



# City of Madison Liquor/Beer License Application

On-Premises Consumption:  Class B Beer  Class B Liquor  Class C Wine  
Off-Premises Consumption:  Class A Beer  Class A Liquor

36671

## Section A - Applicant

- If needed, a qualified interpreter can be provided at no charge to you. Would you like an interpreter?  
 Yes (language: \_\_\_\_\_)  
 No (If you answer no and you do require an interpreter, the ALRC will refer your application to a subsequent meeting and this may delay your application process)

Si usted requiere o necesita un/a intérprete, nosotros podemos proveer un/a intérprete sin costo alguno. ¿Le gustaría tener un/a intérprete?

- Sí, lenguaje \_\_\_\_\_  
 No. Si usted escoge "no" en la solicitud/aplicación, y usted sí requiere un/a intérprete, el comité remitirá su solicitud para una nueva junta y esto puede atrasar el proceso de su solicitud.

- This application is for the license period ending June 30, 2015.
- List the name of your  Sole Proprietor,  Partnership,  Corporation/Nonprofit Organization or  Limited Liability Company exactly as it appears on your State Seller's Permit.

Bos Meadery LLC

- Trade Name (doing business as) Bos Meadery
- Address to be licensed 849 E Washington Ave, Suite 102
- Mailing address 849 E Washington Ave, Suite 116
- Anticipated opening date February 12, 2015
- Is the applicant an employee or agent of, or acting of behalf of anyone except the applicant named in question 2?  
 No  Yes (explain) \_\_\_\_\_
- Does another alcohol beverage licensee or wholesale permittee have interest in this business?  
 No  Yes (explain) \_\_\_\_\_

## Section B - Premises

- Describe in words the building or buildings where alcohol beverages are to be sold and stored. Include all rooms including living quarters, if used, and any outdoor seating used for the sales, service, and/or storage of alcohol beverages and records. Alcohol beverages may be sold and stored only on the premises as approved by Common Council and described on license.

Please see attached Description of Licensed Premise

P-408  
A-b

11.  Attach a floor plan, no larger than 8 1/2 by 14, showing the space described above.

12. Applicants for on-premises consumption: list estimated capacity 49

13. Describe existing parking and how parking lot is to be monitored.

Please see attached Description of Licensed Premises

14. Was this premises licensed for the sale of liquor or beer during the past license year?

No  Yes, license issued to \_\_\_\_\_ (name of licensee)

15.  Attach copy of lease.

### Section C—Corporate Information

This section applies to corporations, nonprofit organizations, and Limited Liability Companies only. Sole proprietorships and partnerships, skip to Section D.

16. Name of liquor license agent Colleen Bos

17. City, state in which agent resides Fitchburg, WI

18. How long has the agent continuously resided in the State of Wisconsin? 15 years

19.  Appointment of agent form and background check form are attached.

20. Has the liquor license agent completed the responsible beverage server training course?

No, but will complete prior to ALRC meeting  Yes, date completed \_\_\_\_\_

21. State and date of registration of corporation, nonprofit organization, or LLC.

Wisconsin, November 29, 2010

22. In the table below list the directors of your corporation or the members of your LLC.

Attach background check forms for each director/member.

Title	Name	City and State of Residence
President	Colleen Bos	Fitchburg, WI

23. Registered agent for your corporation or LLC. This is your agent for service of process, notice or demand required or permitted by law to be served on the corporation. This is not necessarily the same as your liquor agent.

Colleen Bos

24. Is applicant a subsidiary of any other corporation or LLC?

No  Yes (explain) \_\_\_\_\_

25. Does the corporation, any officer, any director, any stockholder, liquor agent, LLC, any member, or any manager hold any interest in any other alcohol beverage license or permit in Wisconsin?

No  Yes (explain) Class A license for 849 E Washington, #116

### Section D—Business Plan

26. What type of establishment is contemplated?

Tavern  Nightclub  Restaurant  Liquor Store  Grocery Store

Convenience Store without gas pumps  Convenience Store with gas pumps

Other \_\_\_\_\_

27. Business description We would sell mead and mead-based cocktails by the glass Thursday-Saturday during limited hours. Please see attached Description of Licensed Premises and Business Plan for more.

28. Hours of operation Thurs and Friday 5-9; Saturday 2-9

29. Describe your management experience I have been managing all aspects of Bos Meadery for 2.5 years. I also have 14 years experience as a Project Manager.

30. List names of managers below, along with city and state of residence.

Colleen Bos Fitchburg, WI

31. Describe staffing levels and staff duties at the proposed establishment 2 people will staff the bar at all times. They will tend bar, clean glassware and provide tours.

