



Entertainment License (21+)
Visual & Performing Arts License (18+)

LICENT-2014.00280
(Number)

- TEMPORARY LICENSE ___/5
PERMANENT LICENSE

SCANNED
34052 jp
(Leg file number)

City of Madison Clerk
210 MLK Jr Blvd, Room 103
Madison, WI 53703

licensing@cityofmadison.com
608-266-4601

(Processing step)

(initials)

This application modifies existing alcohol license number: (Class B license only)

Corporate Information

Licensed Premise Information

Business Legal Name: Segredo, LLC
Business Address: 624 University Ave
Madison WI 53715
Business Contact Name, Position & Phone:
Michael Hiert, Member (609) 6835225

Business dba Name: Segredo
Licensed Address: 624 University Ave
Madison WI 53715
Business Contact Name, Position & Phone:
Michael Hiert, Owner + GM (609) 6835225

Email: michael@segredomadison.com

Premise Capacity: 720 Liquor/Beer Agent Name: Greg Kostis

% Alcohol, % Food Alder, District #: 8 Police Sector:

Type of live entertainment to be offered: DJ'S, Live music (acoustic sets, small bands)

Corporate Officers, Partners, or Sole Proprietor's information:

Table with 3 columns: Name, Address, Corporate Title or Partners' verification. Row 1: Michael Hiert, [Redacted], Member.

- Orange sign issued
License Renewals & Changes brochure with next steps issued
Security Plan attached (see below)
I certify that this information is true and correct to the best of my knowledge,

X [Signature]

4/28/14
Date

Segredo, LLC 18+ Visual & Performing Arts License - Appendix

Response #1: Type of live entertainment offered & number of security personnel and how they will be used.

A) Segredo's one of the most successful EDM (electronic dance music) venues in the midwest. Many of the world's "Top 50" dj's have performed at Segredo including Avicii, Nicky Romero, Hardwell, Adventure Club, Dillon Francis, and many more. Segredo also plans to introduce lounge nights with a varied set of acts including acoustic sets and small bands.

B) Our security is not outsourced to an external company, but is managed as an integral part of our core business model. Security staffing varies, based on a variety of factors:

- Weekend vs. weekday night
- School year or summer
- Type of event (e.g. sold out performance by a major EDM artist, smaller show by an emerging EDM act, themed dance party events, corporate parties, not-for-profit fundraisers, etc.)
- Other events happening in town (e.g. UW home football/ basketball/hockey, state high school basketball tournament, etc.)

Our security staff on duty is usually the largest in town on a given weekend night (particularly during the school year), due both to our 720 capacity & our the 18+ Entertainment License we have managed for more than 4 years. On a busy night, we average 10-12 security staff members.

Our in-house security staff of between 12-20 part-time staff is 1) highly experienced 2) more mature in terms of age than other security teams in town 3) familiar with the unique nature of our venue/clientele as well as Segredo's management philosophy/expectations as staff members (vs. contractors who may be with us one night and the Expo Center the next) and 4) is closely supervised by management.

Excerpts from the Security Handbook: Security Position Overview

Door Crew

ID's- check all ID's to:

- ensure it is a valid ID (vs. a fake)
- ensure that the ID matches the person using it (picture, height, etc.)
- determine if the prospective customer is 18+ (minimum age to enter Segredo) or 21+ (minimum age to drink), so they can be provided with the appropriate wristband &/or hand stamp depending on the night's unique identification system.

Door security is also responsible for but not limited to....

- refusing service/entry to drunk, disorderly or underage (under 18) patrons
- directing customers to proper locations.
- answering customers questions.
- keeping lobby clear of patrons.
- keeping pathways outside clear to allow new clients to come in and current clients to leave.

Posted Security

On most nights, a security member is also posted just inside or just outside the venue entrance (depending on weather):

- responsible for letting people in/out with proper id marks (wristbands, hand stamps, VIP passes, etc.)
- check patrons marks for fake bands, bogus stamps, or taped on wristbands.
- no drinks are allowed outside of the building.

