

ORIGINAL ALCOHOL BEVERAGE LICENSE APPLICATION

Submit to municipal clerk.

For the license period beginning July 1 20 11
ending June 30 20 12

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): Duc Axis Group LLC

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.

Title	Name	Home Address	Post Office & Zip Code
President/Member	<u>David W. Bruns</u>	<u>159 Lakewood Blvd. Madison, WI 53704</u>	
Vice President/Member			
Secretary/Member			
Treasurer/Member			
Agent	<u>General Manager</u>	<u>Jon R. Bruns</u>	<u>3106 Portage Rd. Madison, WI 53704</u>
Directors/Managers			

3. Trade Name Northside Liquor Business Phone Number WA 608-843-0550
4. Address of Premises 2911 N. Sherman Ave. Post Office & Zip Code Madison, WI 53704

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 employee 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 Wisconsin and date 6-2-09 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.) Premises is a retail location in shopping center

10. Legal description (omit if street address is given above):
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? Spirits Unlimited
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 15th day of June, 20 11

Donal B. Bruns
(Clerk/Notary Public)

My commission expires is permanent.

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

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

[Signature]
(Additional Partner(s)/Member/Manager of Limited Liability Company if Any)

TO BE COMPLETED BY CLERK

Date received and filed with municipal clerk	Date reported to council/board	Date provisional license issued	Signature of Clerk / Deputy Clerk
Date license granted	Date license issued	License number issued	

AT-106 (R. 4-09)

LICLIA-2011-00627

Wisconsin Department of Revenue

A0-12
PD-504

City of Madison Supplemental Class A License Application

<input type="checkbox"/> Seller's Permit Number <input checked="" type="checkbox"/> Federal Employer Identification # <input checked="" type="checkbox"/> Notarized Original Application Form <input checked="" type="checkbox"/> Notarized Supplemental Form <input type="checkbox"/> Orange Sign (Clerk's Office provides at time of application)	<input checked="" type="checkbox"/> Description of Licensed Premise <input checked="" type="checkbox"/> *Notarized Appointment of Agent <input checked="" type="checkbox"/> Background Investigation Form(s) <input type="checkbox"/> Notarized Transfer of Ownership <input checked="" type="checkbox"/> *Articles of Incorporation	<input checked="" type="checkbox"/> Floor Plans <input checked="" 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 Pure Axis Group LLC
2. Address of Licensed Premise 2911 N. Sherman Ave.
3. Telephone Number: 608-255-0620 4. Anticipated opening date: Aug. 3rd 2011
5. Mailing address if not opening immediately 1865 Northport Dr. Suite B.

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
Alder & Police captain have been contacted
7. Are there any special conditions desired by the neighborhood? ☒ Yes ☐ No
 Explain. keep five lane clear of traffic

8. What type of establishment is contemplated? ☒ Liquor Store ☐ Grocery Store
☐ Convenience Store – Gas Pumps ☐ Yes ☐ No ☐ Other—Explain _____

9. Business Description: Liquor store

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.**

Retail Space = 3,585.5 sq. ft. Storeroom = 1,240.9 sq. ft.
Hallway/Access = 533.1 sq. ft. Restroom = 55.5 sq. ft.

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 lot is well lit and space is part of a shopping center. Security cameras will monitor the entrance and retail area.

13. Describe your management experience, staffing levels, duties and employee training.
Manager has 9 years management experience, restaurant / bartender's licenses.

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.

David W. Brown 1865 Northport Dr. Madison 53704

Name Address

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

Adult working class age 30-55

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

see attached marketing plan

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

18. Owner of building where establishment is located: Shuman Plaza Inc.

Address of Owner: 1865 Northport Dr. Suite B Phone Number 608-255-0620

19. 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

20. List the Directors of your Corporation/LLC

DAVID W. BRUNS 159 LAKE WOOD BLVD Madison WI 53704
Name Address

Name Address

Name Address

21. List the Stockholders of your Corporation/LLC

DAVID W. BRUNS 159 LAKEWOOD BLVD Madison WI 53704-1001
Name Address % of Ownership

