

# ORIGINAL ALCOHOL BEVERAGE LICENSE APPLICATION

Submit to municipal clerk.

For the license period beginning \_\_\_\_\_ 20\_\_\_\_ ;  
ending \_\_\_\_\_ 20\_\_\_\_

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

County of Dane Aldermanic Dist. No 4 (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): Underground Kitchen & Delicatessen, LLC

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>Managing Member</u>	<u>Melinda Trudeau</u>	<u>Madison, WI</u>
Vice President/Member	<u>Managing Member</u>	<u>Jonathan Hunter</u>	<u>Madison, WI</u>
Secretary/Member	<u>Managing Member</u>	<u>Jonathan Atwell</u>	<u>Madison, WI</u>
Treasurer/Member			
Agent	<u>MELINDA TRUDEAU</u>		
Directors/Managers			

- 3 Trade Name Underground Kitchen & Delicatessen, LLC Business Phone Number (608)239-5474  
4 Address of Premises 127 E. Mifflin St. Madison, WI Post Office & Zip Code 53703

- 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 Wisconsin and date 01/23/10 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) Restaurant Space at 127 E. Mifflin St.
- 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? Cafe Montmartre
- 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 22 day of FEBRUARY, 2010

[Signature]  
(Clerk/Notary Public)

My commission expires 5-6-2012

[Signature]  
(Officer of Corporation/Member/Manager of Limited Liability Company/Partner/Individual)

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

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

**TO BE COMPLETED BY CLERK**

Date received and filed with municipal clerk	Date reported to council/board	Date provisional license issued	Signature of Clerk / Deputy Clerk
Date license granted	Date license issued	License number issued	

Applicant's Wisconsin Seller's Permit Number: <u>456102703067303</u>	
Federal Employer Identification Number (FEIN): <u>27-1875050</u>	
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	\$
<b>TOTAL FEE</b>	<b>\$</b>

7. Are there any special conditions desired by the neighborhood? No

Explain: We have not been contacted by anyone voicing concern, however we have heard that the last business at the location upset the neighbors with loud DJs. Because of this we have arranged a neighborhood meeting through Mike Verveer for 3/8/10.

10. Detailed written description of building, including overall dimensions, seating arrangements, capacity, bar size and areas where alcohol beverages are to be sold and stored. **The licensed premise described below shall not be expanded or changed without the approval of the common counsel.**

The entire space is approximately 88 ft by 40 ft. The space is broken down into two sections, the main restaurant section, and the delicatessen section. There will be a bar in each section, the bar in the main restaurant area will seat around eight people and the bar in the delicatessen will seat around four people. The main dining room will have seven bench tables that can seat four will hug the north wall. There will also be a large U-shaped communal table in the front window former stage area. The delicatessen will have two to three tables by the window and cocktail tables spread throughout the rest of the room. The delicatessen will be used for additional restaurant seating at night. The estimated total seating capacity is 100 people. Keg beer will be stored in a walk in cooler in the delicatessen. Other liquor will be stored in a secured storage area in the back of the building

13. Describe your management experience, staffing levels, duties and employment training.

Management Experience:

**Melinda Trudeau** has over twenty years experience in the restaurant industry. Melinda has been the general manager of the Tornado Steak House since 1996 and is solely responsible for hiring training and managing all of the front house staff.

**Jonathan Atwell** is a partner in UFC, a cook for Ironworks cafe, an experienced charcuterie producer, and a former farm coordinator for FH King Students for Sustainable Agriculture at UW-Madison.

**Jonathan Hunter** is a partner in UFC, a consultant for Ironworks Cafe, a former manager of Catacombs Cafe, an experienced butcher, and an experienced charcuterie producer.

Staffing Levels: We plan on four to five cooks, and fifteen waiters and bar staff.

