



ALCOHOL BUSINESS STARTUP & OPERATIONS CONSULTING PROPOSAL
FOR
TODD & DANA [REDACTED]
OF
DEEP ROOTS WINE MARKET & TASTING ROOM
BY
DAMON SHEPPARD



SIC: 5831

NAICS: 445310



1 Background

1.1 Client & Concept

Todd and Dana [REDACTED]
1055 Canton Street
Roswell, Georgia 30075

Concept is a wine tasting room that brings California Wine country to Historic Downtown Roswell, Georgia.

1.2 Location Considerations

The location is the bottom end unit of Plum Tree Village located in the heart of Historic Roswell on Canton Street.

Property report attached

1.3 Occupancy Costs Evaluation

Project has great occupancy costs (3.1% lower than industry projections).

Location is very important, for the businesses success. Thus, a buyer should provide for ongoing working capital to operate the store in order to take advantage of quantity case pricing. This is important to the success and ongoing survival of the store, particularly if there are large-volume stores in the neighboring areas, which are viewed as competitors. Margins are shrinking in the industry at both the retail and wholesale levels. Hence, many small stores are struggling to survive, due to their occupancy cost being high, in relation to both their sales and margins. The lower margins drive the cost of occupancy up, which cannot be adjusted, when the owner is locked into a specific lease period. Some owners overlook the need for additional working capital and potential negative cash flow for an extended period of time (around 12 months), when starting a store, from 'scratch'.

With planned and systemic working capital projections, any negative cash flow from first year operations can be planned from the beginning and adjusted as an overall cost of business acquisition/startup.



1.4 Ancillary Services

Ongoing services needed for business operation.

1. Bookkeeper & Accountant
2. Pest Control
3. Grease trap maintenance
4. Alarm Monitoring
5. Food Vendor
6. Wine Vendor
7. Marketing, events & Social Media
8. Business, Workers Compensation Insurance
9. Website Hosting
10. Wine market Consultants – can be friends, business acquaintances.

2 Objective

Our primary focus will be the full establishment of the business structure with all licenses, realistic projections, price point and bottle purchase volume, consumer operational forms, alcohol manuals, and the project management of the business establishment within 45 days of signing a contract. This includes ServeSafe and TIPS alcohol or comparable certification, health inspections, zoning requirements, food supply chain selection, equipment selection, operations and standards of service. We will focus on long-term profit gain around 12 months' time and long-term solutions like wine market buyers' assistance will not be included in this proposal.

3 Scope

3.1 Scope of our analysis

We are looking at:

- Opening on a bootstrap budget.
- Ways to achieve cost saving through project management.



- Initial location design and blueprints
- Initial permitting for business and health licenses
- Ways to achieve cost saving through operation efficiency.
- Ways to achieve cost saving through reduction of inventory-related cost, delivery cost & operation cost
- Ways to gain additional income from local customer base
- Ways to gain additional income from online delivery
- 5 year proforma with budget
- Capital construction budget

3.2 Outside the scope of our analysis:

Issues that require more than 2 months of combined work will be excluded. Issues below are excluded in the analysis as well due to the complicated nature of the issues, which require extensive research and analysis.

- Changing the location.
- Capital Investment: No further large add-in of capital to be invested.

4 Issues

4.1 Key issues

We target to assist the client in maximizing profits through two ways:

Opening an operational sound location

Planning for projected sales revenue:



4.2 Project Opening

- Supervise city business permits
- Supervise all State and Local alcohol permits
- Supervise Fire permit
- Supervise grease trap permit
- Supervise health department permit
- Supervise application for State business permits (3 total)
- Apply with food vendor and seek credit terms
- Generate and place opening food order
- Generate and place opening equipment order

4.2 Gaining Projected Sales

- Increase online presence with custom website and free hosting for one year.
- Ways to increase customers purchase per visit
- Ways to increase customers frequency of visit
- Creation of targeted P&L and test out the achievability of the identified methods
- Sourcing of numerous inventory and the impact on cost
- Ways to attract new customers of different needs: price, speed taste, & service

Detailed actions are listed in the detailed work plan.

