable dishes.

Marketing Plan

The Green Owl plans to have a cost-effective yet impressive marketing campaign. Below is a list of marketing ideas we will use, including some that are very low cost or free.

Warm Opening

A warm opening is an event that helps a beginning restaurant work out the kinks in its operation before opening to the public. It is also a great way of generating word-of-mouth promotion. A warm opening is simply a trial run for the restaurant with invited guests playing the parts of customers—generally family and friends. The restaurant is staffed and operates as if it was open to the public but the meal is complimentary for the guests. The Green Owl will have a 2-night warm opening. This gives the kitchen and waitstaff a chance to get familiar with the operations of the restaurant. The invited guests can share constructive criticism about their experience that will help improve restaurant operations or food quality.

The event is intended to be fun. Many of the guests will know each other, which will contribute to a party-like atmosphere. Ideally the guests will have a great time and start telling their friends and co-workers about the wonderful experience they had at this great new restaurant. In this way, a warm opening is a trial run for the restaurant and an invaluable promotional tool.

Cost: This event is costly in terms of paying for supplies and labor, but the insight gained is worth this cost.

Flyers Posted in Willy St. Co-op, Whole Foods, Copp's, Trader Joe's

Posting attractive, attention-getting flyers in various health food grocery stores and co-operatives will help to spread the word that a new, healthy restaurant has opened. This will target health-conscious consumers who shop at these types of establishments.

Cost: \$50 for 50 silk-screened posters

Flyers with Menu and Coupons for \$1.00 off Salad Bar

A brochure/flyer of the lunch menu will be distributed to as many businesses as possible. Many businesses have menus from a number of nearby restaurants for times when workers place a group to-go order. The The Green Owl menu will be among those. A coupon for \$1.00 off the salad bar will encourage workers to try out the The Green Owl specialty.

Cost: 1,000 photocopies for \$100

Viral Marketing Campaign

Through networking sites such as Facebook.com and MySpace.com we'll create buzz for the opening of the restaurant. We will distribute coupons via online sources, and have a place on our website where people can sign up to receive news and special offers from The Green Owl. We will reach out to local vegetarian and vegan groups early on to create a loyal fan base.

Cost: Minimal

Email Press Releases to Local Media Outlets

I will create a press release announcing the opening of the restaurant. The release will emphasize the uniqueness of the restaurant and the new salad bar concept it will bring to Madison diners. This will be faxed to all local news outlets that may do a piece about the opening of The Green Owl. Any especially positive print coverage we receive will be posted in the restaurant so that passing customers can view it.

Ideally, sending out a press release will lead to the best type of free publicity—a restaurant review in a local publication. Again, the novelty of the The Green Owl concept and the fact that it is the only vegetarian restaurant in town makes this a likely possibility.

Cost: minimal

Nightly Dinner Specials Samples Passed during Lunch Shift

In order to encourage our lunch clientele to come in for dinner, The Green Owl will occasionally offer small samples of the evening dinner specials at lunchtime. Also, dinner specials will be posted during lunch to entice people back for dinner.

Cost: minimal

Yellow Pages Advertising

Businesses that set up their phone line with SBC get a free listing in the phone book, under one heading. Additional listings under other headings are \$12 per month. In addition to a listing under "restaurant," The Green Owl will be included under the "vegetarian restaurant" heading. We will also place a small print ad.

Listing under additional heading	\$144
2-inch x 2-inch ad, black and white	\$1800

Cost: \$1944 for one year of listings and ad

Website with Directions, Map, and Menu

Websites are very useful for workers who don't have a lot of time for lunch. They can look at the menu online and decide what they will order before they arrive at the

restaurant, saving them time. Or they can call ahead to place an order for take-out. In addition, The Green Owl will attempt to be included on all website listings of restaurants. A domain name can be purchased for \$30.00, and the monthly fee is \$10 per month.

Cost: \$150 per year

Sidewalk Display with Listing of Specials

A chalkboard will be put (law permitting) in front of the restaurant listing lunch and dinner specials. We hope to have outdoor seating as well, which grabs the attention of passersby.

Cost: none (I already own the sign described above.)

Print Advertising

Isthmus

150,000 people read *Isthmus* each week. *Isthmus* readers also spend \$5.5 million a week dining out. Several other restaurants discussed in the competitive analysis section (Marigold, Tutto Pasta, etc.) place 1/24 page ads weekly or every other week.