32. Describe your employee training 1) responsible beverage server  
2) Meadery production; 3) customer service philosophy  
4) point of sale/ inventory system

33. Utilizing your market research, describe your target market.  
craft beer and cocktail drinkers between the ages of 25 and 45. Likely single or married with no kids.
34. Describe how you plan to advertise and promote your business. What products will you be advertising?  
1) website; 2) social media; 3) local homebrew clubs 4) past Kickstarter backers; 5) cross-marketing with other local business; 6) ads in print media (Isthmus, etc)
35. Are you operating under a lease or franchise agreement?  No  Yes
36. 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?  
 No  Yes

### Section E—Consumption on Premises

This section applies to Class B and Class C applicants only. Class A license applicants (consumption off premises) may skip to Section F.

37. Do you plan to have live entertainment?  No  Yes—what kind? A piano player or acoustic musician
38. What age range do you hope to attract to your establishment? 25 to 55
39. What type of food will you be serving, if any? n/a  
 Breakfast  Brunch  Lunch  Dinner
40. Submit a sample menu if applicable. What will be included on your operational menu?  
 Appetizers  Salads  Soups  Sandwiches  Entrees  Desserts  
 Pizza  Full Dinners
41. During what hours of operation do you plan to serve food? n/a
42. What hours, if any, will food service not be available? n/a
43. Indicate any other product/service offered. T-shirts, glassware; merch
44. Will your establishment have a kitchen manager?  No  Yes
45. Will you have a kitchen support staff?  No  Yes
46. 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? n/a
47. Do you plan to have hosts or hostesses seating customers?  No  Yes

48. Do your plans call for a full-service bar?  No  Yes  
 If yes, how many barstools do you anticipate having at your bar? 4-5  
 How many bartenders do you anticipate having work at one time on a busy night? 2
49. Will there be a kitchen facility separate from the bar?  No  Yes
50. Will there be a separate and specific area for eating only?  
 No  Yes, capacity of that area \_\_\_\_\_
51. What type of cooking equipment will you have?  
 Stove  Oven  Fryers  Grill  Microwave
52. Will you have a walk-in cooler and/or freezer dedicated solely to the storage of food products?  
 No  Yes
53. What percentage of payroll do you anticipate devoting to food operation salaries? n/a
54. If your business plan includes an advertising budget:  
 What percentage of your advertising budget do you anticipate will be related to food? 0  
 What percentage of your advertising budget do you anticipate will be drink related? 100
55. Are you currently, or do you plan to become, a member of the Madison—Dane County Tavern League or the Tavern League of Wisconsin?  No  Yes
56. Are you currently, or do you plan to become, a member of the Wisconsin Restaurant Association or the National Restaurant Association?  No  Yes
57. All restaurants and taverns serving alcohol must substantiate their gross receipts for food and alcohol beverage sales broken down by percentage. New establishments estimate percentages:  
100 % Alcohol \_\_\_\_\_ % Food \_\_\_\_\_ % Other
58. Do you have written records to document the percentages shown?  No  Yes  
 You may be required to submit documentation verifying the percentages you've indicated.

### Section F—Required Contacts and Filings

59. I understand that liquor/beer license renewal applications are due April 15 of every year, regardless of when license was initially granted.  No  Yes
60. I understand that I am required to host an information session at least one week before the ALRC meeting.  No  Yes
61. I agree to contact the Alderperson for this location to discuss my application and to invite the Alderperson to my information session.  No  Yes
62. I agree to contact the Police Department District Captain for this location prior to the ALRC meeting.  No  Yes
63. I agree to contact the Alcohol Policy Coordinator prior to the ALRC meeting.  No  Yes
64. I agree to contact the neighborhood association representative prior to the ALRC meeting.  
 No  Yes

## Description of Licensed Premise

Bos Meadery LLC would like to open a Tasting Room at 849 E Washington, #102.

Bos Meadery would be subletting this space from the Tamarack Studio, which will continue to have art on display. Suite 102 has two floors. Bos Meadery would occupy the first floor of Suite 102 (1476 square feet). Tamarack Studios would maintain an office on the second floor of Suite 102 (390 square feet). Please note that the second floor was previous a residence, but will be solely office space from this time forward. Bos Meadery has submitted a Conditional Use application with the City of Madison to operate as a tavern in Suite 102.

Bos Meadery will set up 10 bar tables with 4 chairs each. There will also be 4 seats at the bar. The Suite has a bathroom for customers and a kitchen/bar area for cleaning glassware. This is where the tap system will be set up. Please see the attached floor plan for more detail on layout, including the bathroom and kitchen/bar space.

Alcohol will be stored behind the bar Thurs-Sat. All alcohol will be stored at 849 E Washington Suite 102 in a closet at other times.