Employment Training: All bar staff will be required to complete beverage service training including evening waitstaff

# City of Madison Supplemental Class B License Application

<input checked="" type="checkbox"/> Seller's Permit Number <input checked="" type="checkbox"/> Federal Employer Identification # <input checked="" type="checkbox"/> Notarized Original Application Form <input checked="" type="checkbox"/> Notarized Supplemental Form <input type="checkbox"/> Orange Sign (Clerk's Office provides at time of application)	<input checked="" type="checkbox"/> Written Description of Premise <input type="checkbox"/> Background Investigation Form(s) <input checked="" type="checkbox"/> Notarized Transfer of Ownership <input checked="" type="checkbox"/> *Articles of Incorporation <input checked="" type="checkbox"/> *Notarized Appointment of Agent * Corporation/LLC only	<input checked="" type="checkbox"/> Floor Plans <input checked="" type="checkbox"/> Lease <input checked="" type="checkbox"/> Sample Menu <input checked="" type="checkbox"/> Business Plan
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1. Name of Applicant/Partner/Corporation/LLC UNDERGROUND KITCHEN & DELICATESSEN  
 2. Address of Licensed Premise 127 EAST MUELLEN STREET MADISON, WI  
 3. Telephone Number: 608 239 5474 4. Anticipated opening date: 5 01 2010  
 5. Mailing address if not opening immediately MADISON, WI 53713

6. Have you contacted the Alderperson, Police Department District Captain, Alcohol Policy Coordinator, and the neighborhood association representative for the area in which you intend to locate?  Yes  No

7. Are there any special conditions desired by the neighborhood?  Yes  No  
 Explain. SEE ATTACHED

8. Business Description, including hours of operation: M-T 11-2 AM, F 11-2:30 AM,  
SAT. 9-2:30 AM, SUN. 9-2 AM

9. Do you plan to have live entertainment?  No  Yes—What kind? \_\_\_\_\_

10. Detailed written description of building, including overall dimensions, seating arrangements, capacity, bar size and all areas where alcohol beverages are to be sold and stored. **The licensed premise described below shall not be expanded or changed without the approval of the Common Council.**

SEE ATTACHED

11. Are any living quarters directly or indirectly accessible and under control of the applicant?  Yes  No  
 Please note that alcohol may be sold and stored only on the licensed premise, not in living quarters.

12. Describe existing parking and how parking lot is to be monitored. NO PARKING PERMITTED

13. Describe your management experience, staffing levels, duties and employee training.

SEE ATTACHED

14. Identify the **registered agent** for your Corporation or LLC. This is your corporation's agent for service of process, notice or demand required or permitted by law to be served on the corporation.

JONATHAN D. HUNTER  
 Name

MADISON, WI  
 Address

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

WORKING ADULTS AND FAMILIES

16. What age range would you hope to attract to your establishment? 25+

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

WORD OF MOUTH - LOCAL NEWSPAPERS

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

19. Owner of building where establishment is located: DUANE HENDRICKSON

Address of Owner: 520 UNIVERSITY AVE. MADISON, WI 53703 Phone Number 608 257 4221  
SUITE 200

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

JONATHAN LUNTER , MADISON, WI  
Name Address

MELINDA TRUDEAU , MADISON, WI  
Name Address

JONATHAN ANSEL , MADISON, WI  
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? \_\_\_\_\_

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? 11AM - 1:30 AM FRI/SAT

11AM - 1:00 AM ALL OTHER

27. What hours, if any, will food service not be available? APPROX 1 AM
28. Indicate any other product/service offered. LUNCHEON MEAT/CHEESE SANDWICHES TO GO
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? 10-15  
 During what hours do you anticipate they will be on duty? 4 PM - 2 AM
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? 20  
 How many bartenders do you anticipate you would have working at one time on a busy night? 5
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? \_\_\_\_\_
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  
IT WILL ALSO BE USED FOR KEG BEER
38. What percentage of your overall payroll do you anticipate will be devoted to food operation salaries?  
50 %
39. If your business plan includes an advertising budget, what percentage of your advertising budget do you anticipate will be related to food? 90% WE WILL PLAN MONTHLY THEME DINNERS  
 What percentage of your advertising budget do you anticipate will be drink related? 10%  
SOMETIMES OUR THEME DINNERS WILL BE DRINK RELATED SUCH AS "CHARCUTERIE & ROSE"
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? 100

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	45	%
Gross Receipts from Food and Non-Alcoholic Beverages	55	%
Gross Receipts from Other		%
<b>Total Gross Receipts</b>	<b>100%</b>	

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.