1x 1/6 page (4.75"x 3.72") announcing opening of restaurant	\$540
with spot color	\$110
thereafter 12 monthly ads 1/24 page (2.29"x 1.77)	\$1725/yr.

Cost: \$2375 for one year of advertising

Willy Street Co-op Reader

The *Willy Street Co-op Reader* is a great way to reach potential customers who are conscious of eating healthy. The *Reader* has a circulation of more than 18,000.

1x 1/8 page (2.375" x 6.75")	\$110
12 monthly ads 1/16 page (2.5"x 3")	\$770/yr.

Cost: \$383 for one year of advertising

Madison Newspapers

According to figures provided by Madison Newspapers, 355,500 South Central adults read the weekday edition of either the Wisconsin State Journal or the Capital Times. Also, 83% of Dane County residents who frequently enjoy wine and 75% of frequent sit-down restaurant diners read the weekday edition of either paper.

12 yearly 2-inch ads in *77-Square*

\$576

Cost: \$576 for one year of advertising

TOTAL MARKETING COSTS: \$5,428

Management

I will manage the restaurant and serve as head chef. Managing an entire restaurant is not easily a one-person task. Fortunately, I have a network of highly qualified people who support the The Green Owl concept. These experts, whom I describe in more detail below, have volunteered their assistance in such areas as pre-opening design and planning. Some have agreed to stay on and manage an aspect of the business during the opening months. Once The Green Owl finds its footing, we will determine whether these positions need to be filled with permanent employees. In addition to the experts below, I'm acquainted with a number of people in the trades who are anxious to help with the The Green Owl restaurant space and would work at a discounted rate because of our relationship.

Personal Background and Information: Jennie Capellaro

Most recently, I have run my own food-service business, which supplies soup to Mother Fool's Coffeehouse and Alchemy Restaurant. Previously, I helped manage Bunky's Café, a booming East-side restaurant. I handled mainly front-of-the-house operations at Bunky's. The restaurant had been open a few months when I approached the owner, Teresa Pullara-Oubell, whom I had worked with at Memorial Union Catering. The amount of business the restaurant was doing had far exceeded her expectations and she gladly accepted my offer of help and offered to mentor me at the same time. During my time at Bunky's, Teresa helped me network with people she thought would assist me in opening my own restaurant. She introduced me to everyone from distributors to pest-control specialists. While at Bunky's, I learned many aspects of the restaurant business, ranging from employee management to counting down the cash register. (Please see supporting document c, Teresa's letter of recommendation.) Teresa has pledged her support of my business venture and has offered to aid me in setting up my restaurant.

For the past 8 years, I have also owned and operated a small catering company—Moveable Feast Catering. I handle the clients' requests from start to finish: I suggest a menu, work with clients to tailor menus to their needs, purchase and prepare the food, and supervise the execution of the events. I carefully price out the menu for each meal to ensure a profitable return for the job. Moveable Feast specializes in vegetarian fare, but I work very closely with the clients to create the perfect, customized menu for their events. This means I have prepared many delicious meat dishes upon customer requests. I have attached several recommendations (see supporting document b) from customers whose weddings or other events Moveable Feast catered. They will note that, not only is the food spectacular, but the presentation is superior to other catering companies. (We don't use plastic trays, for example, and it is essential that the presentation of the food be impeccable.) My clients also note that events catered by Moveable Feast were well organized and went smoothly.

While operating my catering company, I have had to coordinate and manage a staff of up to seven people for larger events. This experience has also enlightened me on employee

relations. People who work for me at events are usually people I know. It can be challenging to suddenly be a boss to a close friend, but I've managed to straddle those two roles. My management style can be portrayed as firm but friendly, and I have found that listening to my staff is key. Often they have great ideas for how to handle a particular task. Finally, I've learned that it is essential to delegate.

I have also worked for a wide variety of restaurants and caterers, including, among others, Jim DeJoy Catering in Sonoma, CA, a small Italian bistro in San Francisco's Little Italy, Kabul Restaurant on State Street, the Eldorado Grill on Williamson Street, and the now-closed Wild Iris on Regent Street. (Please see supporting document a for my resume of food service.) My resume also shows that I have been employed in a number of different positions in the food service industry. This has helped me to understand each component of the overall system better. The businesses I worked for varied widely in approach and concept. Through these different experiences, I gained a sense of which techniques can succeed, and which are likely to produce difficulties. I have also traveled and lived abroad and incorporated those cuisines into my own repertoire.