Line Security

On busy nights, multiple security team members are also posted outside the venue entrance to manage the line:

- keep the line close to the building to avoid blocking the sidewalk
- keep the entry/exits of our neighbors' businesses clear
- directing the line to move as necessary
- answering guest questions and asking them to get their ID info for presentation at the front door.

Roaming Security

These security personnel are the eyes and ears of the establishment and are the mobile members of the team who are used to survey the building in search of problems. Roamers are always moving to cover the area they are assigned to protect. This area can be just one small section on a busy night (e.g. in the main downstairs entry corridor) or a larger section of the venue on a slower night (e.g. the dance floor). Main responsibilities include:

- prevent and deter unruly behavior & to be vigilant for underage drinking
- remove problem patrons quickly and politely
- assist patrons with directions to bathrooms, etc.
- ensure a fun but safe environment for all our guests

Response #2: How will you handle issues?

A) Segredo doesn't have a parking lot.

B) Over the past year in particular, as our popularity as a music venue has grown, Segredo has increasingly refined our Front of House Procedures in order to minimize the time our patrons wait outside in line. There are occasional nights where lines develop (usually as a result of 300+ people arriving for a show at one

time) and in those cases we utilize 2-4 security staff members to help manage the entry sequence so that our line does not block either the sidewalk or our neighbor's entrance/exits.

C) Segredo security strives to deal proactively with issues BEFORE they escalate into disruptions, particularly by our tight door policies and in being a visible and engaged presence throughout the venue.

However, should a situation arise with an unruly/physically disruptive patron or an intoxicated patron, our goal is to defuse/assume control of the situation and remove the person from the venue as quickly and as politely as possible without harm to the patron(s) involved, other customers or staff. Using our radio communication system, we use a "buddy system" for all incidents involving unruly or disruptive patrons, where one security staff person takes the lead in dealing with the patron, but another security staff member is nearby and prepared to assist the lead security staff member if necessary.

D) Segredo has spent years fine-tuning how we handle patrons presenting fake ID's and also in preventing alcohol sales to people under twenty one (21) years old.

As discussed earlier, our door crew's primary role is to ensure an ID is valid, so that we can determine a) whether the potential guest is at least 18+ to enter Segredo (vs. 17 or under) and b) if they are 21+ or 18+ to receive the appropriate wristband and/or hand stamp (each night's 18 vs. 21 identification system is unique to prevent counterfeiting).

In addition to ongoing training on fake ID trends, our door crew uses handheld black lights to catch fake ID's. The Door Crew confiscates fake ID's and then turns them over to management who in turn passes the fakes to the Madison police department.

With respect to underage drinking, our view is that we hire bartenders and security staff that understand our management philosophy at Segredo is that we do not tolerate underage drinking.

Between the Door Crew ensuring prior to entry that the guest has the appropriate wrist band and/or hand stamp, to the roving security staff that actively watches for incidents of underage drinking (e.g. drink handoffs from a 21+ customer to an 18+ customer) throughout the night or our bartenders who check wristbands for all orders – whether for one drink or many – there are multiple safeguards built into the system to ensure if not zero underage drinking that it is certainly rare.

In more than four years, with more than 200,000 unique customer visits - we have had exactly **one** (1) incident where a patron was cited for underage drinking. It's not a number we want to see increase.

Response #3: Our Security staff is managed by Michael Hierl directly, with supervision assistance from Greg Kostis and Ny Bass (Segredo's two senior managers).

Response #4: Segredo security staff **all** wear distinctive Security badges while on duty, and are dressed in a professional looking style that is appropriate to a nightclub vs a bar.

Response #5: We are proud to say that 18+ customers are treated no differently than 21+ customers at the current time, other than they are not allowed to drink alcoholic beverages. If 18+ customers can vote or serve in the military, the concept that they couldn't enjoy a full night out in a fun & safe entertainment environment makes no sense to us. I guess we'll figure that stuff out if we have to, but it's just a horrible idea.