5 Resources

- Data Created
- Zoning & license applications
- Profit and loss account
- Detailed HR expense report
- Market part time work salary index
- Original shift structure schedule
- Work time per each task of each position/ Frequency of tasks
- Cost of ingredients
- Historical delivery frequency/location/time/consumption spending
- Cost report tracking for items
- Retail traffic at peak and non-peak delivery utilization
- Cost of additional furniture/cost of marketing



- Floor plan layout and design to all applicable codes
- Expenses and vendor setup for retail and consumption purchases
- Average seats utilization/average turnover rate
- Average revenue/profit from different timeframes/ Statistics of sales per order
- Conducted customer surveys during the process
- Wine menu engineering / price-list / design

People we need to interview

- Ancillary service partners
- Owners
- Attorney
- CPA
- Area businesses
- Banking partners
- Leasing agent

6 Appendix

- Feasibility and Capital requirements
- High level work plan & Fee Schedule

Consultancy Agency: Culinary Concepts & Consulting LLC

Year of Establishment: 1997

Our Aims: Culinary Concepts & Consulting LLC is pleased to submit this proposal for services to support Deep Roots Wine Market in achieving its goals for developing and operational planning in the opening and day to day business of the organization. To this aim, our business is committed to improving the client experience through organization, convenience, accuracy of information, and timely delivery of manual categories and procedural documents.

Your advantages: Culinary Concepts & Consulting LLC, one of Georgia's oldest and reputable foodservice consulting and management companies. We have over 20 years of restaurant planning, management and business experience. Your Primary Restaurant Consultant will be Damon Sheppard. A graduate of Johnson & Wales University, Chef Damon earned degrees in Foodservice Management/Culinary Arts with a Certification in Pastry Arts. He later received his MBA from Keller Graduate School of Management. Mr. Sheppard has been teaching wine classes since 1998 and has advised on over 70 foodservice and retail



establishments.

The following services and documents below are also offered under this contract with us:

▪ **Operational Guides and forms to include:**

- Mission statement
- Company history
- Organizational chart

Menu and Kitchen Management

- Menu development
- Recipe development
- Recipe costing
- Recipe cards & photos
- Menu assembly & production
- Station setup & closing procedures
- Breakdown & cleanup
- Inventory procedures & controls
- Food safety
- Product rotation

Front Of House Management

- Customer service
- Menu abbreviations and descriptions
- Wine and retail techniques and terms
- Opening procedures
- Closing procedures
- Seating floor plan
- Handling complaints
- Side work
- Gift certificates
- Discount coupons
- Closeout procedures

Purchasing and Inventory

- Product specifications
- Approved vendors
- Par levels



- Ordering procedures
- Receiving procedures
- Inventory control
- Physical inventory procedures

Employee Training

- Training schedules by position
- Training aids by position
- Training checklists by position
- Cleanliness and Sanitation
- Prevention of foodborne illness
- Foodservice
- Restrooms
- Chemical management
- Cleaning checklists

Marketing and Promotions – Advising only

- Advertising
- Promotions
- Public relations
- Customer database

Business and Financial Management

- Cash deposit procedures and controls
- Point-of-sale procedures and controls
- Discounts and comp policy
- Payroll processing – Advising only
- Accounts payable
- Weekly reports
- Chart of accounts
- Initial Financial statements

Equipment Management

- Equipment maintenance schedule
- Breakdowns and repairs – Advising only
- Approved repair vendors
- Equipment replacement procedure

We also include other helpful collateral materials: -Template forms provided to owner. Customization of the forms requires separate consulting contracts.



Internal Controls Checklist: Improve your controls & reduce your exposure to losses by implementing these essential restaurant internal controls in the areas of cash, purchasing, payroll and accounting.

Screening Interview Form: A tool to help you quickly identify whether job applicants possess the four traits that point to success in the restaurant business; Extroversion, Pride, Responsibility and Energy.

Sexual Harassment Policy: Sexual harassment in the workplace is a serious issue. Don't be caught without a comprehensive policy in place. Use this template as an important first step in documenting and communicating your company's policy on this issue.

Anti-Discrimination Guidelines: There are many questions that are illegal to ask of job applicant. To avoid charges of discrimination you and your people involved in interviewing and hiring need to know them. Use these guidelines to educate and inform yourself and your people.

