

# CITY OF RACINE 06-11

## Supplemental Application Form for ALL NEW Alcohol Establishments

Date 2/1/12

Name of Corporation/LLC/Individual Dewey's Restaurant and Sports Bar, LLC

Address of Licensed Premise 600 MAIN ST, Racine, WI

**PART 1**

1. Have you contacted the alderman and neighborhood business association for the area in which you intend to locate?  YES  NO
2. Are there any special conditions desired by the neighborhood?  YES  NO
3. What type of business do you or will you conduct at this location? (check all that apply)  
(Other licenses/permits may be required to operate your business.)

<input checked="" type="checkbox"/> Full Service Restaurant	<input type="checkbox"/> Grocery Store
<input type="checkbox"/> Bed and Breakfast	<input type="checkbox"/> Convenience Market without Gas
<input type="checkbox"/> Convenience Market with Gas	<input type="checkbox"/> Billiard Center (Billiard Hall License Required)
<input type="checkbox"/> Bowling Center (Bowling alley license req.)	<input type="checkbox"/> Catering (Sales only allowed on the premises issued an alcohol beverage license)
<input type="checkbox"/> Comedy Club	<input type="checkbox"/> Indoor Golf Facility
<input type="checkbox"/> Hotel	<input type="checkbox"/> Gift Shop Museum Center for the Visual and Performing Arts
<input type="checkbox"/> Video Game Center 6 or more games (Amusement Center license req.)	<input type="checkbox"/> Veterans Club
<input type="checkbox"/> Night Club (Dance Hall License Required)	<input type="checkbox"/> Tavern
<input type="checkbox"/> Brew Pub	<input type="checkbox"/> Volleyball Court (Permanent expansion of premises required)
<input type="checkbox"/> Fraternal Club	<input type="checkbox"/> Wine Tasting Room
<input type="checkbox"/> Theater Performances	<input type="checkbox"/> Liquor Store
<input type="checkbox"/> Private Sports Club	<input type="checkbox"/> <b>OTHER</b> (Please List)
<input type="checkbox"/> Department Store/Drug Store	<input type="checkbox"/>
<input type="checkbox"/> Cafe/Coffee Shop	<input type="checkbox"/>

4. Hours of Operation SUNDAY - SATURDAY 11:00 AM - 2:00 AM

Indicate the intended hours of operation by day. If your establishment will be open past midnight, the indicated losing time will be understood to be the day following the indicated time your establishment will be open for business. Example: Friday-Sunday 4 pm-1am)

5. How many customers do you anticipate on your busiest days:

25-50 50-100  100-200 200-400 More than 400

6. Ratio of Food to Alcohol (Exclusive of any cover charge)

75% or more food Snacks Only Other 50/50 No Food

7. Drink Specials

Will Drink Specials be offered?  Y  N

What Kind Promotional

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8. What type of license(s) do you hold at this premise? (check all that apply)

*will get*

<input type="checkbox"/> Cigarette	<input checked="" type="checkbox"/> Food (Apply at the Health Dept)
<input type="checkbox"/> Gas Station (Apply at Clerk's Office)	<input type="checkbox"/>
<input type="checkbox"/> Other (LIST)	<input type="checkbox"/>

9. If applying for a Class B or C license, what type of food service will you have at this location?

**(check all that apply)**

<input type="checkbox"/> None	<input type="checkbox"/> Prepackaged Foods
<input type="checkbox"/> Snacks/Appetizers	<input type="checkbox"/> Catered Events
<input checked="" type="checkbox"/> Full Meals -Hours of Food Service. From <u>11</u> To <u>11</u> (attach additional sheets)	

10. Is this premise under construction?  Yes  No If yes, estimated completion date?

11. Is this a franchise?  Yes  No

12. Is this premise currently licensed?  Yes  No If yes list type of license \_\_\_\_\_

13. Is the current licensee operating?  Yes  No If no, list date closed \_\_\_\_\_

**LITTER/GARBAGE:** What are your plans to keep the grounds clean? (check all that apply)

<input checked="" type="checkbox"/> Sweep	<input type="checkbox"/> Pressure Wash
<input checked="" type="checkbox"/> Pick up litter	<input type="checkbox"/> Hired Maintenance
<input checked="" type="checkbox"/> Building owner responsibility	<input type="checkbox"/> Garbage Cans Outside
<input type="checkbox"/> Other (List)	<input type="checkbox"/>

**Who is responsible to keep the grounds clean?** (Licensee/Building Owner/Hired Maintenance/Other)

BUILDING OWNER, HIRED MAINTENANCE

**How Often?** (Daily, Weekly, Other) DAILY

**NOISE:** How are noise issues addressed? (check all that apply)

<input type="checkbox"/> Security	<input checked="" type="checkbox"/> Manager approaches customer(s)
<input type="checkbox"/> Call Police	<input type="checkbox"/> Signs Posted
<input type="checkbox"/> Other (List)	<input type="checkbox"/>

**SECURITY:** What is your security plan? (check all that apply)

<input type="checkbox"/> None	<input checked="" type="checkbox"/> Bouncers
<input type="checkbox"/> Hired Security Officers	<input type="checkbox"/> Off Duty Police Officers
<input type="checkbox"/> Other (List)	<input checked="" type="checkbox"/> Digital Video Camera System

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- **Instrumental Music** - COMPLETE SECTION A ONLY  
Permits the playing of instrumental music only, with singing on the part of and only by persons actually engaged in the playing of such musical instruments. No dancing allowed.
- **Record Spin** - COMPLETE SECTION A ONLY  
Permits DJ's, karaoke and CD players. No dancing allowed.

**SECTION A: CHECK ALL THE TYPES OF MUSIC THAT APPLY:** ("Variety" is not an acceptable answer.)

<input checked="" type="checkbox"/> Blues	<input type="checkbox"/> Latin Pop	<input type="checkbox"/> Hard Rock
<input type="checkbox"/> Reggae	<input checked="" type="checkbox"/> Classic Rock	<input checked="" type="checkbox"/> Country
<input checked="" type="checkbox"/> Easy Listening	<input type="checkbox"/> Contemporary R&B	<input type="checkbox"/> Dance - Pop
<input type="checkbox"/> Irish	<input type="checkbox"/> Tropical	<input type="checkbox"/> Other(list)
<input type="checkbox"/> Mexican Top 40	<input type="checkbox"/> New Age	<input type="checkbox"/>
<input type="checkbox"/> Modern Rock	<input type="checkbox"/> Rap	<input type="checkbox"/>
<input type="checkbox"/> Heavy Metal	<input checked="" type="checkbox"/> Jazz	<input type="checkbox"/>
<input type="checkbox"/> Hip- Hop	<input checked="" type="checkbox"/> Classic R&B	<input type="checkbox"/>
<input type="checkbox"/> Dance - R&B	<input type="checkbox"/> Techno	<input type="checkbox"/>
<input type="checkbox"/> Polka	<input type="checkbox"/> Folk	<input type="checkbox"/>

**SECTION B: OTHER** (check all that apply)

\_\_\_\_\_ NOT APPLICABLE

<input type="checkbox"/> Battle of the Bands	<input type="checkbox"/> Comedy Acts
<input type="checkbox"/> Disc Jockey	<input checked="" type="checkbox"/> Live Musicians
<input type="checkbox"/> Magic Shows	<input type="checkbox"/> Poetry Readings
<input type="checkbox"/> Rapping/Rap Contests	<input checked="" type="checkbox"/> Solo Singers/Groups
<input type="checkbox"/> Dancing by Performers-Describe	<input type="checkbox"/> Wrestling-Describe
<input type="checkbox"/> Fashion Shows-Describe	<input type="checkbox"/> Patron Contests-Describe
<input type="checkbox"/> Exotic Dancer/Stripper/Adult Entertainment-Describe	<input type="checkbox"/> Other - Describe

Attach additional pages if necessary

If the type of entertainment is not listed above, please describe the type of entertainment you will have:

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IF AFTER THE LICENSE HAS BEEN GRANTED OR ISSUED, YOU WISH TO DEVIATE FROM THE TYPE(S) OF ENTERTAINMENT LISTED. YOU MUST SUBMIT A "REQUEST TO CHANGE THE PLAN OF OPERATION". NO CHANGES IN ENTERTAINMENT SHALL TAKE PLACE UNTIL THE REQUEST HAS BEEN APPROVED BY THE PUBLIC SAFETY LICENSING AND/OR CITY OF RACINE COMMON COUNCIL. D.D. (INITIAL)

I (we), the undersigned have a knowledge of the City Ordinances and State Laws currently regulating these licenses and being duly sworn under oath, depose and say that I am (we are) the person(s) and that all statements made in the foregoing application are true and correct.