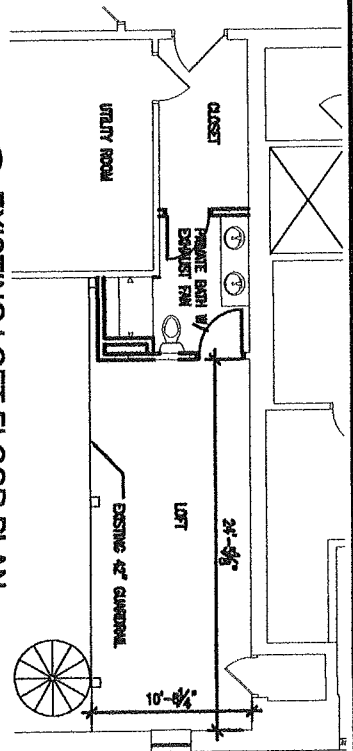
The tasting room would operate from 5:00 to 9:00 pm on Thursdays and Fridays. And from 2:00 to 9:00 pm on Saturdays. There is a parking lot located behind the building that would be empty during the hours of operation, since the other businesses located at 849 E Washington are typically on a 8:00am to 5:00pm weekday schedule. There is also street parking on Paterson Street.

The legal description of 849 East Washington is as follows:

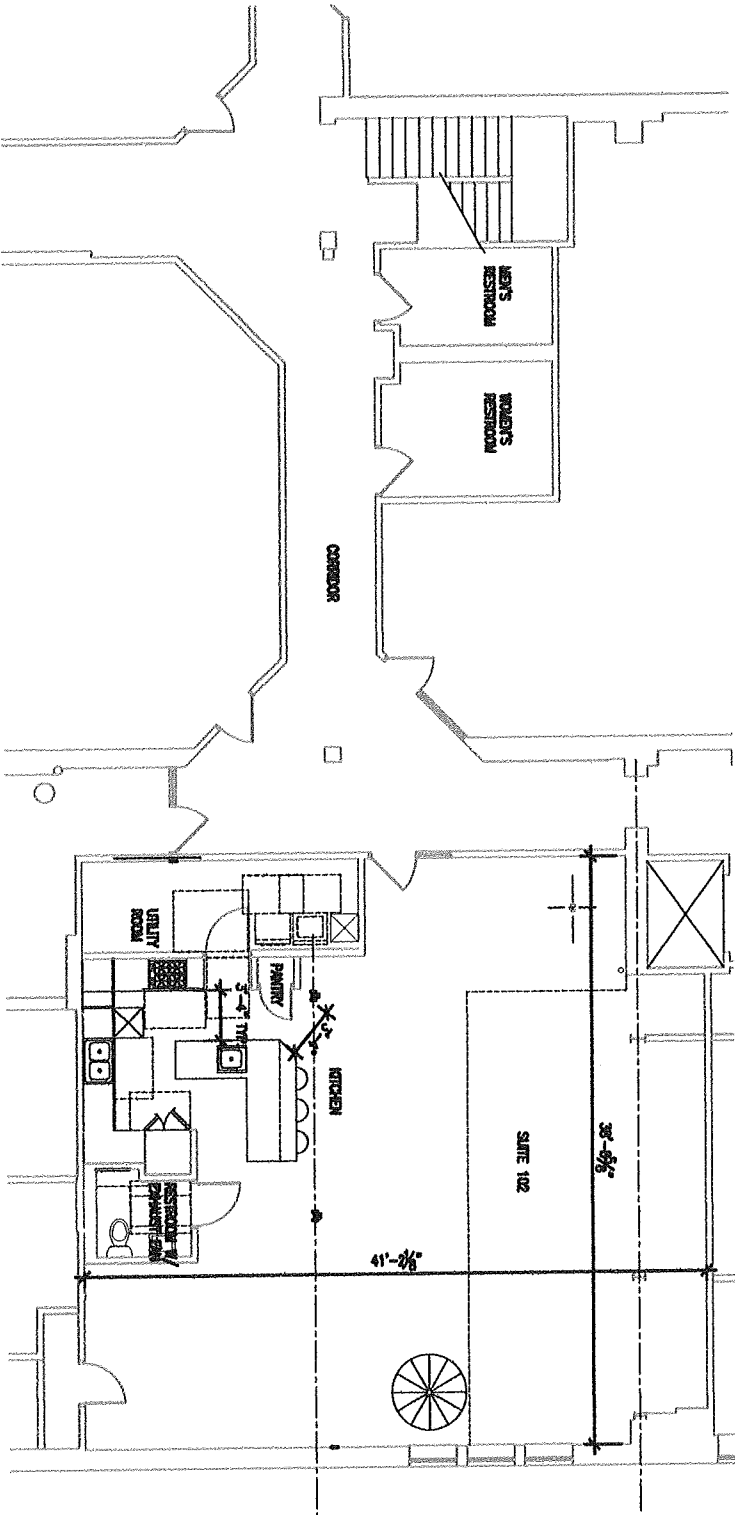
ORIGINAL PLAT, BLK 144, LOTS 8, 9, & 11 AND PART OF LOT 7, DESC AS FOL: BEG AT N COR LOT 7, TH SELY ALG NE LN LOT 7 165 FT TO E COR SD LOT, TH SWLY ALG SE LN LOT 7 1.75 IN, TH NWLY TO PT ON E WASHINGTON AVE 1.5 IN SW OF N COR LOT 7, TH NELY 1.5 IN TO POB, EXC THAT PART DESC AS FOL: BEG N COR OF SD LOT 9, TH S 43 DEG 54 MIN 59 SEC E 10.85 ALG SW LN OF N PATTERSON ST, TH S 46 DEG 08 MIN 02 SEC W 1.01 FT, TH N 43 DEG 54 MIN 59 SEC W 1 FT TO PT OF CONCAVE CUR, RAD 7 FT, CHR D BRS N 85 DEG 13 MIN 12 SEC W 9.24 FT, TH S 51 DEG 13 MIN 45 SEC W 24.07 FT, TH N 43 DEG 59 MIN 05 SEC W .78 FT TO EXISTING SLY ROW LN USH 151, TH N 46 DEG 08 MIN 01 SEC E 31.09 FT ALG SLY ROW LN TO POB.

