

Business Plan for Beer & Wine Sales at 1221 Williamson

FY18 Special Projects Business Case Form

Project Name: Beer & Wine at East

Proposed by: Kristin Esselstrom, Patrick Humiston

Project Owner/Lead: Kristin Esselstrom, Patrick Humiston

Others involved in project: Jim Jirous, Dean Kallas, Mike Burns, Ben Becker

Date Submitted: 3/10/2017

Executive Summary

The objective of this project is to add beer and wine selections to East. Given our space constraints at East, this added selection will be smaller than either of our other retails however, we stand to increase the stores basket size and bottom line sales performance significantly. On average beer and wine sales at West and North contribute between 10-13% of Grocery Sales. Conservative estimates for the impact at East are a 6-8% increase in sales only lesser than the other two retails due to space constraints

Business Case

This section demonstrates why it is important for the Co-op to take on this project within the broad context of our Mission/Global Ends and the focus upon creating efficiencies and increasing sales to pay for livable wage increases.

1. What are the business needs that the project will address? Business needs should include problems that this project solves and/or opportunities that it takes advantage of.

East sales are stagnant if not slightly declining and the addition of offering beer and wine would bolster and improve these numbers significantly. Adding this line of products at East should yield almost immediate positive results to sales and basket size at East. It will also better match the offerings we have at our West and North locations and provide an additional service to our customers.

2. How does this project support our Mission or Global Ends Policy? Please answer the following questions listed below our mission and ends policy if they apply. Project should support at least one aspect of our mission or global ends.

Mission The Williamson Street Grocery Co-op is an economically and environmentally sustainable, cooperatively owned grocery business that serves the needs of its Owners and employees. We are a cornerstone of a vibrant community in south-central Wisconsin that provides fairly priced goods and services while supporting local and organic suppliers.

Global Ends Policy The Williamson Street Grocery Co-op is, and will remain, an economically viable and environmentally sound business cooperatively owned by its owners; its primary mission, as expressed in article 1.1 of our Bylaws, is to operate a retail grocery store that forms a cornerstone of a vibrant community. To evaluate progress towards these ends, the Board shall monitor whether; Willy Street Grocery Co-op will be at the forefront of a cooperative and just society that:

- has a robust local economy built around equitable relationships;
- nourishes and enriches our community and environment; and
- has a culture of respect, generosity, and authenticity.

- A. How does it support equity in relationships with staff, owners, vendors or other stakeholders?**
B. How does it support financial or environmental sustainability, our community, or our environment?

- a. This project will support our organization's financial sustainability by contributing directly to our bottom line. Initial conservative estimates indicate that this could mean between \$400,000 to \$600,000 in additional sales at East. Adding Beer and Wine to East would also support our community by allowing our customers to do more of their shopping at one location rather than making trips to multiple businesses.

C. How does this project support a culture of respect, generosity and authenticity?

3. How does this project support our goal of providing funds to pay a livable wage. Explain how this project will either support sales or support operational efficiencies.

This project will support sales by introducing a category of products that are not currently offered at East. By adding these types of products we would be increasing sales and basket size at East.. Increased sales will help our organization achieve its goal of providing a livable wage.

Project Outputs and Outcomes

For example, a particular objective might be to implement e-commerce this objective should be listed in the Executive Summary of the Project. The output is an online shopping facility, the outcome is increased sales revenue. The following table shows how to represent this for your business case.

<i>Objective what you are aiming to achieve</i>	<i>Output what is delivered</i>	<i>Outcome what the business gains from the output</i>
<i>Implement e-commerce</i>	<i>Online shopping facility</i>	<i>Increased revenue</i>
<i>Provide standard costing of prepared foods</i>	<i>Implement recipe software</i>	<i>Increased Margin Increased customer satisfaction Increased Sales</i>

What is the primary objective of the project?

Increase sales and basket size at East

What is the primary output of the project?

List at least one.

New category of products for sale

What are the primary outcomes?

List at least one.

Increased sales, increased customer satisfaction, increased basket size

Project Scope

What is exactly included in and excluded from the project scope?

In Scope: Adding beer and wine products at East

Not in scope: Adding hard liquor

Project Milestones

What are the project's major milestones (add more milestones if necessary)?

Note: These milestones may be subject to change

Milestone	Date
1. Project Started	
2. Apply for alcohol license	July-August 2017
3. Develop plan to move delivery and willy pack	July-August 2017
4. Finalize Product Selection	August -September 2017
5. Alcohol License Approval	TBD
6. Equipment Procurement - Cooler, backroom storage units	August-September 2017
7. Staff training (grocery and front end)	August-September 2017
6. Install cooler and storage units	September-October 2017
7. Merchandising and stocking - go live!	September-October 2017

Budget

What is the project's implementation budget?

Budget Category <i>Capital Expense</i> <i>Operating Expense</i>	\$	One-time or Recurring	Expense Timing	Comment / Link to Quote
Stand up open air cooler	\$16,000	One Time	8/2017	Only estimate, need quote
Uboats and shelving for back room	\$1000	One time	8/2017	Only estimate, need quote
Labor for install & merchandising	\$500	One time	9/2017	Only estimate, 4 people, 8 hours total

What other resources will the project team need?

- Tools for install
- Vendor catalog for product
- Support for licensing process

Project Team Organization

(In the table below, outline roles and responsibilities of project team members. Identify the project owner/leader.)

Team Member Name	Role	Responsibility	Estimated Total Project Hours	Sign-off
Patrick Humiston	Project Lead	Project oversight	12	
Kristin Esselstrom	Project Lead	Store level project oversight	8	
Jim Jirous	Equipment Lead	Equipment procurement and installation oversight	10	
Mike Burns	Merchandising Lead	Merchandising	4	
Dean Kalles	Product selection	Determine beer and wine selection in conjunction with Patrick	4	
Ben Becker	Corporate Officer	Licensing process	6	

Feedback and Decision From GM and Director of Finance

Project Status:	
Project Feedback:	

The new, improved Willy East

The major improvements to point out:

- Separate entrance and exit—this will make getting into and leaving the store much easier.
- The Juice & Coffee Bar has moved—this was always tucked away, around a corner at Willy East, and the remodel will make it much more accessible.
- We've make the Owner Resources Area more accessible.
- A dedicated area for short demonstrations and sampling.
- A larger cheese department.
- A full-service meat counter.
- The Deli will have a self-serve hot bar, somewhat similar to Willy West's, plus an expanded sandwich menu (expected by end of March).
- Three customer bathrooms.

Additional improvements not indicated in this floorplan:

- Receiving area addition with larger freezer and cooler.
- Additional staff bathroom
- New staff offices
- New flooring
- XXXXXXXX
- XXXXXXXX