SUBSCRIBED AND SWORN TO BEFORE ME ON \_\_\_\_\_, 201\_\_

Signature D. R. Dumont

Printed Name DAN R. DUMONT Address 2406 N. MAIN ST

## Supplemental Application Form for ALL NEW Alcohol Establishments

### PART 2: DETAILED BUSINESS SITE PLAN

**A: ATTACH BUSINESS PLAN** which outlines the type of business you plan to operate if granted a license. This should be typed and include the following:

- Hours of operation
- Alcohol sales based on a percentage of total sales
- Sample Menu (if applicable)
- Security
- Parking
- Staffing
- Plan to deal with non-smoking laws
- Any special events/plans
- Good neighbor practices (i.e. litter control)
- Detailed Budget including estimated costs/profits

**B: ATTACH DETAILED FLOOR PLAN**-You will need to submit a detailed floor plan:

#### **READ ALL INSTRUCTIONS BEFORE PREPARING THE FLOOR PLAN.**

- Any application submitted without the detailed floor plan (including all required items as listed below) will not be accepted.
- Even if the premise had previously been licensed and a floor plan submitted, a new floor plan must be submitted with this application.
- The floor plan must be filed on 8 1/2" by 11" size paper.
- A separate sheet of paper must be filed for each floor where alcohol will be stored, displayed, sold, given away and/or consumed.
- Even if the basement is being used for alcohol storage only, a floor plan is still required for the basement.
- Hand drawn floor plans in ink are acceptable. Plans do not need to be architectural drawings or need to be to scale.

#### THE FLOOR PLAN MUST INCLUDE ALL OF THE FOLLOWING ITEMS:

1. Dimensions of the Premises.
2. Total Square Feet of the Premise (length x width=square feet).
3. Label all entrances and exits.
4. Label all alcohol storage areas (coolers, etc).
5. Provide dimensions of all alcohol storage areas (length x width)
6. Label all alcohol display areas (behind the bar, shelves, etc.)
7. Provide dimensions of all alcohol display areas (length x width)
8. Class B & C Applicants Only: Label all seating areas, bars, and food preparation areas (kitchen)

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9. Class B & C Applicants Only: Label all outdoor areas used for the sale of service of alcohol beverages (for example, patios, beer gardens, sidewalk cafes)
10. Class B & C Applicants Only: Provide dimensions of all outdoor areas used for the sale or service of alcohol beverages (length x width)
11. Label all parking areas on the premises (do not include street parking) (This is required if the parking is shared, for example, a strip mall.)
12. Provide dimensions of all parking areas available on the premises (length x width). The parking areas(s) should be marked on the floor plan for the first floor showing the relation to the building.
13. Mark the North Point (N) on each page.
14. Write the date on each page.
15. Write the Legal Entity Name (and Agent's Name if a corporation or LLC) on each page
16. Write the Trade (Business) Name on each page.
17. Write the Premise address on each page.

### IF YOU LEASE THE BUILDING, ANSWER THE FOLLOWING QUESTIONS:

Have you signed the lease?  Yes  No

Date lease begins: \_\_\_\_\_ Expires \_\_\_\_\_

Monthly Rental: \$ \_\_\_\_\_

Do you have an option to renew the lease?  Yes  No

Does your lease allow for the assignment to another party without consent of the owner?  Yes  No

For what length of time have you been guaranteed occupancy? (number of years) \_\_\_\_\_

In addition to paying monthly rental, will you have to pay anything additional to the owner of the building to guarantee performance of the lease?  Yes  No Explain if Yes \_\_\_\_\_

Does the present owner or occupant object to the granting of your license?  Yes  No

Explain if Yes \_\_\_\_\_

\*\*\*\*\*

The City of Racine requires that you describe the type and general nature of entertainment that you will have under the following licenses:

- **Amusement** - COMPLETE SECTIONS A & B  
Allows entertainment or exhibitions consisting of music, dancing, singing and floorshows performances. Includes Dance, Instrumental Music and Record Spin.
- **Dance License** - COMPLETE SECTION A ONLY  
Allows dancing on the premises by patrons only. Dancing by performers is not allowed. This license also allows the playing of pre-recorded music machines (Record Spin) and instrumental Music by musicians. Singing is permitted if done by the persons actually engaged in the playing of the musical instruments.

## SUPPLEMENT TO BUSINESS PLAN FOR LIQUOR LICENSE APPLICATION

1. Hours of operation 11:00am-2:00am Sunday – Saturday
2. Alcohol sales percentage (see attached plan)
3. Menu (see attached plan)
4. Security – Bouncer on Friday and Saturday nights and security cameras inside and outside.
5. Parking – Street and Parking ramp
6. Staffing (see attached plan)
7. Smoking – Outside by Sixth Street door.
8. Special events- (see attached plan).
9. Good neighbor practices- Owner along with employees will pick up litter daily.
10. Detailed Budget- (see attached plan).



Restaurant and Sports Bar

## Business Plan

DuMont Properties, LLC

Dan R. DuMont

Geri DuMont



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Financials

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## **Executive Summary**

Dewey's Restaurant and Sports Bar located at 6<sup>th</sup> and Main St in Racine will be the cornerstone of the Downtown District. The first floor of this prominent 5-story building located across from Monument Square, with beautiful views of the lake and the downtown cityscape is the obvious choice for a restaurant and sports bar. Dewey's can cater to the business lunch and family dinner crowd and then ease into a fun sports bar in the evenings. Though there are other bars located downtown, and other sports restaurant/bars in Racine, the newly renovated first floor will offer the downtown/east side of Racine its only sports bar and restaurant.

Besides the first floor restaurant/ bar, this project also provides the investors with 4 floors of potential rental income. Each floor has 3000+ square feet, and gorgeous panoramic views of the lake and Racine's downtown cityscape. The 5<sup>th</sup> floor is currently rented and providing \$30,000. in yearly rental income, part of the 3<sup>rd</sup> and 2<sup>nd</sup> floors are leased and providing an additional \$14000. in revenue. When completely rented, floors two through five will generate \$120,000. to \$140,000. in yearly rental revenue.

Dewey's plans to help promote the existing downtown events i.e. First Fridays, Music on the Monument, Ice Sculpture, Party on the Pavement, Lighthouse Run, Bike Race, Christmas and 4<sup>th</sup> of July Parades etc and become the epicenter of downtown. Dewey's also plans to sponsor and promote various sports teams and community events, and bring these groups downtown.

Dewey's Restaurant and Sports Bar will be organized as an S Corporation. The building will be owned by DuMont Properties, LLC. Lifelong Racine residents Dan and Geri DuMont will maintain 100% ownership of both entities. Dan and Geri, who have a vested interest in the sustainability of downtown and success of this project, are investing \$100,000. in Dewey's Restaurant and Sports Bar and seeking an additional \$500,000. in bank financing. \$300,000 will be used to purchase the building and \$300,000. will be used to convert the first floor into a restaurant and sports bar.