Architecture  
Planning

Contractor: Associates, Inc.  
440 E. Washington Ave., Ste. 112  
Madison, Wisconsin 53703



2 EXISTING LOFT FLOOR PLAN  
1/8"=1'-0"



1 EXISTING FIRST FLOOR PLAN  
1/8"=1'-0"



NORTH

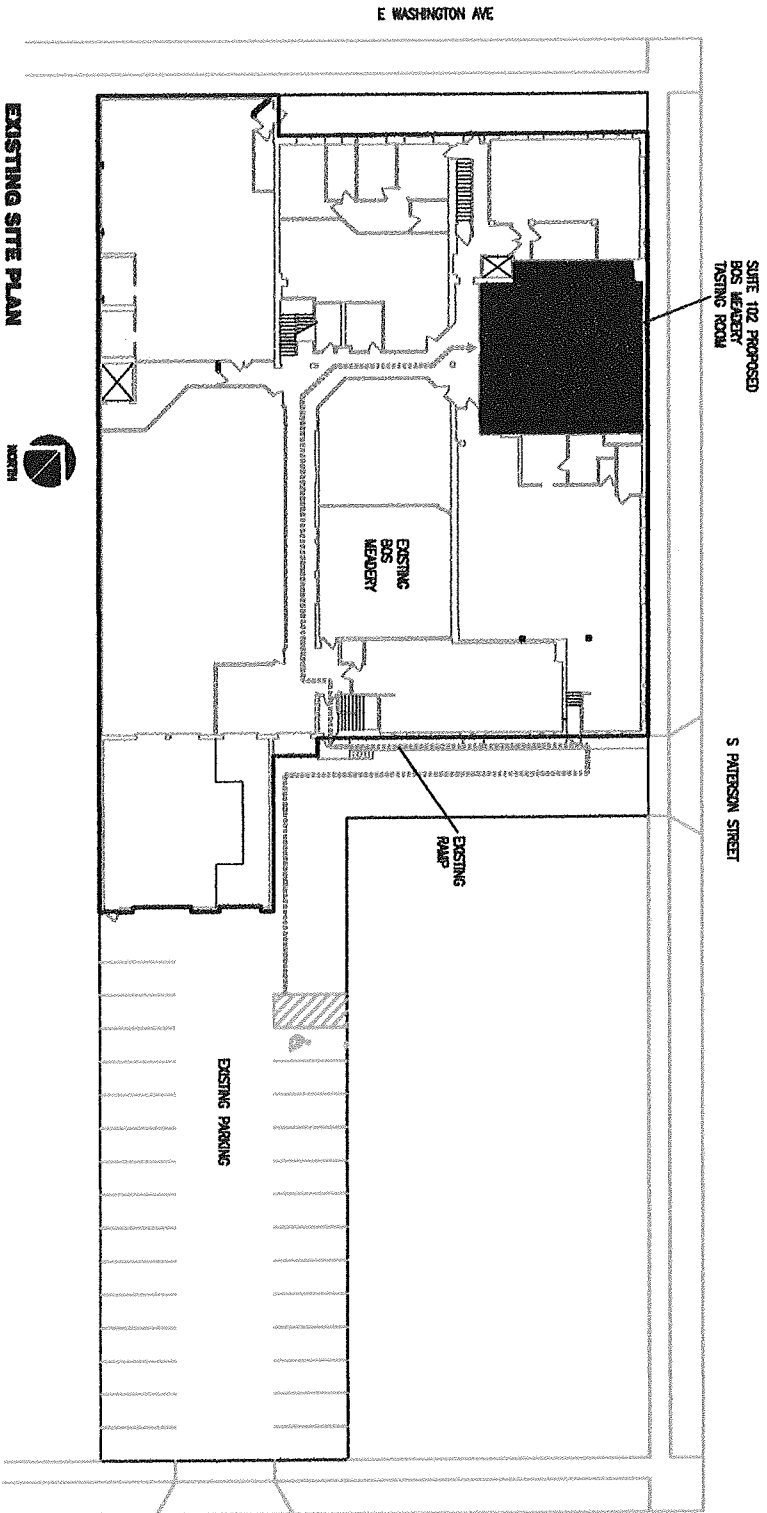
PROJECT: 300 E. WASHINGTON AVENUE  
SUITE 102  
MADISON, WISCONSIN