Application for Employment: Having the right Application for Employment is an important tool for supporting a quality employee selection process.

Restaurant Employee Handbook: Your custom Restaurant Employee Handbook will be one of the most important documents in any restaurant.

Restaurant Accounting Checklist: The more organized and efficient your period end accounting process is, the more accurate your statements will be and the quicker you'll get them. Give your bookkeeper or accountant a tool that will help them do a better job of crunching your numbers.

Alcohol Management Program: A comprehensive Alcohol Management Program is essential to providing responsible alcohol service. The material offered in this program is intended to be used as a guide and educational tool to develop a responsible, knowledgeable staff with regard to serving alcoholic beverages.

The dynamics of our consulting team are projected into the operation of your project. Additionally, many restaurants look first to our team and experience when evaluating a project of this size.

Our Fees: We will charge a consulting fee of [REDACTED]

[REDACTED] hour for consulting services for 100 hours. The fee will be charged in 3 payments. A deposit of [REDACTED] must be received with our consulting contract in order to start the process. The second payment of [REDACTED] is due within 21 days and the balance is due upon completion and presentation of the final plan, operational forms, and business opening. The fee may be paid by check, or credit card to Sole-Proprietor Damon Sheppard.

Non-compete: The Independent Consultant will not compete with your Restaurant and its successors and assigns, without the prior written consent of your Company. This will be for a period of one year.



Our Resources: Sponsored Contractor NetID with Cornell University. Industry contacts and mentors include Mark Chandler with the Wine Market Council and Danny with the Neilsen Company. Proficient with retail and foodservice Point of Sales systems. Comprehensive E&O Insurance Coverage to one million dollars.

Network and Industry resources: FCSI, NRA, ISES, ACCED-I, ACF

This proposal becomes part of the Consulting Contract.

Timeline: The fee offer is valid for 15 days. Normal time to completion is 45 days from receipt of deposit and contract execution.

We believe every organization substantially benefits by its advisory team. We are seasoned industry icons, and our advice, counsel, the relationships we have with other powerful people, and their deal influence amplify your company's industry position, broadens its reach, and aligns with your goals.

A store opening is an exciting time for everyone. Taking these steps will assist you in ensuring a smooth opening. This will allow you to enjoy the process – and hopefully years of success with your new store.

Thanking you,

Damon Sheppard
Director of Operations

Culinary Concepts & Consulting LLC

**High Level Work Plan & Fee Schedule**

Week	Action	Cost
Week 1	1. Initial Consulting Deposit 2. Calculate and deliver Tenant Improvement costs 3. Lease execution 4. Create Competitive Analysis 5. Apply for all Permits 6. Schedule Fire Inspection 7. Submit Zoning changes (if needed) 8. Submit business license 9. Start Setup of Food and Wine Accounts 10. Complete and submit all alcohol licenses 11. Create employee files & job descriptions 12. Work with designer to start layout	
Week 2	13. Setup marketing associates - start on marketing plan 14. Document Emergency procedures 15. Order construction graphics	
Week 3	1. Submit all plan reviews 2. Submit press releases – Marketing Company 3. Second consult fee 4. Select equipment manufactures 5. Certify Dana for ServeSafe Sanitation 6. Certify Dana for Alcohol certification for license	
Week 4	7. Locate Initial wine vendors 8. Launch Website 9. Start Buildout 10. Alarm system setup 11. Business Plan, budget and feasibility study complete	
Week 5	12. Identify charity efforts 13. Create Equipment book 14. Complete operational checklists 15. Setup accounting procedures & program 16. Schedule pest control 17. Finish vendor list 18. Equipment list complete	
Week 6 – opening	19. Operational manual complete 20. All vendor lists complete 21. Order opening alcohol inventory 22. Order opening equipment 23. Final Consult fee	

Properties for Lease

1 1035-1065 Canton St, Roswell, GA 30075



Property Details

Rental Rate Yr	████████████████████
Property Type	Retail
Property Sub-type	Storefront Retail/Office
Gross Leasable Area	8,000 SF
Status	Active

Property Notes

Spaces

#	Space Avail.	Rental Rate	Min Divisible	Max Contiguous	Lease Type	Date Avail.	Description	Sublease
1st Floor Ste 1	1,662 SF	████████████████████	2 SF		Relet	Immediate		

Property Description

Unique mixed use property, tenants include an art gallery, yoga studio, café and bakery, hair salon and boutiques. First Floor Retail available on January 1, 2018. Located in the Historic District of Roswell on Canton Street within walking distance of shops and restaurants.