## **Management Team**

### **Dan DuMont-Owner, Manager of Operations, Restaurant Manager**

Dan has a strong background in management. He was employed at InSinkEerator for over 30 years. He served as the Supervisor of the R&D Lab of InSinkEerator for 8 years, and the Manager of the R&D Lab of InSinkEerator for 8 years.

Dan has strong people skills, and has been interviewing and visiting the owners of various restaurants and bars to get a better feel for the industry. He is an avid cook and sports enthusiast who coached basketball in Racine for 20 years.

Dan has strong community ties – he is a lifelong resident of Racine.

### **Geri DuMont-Owner, Financial Manager**

Geri DuMont is a CPA. She is Vice-President and part owner of Met-Tek Inc. a Commercial Metal Treater in Racine. Geri designed and automated the accounting system for Met-Tek Inc. Geri is responsible for all the accounting for this company including payables, receivables, payroll, tax filings, preparing financial statements, and preparing the income tax returns.

Geri also has her own accounting business. Geri has various small business clients. She sets up bookkeeping and accounting systems, prepares payrolls, prepares quarterly and yearly payroll filings, prepares financial statements, and prepares business and individual income tax returns.

Geri has strong community ties –she is a lifelong resident of Racine.

### **Jason DuMont, Bar Manager, Assistant Manager of Operations**

Jason brings new ideas to the management team. He graduated in April of 2011 from Northern Michigan University with a degree in Business Entrepreneurship. Jason is an avid sports participant and fan. He attended NMU on a football scholarship where he served as a team captain and was named to the All Conference team his senior year. He also was a member of St. Catherine High School's 2005 & 2006 State Championship basketball teams.

Jason has strong community ties-he is a lifelong resident of Racine.

## **Objectives**

Our objective is to purchase the 5 story building at the intersection of 6<sup>th</sup> & Main. We will operate Dewey's, a sports themed restaurant and bar, on the first floor. Concurrently, we will work to rent out the balance of the other floors. The 5<sup>th</sup> floor is completely rented and generates \$30,000.in rent. The 2<sup>nd</sup> 3<sup>rd</sup> and 4<sup>th</sup> floors have the ability to generate an additional \$90,000. in rental income but are currently only generating about \$14,000. in income.

The following objectives have been established:

- Expend initial time and resources to open first floor restaurant.
- Have all five floors completely rented by Year 3.
- Maintain tight control of costs and operations.
- Keep food cost under 35% of revenue.
- Keep beverage cost under 15% of revenue.

## **Mission**

Dewey's strives to be the premier sports theme restaurant in Racine with the focus on the southeastern region. Our goal is to be a step ahead of the competition. We want our customers to have more fun during their leisure time. We will provide more televisions with more sporting events than anywhere else in the region. We combine menu selection, atmosphere, ambiance, and service to create a sense of "place" in order to reach our goal of over-all value in a dining/entertainment experience. We want to create a nice atmosphere which will attract the business lunch and family dining crowd, and offer a fun atmosphere which will bring in the "game-day" and night crowd.

## **Keys to Success**

The keys to success in achieving our goals are:

- Product quality. Not only great food but great service.
- Aggressively work to rent floors 2 to 5.
- Controlling costs at all times without exception.
- Instituting management controls to insure success. This applies equally to product control and to financial control.

## Company Summary

The key elements of Dewey's restaurant /bar concept are as follows:

- **Sports based themes**--The company will focus on themes that have mass appeal.
- **Facility**--Located in a prominent old building in a prime downtown location, eclectically decorated in a combination of old charm and modern elements.
- **Events**—Dewey's will "piggy-back" on all of the popular downtown events and will host various other events throughout the year which will be discussed later in the marketing report.
- **Quality food**—Dewey's will serve freshly prepared, high quality, popular cuisine that is targeted to appeal to a variety of tastes and budgets with an emphasis on reasonably and moderately priced signature items of particular appeal to a local market.
- **Quality service**—Dewey's will attract and keep its customers by providing attentive and friendly service.

## Market Analysis

Downtown Racine is located in a region that is experiencing steady and moderate paced growth. The market analysis indicates that downtown Racine should be able to support approximately 180,000 square feet of additional retail space between 2005 and 2025. The distribution of this demand breaks down as follows:

Demand Growth By type of Retail Outlet (2005-2025)	Square Footage	Percentage of Total
Specialty Shops & Galleries	74,000	41%
Restaurants	55,000	31%
Drugs & General Merchandise Stores	17,000	9%
Hardware & Home Furnishing	15,000	8%
Grocery, Food & Wine Stores	12,000	7%
Apparel & Accessory Stores	6,000	3%
<b>Total</b>	<b>179,000</b>	<b>100%</b>

\*\*This effort is a component of the 2005 Racine Downtown Development Plan currently being prepared by Crandall Arambula for the Downtown Racine Corporation.

Assuming a reasonably even geographic distribution of population, the retailer at the edge serves half of the market population as compared to the retailer located in the center. However, the eastern edge of Racine is also the Lake Michigan edge, where recreational boating has replaced waterborne commerce as the key activity along this waterfront. Because of the area's history, the smaller blocks and historic buildings also offer competitive advantages and disadvantages.

**Downtown Racine's key strengths in terms of retail location include:**

- Waterfront location that is an important visitor destination for boaters and others wishing to enjoy the water activities and visual appeal of Lake Michigan. Recent headlines indicate that Racine will be buying the harbor and making improvements to the harbor, this will bring in more boaters and recreational enthusiasts to the downtown area, thus bringing in more potential customers.
- Smaller blocks and numerous older buildings provide a charming setting for smaller scale and pedestrian oriented shops and restaurants.

**Downtown Racine's retail weaknesses include:**

- Being at edge of the local population and nearly ten miles from I-94, it is not well located to provide basic everyday goods and services to the county population.
- Its smaller blocks and older buildings do not lend themselves to the development of large floor-plate discount retailers. Most retail locations in downtown areas don't have attached parking lots. However, other city restaurants flourish and patrons expect to walk a few blocks to obtain street or parking ramp parking.

**Demographic trends**

The population of Southeast Wisconsin is actually growing very steadily, and this growth rate has accelerated. The area has experienced more rapid growth than the state as a whole, very possibly due to the influence of the greater Chicago area. More significantly, the growth rate of this region has accelerated by about 50 percent since 1990.

**MARKET AREA DEMOGRAPHIC PROFILE**  
**By Distance from Downtown (Corner of State & Main Streets)**

	<u>Within 2 Miles</u>	<u>Within 5 Miles</u>
Population	44,304	115,711
Households	16,391	45,255
Average Household Size	2.61	2.50
Median Household Income	\$37,813	\$48,125
White	57.1%	73.8%
Black	27.9%	16.4%
American Indian, Eskimo, or Aleut	0.5%	0.4%
Asian or Pacific Islander	0.5%	1.0%
Hispanic Origin	19.9%	12.5%
Other	11.1%	6.2%

**Population by Age**

Under 5	8.5%	7.2%
5 to 14	16.4%	14.8%
15 to 24	17.0%	14.1%
25 to 34	14.1%	12.3%
35 to 44	14.8%	14.7%
45 to 54	12.5%	14.2%
55 to 64	7.1%	9.3%
65 to 74	4.7%	6.4%
75 to 84	3.6%	5.0%
85+	1.4%	1.9%

**Target Market = 88,056 people**

**People within 5 miles ( 115711 - 23.9%) 23.9% represents the demographic between the ages of 15 and 84.**

## **Marketing**

Location, location, location.....As one man described this property "it's located on Main & Main." This prominent location will make Dewey's Restaurant and Sports bar the cornerstone of the downtown district. With 14,600 cars passing at Main and 6<sup>th</sup> Street daily, Dewey's will have numerous opportunities to market itself.