DATE: 11/20/00

SCALE: 1/8"=1'-0"

A2.0

# 849 E WASHINGTON AVENUE SUITE 102 BOS MEADERY LLC MADISON, WISCONSIN



EXISTING SITE PLAN

DATE: 11.18.14

## DRAWING INDEX

- GENERAL
- G10 EXISTING SITE PLAN
- ARCHITECTURAL
- A20 EXISTING FLOOR PLANS

**BUILDING CODE REQUIREMENTS**  
**CLIMATE ZONING**  
 TRADITIONAL DEVELOPMENT  
 CURRENT USE: A-3 GALLERY  
 450 OCCUPANTS  
 PROPOSED USE: A-2 TOWN  
 450 OCCUPANTS  
 FULLY STRATEGIZED



## Business Plan for Bos Meadery's Tasting Room



Colleen Bos

Bos Meadery, LLC  
5805 Seminole Ridge Cir  
Fitchburg, WI 53711  
Telephone 608 628-3792  
Fax  
E-Mail

[colleen@bosmeadery.com](mailto:colleen@bosmeadery.com)

## I. Executive Summary

Bos Meadery LLC is producing dry and sparkling mead at 849 East Washington, Suite 116 and would like to be able to sell mead and craft cocktails made with mead by the glass in a nearby location at 849 East Washington, Suite 102. Bos Meadery considers this a temporary measure (1-2 years) as we work towards a longer-term expansion project that includes more production space as well as a permanent mead hall/ tasting room on the east side of Madison. This interim "pop up" mead hall will better allow Bos Meadery to self-fund its growth.

Mead is an alcoholic beverage produced from honey, water, yeast and other ingredients. The alcohol content is similar to wine and it is classified as wine by local, state and federal regulatory agencies. However, it tends to appeal to craft brew drinkers and a Meadery Tasting Room will fit well with the local craft beer and cocktail scene. And, after 2 years in business, Bos Meadery is seeing a strong demand for a tasting room, as a significant population of craft brew drinkers and locavores have become fans of Bos Meadery's dry and sparkling meads.

Bos Meadery is owned and operated by Colleen Bos, who has been brewing mead and beer for 11 years and completed the Siebel Institute Brewing Technology Program in 2006. Colleen has 14 years of experience in project management, including 7 years in sales and marketing with Epic Systems Corporation. Colleen also has a Master's degree in medieval history. Colleen's experience gives her a unique combination of business and technical skills combined with a historical perspective that will allow her to tell the story of mead's journey from the ancient to the modern world particularly well.

## **II. General Company Description**

Bos Meadery is an artisanal Meadery specializing in dry and sparkling meads located in Madison, Wisconsin. Bos Meadery has been legally established as an LLC. Bos Meadery has been solely focused on productions for the last 2.5 years and now is ready to open a tasting room.

### **Mission Statement**

Bos Meadery seeks to bring mead into the 21<sup>st</sup> century and introduce it to the thriving community of local food and drink lovers in Madison. Our emphasis is on using quality ingredients to create highly quaffable modern meads. Mead Made Modern!

### **Company Goals and Objectives**

To become a nationally recognized brand of mead embraced by food and drink aficionados who are part of the national trend toward unique artisanal drinks. To open a tasting room and bring a new experience to the Madison craft beverage scene.

### **Business Philosophy**

Bos Meadery will be guided by several core principles:

- Producing quality dry and sparkling meads
- Treating customers, business associates and employees as we would like to be treated in turn
- Giving back to the community
- Minimizing debt and bootstrapping future expansion

### **Customers**

Bos Meadery has three tiers of customers to keep in mind, due to the regulation regarding the distribution and sale of alcoholic beverages in the US. The Tasting Room will be focused on the Third Tier.