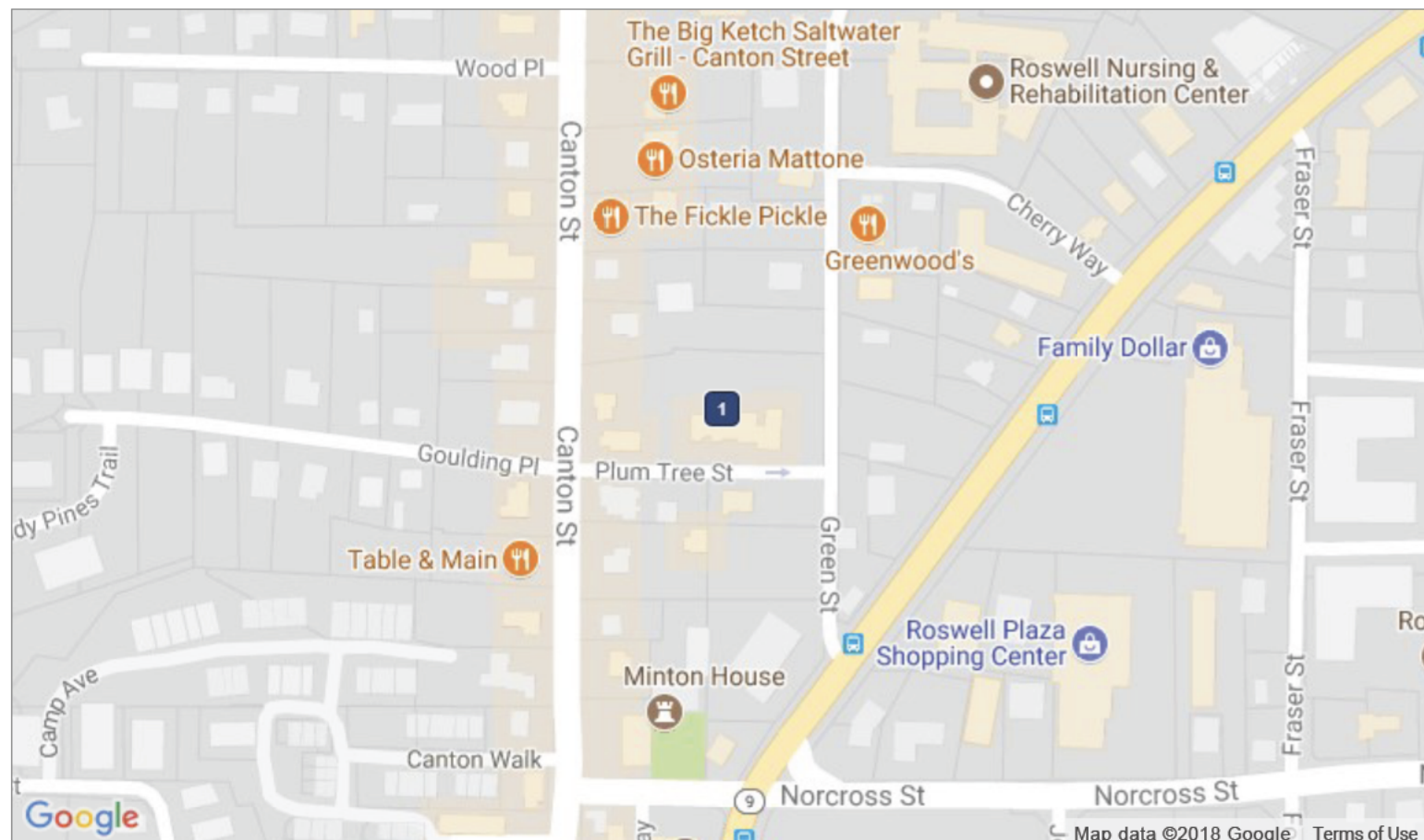
Photos







Map



1 1035-1065 Canton St
Roswell, GA 30075