## **Promotion**

The various downtown events which bring large groups of people to downtown will also bring added exposure to Dewey's. Dewey's will seek to foster relationships with the organizers of these events and offer specials, coupons, and event advertising at Dewey's. These popular downtown events include First Fridays, Music on the Monument, Party on the Pavement, Christmas and 4<sup>th</sup> parades, Bike Races, etc etc...Dewey's also plans to initiate its own promotional events and sponsor sports teams to bring customers into the bar and restaurant.

Following is a list of proposed promotions by calendar month:

**January**-NFL playoffs, NCAAF bowl games, College basketball, New Years Day Ski trip, Ice fishing contest, Broom ball, Ice fishing contest, Snow Golf, Cribbage League, Bag Leagues, Sponsor Volleyball and Basketball teams.

**February**- Chili Cook off, Super Bowl, College Basketball, Mardi Crawl, Cribbage League, Bag Leagues, Sponsor Volleyball and Basketball teams.

**March**- March Madness, St. Patty's Day, Day light savings, Ash Wednesday Fish Fry, Friday fish fry for Lent, Cribbage League, Bag Leagues, Sponsor Volleyball and Basketball teams.

**April**- Final Four, Fish Fry for Lent, Good Friday, Opening Day MLB, First Fridays begin, Cribbage League, Bag Leagues, Sponsor Volleyball and Basketball teams, PGA tour/The Master.

**May**- Golf Outing, Form golf leagues, First Friday, Softball teams, Sand Volleyball, Boating season begins, Outdoor tables will be setup, Brewer Bus trip, MLB games.

**June**- Golf Outing, Golf leagues, First Friday, Softball teams, Sand Volleyball, Boating season, Outdoor tables will be setup, Brewer Bus trip, MLB games, PGA tour/US Open.

**July**- 4<sup>th</sup> of July Parade, Casino trip, Golf Outing, Golf leagues, First Friday, Softball teams, Sand Volleyball, Boating season, Outdoor tables will be setup, Brewer Bus trip, MLB games, PGA tour/British Open.



**August-** Golf Outing, Golf leagues, First Friday, Softball teams, Sand Volleyball, Boating season, Outdoor tables will be setup, Brewer Bus trip, MLB games, PGA Championship.

**September-** College football begins, NFL begins, First Friday, Brewer bus trip, MLB games.

**October-** MLB playoffs, NCAAF games, NFL games, First Friday, Party on the Pavement, Volleyball and basketball teams, Halloween.

**November-** NCAAF games, NFL games, College football conference championships, Thanksgiving Weekend, First Fridays.

**December-** Santa on Weekends, Christmas Break, College football bowl games, Christmas Parade, Christmas Break, New Years Eve.

**Dewey's also has a private banquet room that will host private parties such as Christmas parties, Work parties, Birthdays, Anniversaries, etc...**

## **Target Markets**

- Downtown event attendees (see above)
- Customers who attend specific sport/seasonal promotions (see above)
- The business/family lunch & dinner market.

Dewey's also plans to target the business lunch market. There are numerous large and small businesses downtown and Dewey's plans to aggressively seek this lunch business with a newly remodeled full service 100 -person restaurant and bar which offers a nice business atmosphere with great food, great service, and an innovative attitude toward getting these businesses to try Dewey's. We will explore in- restaurant, carry-out, and delivery service.

We will continue to cultivate the business and family market for lunch and dinner, during the week and on weekends. A portion of the dining area is in an area separate from the bar so we can offer a quieter, more private dining area when necessary.

- The sports bar patron

Though there are various restaurants and bars downtown, there are not any sports themed restaurants and bars. Buckets, Marios, and Scores are all located on the west side of Racine. Dewey's will attract the downtown and northside sports bar and restaurant business. Dewey's newly remodeled sports bar with 12 large screen TVs will be the destination of choice to view football, basketball, and baseball games.

- The seasonal boater / Racine tourist

Dewey's proximity to Lake Michigan and the Marina will make Dewey's a natural destination for the seasonal boating crowd and Racine tourist. In the summer Dewey's will place tables outside on the wide sidewalks in front of the restaurant. The lake views and the opportunity to dine outside will entice people to stop for lunch, dinner, or a cocktail.

- The young bar patron, ages 21-35

The owners are lifelong Racine residents. They have 5 children between the ages of 21 and 30, so they know a lot of young adults in this targeted age range. The owners' 24 year old son, who recently graduated from college with a degree in Business-Entrepreneurship, will manage the bar.

## **Strategy and Implementation**

Our strategy is based on serving our niche markets well. The sports enthusiast, the business entertainer and traveler, the downtown lunch crowd, local night crowd, seasonal boater or tourist, as well as families dining out all can enjoy the Dewey's experience.

**Personal income and entertainment needs** drive demand. The profitability of an individual company depends on the ability to attract customers and develop them into **loyal customers**. Considering Dewey's will be a smaller establishment, we must focus on four major areas to be successful. The first thing we must do is to effectively serve the local market. Next, we must offer unique products or entertainment. Third, we must provide our customers with superior customer service and great food. Finally, we must develop customers into loyal customers.

Deweys will concentrate on maintaining quality and establishing a strong identity in the local community synonymous with downtown and sporting events. This will allow Dewey's name to spread fast through word of mouth advertisement.

## **Advertising**

In addition to word of mouth, a combination of local media and event marketing will be utilized. Dewey's will advertise through local print media, facebook, twitter, and a website page. We will utilize our high visibility location and place signs and banners outside when warranted. We will offer coupons and samples – and continue to monitor and use the marketing strategy that is most effective.

## **Pricing Strategy**

Presently we are looking to offer lunch entrees for around \$7, and dinner entrees for around \$10. We are estimating the average ticket per diner to be around \$9 and \$12 respectively. Average alcoholic beverage prices are set at \$3. The market and costs will drive our final pricing strategy. We'd like to keep food costs under 35% of revenues and alcoholic beverage costs at 15% of revenues.

Dewey's has positioned itself as a moderately priced full-service restaurant. A sample menu is attached. We will offer appetizers, sandwiches, burgers, pizza, fish, and sides. We also anticipate offering a carry-out box lunch for the business person in a hurry or the customer wanting to enjoy a "picnic" lunch. The items and prices on the menu will change and evolve along with the restaurant.

We have projected food revenue and costs using conservative benchmarks. The Forecasted Income Statement for Dewey's Restaurant utilizes this pricing strategy and a low table turnover ratio. We have made conservative estimates about the bar side of the business and included these numbers in our forecasted financials as well.

**Food & Liquor Projected Revenue and Cost**

Year 1

**Food (Lunch 7 days)**

Restaurant Seating	100-120 (100)
Turnover	0.3
Avg Sale Price (Food, Non Alcoholic Bev.)	\$ 9.00
	<u>\$ 270.00</u>

**Food (Dinner) Sunday -Thursday**

Restaurant Seating	100-120 (100)
Turnover	0.3
Avg Sale Price (Food, Non Alcoholic Bev.)	\$ 12.00
	<u>\$ 360.00</u>

**Food (Dinner) Friday, Saturday**

Restaurant Seating	100-120 (100)
Turnover	0.75
Avg Sale Price (Food, Non Alcoholic Bev.)	\$ 12.00
	<u>\$ 900.00</u>

weekly 270 x 7	\$ 1,890.00
weekly 360 x 5	\$ 1,800.00
weekly 900 x 2	\$ 1,800.00
<b>Total Food Weekly</b>	<u>\$ 5,490.00</u>

**Total Revenue From Food (x52) \$ 285,480.00**

**Liquor**

Avg Drink = \$3.00	
Restaurant	
Restaurant, dinner	Fri, Sat, 38 assuming 1/2 diners consume alch. bevg
	Sun-Thurs 15 assuming 1/2 diners consume alch. bevg
=	\$ 453.00
453x52	\$ 23,556.00

Bar	Sun-75/Mon-50/Tues, Wed-35/Thurs-75/Fri,Sat-125 = 520
	520.x9(3 drink avg) \$ 4,680.00 weekly
	\$4680.x52 \$ 243,360.00

**Total Revenue From Liquor \$ 266,916.00**

**Total Revenue From Food & Liquor \$ 552,396.00**

**Average Annual Cost of Sales Chart**

Item	Sales Revenue	Cost Per Sale	Total Cost of Sales
Food	\$ 285,480.00	0.35	\$ 99,918.00
Liquor	\$ 266,916.00	0.15	\$ 40,037.40
	<u>\$ 552,396.00</u>		<u>\$ 139,955.40</u>

## **Management/Staff Requirements/Cost**

Dan DuMont, owner, will be the Manager of Operations. He will focus most of his efforts on managing the restaurant. He will be assistant manager of the bar. Initially Dan will draw a \$750. weekly salary.

