

ORIGINAL ALCOHOL BEVERAGE LICENSE APPLICATION

Submit to municipal clerk.

For the license period beginning _____ 20 _____ ;
ending 6/30 20 09 ;

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

County of Dane 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): CELLAR ENTERPRISES LLC

Applicant's Wisconsin Seller's Permit Number: <u>456-1626426396-03</u>	
Federal Employer Identification Number (FEIN): <u>26-1950884</u>	
LICENSE REQUESTED ▶	
TYPE	FEE
<input type="checkbox"/> Class A beer	\$
<input checked="" type="checkbox"/> Class B beer	\$ <u>20</u>
<input type="checkbox"/> Wholesale beer	\$
<input type="checkbox"/> Class C wine	\$
<input type="checkbox"/> Class A liquor	\$
<input type="checkbox"/> Class B liquor	\$
<input type="checkbox"/> Reserve Class B liquor	\$
Publication fee	\$
TOTAL FEE	\$ <u>20</u>

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

JOB Title	Name	Home Address	Post Office & Zip Code
President/Member	<u>TOM WATSON</u>	<u>5032 ROYAL CYPRESS TAMPA, FL</u>	<u>33642</u>
Vice President/Member	<u>MEMBER</u>	<u>JAMIEEN HUDSON 1912 SEAVIEW DR FLOWER MOUND, TX</u>	<u>75022</u>
Secretary/Member			
Treasurer/Member			
Agent	<u>CHRISTINA FENNER</u>	<u>420 West WILSON MADISON, WI</u>	<u>53703</u>
Directors/Managers			

3 Trade Name STATE STREET GALLERY Business Phone Number 608 819 0304
4 Address of Premises 109 STATE STREET MADISON, WI 5 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 NEVADA 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) THE STREET LEVEL AND BASEMENT GALLERIES 2500 SQFT TOTAL

10 Legal description (omit if street address is given above): 109 STATE STREET, MADISON, WI 53703

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? ANTHONY DALLMAN JONES LLC dba STATE STREET GALLERY

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

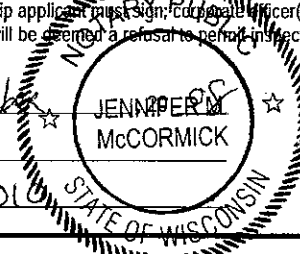
READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the signers. Signers agree to operate this business according to law and that the rights and responsibilities conferred by the 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 19 day of September

[Signature]
(Clerk/Notary Public)

My commission expires 8-15-2010



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

[Signature]
(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 <u>9/29/08</u>	Date reported to council/board	Date provisional license issued	Signature of Clerk / Deputy Clerk
Date license granted	Date license issued	License number issued	

City of Madison Supplemental Class B License Application

<input checked="" type="checkbox"/> Seller's Permit Number <input checked="" type="checkbox"/> Federal Employer Identification Number <input checked="" type="checkbox"/> Notarized Original Application Form <input checked="" type="checkbox"/> Notarized Supplemental Form	<input checked="" type="checkbox"/> Description of Licensed Premise <input checked="" type="checkbox"/> *Notarized Appointment of Agent <input type="checkbox"/> Background Investigation Form(s) <input type="checkbox"/> Notarized Transfer of Ownership <input type="checkbox"/> *Articles of Incorporation	<input type="checkbox"/> Floor Plans <input type="checkbox"/> Lease <input type="checkbox"/> Sample Menu <input checked="" type="checkbox"/> Business Plan * Corporation/LLC only
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1. Name of Applicant/Partner/Corporation/LLC Cellar Enterprises "DBA State Street Gallery"
 2. Address of Licensed Premise 109 State Street Madison, WI 53703
 3. Telephone Number: (608) 819-0304 4. Anticipated opening date: N/A
 5. Mailing address if not opening immediately N/A

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. _____

8. Business Description, including hours of operation: Art Gallery / Wine Shop
Mon - Thru 12-7pm / Fri 10-7pm / Sat 9am-7pm / Sun 12-5pm

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.**

Premise: Art Gallery 1400 square feet street level gallery, no seating, no bar, 1100 square feet lower level gallery no seating, no bar, place wine in wall racks and free standing display - self serve.

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. parking exists only off site, no parking lot

13. Describe your management experience, staffing levels, duties and employee training. The H.E.L.P. Guide 14 year experience serving alcoholic beverages / current night bar manager Club Tavern, Middleton WI / four employees trained in selling art and wine responsibly

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.