Name Address % of Ownership

Name Address % of Ownership

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 16th day of June, 2011

Laurette M. Thorator

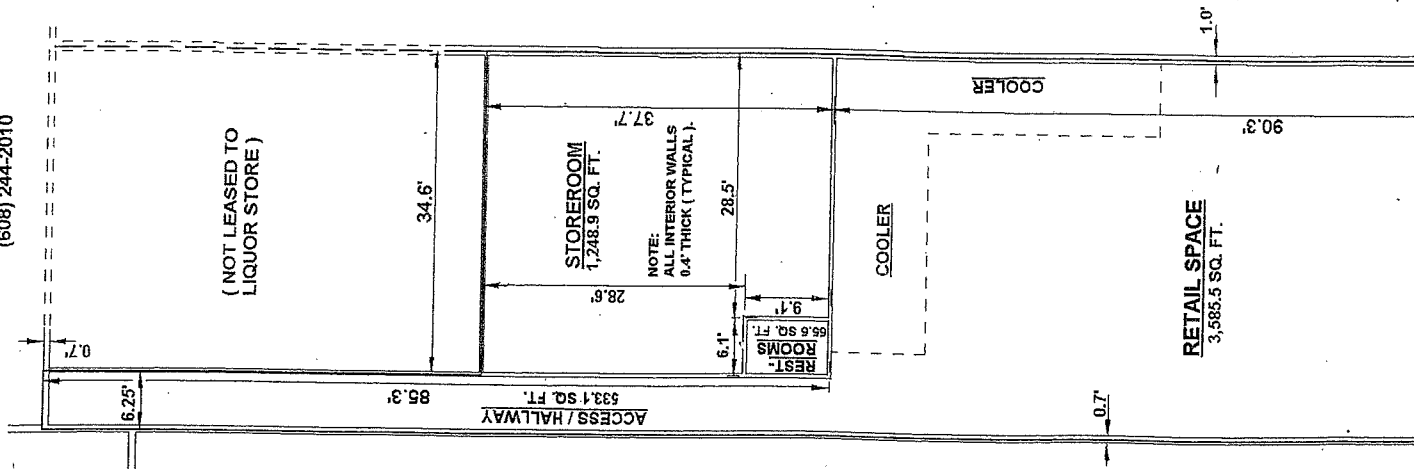
(Clerk/Notary Public)


(Officer of Corporation/Member of LLC/Partner/Individual)

My commission expires 10.06.13

BADGER SURVEYING & MAPPING SERVICE, LLC
 2702 INTERNATIONAL LANE, SUITE 114
 MADISON, WI 53704
 (608) 244-2010

SCALE: 1" = 15'
 DATE: 2 / 25 / 2004



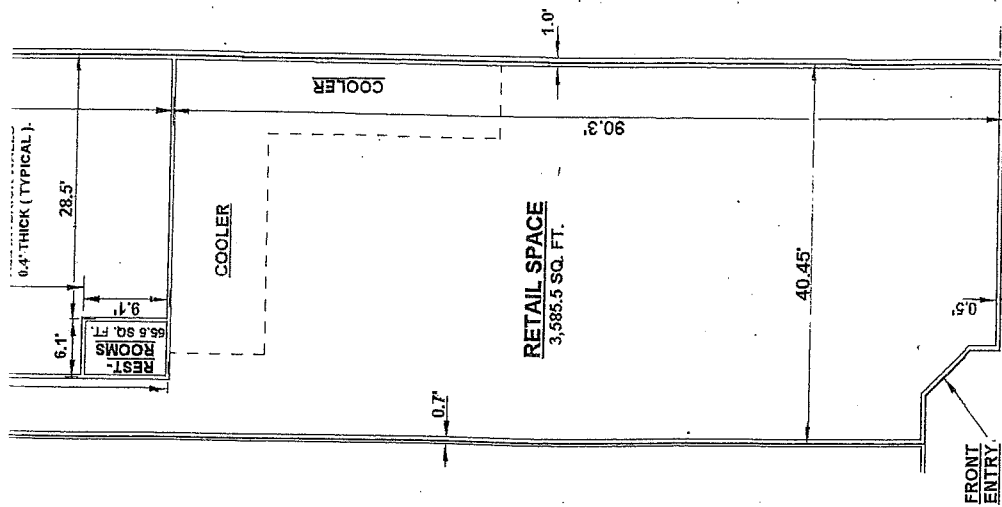
**2911 N. SHERMAN AVENUE
 (LIQUOR STORE)**

RETAIL SPACE	3,585.5 SQ. FT.
STOREROOM	1,248.9 SQ. FT.
HALLWAY / ACCESS	533.1 SQ. FT.
RESTROOMS	55.5 SQ. FT.
TOTAL AREA	5,432 SQ. FT.