Jason DuMont, will be the Bar Manager and assistant Manager of Operations. Jason will focus his efforts on running the bar. Jason will initially draw a \$500. weekly salary.

Geri DuMont, owner, will be the Financial Manager. Geri will help with the financial aspects of running the business. She will not draw a salary.

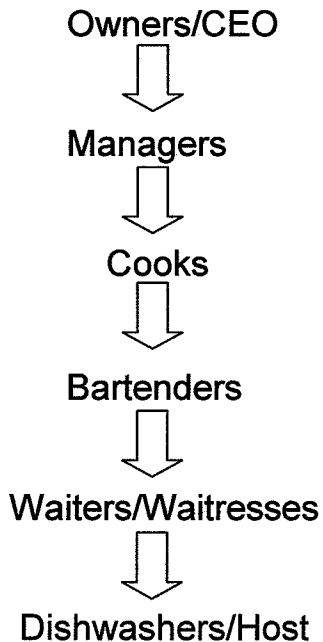
We will hire 2 cooks at a targeted hourly rate of \$14. per hour.

We will hire 2 bartenders at \$8. per hour.

We will hire 4-6 waiters at \$4. per hour.

Hours will be adjusted according to the number of customers we have. Attached is a Salary & Wage Projection which estimates the number of hours staff will work.

## **Organizational Structure**



### Salary & Wage Projections

Salaries	weekly	yearly
Operations Manager	\$ 750.00	\$ 39,000.00
Bar Manager	\$ 500.00	\$ 26,000.00
	<u>\$ 1,250.00</u>	<u>\$ 65,000.00</u>

Staff	Minimum Wage is 7.25 / Tipped Min Wage is 2.33	tot hrs per wk	Yearly Total	Notes
Cooks \$14 / hr	2/2.5 cooks	81	\$ 58,968.00	mon-thurs 15 hrs / fri/sat/sun 22 hrs
Bartender \$8./hr	2 bartenders	79	\$ 32,864.00	daily 5-12/ sat & sun addl 11-5 & addl 5-2 -Jason can help
Waiter \$4./hr	4-6 waiters	96	\$ 19,968.00	2 from 11-2/2 from 5-8
			<u>\$ 111,800.00</u>	weekday lunch waiters prepare drinks- no bartender

## **Financials**

Restaurants and bars have a high rate of failure. This project has several aspects which offset this risk. This project involves the purchase of the entire building with the restaurant/bar being operated on the first floor and floors 2 to 5 offering additional rental revenue to the investors. The building sells itself with its prominent stature and prime location. The building is currently assessed at \$400,000. Located across from the Johnson Building and on the corner of Main & 6<sup>th</sup>, one has to believe that the building will not only hold its current value, but continue to appreciate as the economy turns around. We also believe that the value of the building will increase by more than 100% of the value of the improvements we incorporate on the first floor. This building is such an integral part of the Racine downtown cityscape, that to believe in the sustainability and future of Racine, one must also believe in the sustainability and future of this building.

## **Project Revenue**

The first floor of the building, transformed into Dewey's Restaurant and Sports Bar, has unlimited possibilities for revenue. We have attached conservative projections. As we increase our sales, gross profits and net income will continue to increase.

The Somerset Club currently rents the 5<sup>th</sup> floor of the building for around \$30,000. per year. The Somerset Club is an exclusive club which has been in existence for over 100 years and has around 100 members. The current owner has a month to month lease through 2014 with the club.

Of the nearly 10 offices on each of the other 3 floors, only 4 are currently rented providing about \$14,000. in additional income per year. At full capacity the yearly rental income is between \$120,000. and \$140,000. per year. This is demonstrated in the Forecasted Revenue for DuMont Properties, LLC

This project has the potential for strong yearly revenue and offers the investors the added bonus of a great long term real estate investment.

## **Project Cost**

The purchase price of the 5 story building at 6<sup>th</sup> and Main in Racine is \$300,000. The first floor is currently vacant, Attached is the architect's drawing of the proposed restaurant and bar. After collecting multiple bids from contractors and researching equipment and furniture prices, we have determined that it will cost \$300,000. to renovate the first floor and turn it into Dewey's Restaurant and Sports Bar. An itemized list of the equipment and remodeling costs are attached.

After the remodel, we feel the building will increase in value by more than 100% of the renovation costs. Dan & Geri DuMont are investing \$100,000. in the project and looking to borrow the balance of \$500,000.



**DuMont Property Management  
Forecasted Revenue**

<u>Building 6th &amp; Main, Racine, WI. ( 5 Floors)</u>		<u>Capacity</u>				
		current space space rented	current monthly rent	current yearly rent	potential rent at \$300./office	pays .20 prop taxes-yearly
1st Floor	3000+ sq ft		\$ -	\$ -		
(see attached -Deweys Restaurant & Sports Bar)						
2nd Floor	3000+ sq ft	1 office	\$ 300.00	\$ 3,600.00	\$ 36,000.00	
3rd Floor	3000+ sq ft	3 offices	\$ 900.00	\$ 10,800.00	\$ 36,000.00	
4th Floor	3000+ sq ft	10 offices				
5th Floor	3000+ sq ft	Club	\$ 2,334.00	\$ 28,008.00	\$ 28,008.00	\$ 2,000.00
			\$ 3,534.00	\$ 42,408.00	\$ 136,008.00	\$ 2,000.00
<b>Total Current Revenue</b>			<b>\$ 44,408.00</b>			

**Deweys Restaurant**  
**Forecasted Income Statement**

	Year 1
<b>Net Revenue</b>	
Food	\$ 285,480.00
Liquor	\$ 266,916.00
<b>Total Sales</b>	<b>\$ 552,396.00</b>
<b>Cost of Goods Sold</b>	
Food	\$ 99,918.00
Liquor	\$ 40,037.40
Wages	\$ 111,800.00
<b>Total COGS</b>	<b>\$ 251,755.40</b>
<b>Gross Profit</b>	<b>\$ 300,640.60</b>
<b>Operating Expenses</b>	
Advertising/Promo	\$ 5,000.00
Depreciation	
Equipment Leasing	
Insurance	
Payroll Taxes	\$ 13,540.50
Professional Fees	\$ 1,000.00
R&M-Bldg	
R&M-Equip	
Rent	
Salaries-Mngrs	\$ 65,000.00
Supplies	
Taxes	
Telecable/Direct TV	
Water Assmnt	\$ 12,000.00
Utilities	
Other	
<b>Total Operating Expense</b>	<b>\$ 96,540.50</b>
<b>Net Income (Loss)</b>	<b>\$ 204,100.10</b>

**DuMont Properties, LLC**  
**Forecasted Income Statement**

	Year 1
<b>Net Revenue</b>	
Rental-Somerset	\$ 30,000.00
Rental-Other	\$ 14,000.00
Rental-Dewey's	
<b>Total Revenue</b>	<u>\$ 44,000.00</u>
<b>Operating Expenses</b>	
Interest- Mortgage	
Real Estate Taxes	\$ 10,000.00
R&M-Bldg	
R&M-Equip	
Water Assmnt	
Utilities	
Other	
<b>Total Operating Expense</b>	<u>\$ 10,000.00</u>
<b>Net Income (Loss)</b>	<u>\$ 34,000.00</u>