*SEE ATTACHED TWELVE MONTH PROFIT AND LOSS PROJECTION*

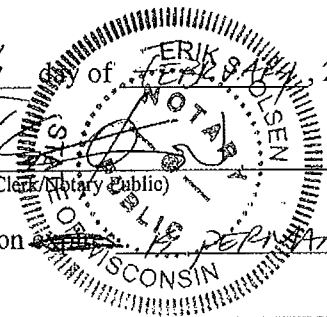
**Read carefully before signing:** Under penalty provided by law, the applicant states that the above information has been truthfully completed to the best of the knowledge of the signer. Signer agrees to operate this business according to law and that the rights and responsibilities conferred by the 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 19th day of FEBRUARY, 2010

*[Signature]*  
(Clerk/Notary Public)

My commission expires PERMANENT



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

SAMPLE MENU · Underground Kitchen · 127 East Mifflin Street · Madison, WI

20\$

oven roasted spring pullet chicken in cast iron, with morels and schmaltz and steamed wheat berry salad

chicken leg and thigh simmered in a chicken broth with wild rice, green garlic and baby lacinato kale

*12\$ for a single plate, or served family style for 2 @ 22\$, for 4 @ 40\$, for 8 @ 76\$ and a whole leg of lamb for 125\$ (serves 12)*

roast leg of spring lamb, and roasted baby turnips with salsa verde (Italian green herb sauce)

8\$

lamb tenderloin tartar, shaved ramps, a pullet yolk, sunflower vinaigrette, and cress spring expedition bread toast.

6\$

white marrow beans in broth (meat or vegetarian) and a chiffonade of ramp greens

8\$

steamed spinach with palestinian olive oil and lemon

7\$

overwintered leeks, braised, and oven finished with 9 mo pleasant ridge reserve

12\$

quartered baby gem lettuce spread with french mayonnaise enriched with anchovy and parmesan, served with olive oil and garlic fried baguette toasts and a ramekin of oil cured white anchovies

8\$

roasted baby carrots, ramp bulbs and cashews with house vinaigrette (emulsified champagne vin with seasonal herbs) served with seeded whole wheat berry bread (slices of small round loaf) and butter

9\$

1/2 # roasted hoop house beets with sauteed baby beet greens

8\$

hoop house green salad with house vinaigrette, 2 oz bowl of sprouted lentils diced white scallions

12\$

platter smoked country ham thin sliced and served with spiced nuts and fresh bread

9\$

french breakfast radishes served with rabbit liver pate

8\$

fresh sheep milk brebris and roasted green garlic dressing served with crudites of baby carrots, and turnips