- First tier – distributors who are necessary to get Bos Meadery products to the bars, restaurants and retail locations. Many distributors are actively seeking out meaderies as this becomes a growing national trend.
- Second tier – bars, restaurants and retail locations will both purchase and resell the meads and are in many ways the primary customer. Farm to table restaurants and bars that emphasize artisanal beverages and craft cocktails are a growing target market. A

significant percentage of our sales are kegs to Madison and Milwaukee bars and we expect that to increase as consumers continue to learn more about and appreciate mead.

- Third tier - Foodies, locavores, wine and craft beer aficionados who are the direct consumers of the meads. They are the direct customers at the Tasting Room and we also intend that the Tasting Room experience will drive sales to bars, restaurants and retail locations. Research suggests that these customers are singles and couples without children between the ages of 21 and 45. In addition, consumers with a associates degree or higher spend money on alcohol in restaurants and bars at a much higher rate than those with less education, which also makes Madison's educated population an ideal market. In addition, mead is gluten free which has proven very popular with craft beer aficionados with celiac disease.

### **Market**

Mead is an emerging industry, but one which is growing rapidly. The number of meaderies in the US has tripled in the last 3 years and currently our two greatest challenges are meeting current demand and identifying a means to provide a consumer experience on-site at the meadery

The market is similar to craft beer, which has proven enormously successful over the last two decades. It's also similar to the craft distillery industry and craft cider, which have enjoyed substantial growth over the last 4 years, even in a depressed economy. Mead continues to be the fastest growing market segment in the country as of 2014.

Madison is being an epicenter in the state and the region for it's craft beer and liquor offerings. Bos Meadery will complement the existing market nicely by offering another unique experience in Madison while not directly duplicating or competing with the existing businesses.

### **Strengths**

Bos Meadery is the first meadery in the Madison area and will also has the following strengths:

- Staying ahead of the competition that may emerge by maintaining an emphasis on quality, quaffability, and unique local flavors.
- Blazing the trail on the science of mead making, including yeast nutrition.
- Sourcing high quality, local ingredients, including raw, Wisconsin honey.
- Using high-quality stainless steel fermenters

- Colleen Bos's professional background in project management provides the discipline necessary for following a timely production schedule and maintaining exceptional quality control.
- Colleen's experience in sales and marketing communication also ensure that the Bos Meadery understands its market, reaches its target audience and drives sales. Products and Services,

### III. Products

Mead is a fermented beverage made from honey, water and yeast. Meads can also be brewed with fruit, herbs, spices, wine grape juice and virtually any ingredient you can dream of. Bos Meads can be both still and sparkling and Bos Meadery produces both kinds.

The most common complaint about mead from people who try it the first time is that it's too sweet. Even those who do not mind the sweet taste are usually not inclined to drink more than one glass, because it is heavy on the palate. And most food lovers find the cloying sweetness does not pair as well with food as wine and beer do.

Bos Meadery focuses on producing dry and sparkling meads that are light on the palate and therefore more quaffable. These highlight unique flavors like lavender or black pepper and unusual varietals of honey. They will combine well with local craft liquors to create some uniquely local cocktails.

Bos Meadery produces many varieties of mead, but the core meads are:

- Dry, Sparkling Pomegranate & Riesling Mead – This mead has won 2 medals at the Mazer Cup International Mead Making competition and has also been featured at the James Beard House and the Mondavi Institute at the UC Davis.
- Dry Oak-infused Wildflower Mead
- Semi-sweet, Still Buckwheat and Wildflower Blend Mead
- Dry, Sparkling Lavender and Rosé Pymment
- Dry, Still Black Pepper Wildflower Mead
- Dry, Sparkling, Hibiscus & Ginger Honey Mead

Mead is sold by the case or by the barrel to Distributors It will be sold by the glass at our Tasting Room.

## IV. Marketing Plan

### The Market

Meaderies nationally are currently enjoying the kind of explosive growth that microbreweries did in the early nineties. Although still a small industry with just about 200 meaderies nationwide, that number has tripled in the past 3 years.

Madison is an innovative town that appreciates local, artisanal food and beverage. It also has a lively beekeeping culture and is ripe for mead-centered bar to complement the many brew pubs around town and the Old Sugar Distillery down the street.

There are 115 locations throughout Wisconsin selling Bos Mead and customers all over the state have indicated an interest in visiting the Meadery for tours and tastings.

The following is a select list of entities in Dane County are selling it

- The Old Fashioned - Madison
- Hy-Vee - Madison
- Maduro - Madison
- Riley's World of Wines - Madison
- Star Liquor - Madison
- Steve's Liquor (all locations) - Madison
- Whole Foods - Madison
- The Willie Street Coop West
- Barrique's Market - Fitchburg
- Stoughton Spirits - Stoughton
- Cannery Wine & Spirits - Sun Prairie
- Verona Wine Cellar - Verona

Bos Meadery has an established relationship with Beechwood Distribution (Milwaukee, Wisconsin) which has helped ensure broad distribution throughout the state and that state-wide distribution also promotes the Meadery as a tour destination.

