

HODAN, DOSTER & GANZER, s.c.

ATTORNEYS AT LAW
ANCHOR BANK BUILDING
5555 NORTH PORT WASHINGTON ROAD SUITE 207
MILWAUKEE, WISCONSIN 53217
TELEPHONE 414/351-9150

FAX 414/352-6901

WEBSITE: HODANGANZER.COM

November 17, 2009

VIA FAX (608-267-8715)
AND REGULAR U.S. MAIL

Attorney Steven C. Brist
Madison City Attorneys Office
210 Martin Luther King Jr. Blvd., Room 401
Madison, WI 53703-3345

Re: Public Hearing - 552 State LLC
Agenda Item No. 16440

Dear Attorney Brist:

I write this letter today on behalf of my client, Mark Schuman, to provide information that we believe directly impacts the agenda item referenced above. It is our understanding that the Alcohol License Review Committee (ALRC) is planning to take action on this item at its meeting on November 18, 2009.

In mid-2008, Mr. Schuman and David Schwoegler, on behalf of the corporation that owns The Pub, entered into a sales agreement. That agreement called for Mr. Schuman to purchase the stock of the corporation and thereby control the assets of the corporation, namely, The Pub. Mr. Schuman subsequently entered into an agreement with Robert Baum and Cam Benninghoven to develop the property. Mr. Baum and Mr. Benninghoven appeared before the ALRC and the Common Council in February and March this year. On March 3, 2009, the Common Council approved a Change of Corporate Control motion as it related to The Pub, and Mister Baum and Mister Benninghoven were recognized as the purchasers of The Pub's managing corporation. The minutes of that meeting indicate that the new owners were to contact the City when the sale was completed.

During the period of time referenced above, Eric Fleming brought suit against The Pub and David Schwoegler. Mr. Fleming claimed that he had a valid contract to purchase the property that predated the Schuman agreement. The ALRC should be aware that the case involving Mr. Fleming's claim is set for trial in February 2010. If Mr. Fleming is successful in his claim for specific performance, the court could order the applicant before you to

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turn the property over to Mr. Fleming. It would seem that the ALRC should be quite sure that 552 State LLC and its agent Gus Paras have resolved the litigation with Mr. Fleming.

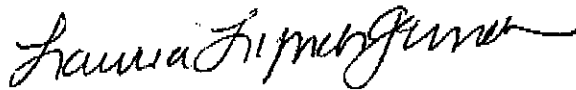
Furthermore, Mr. Schuman and his partners believe that they still have a valid contract to purchase The Pub's managing corporation. Mr. Schuman has never terminated his offer to purchase same nor have the owners of The Pub's corporation terminated their intent to sell in writing, as required under the contract.

The property which houses the bar concerned with a city liquor license is the subject of at least one lawsuit and the potential for another. The City has a vested interest in ensuring that an establishment that serves liquor is a stable business and that ownership is accountable to the City. The litigation surrounding the various claims to The Pub undermines this public policy priority.

If I can provide any further information to you or the ALRC, please feel free to contact me. Thank you for taking the time to review our concerns.

Very truly yours,

HODAN, DOSTER & GANZER, S.C.



Lauria Lynch-German

LLG:llg
cc: Mark Schuman, Esq.