1/3# for 8\$, 2/3# for 15\$

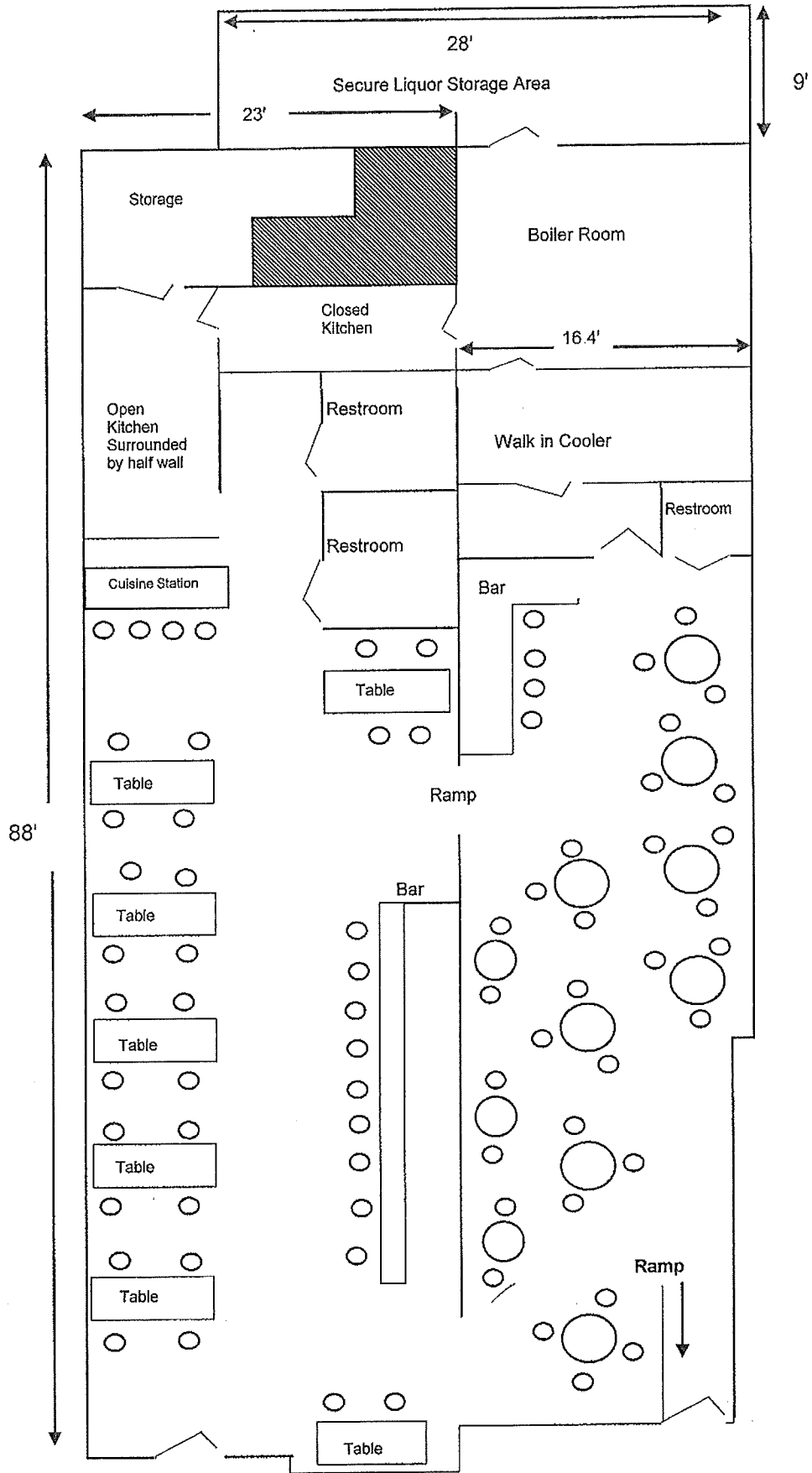
black pepper salami, with house made crackers, and tarragon mustard

14\$

butler farmstead aged tome with country baguette

4\$

pound cake with poached rhubarb and whipped cream anglaise



**Underground Kitchen 127 East Mifflin Street**



## Written Description of Premise

The entire space is approximately 88 ft by 40 ft. The space is broken down into two sections, the main restaurant section, and the delicatessen section. There will be a bar in each section, the bar in the main restaurant area will seat around eight people and the bar in the delicatessen will seat around four people. The main dining room will have seven bench tables that can seat four will hug the north wall. There will also be a large U-shaped communal table in the front window former stage area. The delicatessen will have two to three tables by the window and cocktail tables spread throughout the rest of the room. The delicatessen will be used for additional restaurant seating at night. The estimated total seating capacity is 100 people. Keg beer will be stored in a walk in cooler in the delicatessen. Other liquor will be stored in a secured storage area in the back of the building.