On a more personal level, I have had a love of food all my life. My grandmother and mother cooked Arab food when I was growing up, and my father is a great Italian cook. My family was not vegetarian. Since becoming a vegetarian myself more than 15 years ago, I have examined many available sources of cooking ideas to suit my lifestyle. I have incorporated the best vegetarian ideas into the traditional foundation I gained from my family. This background leaves me uniquely suited to the task of pleasing vegetarians while also introducing those with more traditional tastes to delicious vegetarian food.

I have a law degree from the UW-Madison. However, I do not intend to pursue a legal career at this time. I believe my law school training will be helpful in understanding legal issues that come up as a business owner. It has also helped me develop a number of contacts that can assist with legal issues. Additionally, I have completed a class on running a small business offered through the Community Action Coalition's business development program.

Management/consulting team:

Financial Assistance: Nidal Estiban, CPA, MBA

Nidal is the former head accountant for the national salon chain, Cost Cutters of Madison, Inc. Nidal has worked with me to prepare the financial projections. He will also create a bookkeeping system for the restaurant including monitoring of daily sales. Nidal will be the head bookkeeper and accountant when the restaurant opens. In addition, Nidal has a great deal of restaurant experience. He was a manager at both Big Mike's and Burger King at their State Street locations. He then helped open and was part of the management team of the Shish Café from 1996-1998 and was involved with the catering branch of that business—Mediterranean Healthy Delights. Nidal's combination of business acumen and food-service experience make him amply qualified to assist in this project.

Management Consultant: Ellen Christensen

Ellen has many years experience in the food service industry. For the last 10 years Ellen has worked at restaurants similar to the The Green Owl concept. As a server and manager at Monty's Blue Plate Diner, she helped to develop vegan menu items. Ellen helped to refine the restaurant design in order to facilitate the most waitstaff-friendly and efficient plan while emphasizing the comfort and enjoyment of restaurant customers. In addition, she has input into the interior design of the restaurant, as she specializes in vintage decor.

Graphic Design: Will Capellaro

Will Capellaro is a graphic designer and art director working from Chicago, Illinois. He has more than ten years experience in design and production for print, having designed posters and postcards, books and other materials for various clients in the Midwest and around the country. He is also well versed in web development, having collaborated on site design for catering and real estate companies. Will designed the smart-looking menus (see supporting document d) and will also be responsible for designing the business cards, to-go menus, and interior signs with a similar theme.

These highly qualified individuals who have volunteered their time and skills believe strongly in the concept of The Green Owl Restaurant. Their dedication will help make The Green Owl a success.

Operations

As stated, The Green Owl will have different styles of service for customers at lunch versus those at dinner. As borne out in our market research survey, people usually have a limited amount of time for their lunch breaks. For this reason, The Green Owl will offer counter service for lunch patrons instead of more time-consuming table service.

Preparation for the lunch rush will begin at 8:00 a.m. for me as I get ingredients ready for our lunch dishes. At 9:30 a.m., I will have 2 employees join me to help with prep. These employees will assist in making the daily soups, preparing any vegetables or other ingredients needed for the salad bar and sandwiches, washing prep dishes, stocking plates and silverware for the floor, writing specials on the menu boards and preparing the restaurant to be open for business at 11:00 a.m. The cashier will join us at 11:00 a.m. when we open. At this point, one employee will help me in the kitchen preparing sandwiches and dishing soup. One employee will work at the salad bar while the cashier takes orders, rings them up, and gets drinks for the customers.

The lunch process will go fairly quickly for customers. When they arrive, they will look at the menu posted on a board. If they choose a salad, they will walk up to the salad station and tell the salad attendant whether they want a large or small salad and which ingredients and dressing they choose for their salad. The attendant tosses the salad quickly, puts it on a plate, and hands it over the glass barrier to the customer, who proceeds to the cash register to order a drink and pay for lunch.

This style of salad bar has the advantage of offering premium ingredients while still controlling costs. A traditional salad bar cannot control the amount of each ingredient each customer will take. This is why these types of salad bars often contain cheaper and lower-quality ingredients. For example, many people enjoy having nuts in their salad but the average salad bar usually only stocks run-of-the-mill sunflower seeds. The The Green Owl style of salad bar will be able to offer more exotic ingredients because the salad employee controls the amount of each added to the salad. In other words, if a traditional salad bar was stocked with artichoke hearts and chopped macadamia nuts, customers might tend to hoard those items. The The Green Owl salad attendant will know the prescribed amount to add of each requested items (Customers would get a larger portion of grated carrot than, say, gorgonzola cheese for obvious reasons. This will be portion controlled by placing the appropriate sized measuring cup/serving utensils in the various ingredients). Thereby, The Green Owl can offer choice ingredients to its customers in a cost-effective manner.