Christina Fenner 420 W Wilson # 202 Madison, WI 53703
 Name Address

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

Average customer is 35-60 upper middle class / tourists

16. What age range would you hope to attract to your establishment? 25-100

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

Hotel Directories, Newspapers, On premises signs, Art and Wine Shop

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

19. Owner of building where establishment is located: John Caputo

Address of Owner: 40 Whitcomb Circle Madison, WI Phone Number 608-575-9124

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

Tom Watson 5037 Royal Cypress Circle Tampa, FL 33647
Name Address

Jameen Hudelson 1912 Seaview Dr. Flower Mound TX 75022
Name Address

Name Address

22. List the Stockholders of your Corporation/LLC

N/A
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. Art Gallery / Wine Shop

24. What type of food will you be serving, if any? N/A

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? N/A

27. What hours, if any, will food service not be available? N/A
28. Indicate any other product/service offered. Art
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? N/A
During what hours do you anticipate they will be on duty? _____
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? _____
How many bartenders do you anticipate you would have working at one time on a busy night? _____
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
N/A
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?
N/A
39. If your business plan includes an advertising budget, what percentage of your advertising budget do you anticipate will be related to food? N/A
What percentage of your advertising budget do you anticipate will be drink related? _____
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

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42. What is your estimated capacity? N/A 200 pl

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	30 %
Gross Receipts from Food and Non-Alcoholic Beverages	0 %
Gross Receipts from Other	70 %
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

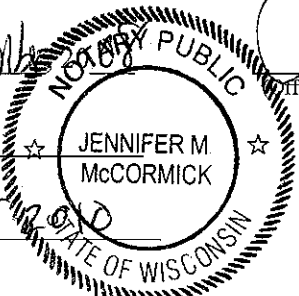
Subscribed and Sworn to before me:

this 19 day of September 2008

Jameen A. Hudilson
 (Officer of Corporation/Member/Manager of LLC/Partner/Individual)

[Signature]
 (Clerk/Notary Public)

My commission expires 8-15-2010



Appointment of New Liquor/Beer Agent

To be completed by Corporate Officer or Member of LLC

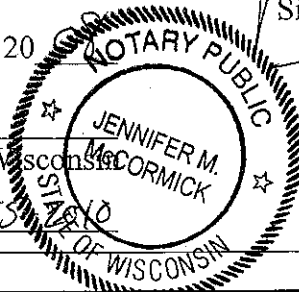
I, THOMAS WATSON, officer/member for CELLAR ENTERPRISES LLC
(Corporation/LLC), doing business as STATE STREET GALLERY, authorize and appoint
CHRISTINA FENNER (Name) as the liquor/beer agent for the premise
located at 109 STATE STREET, MADISON, WI

Subscribed and sworn to before me this

19 Day of September, 2009

[Signature]
Notary Public, Dane County, Wisconsin

My Commission Expires 8-15-2010



[Signature]
Signature of Officer/Member

To be completed by appointed Liquor/Beer Agent

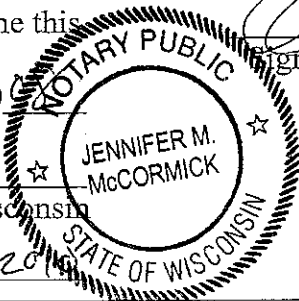
I, Christina Fenner, appointed **liquor/beer agent** for
Cellar Enterprises LLC (name of Corporation or LLC), being first duly sworn
say I have vested in me, by properly authorized and executed written delegation, full authority
and control of the premise described in the license of such corporation 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

19 Day of September, 2009

[Signature]
Notary Public, Dane County, Wisconsin

My Commission Expires 8-15-2010



[Signature]
Signature of Agent

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

STATE STREET GALLERY
DESCRIPTION OF LICENCED PREMISE

State Street Gallery is a 2500 square foot retail space on the one hundred block of State Street. The space consists of two levels, an 1100 square foot basement with two staircase entrances facing north and west, and a 1400 square foot upstairs with a store front facing State Street and a smaller segregated area with an entrance on West Mifflin.

The space is first and foremost a gallery with no seating or food being served. The back gallery facing W. Mifflin is not used as a public entrance or exit, subsequently all patrons leaving can be observed by employees. The wine will be displayed in the lower gallery. The space is set apart from the rest of the gallery and can be regulated with signs and by staff not allowing underage patrons to enter the area. Cameras are also in place to provide extensive surveillance.



STATE STREET GALLERY

Business Plan

September 29, 2008

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- Market research and marketing campaign strategy
- Sales support and direct marketing
- Online Marketing

EXECUTIVE SUMMARY

Mission Statement: The gallery's art program will seek to encourage experimentation through the support and presentation of new works by emerging and established artists. Through exhibitions, outreach, and related educational programming the gallery is dedicated to the cultural enrichment of the community. This initiative will be extended into a creative and unique wine cellar that will expand the variety of wines available in this area.