**Dewey's Restaurant  
Forecasted Balance Sheet**

<b>Assets</b>		<b>Liabilities</b>	
Cash		Accounts Payable	
Inventory		Accrued Liabilities	
<b>Total Current Assets</b>		<b>Total Current Liabilities</b>	
Leasehold & Equipment	\$ 300,000.00	Equipment Loan LOC	\$ 200,000.00
<b>Total Fixed Assets</b>	<u>\$ 300,000.00</u>	<b>Total Long Term Liabilities</b>	<u>\$ 200,000.00</u>
<b>Total Assets</b>	<u>\$ 300,000.00</u>	Owners Investment	\$ 100,000.00
		Retained Earnings	
		<b>Total Owners Equity</b>	<u>\$ 100,000.00</u>
		<b>Total Liabilities and Owners Eq</b>	<u>\$ 300,000.00</u>

**DuMont Properties, LLC  
Forecasted Balance Sheet**

<b>Assets</b>		<b>Liabilities</b>	
Cash		Accounts Payable	
Inventory		Accrued Liabilities	
<b>Total Current Assets</b>		<b>Total Current Liabilities</b>	
Building	\$ 300,000.00	Mortgage	\$ 300,000.00
Leasehold & Equipment		Equipment Loan	
		LOC	
<b>Total Fixed Assets</b>	<b>\$ 300,000.00</b>	<b>Total Long Term Liabilities</b>	<b>\$ 300,000.00</b>
<b>Total Assets</b>	<b>\$ 300,000.00</b>	Owners Investment	\$ -
		Retained Earnings	
		<b>Total Owners Equity</b>	<b>0</b>
		<b>Total Liabilities and Owners Equity</b>	<b>\$ 300,000.00</b>

**Cash Flow Analysis -Consolidated****Sources of cash**

Owners Investment	\$ 100,000.00
Loan Proceeds	\$ 500,000.00
Rental Income	\$ 44,000.00
Restaurant Net Income	

**Total Cash In** \$ 644,000.00

**Uses of Cash**

Purchase of Building	\$ 300,000.00
Restaurant Renovation	\$ 150,000.00
Restaurant Equipment	\$ 150,000.00
Restaurant Net Loss	
Building Expenses	
Loan Payments	

**Total Cash Out** \$ 600,000.00

**NET CHANGE IN CASH** \$ 44,000.00

**Beginning Cash on Hand** \$ -

**Ending Cash on Hand** \$ 44,000.00

# Dewey's Menu

(SERVING FROM 11 AM TILL 11 PM DAILY)

## APPETIZERS

### HOT WINGS

(FLAMING HOT, HOT, MILD HONEY BBQ, SWEET & SOUR, TERIYAKI)

( 1 DOZ)	\$6.95
(2 DOZ)	\$11.95

### DEEP FRIED MUSHROOMS

\$5.95

### ONION RINGS

\$5.95

### CHEESE CURDS

\$6.95

### JALAPENO POPPERS

\$6.95

### MOZZARELLA STICKS

\$6.95

### NACHOS

\$5.95

### SAMPLER

\$10.95

**\*\*ASK YOUR SERVER ABOUT DAILY SPECIALS\*\***

## SANDWICHES

\* SANDWICHES ARE SERVED WITH YOUR CHOICE OF BAKED POTATO, FRIES, CHIPS

\* BURGERS ARE SERVED WITH THE FOLLOWING: LETTUCE, TOMATOS, ONIONS, MUSTARD AND KETCHUP AND YOUR CHOICE OF BAKED POTATO OR FRIES

### SAUSAGE BOMBER

ITALIAN SAUSAGE SLOW COOKED IN PEPPERS AND RED SAUCE SERVED ON A BUN WITH MOZZARELLA CHEESE

\$6.95

### ROAST BEEF SANDWICH

ROAST BEEF SLOW COOKED IN PEPPERS AND ONIONS SEVERED ON A BUN

\$6.95

**CHICKEN SANDWICH**

A GRILLED CHICKEN BREAST TOPPED WITH LETTUCE TOMATO AND ONIONS SERVED WITH MAYO ON A BUN

**\$6.50**

**SPICY DEEP FRIED CHICKEN SANDWICH**

DEEP FRIED CHICKEN BREAST TOPPED WITH LETTUCE TOMATO AND ONIONS SERVED WITH MAYO ON A BUN

**\$6.50**

**DEEP FRIED CHICKEN SANDWICH**

DEEP FRIED CHICKEN BREAST TOPPED WITH LETTUCE TOMATO AND ONIONS SERVED WITH MAYO ON A BUN

**\$6.50**

**BBQ CHICKEN SANDWICH**

A GRILLED CHICKEN BREAST TOPPED WITH BBQ SAUCE SERVED ON A BUN

**\$6.95**

**THE CLASSIC BURGER**

1/3 POUND HAMBURGER SERVED ON A BUN (ADD CHEESE FOR \$.50)

**\$6.95**

**THE DOUBLE BURGER**

2/3 POUND HAMBURGER SERVED ON A BUN (ADD CHEESE FOR \$1.00)

**\$7.95**

**THE DEWEY BURGER**

½ POUND BURGER TOPPED WITH BACON SERVED ON A BUN

**\$8.95**

**PIZZA BURGER**

A QUARTER POUND SAUSAGE PATTY SERVED WITH MOZZARELLA CHEESE TOPPED WITH MARINARA SAUCE SERVED ON A BUN

**\$7.95**

**VEGETARIAN WRAP**

A "SALAD IN A WHOLE WHEAT WRAP"

**\$5.95**



## Pizza

12" Pizza \$6.95

16" Pizza \$9.95

### **Toppings**

12" \$1.50 for each additional topping

16" \$1.95 for each additional topping

(extra cheese, Italian sausage, pepperoni, ground beef, bacon, ham, fresh mushrooms, onions, black olives, green peppers, tomatoes, jalapeno peppers)

## FISH

All platters are served with fries, rye bread, and a choice of sweet and sour slaw, cottage cheese, or pasta salad.