Customers who want sandwiches and soup will proceed directly to the cash register to order their food and drink. The cashier will ring up their order, take their names, and hand the orders to the kitchen. The customers take their drinks and sit down or wait near the pick-up area (next to the cash register). When the kitchen has prepared the orders, they place them in the pick-up area of the counter and call the customers' names. Customers then take their orders to a table where they enjoy their meal. People will be

encouraged to put their dishes in a bus tub located in a central spot. Otherwise, an employee will go out on the floor periodically to wipe tables, pick up dishes, and make sure the water station and silverware station are fully stocked.

As the lunch crowd thins out, employees will begin to clean up the restaurant and prepare it for dinner. The kitchen staff will begin to prepare dinner items. The waitstaff will come in around 4:00 p.m. This may be staggered so some waitstaff can come right as we open for dinner at 5:00 p.m. When we open for dinner, one of the waitstaff will serve as host earlier in the evening. Depending on the amount of business the restaurant does, we may hire an additional employee who will serve as host/busser/occasional runner. In addition to two kitchen prep cooks, myself, two or three waitstaff, there will also be a dishwasher/busser.

Down the Road

When The Green Owl has been in operation for a few months we will consider adding delivery service to orders over a certain dollar amount within a five-block radius. I have already contacted SCRAM bike delivery service about this idea and talked to them about issues such as price, seasonality, and speed of delivery. Approximately six months down the road, The Green Owl will transition into catering for special events. We have delayed that element of the business so that we can focus on having a strong opening. Meanwhile, as we develop a loyal client base, we can start marketing The Green Owl's catering. Also, The Green Owl's menu will expand to offer more choices as we become more established. I will gauge what to add by monitoring customer preferences and requests and noting the popularity of our nightly dinner specials. Last, we also plan to participate in the concession business at some of the important Madison festivals such as the Art Fair on the Square, the Big Eat, and the Taste of Madison.

Parking

The Green Owl may or may not have a parking lot. The downtown area has many 2-hour metered parking spaces, and street parking is available on the Near East side. We would prefer a location that has at least a small parking lot. As stated earlier, we also plan to encourage our patrons to bike, bus, or walk to the restaurant by offering incentives.

Bar

The Green Owl will have a full bar available for customers. While the restaurant will stop serving food at 9:00 or 10:00 p.m., the bar will stay open for business until 12:00 midnight. We may adjust these hours as business warrants. As some dinner customers may want a drink with their meal, the bartender will be on duty from 5:00 p.m. until the bar closes.

Staffing

Finding good restaurant employees can sometimes be a challenge. Fortunately, I have worked in the food service industry for several years and have many contacts in the business. In preparation for opening this restaurant, I have kept a running list in mind of quality individuals who may be available and eager to accept a job at The Green Owl. In addition, we may also fill vacant positions via the traditional route of advertising in the classified section of the daily newspaper and interviewing applicants. Additionally, the owner of Bunky's had me participate in interviewing job candidates and asked me to assess potential hires performance during a training period.

Size

The size of The Green Owl restaurant will be about 2,000 square feet—500 for kitchen and the rest for seating, bathroom facilities and the bar area. The Green Owl plans to have a capacity seating of 50 persons.

Hours

The Green Owl will be open Monday through Saturday. This would change if there were evidence of enough business on Sunday to warrant opening for brunch and/or dinner on that day. The dining hours will be 11:00 a.m. to 9:00 p.m. weekdays, until 10:00 p.m. on Friday and Saturday and the bar will stay open until midnight.

Licenses and Permits Required:

- **Restaurant license** from Dane County health department after passing inspection
- **Seller's permit and sales tax account number** from WI Department of Revenue
- **Federal employer ID number** from IRS
- **Unemployment compensation account**
- **Worker's compensation insurance** from insurance carrier
- **Foodservice manager sanitation certificate** obtained by taking one-day class
Note: I've already had this class but must repeat class within 3 months of opening
- **Alcohol beverage license** from City of Madison Alcohol Licensing Review Committee

Financial Assumptions

Sales

We have projected gross food and beverage sales of \$433,824 for the first year of operation. The financial projections are based on statistics from the National Restaurant Association's "Restaurant Industry Operations Report 2002." The data suggests that full service restaurants with a check average per person of under \$15 have an average daily seat turnover of 1.4 for the lower quartile and 2.0 for the median. To be on the safe side we used the 1.4 figures to arrive at our financial projections with an estimated 50-seat capacity. During my experience at Bunky's Café I have observed a turnover rate of over 3.0, much higher than the median figure. The Green Owl will be somewhat similar to Bunky's in service style, price range and other features. However, since Bunky's is in a different neighborhood and since we wanted to be conservative with our projections, we went with the lower turnover average of 1.4 per day.