### Product

Bos Meadery's focus is on producing dry and sparkling meads. This is an important niche within the mead market, because most meads tend to be sweet or semi-sweet and thus less compatible to match with foods. It is very hard to drink more than a glass or two of the sweetest meads, which relegates them to a dessert beverage or a novelty.

Yet mead provides what many foodies are seeking: a unique drinking experience. In addition, Bos Meadery's research and development focus will help ensure that its meads that are compatible with the latest food and drink trends. The Tasting Room will allow us to provide an interactive experience along with the delicious product and will also allow us to expand the market for mead by demonstrating it's potential in local craft cocktails as well.

### **Customers**

Bos Meadery customers are craft beer, wine and spirit drinkers, foodies and locavores. Research suggests that these customers are singles and couples without children between the ages of 21 and 45. In addition, consumers with an associate's degree spend money on alcohol in restaurants and bars at a much higher rate than those with less education, which also makes Madison's educated population an ideal market.

The downtown and near east side of Madison has a high concentration of the optimal Bos Meadery demographic as well as similar kinds of bars and restaurants that are regular destinations for the target demographic from around Madison, which will also help attract additional potential customers to the Tasting Room.

Bos Meadery will also look forward to giving consumers the experience of touring the facility and buying mead to take home with them.

### **Competition**

The competitors for local bar customers at the Tasting Room are the local brewpubs, high-end bars and craft cocktails establishments targeting the demographic of food and drink enthusiasts willing to pay a premium for a local, artisanal product. Based on the success of new breweries and bars entering the market and looking at continuing national trends with the rise of micro-breweries and local wineries, there is significant potential for all these local businesses to work together to expand this demographic and cement Madison as a craft drinker's preferred tourism destination with our wide array of complementary offerings.

The chief immediate competitors in the mead market are:

- White Winter Winery, located in Iron, River, Wisconsin

White Winter produces sweeter meads and wines and has limited distribution in southern Wisconsin. They have a very similar pricing structure.

- B Nektar Meadery, located in Ferndale, Michigan



B Nektar is growing fast and has broad distribution already in southern Wisconsin. Their meads tend to be semi-sweet and they would not necessarily compete for the same market share. Ultimately, they have helped educate the market in Wisconsin and proven the potential for a Meadery to be successful. By differentiating Bos Meadery products as dry and sparkling, there is to some degree a symbiotic market relationship. In the end, Bos Meadery has the advantage in Madison with foodies and locavores that are our primary target demographic. The pricing structure would also be very similar.

## **Niche**

Bos Meadery's niche ultimately is in offering locally-made dry and sparkling meads and craft cocktails, all of which highlight unique local ingredients. Sparkling meads are little known nationally, but have proven extremely popular with all palettes. With a commitment to local and regional ingredients, Bos Meadery would also serve the locavore market, which is thriving in Madison.

## **Marketing Strategy**

Bos Meadery will engage in the following marketing strategies:

- Use the internet and social media to promote Bos Meadery.
- Start out with an invitation-only opening party at the Tasting Room to include, Kickstarter Backers, local media and local supporters.
- Cross-marketing with other small businesses that target the same demographic (Old Sugar Distillery, Mad Urban Bees, Quince and Apple, etc)
- Cross-marketing with Tamarack Studios (the other occupants at the Tasting Room)
- Promote to local and statewide home brewer organizations, such as the Madison Homebrewers and Taster's Guild and Barley's Angels (Milwaukee).
- Purchase ads in Isthmus, Madison Magazine and other local media.
- Give tours at the Meadery location to educate people about mead and give people the Bos Meadery experience.
- Target local music and food festivals that attract drinkers from the core demographic.
- Use the word-of-mouth network of friends/professionals
- Maintain a consistent image of a quaffable local product made with quality ingredients.

## **Pricing**

Bos Meadery is planning a pricing structure that is in line with its chief competitors. This is not a low-cost strategy, which would make little sense for the target demographic who are not likely making purchase decisions based on low price or value. They are making decisions based on quality. However, given the number of other great bars in the market, it would not make sense to exceed the prices of competitors. At the current planned prices, the profit margin is ample to meet the needs of the business. It would be unnecessary to price any higher than the competition.

## **Proposed Location**

The proposed location is 849 E. Washington Ave, Madison, Wisconsin. This is proximate to our production space and is in the heart of the Madison demographic that we are targeting. This location provide tours. It is also near the Capitol, as well as many other food, drink and entertainment destinations in Madison that appeal to food and drink connoisseurs. This particular neighborhood is already home to two businesses that cater to very similar demographic profiles (Underground Kitchen, Old Sugar Distillery) and many neighboring buildings are being redeveloped by similar kinds of businesses, making it even more of a commercial and demographic hot spot in the city.