# THE UNDERGROUND KITCHEN

Prepared by: Greg Katechis

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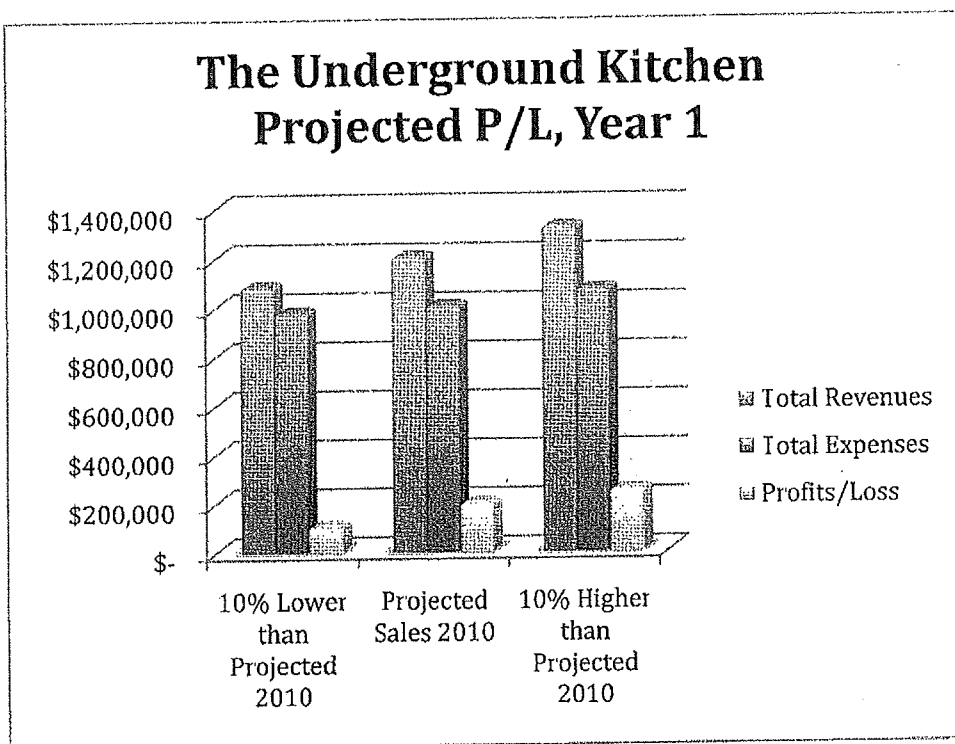
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[Type the company address]

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The following plan is based on years of experience, is highly focused, and promises to follow a path of prosperity for its investors, owners, managers and staff. It is based on expected sales figures; however actual sales may be higher or lower. The projections contained herein are authentic and will be used as the budget for the business. With almost no short- or long-term liabilities, The Underground Kitchen will realize a profit in FY 1 and will be able to pay out dividends to investors in a timely manner. This amazing opportunity is available for a minimal investment and details will be explained in the attached prospectus.

The Underground Kitchen is a natural extension of the phenomenally successful catering operation, The Underground Food Collective. With a focus on expert preparation of locally sourced food, the menu will highlight the natural essence of the The Underground Kitchen's offerings. As you walk into the restaurant, you will feel immediately at ease with the organic environment and the warm and friendly service. A magnificently crafted, yet decidedly uncluttered back bar will draw your attention through the main space and the brightly lit sidecar will draw your attention to the right. With a strong following from the loyally dedicated and a tantalizingly new concept to Madison, The Underground Kitchen will be embraced by everyone who loves dining out!



## Objectives

1. To provide an equitable and living wage to all employees and a healthy Return on Investment to all owners and investors
2. To expand the business to include a luncheon/delicatessen in the sidecar within 6 months.
3. To open a butchery and delicatessen in the sidecar space within 6 months of opening The Underground Kitchen.

## Mission Statement

“The Underground Kitchen aims to promote the bountiful seasonal offerings provided by the Wisconsin landscape and its sustainable agricultural history, in an environment that is both inviting and relaxing”

## Keys to Success

- 1 We must develop and sustain a high-value guest base that believes in the concept and will immediately think of The Underground Kitchen for their dining and event needs. It is therefore imperative that the level of service matches the quality of our food, as this will help create lasting relationships with all of our guests.
- 2 The seasonal nature of The Underground Kitchen creates a constantly evolving menu with a wide variety of offerings. This variety will require that the utmost attention be paid to food costs, as the success of the restaurant is directly tied to our ability to control these costs.
- 3 Our greatest marketing tool lies within the employees of our restaurant, particularly the Front of the House (FOH) staff, as they deal directly with the guests. We must therefore focus on retaining employees that promote the values of our restaurant and make certain that they have all of the available information necessary to pass along to our customers
4. We must treat all of our vendors, distributors, and farmers with respect and develop long-lasting relationships with them. With the volatile nature of the restaurant, we will at times require the members of our value chain to go above

and beyond the normal call of duty and they will be more likely to do so if we have treated them well in the past