Cost of Sales

Cost of sales was based on Wisconsin's Restaurant Association averages for the year 2003. Our food cost of sales was estimated at 35% vs. 31% Wisconsin average and beverage cost at 31%.

Salary Expense: Jennie the owner of the restaurant will be making an hourly wage of \$10.00

Loan: Factored in to the projections is a loan for \$100,000 at 7% interest.

Payroll Expense: based on our staffing need (See attached schedule) we estimated the hours needed on a weekly basis to run the restaurant. We used average hourly wages for cook and assistant cooks in Madison to calculate our payroll expense.

Marketing Expense: Veg-Table will allocate \$3,000.00 for our grand opening advertising and for our promotional expense at the time of start-up. For more information please refer to Marketing section.

Major assumptions:

To achieve our projected income levels we assume:

- 1- Sales will grow by 1% from month to month in the first year of operations.
- 2- A cost of sale levels to be maintained at 35%.
- 3- In depreciating our capital equipment, Veg-table used the straight-line method.

The Green Owl: Projected Income Statement-by Month

Year Ended 12/31/2009

	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Total	Percent
Sales														
Food	\$ 28,600.00	\$ 28,894.58	\$ 29,192.19	\$ 29,492.87	\$ 29,796.65	\$ 30,103.56	\$ 30,413.62	\$ 30,726.88	\$ 31,043.37	\$ 31,363.12	\$ 31,686.16	\$ 32,012.52	\$ 363,325.53	80.20%
Beverage/Bar Sales	\$ 7,060.85	\$ 7,193.57	\$ 7,207.05	\$ 7,281.28	\$ 7,356.28	\$ 7,432.05	\$ 7,508.60	\$ 7,585.94	\$ 7,664.07	\$ 7,743.01	\$ 7,822.77	\$ 7,903.34	\$ 89,698.82	19.80%
Total Sales	\$ 35,660.85	\$ 36,028.15	\$ 36,399.24	\$ 36,774.16	\$ 37,152.93	\$ 37,535.61	\$ 37,922.22	\$ 38,312.82	\$ 38,707.44	\$ 39,106.13	\$ 39,508.92	\$ 39,915.87	\$ 453,024.35	100.00%
Cost of Sales														
Food	\$ 8,866.00	\$ 8,957.32	\$ 9,049.59	\$ 9,142.79	\$ 9,236.96	\$ 9,332.10	\$ 9,428.22	\$ 9,525.33	\$ 9,623.44	\$ 9,722.57	\$ 9,822.71	\$ 9,923.88	\$ 112,630.91	24.86%
Beverage	\$ 2,005.28	\$ 2,025.84	\$ 2,046.80	\$ 2,067.88	\$ 2,089.18	\$ 2,110.70	\$ 2,132.44	\$ 2,154.41	\$ 2,176.60	\$ 2,199.02	\$ 2,221.67	\$ 2,244.55	\$ 25,474.47	5.62%
Total Cost of Sales	\$ 10,871.28	\$ 10,983.25	\$ 11,096.39	\$ 11,210.68	\$ 11,326.15	\$ 11,442.80	\$ 11,560.67	\$ 11,679.74	\$ 11,800.04	\$ 11,921.58	\$ 12,044.37	\$ 12,168.43	\$ 138,105.38	30.45%
Gross Profit	\$ 24,789.57	\$ 25,044.90	\$ 25,302.86	\$ 25,563.48	\$ 25,826.79	\$ 26,092.80	\$ 26,361.56	\$ 26,633.08	\$ 26,907.40	\$ 27,184.55	\$ 27,464.55	\$ 27,747.43	\$ 314,618.97	69.51%
Other Income (Catering & Shows)	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,500.00	2.76%
Total Income	\$ 25,789.57	\$ 26,044.90	\$ 26,302.86	\$ 26,563.48	\$ 26,826.79	\$ 27,092.80	\$ 27,361.56	\$ 27,633.08	\$ 27,907.40	\$ 28,184.55	\$ 28,464.55	\$ 28,747.43	\$ 342,418.97	75.59%
Controllable Expenses														