There is a parking lot located behind the building that would be empty during the hours of operation, since the other businesses located at 849 E Washington are typically on a 8:00am to 5:00pm weekday schedule. There is also street parking on Paterson Street.

## **Sales Forecast**

Bos Meadery anticipates serving about 50-100 drinks per evening, based on data gathered from other local brewpubs and craft beverage purveyors

This sales forecast would allow Bos Meadery to make a small profit on the tasting while continuing to grow the business and profits.

## V. Risks and Mitigation

Bos Meadery has the potential to contribute greatly to the craft beverage market in Dane County, but there are always risks to any business venture. By planning ahead for the pitfalls and challenges, Bos Meadery will be prepared to address them.

Below are the risks that the owner and operator of Bos Meadery has either accounted for or has the skills to address. These include:

- The slowly recovering economy
- The lack of knowledge about mead
- The high level of regulation involved in the production of mead
- Maintaining a competitive advantage in the growing market.

Given the growth and success of meadery tasting rooms nationally, especially in some markets that are far more depressed than Dane County, it appears that the economy is not too great a deterrent to growth. Other producers of alcohol in Madison are thriving in the same economy, so with a good business plan and a good product, Bos Meadery does not anticipate the slowly recovering economy will impede its success. Start up costs are not particularly high for the Tasting Room (around \$18,000).

In terms of educating the market, Colleen's experience telling the Bos Meadery story for the last 2.5 years at tasting events has prepared her for telling the story of mead. And as more meaderies emerge nationally, she finds an increasing number of customers have some familiarity with mead and are eager to learn more. Her education in medieval history has also provided her with the information to address the historical interest in the product.

Alcohol sales are licensed by the city of Madison. Meads are legally designated as wines by the state and federal government. Therefore, producing and selling mead by the glass is subject to the heavy regulation that is standard for alcoholic beverages in the US. As a result of the heavy regulation, our business model is fundamentally developed around the requirements imposed at the city, state and federal level. The chief risk posed by the regulations and taxation is the potential for changes (especially in taxation and distribution) to disrupt the business model. It will be critical for Bos Meadery to keep abreast of local, state and national legislation and to be active in organizations that support the commercial interests of local taverns, wineries and meaderies.

In terms of maintaining the competitive advantage, Bos Meadery is committed to research and development not only in terms of the latest techniques for producing mead,

but also the latest food and drink trends. Quality assurance and quality control will also be critical elements and Colleen's 13 years of project management experience will help ensure that the necessary discipline is applied to the production process.

## VI. Operational Plan

Bos Meadery's tasting room would be located at 849 E. Washington, Suite 102 nearby the production facility, which is located at 849 E. Washington, Suite 116. Bos Meadery has submitted a conditional use application for Suite 102 to operate as a tavern on Thursdays, Fridays and Saturdays.

Colleen Bos will be the sole manager and she will employ 2 people part time to work as bar staff and to provide operational support at the Meadery.

The Meadery will be open to the public during the Tasting Room for tours. People may also make an appointment for a tour and tastings by appointment. We will have Bos Mead and Bos Meadery merchandise available for retail sale for people who visit the Tasting Room.

### 2015 Schedule

Milestones	Completion Date
• Pop Up Mead Hall Open	February 2015
• Double production capacity	March 2015
• Begin marketing "session meads" in smaller bottles	May 2015
• Identify new location for expanded meadery and permanent mead hall/ tasting room.	November 2015
• Update federal and state licenses for new location	January 2016
• Move into expanded location	November 2016

### Legal Environment

Alcohol sales are licensed by the city of Madison. Meads are legally designated as wines by the state and federal government. Therefore, producing and selling mead by the glass is subject to the heavy regulation that is standard for alcoholic beverages in the US.

Bos Meadery has obtained federal and state licenses to make wine. Bos Meadery has also obtained a state food and beverage processing license and is pursuing a city license to sell mead at the Tasting Room. Bos Meadery has insurance to cover an

accidental loss of product or other liabilities.

## **VII. Management and Organization**

Colleen Bos will continue to manage the business day-to-day. She has 7 years experience working as a project manager in sales and marketing at Epic Systems Corporation and 7 years experience as a project management and communications consultant. She has also been brewing mead and beer for 11 years and completed the Siebel Institute Brewing Technology Program in 2006.

## **VIII. Financial Plan**

### **Start-Up Costs**

Bos Meadery has estimated start-up costs for the Tasting Room at \$18,500. This figure includes:

- Tables and chairs
- Glassware
- Tap system
- Permits and licenses
- Signage
- Sales and marketing costs
- Professional fees

### **Financing**

Money invested in the Bos Meadery tasting room has come from Colleen Bos's checking account and from gifts from her life partner, Peter DeVault.