## Company Summary

The Underground Kitchen's menu is focused on elegant preparations of fantastic ingredients served either as individual entrees, a tapas style menu, or as a family meal. Approximately seven bench tables will hug the north wall of the main dining room, with seating for four at each table. These tables are easily combined or broken down to accommodate large or small parties. There will be a large U-shaped communal table in the front window former stage area. The large communal table will serve a family style meal each weeknight at 6:00 pm and 9:00 pm and on Friday and Saturday there will be midnight seatings. Cost for meal will range between 25\$ and 40\$ and beverage pairing will be available for an additional cost.

In the sidecar, guests will be seated at two to three window tables, and there will be cocktail service on the south wall bar and at cocktail tables throughout the rest of the room. The meal counter in the delicatessen will serve cured meat platters, crudite and cheese plates. The bar will also feature locally grown products in drink specials. The bar will serve an alcoholic punch nightly, such as *rhubarb infused brandy with gruner vetliner and soda*. The bar will offer run six to eight cocktails such as *cava and spiced Concord grape cordial* or *bourbon myer lemon sour* as well as a variety of call liquors. The bar will carry between six to eight tap beers and an assortment of beers in bombers and growlers. The wine list will be small and affordable, with prices ranging from 18\$ to 60\$ a bottle. Non-alcoholic seasonally inspired drinks will be available, as well as cane sugar soda and house made sodas.

## Company Ownership

The Underground Kitchen will operate as an LLC, with controlling shares of ownership held by the following partners.

The shares of ownership are broken down as follows:

1. Jonathan D Hunter- 33%
2. Jonathan Atwell- 33%
- 3 Melinda Trudeau- 33%

## Market Analysis

The Underground Kitchen appeals to a wide variety of people across all ages and financial backgrounds; however our target market is the 20-Something Young Professional in the Madison Metropolitan Statistical Area (MSA) In this MSA, our target market numbers 59,000 and they spend a generous portion of their disposable income on eating out<sup>1</sup> This group comprises a large number of restaurant industry professionals in the downtown area and our management team has grown relationships with many of them over the years. They are very well versed in wine, food, and liquor and have incredibly high expectations of service when they dine out. Based on interviews, this group goes out to eat 3-5 times a week, typically after a night of work and will spend \$10-\$20 each night. This group will be the life of the restaurant and it will be our mission to make sure that they have an incentive to come and dine at our establishment as often as possible.

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<sup>1</sup> Downtown Madison Market Analysis, Downtown Madison, Inc  
<[http://www.downtownmadison.org/programs/index.php?category\\_id=3443](http://www.downtownmadison.org/programs/index.php?category_id=3443)>

## Industry Analysis

The Underground Kitchen will operate within the restaurant industry, NAICS code 722110. While this is the explicit industry that we will operate within, it is important to note that we are implicitly involved in the entertainment industry. We do serve food and beverage, but there are thousands of restaurants that our guests could choose from. Our goal is to provide service and entertainment that will make our guests want to come back to our establishment rather than our competitors.

The restaurant industry is one of the strongest performing industries in America, outperforming housing, auto making, and electronics industries, in terms of total sales.<sup>2</sup> 2009 sales projections show \$566 billion in sales, an increase of 2.5% from 2008 equaling 4% of the United States' gross domestic product.<sup>3</sup> According to the National Restaurant Association, Americans want healthier and "greener" dining options<sup>4</sup> and our restaurant will be poised to take advantage of this with our sustainably sourced offerings.

In an industry as competitive as the restaurant industry, it is imperative that we continue to work on our advantage. There are no real trade secrets or patents that we can capitalize on, as an industry this mature has been exploited and written about ad nauseum. The one advantage that we have here over most start-ups is that we are well connected with suppliers and local farmers. Additionally, we have very good relationships with our direct competitors in the neighborhood and they see our concept as a help to their business rather than a hindrance.<sup>5</sup> These connections will allow us to capitalize on trends that other owners see in the market faster and we can create a network that fosters knowledge and communication with our competition. In the short-term, we will be able to take advantage of the boom that new restaurants in Madison experience and we will have to "wow" them with our service and food to make sure that they come back after their first visit.