Payroll	\$ 12,124.69	\$ 12,249.57	\$ 12,375.74	\$ 12,503.21	\$ 12,632.00	\$ 12,762.11	\$ 12,893.55	\$ 13,026.38	\$ 13,160.53	\$ 13,296.08	\$ 13,433.03	\$ 13,571.39	\$ 154,028.28	34.00%
Advertising & Promotion	\$ 5,000.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 3,600.00	0.79%
Direct Operating Exp.	\$ 2,199.85	\$ 2,161.69	\$ 2,183.95	\$ 2,206.45	\$ 2,229.18	\$ 2,252.14	\$ 2,275.33	\$ 2,298.77	\$ 2,322.45	\$ 2,346.37	\$ 2,370.54	\$ 2,394.95	\$ 27,181.46	6.00%
Utilities	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,000.00	0.66%
Accounting Fees	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 800.00	0.18%
Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00	0.26%
Kitchen Supplies	\$ 500.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,600.00	0.35%
Office Supplies	\$ 300.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 600.00	0.13%
Permits & Licenses	\$ 10,000.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00	0.07%
Pest Control	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00	0.07%
Telephone	\$ 150.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 1,000.00	0.22%
Waste Removal	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 1,080.00	0.24%
Administrative & General	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,000.00	0.66%
Repairs & Maintenance	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 1,800.00	0.40%
Total Controllable Exp.	\$ 31,146.01	\$ 15,872.99	\$ 16,021.36	\$ 16,171.33	\$ 16,322.84	\$ 16,475.91	\$ 16,630.56	\$ 16,786.80	\$ 16,944.84	\$ 17,104.12	\$ 17,265.24	\$ 17,428.01	\$ 214,169.74	47.26%
Income Before Occupancy Costs	\$ (5,356.44)	\$ 10,171.97	\$ 10,281.50	\$ 10,392.15	\$ 10,503.95	\$ 12,116.89	\$ 12,231.00	\$ 12,346.29	\$ 12,462.76	\$ 12,580.43	\$ 15,199.31	\$ 15,319.42	\$ 128,249.23	28.31%
Occupancy Costs														
Rent	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 25,200.00	5.56%
Property Taxes	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 1,800.00	0.40%
Property Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00	0.26%
Total Occupancy Costs	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 28,200.00	6.22%
Income Before Interest & Dep.	\$ (7,706.44)	\$ 7,821.97	\$ 7,931.50	\$ 8,042.15	\$ 8,153.95	\$ 9,766.89	\$ 9,881.00	\$ 9,996.29	\$ 10,112.76	\$ 10,230.43	\$ 12,849.31	\$ 12,969.42	\$ 100,049.23	22.08%
Interest Expense	\$ 394.52	\$ 393.56	\$ 372.80	\$ 361.64	\$ 350.68	\$ 339.73	\$ 328.77	\$ 317.81	\$ 306.85	\$ 295.89	\$ 284.93	\$ 273.97	\$ 4,010.96	0.89%
Depreciation Expense	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 5,142.86	1.14%
Restaurant Profit	\$ (8,529.53)	\$ 7,009.84	\$ 7,130.32	\$ 7,251.94	\$ 7,374.69	\$ 8,998.59	\$ 9,123.66	\$ 9,249.91	\$ 9,377.94	\$ 9,505.97	\$ 12,135.81	\$ 12,266.88	\$ 90,895.41	20.06%
Income Before Income Taxes	\$ (8,529.53)	\$ 7,009.84	\$ 7,130.32	\$ 7,251.94	\$ 7,374.69	\$ 8,998.59	\$ 9,123.66	\$ 9,249.91	\$ 9,377.94	\$ 9,505.97	\$ 12,135.81	\$ 12,266.88	\$ 90,895.41	20.06%