PREPARED FOR:
 SHERMAN PLAZZA SHOPPING CENTER
 1885 NORTHPORT DRIVE
 MADISON, WI 53704
 (608) 575-1582

STAIRS	1,248.9 SQ. FT.
HALLWAY / ACCESS	533.1 SQ. FT.
RESTROOMS	55.5 SQ. FT.
TOTAL AREA	5,432 SQ. FT.

PREPARED FOR:
 SHERMAN PLAZZA SHOPPING CENTER
 1885 NORTHPORT DRIVE
 MADISON, WI 53704
 (608) 575-1582



Northside Liquor

Business Plan

I. Executive Summary

Northside Liquor will be a new neighborhood liquor store. The store will be owned by David W. Bruns (part owner of the Northside TownCenter which the store will operate in) and be run by Jon R. Bruns. Our customers will be the immediate neighborhood of the Warner Park area, but with an intention to grow demand both within and outside of northern Madison.

Our objective is to provide a high end experience for our customers, focusing on high end wines and spirits, and be a price competitive alternative for working and upper class individuals on the north east side of Madison.

II. General Company Description

Northside Liquor will be a neighborhood-oriented liquor store. I, Jon R. Bruns, as manager have 10+ years of management experience, including experience in the grocery and bar business. I know what it takes to run a successful business, and plan to make this venture a success as well. Given our financial backing we believe that we can run this business at a profit by staying price competitive with neighboring businesses, and capitalizing on the convenience of our location.

Mission Statement: Northside liquor is committed to selling quality products at a competitive price.

My goal is to create a profitable liquor store that community feels safe to shop in. We plan on tapping not only into the neighborhood directly around the shopping center, but focusing our marketing efforts on potential customers in Maple Bluff and Cherokee. Given the somewhat recent loss of Brennan's, which was a high end wine and beer vendor in the area, we feel as though there is a potential for us replace them as the go-to store for high end spirits.

We have chosen to form a sole proprietorship with LLC protection due to it's ease of entry, and it's tax return and accounting simplicity.

III. Products and Services

While it is obvious that our main focus is going to be on selling wine, beer, and liquor, we also understand the need to supplement those sales with other complimentary items. As stated in the operational plan we do not plan to carry very low cost alcoholic beverages such as 40 oz. malt liquor, or single cigars. Our focus will be more on quality spirits at competitive prices, and we will attempt to turn a profit by doing greater volume than our competitors.

We also plan to sell complimentary items such as ice, snacks, soda, juice, frozen pizzas, cigarettes, cigars (5 packs or larger only), lottery, coolers, wine openers, and other non-alcoholic cocktail mixes.

We also plan to start having a web presence. We will create a website that is updated, welcomes feedback, and can create a customer database that would enable us to make customers who wish to be on our mailing list aware of promotions and sales that we are running . I have already purchased a domain (northsideliqor.com), and have contracted Adapt Computer Services to create and maintain our website.

IV. Marketing Plan

Summary

This is an outline I came up with for some marketing ideas I had for the potential new liquor store. Our marketing plan will be to utilize the following:

1. Print Advertising
2. Website
3. Madison Mallards
4. In-Store Promotion

Print Advertising

Northside News

- NSTC runs a back-page ad in the Northside News each month. We will occupy the entire space allocated on this back page the first issue available highlighting the following:
 - New Ownership
 - Fully Stocked Inventory of Beer, Wine, and Liquor
 - COMPETITIVE PRICING
 - Specials
- Re-occurring ads highlighting promotions and specials
- Interviews with manager/owner(s) with customer testimonials

Madison Newspapers

- I would recommend a one-time run advertising the re-opening of the store.

Website/Email

- Given the technology of today a website is a must for any business. For many, especially younger adults who make up a large segment of our target market, online advertising and web searches are replacing the yellow pages as the primary means for locating businesses. For this reason I recommend forgoing any expenses that we might consider devoting to the yellow pages, and devoting that segment of the advertising budget to online advertising and a website.
- I'm hoping the site would ultimately consist of basic information (address, phone number, email contact information, etc.), our products, an online survey, and provide a customer database that we could use to send emails with coupons, sales, or promotional activities to our customers (much like what Pierces does with its website).
- The sooner this site is built, and more traffic we drive to the website via other forms of promotion, the faster it will begin showing up with high priority in online search engines.
- In addition I would create a Facebook profile for the business which is free, and widely browsed. This will include basic information, a link to the website, and the ability to send out event reminders to those who have signed up as "friends."