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<sup>2</sup> "The Restaurant Manager's Handbook" Douglas Robert Brown, Introduction

<sup>3</sup> [http://www.restaurant.org/research/ind\\_glance.cfm](http://www.restaurant.org/research/ind_glance.cfm)

<sup>4</sup> <http://www.21food.com/news/detail21396.html>

<sup>5</sup> See Appendix for a list of supplier and competitor relationships

In the restaurant industry, there are many suppliers of food, but the giants that dominate the industry are Sysco and US Foodservice. These companies have a wide range of product and service offerings that go beyond simple food delivery. Typically, they are able to offer the lowest prices on most staple products due to their buying power, but with this price comes lower quality offerings. Since they purchase in bulk, they cannot keep an eye on their product as well as a smaller company, such as V. Marchese, a 4<sup>th</sup> generation family owned company that focuses on providing only the highest quality products to their customers.

An emerging trend is in the farmer-supplied produce that restaurants are beginning to employ. Some farmers have even begun growing specific varieties for specific restaurants that they have created relationships with. According to farm owner Susan Vidal, "There is a tremendous amount of interest in local food now and for very good reasons. Since it can be picked and delivered within a day, local food is much fresher, tastier and more nutritious than food that must travel hundreds or thousands of miles from farm to restaurant. This is important to discriminating chefs."<sup>6</sup> By focusing our efforts on developing relationships with farmers like Vidal, we will know more about the product that we are selling, which will allow us to create new and exciting dishes for our guests.

There are significant barriers to entry in this industry, most notably the incredible amount of work that it takes to open a new restaurant. Due to the nature of food handling, there are many state and federal regulations that restaurants must comply with. In a city like Madison, it has become very difficult to obtain the licensing required to open a restaurant and there was recently a freeze on licensing for any establishment that received more than 50% of its revenues from liquor.

Competition in this industry is fairly intense, but the relationship between owners and operators in Madison is actually quite friendly. Organizations such as the Slow Food Movement and Madison Originals cultivate a working relationship between area businesses. Madison Originals mission statement states, "Our mission is to call attention to the concept

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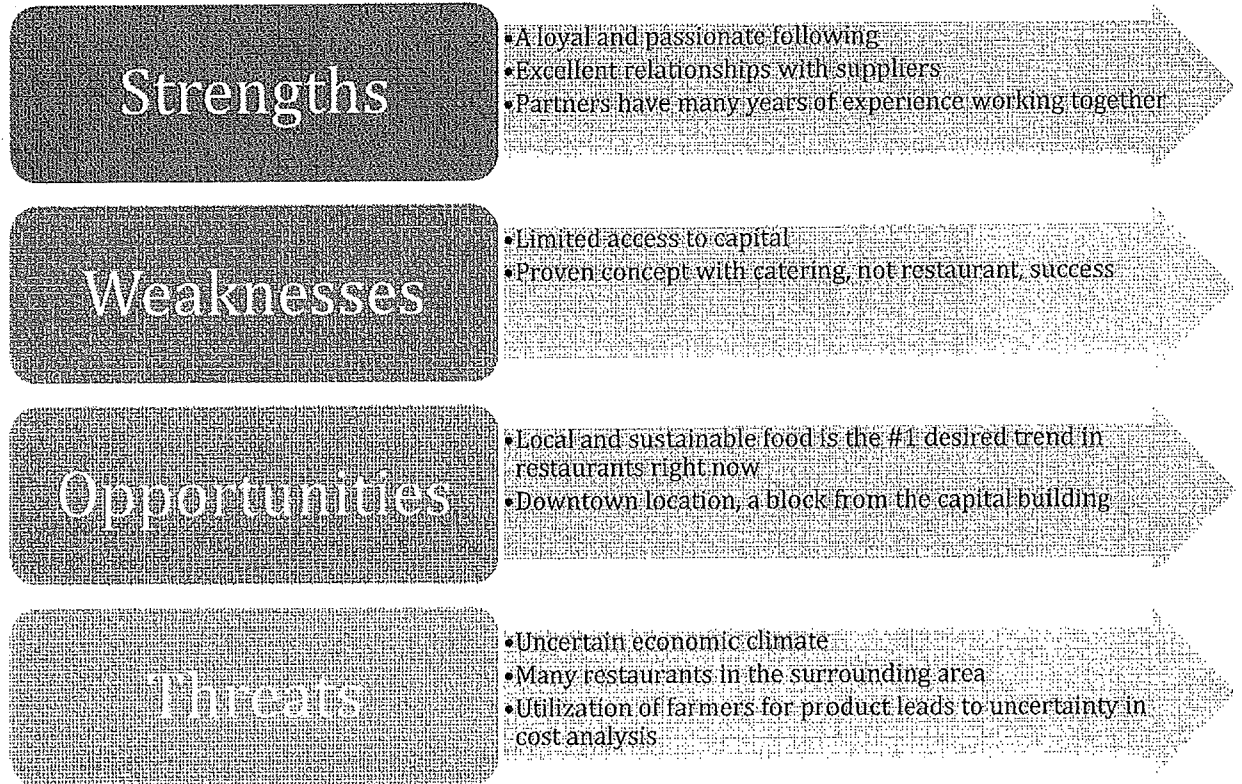
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[http://www.starexponent.com/cse/news/local/article/madison\\_farmers\\_supply\\_direct\\_to\\_restaurants/34408/](http://www.starexponent.com/cse/news/local/article/madison_farmers_supply_direct_to_restaurants/34408/)