Date Business Began: February 2008

Founders: Jameen A Hudelson & Thomas Watson

Number of Employees: 5

Location: 109 State Street, Madison, WI 53703

Summary:

State Street Gallery is a delightful venue for local artists to showcase their works. Currently the store holds artwork from 55 artists primarily from Wisconsin.

The progressive steps for the business to build on its current reputation are as follows:

- Obtain *Class B* license for wine retailing
- Upgrade website as part of a more aggressive marketing plan and start on-line sales
- Expand inventory base
 - Include interior design
 - Bring in new talent and more popular artists
 - Augment accessory item inventory
 - Expand wine inventory to encompass international and new selections for Madison
- Attract national tours
- Implement web casts with artists
- Increased involvement in the community through charity exhibits and educational events
- Facility upgrades
 - Make it more warm and inviting
 - Increase level of Security

History:

State Street Gallery opened its doors in the fall of 2005. Through the hard work and dedication of the co-owners Dr. Anthony Dallmann-Jones and his son Zak Jones the gallery soon became a well recognized Madison art venue. Dr. Dallmann-Jones subsequently sold State Street Gallery to Cellar Enterprises, LLC in February 2008. Existing inventory was valued at \$150,000 with yearly profit of approximately \$10,000. In addition to a full-time director and part-time assistant, students from the University of Wisconsin staff the gallery. The gallery is open five days a week (including weekday evenings and Saturdays) and admission is free.



COMPANY DESCRIPTION

State Street Gallery will be a hybrid art gallery/wine shop providing; modern contemporary art, artisan jewelry, handmade accessories, and a distinctively ever changing selection of wine. This medley to be is the result of the dual passions of its owners; Tom Watson and Jameen Hudelson. The world of art has always had a kinship with wine, and bringing the two together under one roof is a perfect way to allow one to compliment the other.

Located on Madison's main drag, our name sake State St, gives the business a decided edge. A continual influx of special events and mainstay events like The Farmer's Market, the gallery is provided with a constant flow of tourist and day trippers from around the world. This provides a large portion of the demographic we wish to attract more of, mainly including ordinary people approximately age twenty-one to eighty looking for a little something special to remember there visit to Madison by, or possibly just a pleasant shopping trip to downtown Madison.

What will set State Street Gallery apart from other local art venues, aside of the hand selected wines, is the open and friendly environment as well as the diverse social appease. It is a place for people from all walks of life to discover and appreciate art for the fist time, not just art collectors. This being said, extensive thought and research are invested in the art we choose to display so first time buyers can feel confident about their purchase. Thus ensuring their investment will have financial worth and become a coveted family heirloom for generations to come.

These principles will also be utilized to enhance our level of expertise in the field of Enology and consequently better serve our clients in deciding what wine is right for them. We believe drinking wine should be fun, approachable, and non-intimidating. Particular focus will be on acquainting consumers with a variety of lesser known wines from places like Georgia, Israel, and New Zealand. Our stock will also include more conventional wines from traditional wine regions like Chianti, Italy and Sonoma, California.

Our in store slogan, *Art is Necessary*, indicates the mentality we intend to project; which is the perception of art as an imperative part of everyday life, not just a luxury item. This is not only in tune with the social mentality of Madison, but the ever changing art world constantly extending its reach to affect all parts of society. Through political and social commentary, technical imagery, and commercial advertising we have become a highly developed visual culture. By actively recognizing this evolutionary development, State Street Gallery will be not only successful, but a socially relevant asset to Madison.

STRATEGIC OBJECTIVES

- Reach out to specialty wine industries and foreign vineyards to differentiate selection from competitors.
 - Develop relationships with select vineyards worldwide
 - Identify unique varieties to include in the inventory from United States particularly Virginia, California, and Texas.
 - Expand wine inventory to encompass international and new selections for Madison.

- Expand inventory base
 - Include interior design
 - Bring in unique handmade furniture
 - Attain more distinctive pottery and glass work
 - Implement specialty holiday items and events with other local businesses

- Augment accessory item inventory
 - Add more men's jewelry
 - Extend accessories to include more textile based work
 - Build more optimal display cases

- Attract national tours
 - Bring in new talent and more prevalent artists
 - Upgrade level of security and storage
 - Promoting talent and reputation of our professional staff.

- Increased involvement in the community
 - Through charity exhibits and educational events
 - By connecting with local artists to create events and exhibits to benefit them

- Facility upgrades
 - Make it more warm and inviting
 - Increase level of Security
 - Improve office area for more proficiency and professionalism