Walleye \$10.75

Perch \$14.25

Shrimp breaded and Fried \$11.75

Cod \$8.95

## SIDES

Fries \$2.95

Pasta Salad \$2.95

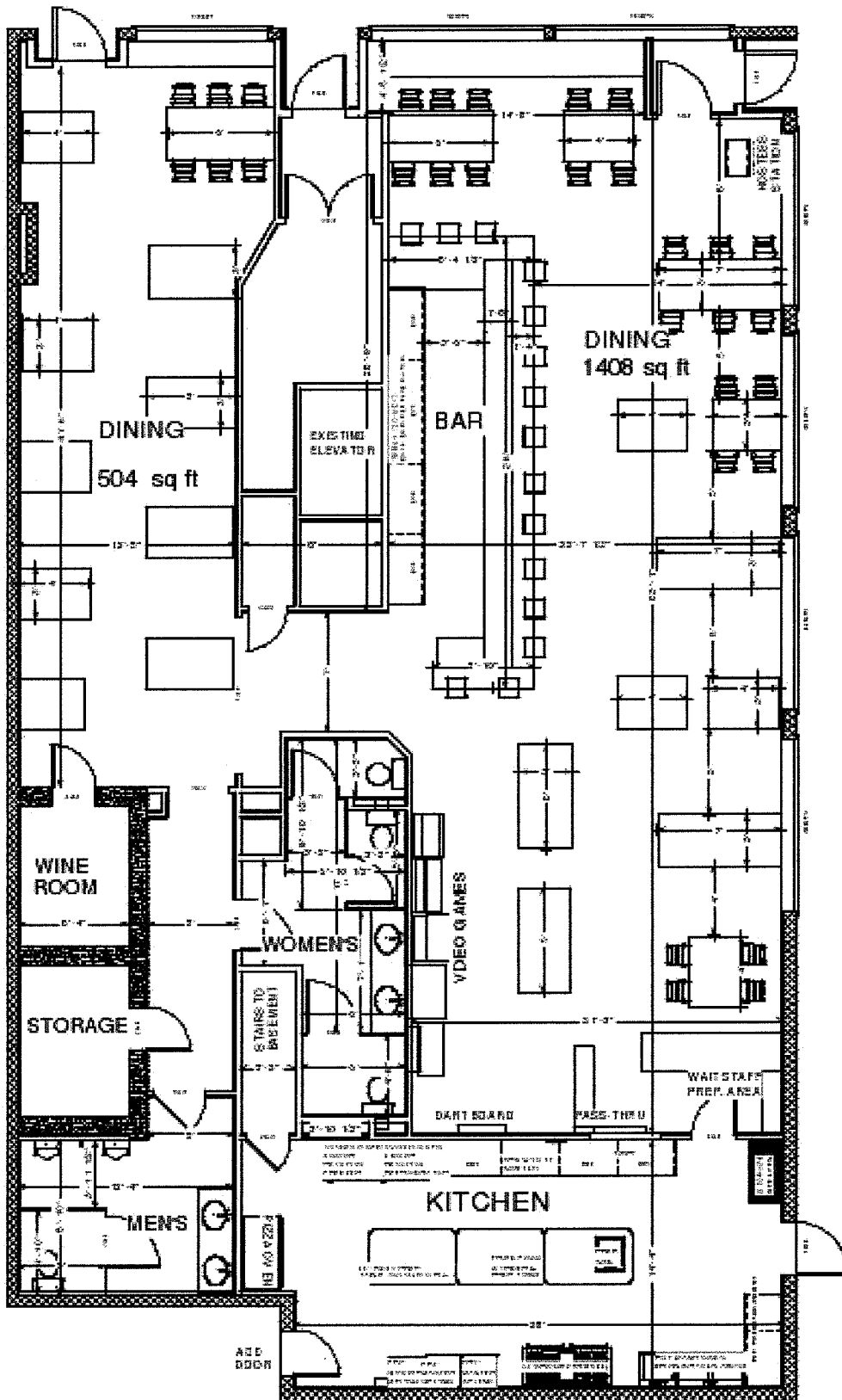
House Salad \$4.95

Add Chicken \$2.00

Soup \$2.95

## CARRY OUT BOX LUNCH

Sandwich, Chips or Pasta Salad, Cookie, Beverage \$6.95



LIVING AREA  
2488 sq ft

### **Equipment and Renovation Prices for Dewey's Sports Bar**

Bathrooms	\$	20,000.00
Plumbing	\$	17,000.00
AC/Heating	\$	40,000.00
Kitchen Floor	\$	2,000.00
Kitchen ceiling	\$	1,000.00
Bar	\$	15,000.00
Barstools/Tables	\$	8,000.00
licenses	\$	2,000.00
Door in Kitchen	\$	2,000.00
hallway and bar tile	\$	3,000.00
Bar Sink	\$	1,500.00
Pots/Pans	\$	2,000.00
Char Broiler	\$	1,800.00
Dishwashers	lease	
Coolers	\$	7,000.00
Stove	\$	2,000.00
Hood for Stove	\$	25,000.00
Deep fryers	\$	3,000.00
Pizza Oven	\$	5,000.00
Ice Maker	\$	1,500.00
Ceiling	\$	3,000.00
Electrical	\$	17,000.00
flooring	\$	10,000.00
Walk in cooler	\$	10,000.00
T.V.s	\$	13,000.00
Juke Box	lease	
Video Poker Games	\$	20,000.00
Pull Tab Machine	\$	1,000.00
High Chairs	\$	200.00
Blender	\$	100.00
Cash Registers	\$	14,000.00
Hand Truck	\$	100.00
Microwave Oven	\$	500.00
Prep Sinks	\$	500.00
Refrigerator	\$	3,000.00
Freezer	\$	3,500.00
Chest Freezers	\$	1,000.00
Security System	\$	5,000.00
Storage Shelves	\$	1,000.00
Three compartment sink	\$	2,000.00
Front door	\$	2,000.00
Awning logo	\$	1,000.00
Water utility charge	\$	15,000.00
misc	\$	25,000.00
<b>TOTAL</b>	\$	<b>306,700.00</b>

Dan and Geri DuMont  
Statement of Net Worth  
1/31/2012

**Assets**

Cash \$ 5,000

**Investments**

Met -Tek Inc-20% Ownership 50,000

Emerson Stock 4,000

Retirement Asset -Vanguard 265,000

Retirement Asset -Wells Fargo 2,000

Total Investments 321,000

**Real Estate**

Personal Residence 2406 N Main St 226,000

Income property -Flat-2036 N Main St 128,000

Total Real Estate 354,000

**Other Assets**

2004 Lincoln Navigator 9,500

2003 Acura MDX 12,000

1997 BMW 528i 3,000

1999 Bayliner Ski Boat 5,000

Total Other Assets 29,500

Total Assets \$ 709,500

**Liabilities and Net Worth**

**Liabilities**

Mortgage Payable-Personal \$ 87,800

Loan Payable-City of Racine 2,600

Total Liabilities 90,400

Net Worth \$ 619,100

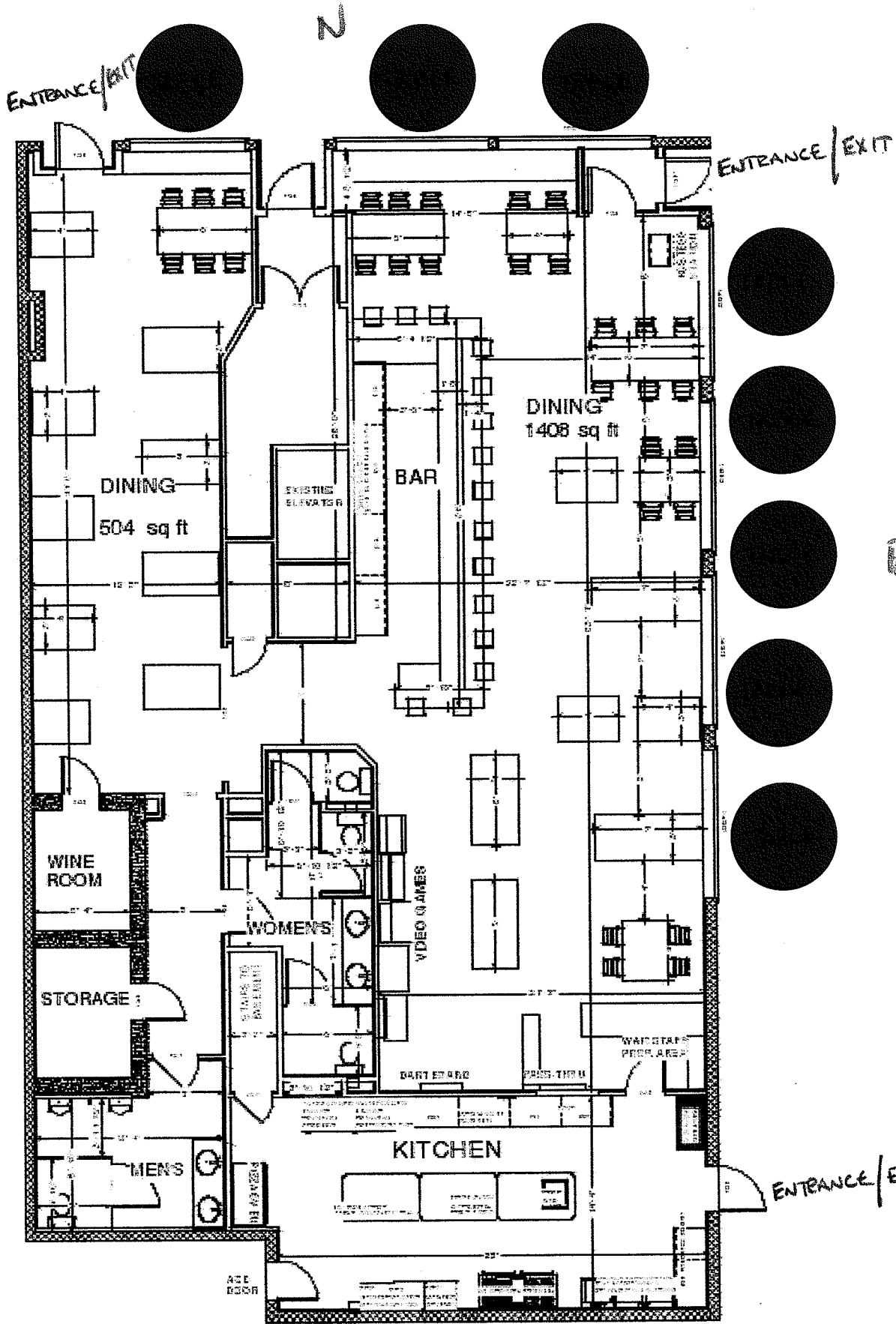
Total Liabilities and Net Worth \$ 709,500