of eating locally through collective marketing efforts, special events and sponsorship of charitable causes.”<sup>7</sup>

## SWOT Analysis



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<sup>7</sup> <http://www.madisonoriginals.org/>

## Competitive Advantage

The Underground Kitchen is poised to take advantage of the growing trend in locally sourced foods, at a price point currently not available from restaurants such as L'Etoile, which follows a similar model. According to National Restaurant Consultants, sourcing food locally will give a competitive and cost advantage to the restaurants willing to adopt this undertaking.<sup>8</sup> With the nation's largest Farmer's Market on Saturdays, Madison has a particular dedication to supporting Wisconsin farmers and producers

## Management Summary

We are a collective run business with their collective members and many years of experience with restaurant and food handling experience. We are able to handle all of our management and technology needs from the experience of our collective. We see possible room for growth and will pursue new collective members as our growth plan unfolds. Because of the nature of our business we feel that our current model allows us great flexibility and utilizes the skills of the collective and allows us to manage quickly and with efficiency

Jonathan Atwe'

Partner UFC, cook for Ironworks cafe, experienced charcuterie producer, former farm coordinator for FH King Students for Sustainable Agriculture at UW-Madison.

Jonathan D. Hunter (608) 320-0017

Partner UFC, consultant for Ironworks Cafe, former manager of Catacombs cafe, experienced butcher, experienced charcuterie producer, M A candidate in Public Affairs

Melinda Trudeau

Melinda Trudeau will manage the front of house staff and wine & beverage program at Underground Kitchen & Delicatessen. Melinda has over twenty years experience in the Restaurant industry. Since 1996, she has served as General Manager of the award-winning

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<sup>8</sup> <http://www.nationalrestaurantconsultants.com/Top-Trends.html>

Tornado Steak House, proving herself an integral part of one of Madison's most prominent and successful restaurants. In her role as General Manager, Melinda is solely responsible for the hiring, training, and managing of all front of house staff. She directs the restaurant's extensive wine & beverage program, organizes reservations and oversees special events. In addition to her front of house duties, Melinda is also responsible for menu development, the hiring of the Executive Chef and Kitchen Managers, and maintaining a rewards program with local hotels. From 2000-2005, while managing Tornado Steak House, Melinda also initialized the marketing strategies for and organized special event planning at Madison's landmark Orpheum Theatre. Melinda will bring the skills and knowledge from her years of successful experience in Madison's restaurant industry and apply them to the daily operations of the Underground Kitchen & Delicatessen.