The Green Owl

Assumptions

Sales Projections			
Avg Food Check	\$ 10.00	Includes non-alcoholic beverages, assumes 1/2 of people order non-alcoholic beverage & 1/4 of people order an appetizer	
Alcohol Sales (%)	19.8	From NRA, American (varied) theme	
Food Sales (%)	80.2		
	\$ 2.47	Average check, alcohol only (\$)	
Average Ticket:	\$ 12.47		
Capacity:	\$ 50.00		
Turnover Ratio	\$ 2.20		
Monthly Sales	\$ 35,660.85		
Food	\$ 28,600.00		
Alcoholic beverage	\$ 7,060.85		
Avg Daily Total Sales	\$ 1,171.61		
Avg Daily Food Sales	\$ 939.63	\$ 7,741.00	NRA sales per seat per year checks under \$15 American (varied) theme
Avg Daily Alc Sales	\$ 231.98	\$ 387,050.00	Yearly sales
Sales Growth (%/mo)	1.03		
Labor (% total sales)	34	NRA Report Pages	
		American (varied)	17,34,35
Food cost (%)	31	Checks (\$10-\$15)	38.39
Beverage cost (%)	28.4	Accounting Definitions	12

Notes: Open 6 nights a week

The Green Owl: Projected Income Statement-by Month
Year Ended 12/31/2009

	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Total	Percent
Sales														
Food	\$ 18,200.00	\$ 18,746.00	\$ 19,308.38	\$ 19,887.63	\$ 20,484.26	\$ 21,098.79	\$ 21,731.75	\$ 22,383.70	\$ 23,055.22	\$ 23,746.87	\$ 24,459.28	\$ 25,193.08	\$ 258,294.94	80.20%
Beverage/Bar Sales	\$ 4,489.27	\$ 4,628.06	\$ 4,761.91	\$ 4,909.91	\$ 5,057.21	\$ 5,208.93	\$ 5,365.20	\$ 5,526.15	\$ 5,691.94	\$ 5,862.99	\$ 6,039.57	\$ 6,219.73	\$ 63,768.58	19.80%
Total Sales	\$ 22,689.27	\$ 23,374.06	\$ 24,075.29	\$ 24,797.55	\$ 25,541.47	\$ 26,307.72	\$ 27,096.95	\$ 27,909.86	\$ 28,747.15	\$ 29,609.57	\$ 30,497.85	\$ 31,412.79	\$ 322,063.51	100.00%
Cost of Sales														
Food	\$ 5,642.00	\$ 5,811.28	\$ 5,985.80	\$ 6,165.17	\$ 6,350.12	\$ 6,540.62	\$ 6,736.84	\$ 6,938.95	\$ 7,147.12	\$ 7,361.53	\$ 7,582.38	\$ 7,809.85	\$ 80,071.43	24.88%
Beverage	\$ 1,276.09	\$ 1,314.37	\$ 1,353.80	\$ 1,394.42	\$ 1,436.25	\$ 1,479.34	\$ 1,523.72	\$ 1,569.43	\$ 1,616.51	\$ 1,665.01	\$ 1,714.95	\$ 1,766.40	\$ 18,110.28	5.62%
Total Cost of Sales	\$ 6,918.09	\$ 7,125.63	\$ 7,339.60	\$ 7,559.59	\$ 7,786.37	\$ 8,019.96	\$ 8,260.56	\$ 8,508.38	\$ 8,763.63	\$ 9,026.54	\$ 9,297.33	\$ 9,576.25	\$ 98,181.71	30.49%
Gross Profit	\$ 15,771.18	\$ 16,248.43	\$ 16,735.89	\$ 17,237.96	\$ 17,755.10	\$ 18,287.76	\$ 18,836.39	\$ 19,401.48	\$ 19,983.52	\$ 20,583.03	\$ 21,200.52	\$ 21,836.54	\$ 223,881.81	69.51%
Other Income (Catering & Shows)	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00	3.72%
Total Income	\$ 16,771.18	\$ 17,248.43	\$ 17,735.89	\$ 18,237.96	\$ 18,755.10	\$ 19,287.76	\$ 19,836.39	\$ 20,401.48	\$ 20,983.52	\$ 21,583.03	\$ 22,200.52	\$ 22,836.54	\$ 235,881.81	73.23%
Controllable Expenses														
Payroll	\$ 7,715.71	\$ 7,947.18	\$ 8,185.80	\$ 8,431.17	\$ 8,684.10	\$ 8,944.82	\$ 9,212.96	\$ 9,489.35	\$ 9,774.03	\$ 10,067.25	\$ 10,369.27	\$ 10,680.35	\$ 109,501.59	34.00%
Advertising & Promotion	\$ 5,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 36,000.00	11.15%
Direct Operating Exp.	\$ 1,381.60	\$ 1,402.44	\$ 1,444.52	\$ 1,487.85	\$ 1,532.49	\$ 1,578.46	\$ 1,625.82	\$ 1,674.59	\$ 1,724.83	\$ 1,776.57	\$ 1,829.87	\$ 1,884.77	\$ 19,323.81	5.99%
Utilities	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,000.00	0.93%
Accounting Fees	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 66.67	\$ 800.00	0.25%
Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00	0.37%
Kitchen Supplies	\$ 500.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,600.00	0.50%
Office Supplies	\$ 300.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 650.00	0.20%
Permits & Licenses	\$ 10,000.00												\$ 10,000.00	3.10%
Pest Control	\$ 150.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 300.00	0.09%
Telephone	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 80.00	\$ 960.00	0.30%
Waste Removal	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 90.00	\$ 1,080.00	0.34%
Administrative & General	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 3,000.00	0.93%
Repairs & Maintenance	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 1,800.00	0.56%
Total Controllable Exp.	\$ 25,958.97	\$ 10,811.29	\$ 11,091.79	\$ 11,380.68	\$ 11,678.28	\$ 11,984.75	\$ 12,300.45	\$ 12,625.61	\$ 12,960.53	\$ 13,305.49	\$ 13,660.91	\$ 14,026.78	\$ 161,785.41	50.23%
Income Before Occupancy Costs	\$ (9,188.79)	\$ 6,437.14	\$ 6,644.11	\$ 6,857.28	\$ 7,076.85	\$ 8,003.00	\$ 9,035.94	\$ 9,275.87	\$ 9,523.00	\$ 9,777.54	\$ 12,539.71	\$ 12,809.76	\$ 89,566.40	27.82%
Occupancy Costs														
Rent	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 25,200.00	7.82%
Property Taxes	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 1,800.00	0.56%
Property Insurance	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 1,200.00	0.37%
Total Occupancy Costs	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 2,350.00	\$ 28,200.00	8.76%
Income Before Interest & Dep.	\$ (11,533.79)	\$ 4,087.14	\$ 4,294.11	\$ 4,507.28	\$ 4,726.85	\$ 5,653.00	\$ 6,686.94	\$ 6,925.87	\$ 7,173.00	\$ 7,427.54	\$ 10,189.71	\$ 10,459.76	\$ 61,366.40	19.05%
Interest Expense	\$ 394.52	\$ 393.96	\$ 372.80	\$ 361.64	\$ 350.88	\$ 339.73	\$ 328.77	\$ 317.81	\$ 306.85	\$ 295.89	\$ 284.93	\$ 273.97	\$ 4,010.88	1.25%
Depreciation Expense	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 428.57	\$ 5,142.86	1.60%
Restaurant Profit	\$ (12,356.89)	\$ 3,275.01	\$ 3,492.93	\$ 3,717.08	\$ 3,947.59	\$ 5,684.71	\$ 5,928.60	\$ 6,179.49	\$ 6,437.58	\$ 6,703.08	\$ 9,478.21	\$ 9,757.21	\$ 52,242.59	16.22%
Income Before Income Taxes	\$ (12,356.89)	\$ 3,275.01	\$ 3,492.93	\$ 3,717.08	\$ 3,947.59	\$ 5,684.71	\$ 5,928.60	\$ 6,179.49	\$ 6,437.58	\$ 6,703.08	\$ 9,478.21	\$ 9,757.21	\$ 52,242.59	16.22%

The Green Owl

Assumptions

Sales Projections			
Avg Food Check	\$ 10.00	Includes non-alcoholic beverages, assumes 1/2 of people order non-alcoholic beverage & 1/4 of people order an appetizer	
Alcohol Sales (%)	19.8	From NRA. American (varied) theme	
Food Sales (%)	80.2		
	\$ 2.47	Average check alcohol only (\$)	
Average Ticket:	\$ 12.47		
Capacity:	\$ 50.00		
Turnover Ratio	\$ 1.40		
Monthly Sales	\$ 22,693.27		
Food	\$ 18,200.00		
Alcoholic beverage	\$ 4,493.27		
Avg Daily Total Sales	\$ 745.57		
Avg Daily Food Sales	\$ 597.95	\$ 7,741.00	NRA sales per seat per year, checks under \$15 American (varied) theme
Avg Daily Alc Sales	\$ 147.62	\$ 387,050.00	Yearly sales
Sales Growth (%/mo)	1.03		
Labor (% total sales)	34	NRA Report Pages	
		American (varied)	17 34.35
Food cost (%)	31	Checks (\$10-\$15)	38 39
Beverage cost (%)	28.4	Accounting Definitions	12

Notes: Open 6 nights a week