Madison Mallards:

Coupons

I would print postcard sized coupons to either hand out to Mallard fans as they are walking to the park from the shopping center, or drop on windshields in the parking lot. We would pick 2 or 3 strategic nights where we figured attendance would be high to do this. Minimal employee expense (probably 2 hours of labor) and good exposure.

Promotion

I would explore whatever free or low cost promotion the Mallards were willing to offer us. I imagine NSTC/Sherman Plaza Inc. has some leverage with the Mallards that would lend to some free or low cost advertising at the game(s) that we could utilize.

In-Store Promotion

This is the most cost effective method of advertising available to us, and I plan on fully utilizing it. Some methods of in-store promotion include, but are not limited to:

- Displays
- Poster Signage (created/paid for by distributors)
- Gift Cards (scanned into POS system like credit cards/track % redeemed in system)

V. Competition

There are several competitors in the area, but there is certainly a demand for a liquor store on the NE side of town at the moment.

Our competitors geographically are:

- .1 miles away: Pierce's 2817 N. Sherman Ave.
- .5 miles away: Packer Liquor 3506 Packers Ave.
- 1.4 miles away: Copps Food Center 2502 Shopko Dr.
- 1.6 miles away: Vic Pierce Liquor 609 N. Sherman Ave.
- 2.8 miles away: Bottle Stop Liquors 2734 E. Wash Ave.

While these stores are geographically close, we will offer something that each of the above mentioned cannot.

Pierce's, who will be our nearest and most direct competitor, only offers beer and wine, and generally it takes a great deal of time for customers to check out. We will price check Pierce's on a weekly basis to ensure that we staying price competitive, and plan to offer customers specials to compete for business.

Copps is another close competitor that will compete with us on a price level, but like Pierce's it is also not very convenient. It is set back off of Hwy. 30, and generally customers are going to have to wait a great deal longer in line. We will also price check Copps on a weekly basis to stay price competitive.

Packer Liquor, Vic Pierce, and bottle Stop Liquors all represent neighborhood liquor stores that fill a niche in their respective neighborhoods. However, these are all much smaller stores that do not have the buying power or storage space that we will have available. They are also all located in locations that are less prime than the one we will occupy. The corner of Northport Dr. and Sherman Ave. currently has the 3rd highest traffic volume of controlled intersections in the city. We will be able to beat their pricing, and will do a better business based on the amount of volume.

VI. Proposed Location

The shopping mall in which Northside Liquor will be located – The Northside Town Center - is surrounded by neighborhoods, and adjacent to Warner Park. Access to the stores is very easy and safe on foot or by bike, and of course, cars have multiple access points that are safe and easy to enter.

The location will take advantage of cross-traffic with other stores. The mall has several other high-traffic businesses: Mickle's Tru Value Hardware, Pierce's Grocery, Subway, Benvenuto's restaurant, and Walgreen's. There is plenty of parking near all of the stores, and they are all within a football field of each other, so it will be easy and convenient for customers to purchase spirits at our location and during the same visit as picking up dinner, garden supplies, or picking up a prescription.

VII. Operational Plan

We plan on operating the business 7 days week, 364 days a year (we will be closed December 25th of each year) and plan to capitalize on sales associated with most of the major holidays. Initially, our hours of operation are going to be from 8 a.m. to 9 p.m. seven days a week, and will alter those hours as business dictates.

The store will be laid out in a way that will display our wine section to customers passing in front of the store. We will not, as the previous tenants did, clog the front windows with signage, displays, ATM, coolers, etc., but will rather utilize the large windows and natural lighting available.

Displays will be noticeable to customers as they enter the store, and we plan on making them appealing. Items will be located throughout the store in a logical and eye pleasing manner, and we plan to constantly re-locate items to keep things fresh and new for our customers.

The point of purchase area will be located near the entry/exit point for the store on the northern wall, and be fully equipped with two bar scanner registers, a telephone, and surveillance monitor. We will also keep smaller items behind the counter for security reasons.

We will work with the city and local law enforcement to change the culture of the property located at 2911 N. Sherman Ave. We plan to learn from the mistakes made at this location in the past, and will not attempt to sell 40 oz. malt liquor, single cigars, or any other products deemed to be aiming at impoverished patrons. We will install video surveillance equipment including a monitor over the front door of the business letting customers know that they are being watched. We will install an alarm system on the property including door, motion, and glass break alarms. We also intend to take a pro-active approach to dealing with loitering and unruly behavior in and around our store. We are also willing to consider staffing security personnel at the front door should a need arise.