Gerri currently owns 20% of Met-Tek Inc -the 2011 assessed R.E. value is 252,000.

When succession of the family business is complete, Gerri will own 50%.

RE: Real Estate Values -The Personal Residence is based on a Johnson Bank appraisal at refinancing in May of 2009.

The Income property is based on the assessed value on 2010 Property tax bill.



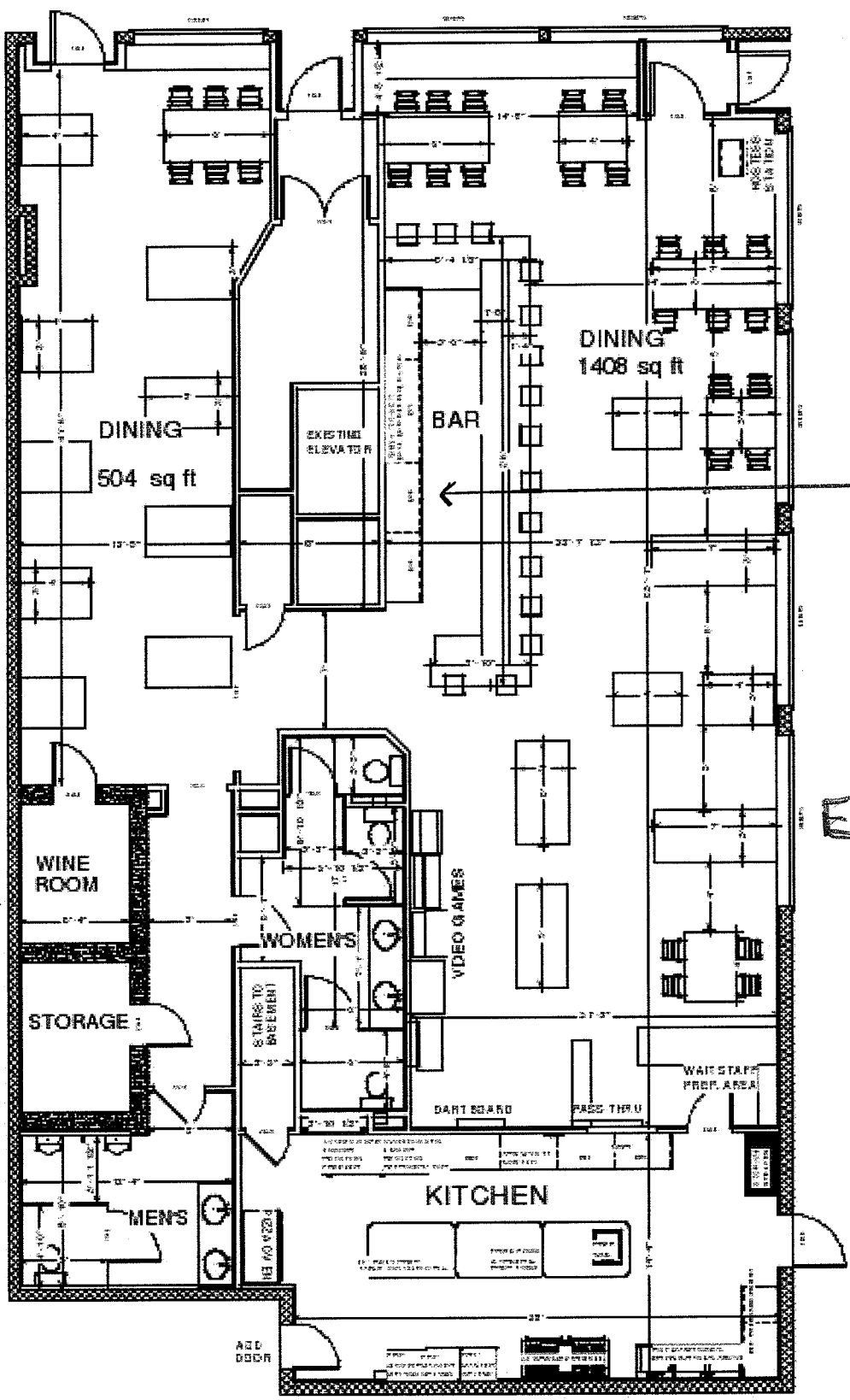
2-1-2012

Agent: Dan DuMont

201 Sixth St  
 Racine, WI 53403

Dewey's Restaurant and  
 Sports Bar, LLC

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W

Alcohol Storage 7.5 x 10

(2) TRUE COOLERS 24.5" W x 73.13" L x 63" H  
ALCOHOL DISPLAY AREA 16' L x 24.5' W

LIVING AREA 3488 sq ft

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2-1-2012  
Agent: Dan DuMont

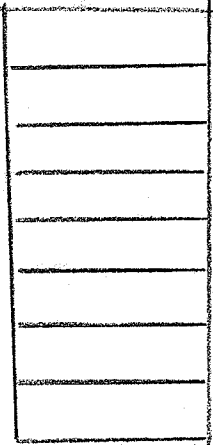
201 Sixth St  
Racine, WI 53403

Dewey's Restaurant and Sports Bar, LLC

AGENT: Dan Dumont

DEWEY'S RESTAURANT & SPORTS BAR  
BASEMENT STORAGE  
1-30-12  
201 SIXTH STREET  
RACINE, WI 53405

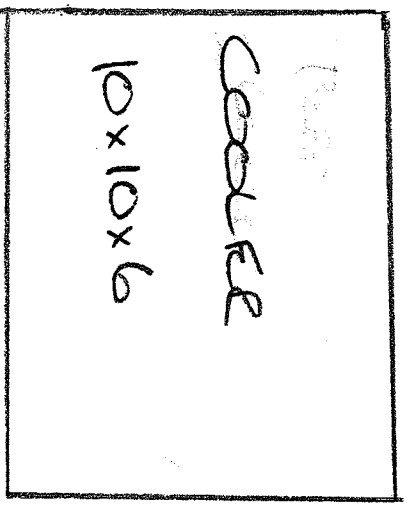
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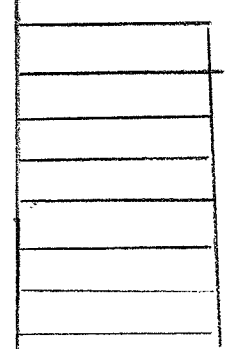
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