

# Is Your House In Order?



Opportunities for  
Success!!

# Is Your House in Order? / Opportunities for Success

## Determine Mission, Vision, Values & Strategy

### Mission = Our purpose

This part of your strategy development is your core purpose, the underlying “why” you are climbing the mountain, why you are in business.

A mission statement is a declaration of your organization’s purpose and spotlights the business you are presently in and the customer/constituent needs you are presently endeavoring to meet.

To build a solid foundation for a successful organization, it is essential to have a written, clear, concise and consistent mission statement that simply explains who you are and why you exist.

Keep it short.

Your mission statement should serve as a guide for day-to-day operations and as the foundation for future decision-making.

### From St. Anthony Village:

*Our goal is to control the sale of alcohol beverages to minors and intoxicated persons while simultaneously generating revenue for the community, in accordance with City, State and County liquor laws and ordinances.*

### Vision = Our destination

This statement reflects the specific mountain you are currently trying to climb – the “where.”

A vision is a picture of what your organization’s future makeup will be and where you are headed.

Vision provides a clear mental picture of what your organization will look like in 5 to 10 years from now.

Forming a strategic vision should provide long-term direction, delineate the organizational activities to be pursued and the capabilities the organization plans to develop, and infuse the organization with a sense of purposeful action.

It serves as a unifying focal point for everyone in the organization like a North Star.

It delineates the future focus and where the organization is going.

Visions are also referred to as Big, Hairy, Audacious Goals or BHAGs.

## From St. Anthony Village

*The St. Anthony Village Wine and Spirits brand is committed to providing a unique retail environment that is based on excellent customer service, product selection, competitive pricing, while providing safe, bright and clean stores **that drive long term customer loyalty.***

## Values = Our compass

Values are enduring, passionate, and distinctive core beliefs, and they're an essential part of developing your strategy.

They are based on enduring tenets—guiding principles—to adhere to no matter what mountain you climb.

Your core values are part of your strategic foundation.

They are the beliefs that guide the conduct, activities and goals of your organization.

They establish why you do what you do and what you stand for.

Values are deeply held convictions, priorities, and underlying assumptions that influence the attitudes and behaviors of your organization.

Strong values account for why some organizations gain a reputation for such strategic traits as leadership, product innovation, and total customer satisfaction.

These never change.

An organization's values can dominate the kind of strategic moves it considers or rejects.

When values and beliefs are deeply ingrained and widely shared by directors, managers and staff, they become a way of life within the organization, and they mold organizational strategy.

Here is what Herb Kelleher, former CEO of Southwest Airlines had to say about core values:

*We always felt that people should be treated right as a matter of morality.*

*Then, incidentally, that turned out to be good business too.*

*But it didn't really start as a strategy.*

*It began with us thinking about what is the right thing to do in a business context.*

*We said we want to really take care of these people, we want to honor them and we love them as individuals.*

*Now that induces the kind of reciprocal trust and diligent effort that made us successful. But the motivation was not strategy, it was core values.*

## Mission, Vision & Values provide the foundation in determining Strategy = How we will get there

An organization-wide strategy establishes a way to match an organization's strengths with opportunities so the organization comes to mind when people have a need.

An organization-wide strategy is like an umbrella.

It is a general statement(s) that guides and covers a set of activities.

It answers the question "how." It explains how strengths usually fall into two broad categories: cost advantage and differentiation.

When you apply these strengths to a market that's either large and varied or small and homogeneous in its needs, three basic strategies result:

- Using operational excellence to provide lowest total cost
- Using continued innovation to provide product or service leadership
- Providing complete customer intimacy through knowing their needs and wants

By consistently executing an organization-wide strategy, or a strategy that consistently guides how you create value, you can provide a product or service that's better than your competition.

From St. Anthony Village

***The St. Anthony Village Wine and Spirits brand is committed to providing a unique retail environment that is based on excellent customer service, product selection, competitive pricing, while providing safe, bright and clean stores that drive long term customer loyalty.***

### Overall Image

What comes to mind when customers, general public, citizens, city council etc. think about your facility?

### Interior and Exterior Appearance

When examining a facility's exterior, consider the following questions:

- How do customers locate the business?
- Are the sidewalks clean, safe and accessible?
- Are the exterior signs clean, fresh and readable?

- Does the store front need cleaning, painting or touch-up?
- Are the outside entrances clean and accessible?
- Are the windows clean, bright and inviting?
- Are the window display preparation materials such as tape, pins and packaging materials removed?
- Are the window displays frequently changed?
- Do the window displays carry a theme?

### Interior Presentation

Selling space is the most important part of a store and therefore, efforts to utilize each square foot will help to maximize sales.

When planning interior displays, remember that the theme and image presented on the exterior must be carried throughout the interior of the store to provide consistency for the customer

The purpose of interior display is to develop desire for the merchandise, show what is available, and encourage both impulse and planned buying

Three major goals of a store should be to: motivate the customer to spend money, project the image of the store and keep expenses to a minimum

Finally, is the bathroom clean and presentable??? Would it be acceptable to your mother?

## **Product Merchandising**

### Aisles

An important medium for transmitting messages and closing sales is now the store and the aisle. That building, that place, has become a great big three-dimensional advertisement for itself. Signage, shelf position, display space, and special fixtures all make it either likelier or less likely that a shopper will buy a particular item (or any item at all).

There is a phenomenon called the butt-brush effect. Women especially, but also men, do not like to be touched from behind. They'll even move away from merchandise they're interested in to avoid it.

## Traffic Flow

As you study the traffic flow put yourself in your guest's shoes and absorb what they see. Let's take a walk...

- **Outside:** Your windows facing the parking lot or walkway outside your entrance set the theme for the visit. Make sure graphics are clean or the story you are telling with a display has clarity.
- **Doorway:** Enter your store into the "Transition Zone" – about the first 5 feet or so past the door. Here your customer is taking the store in, removing sunglasses, adjusting to the sights, sounds and smells. Not much retail is done here, so no real need to for merchandising.
- **Entrance:** Past here is the "Strike Zone" — or your first impression "speed bump". Place a table presentation, gondola or fixture here with a good average price point. Not "sale" items, but not high-end either. Promotional, for sure, to continue the theme from your windows or seasonal merchandise.
- **Sidewalls:** Next stop is likely the inside wall to the right of the entrance. In western cultures we tend to move to the right of an obstacle. Continue with the medium-priced product, perhaps a secondary promotion. You could also expand with like-product or similar branded items from the front focal presentation.
- **Back of Store:** The back of the store should be reserved for high-demand as well as higher-priced items. This makes your guest walk the entire store to get to the good stuff – whether it is a sale zone or your high-ticket merchandise. Make sure this area is visible from the front. Display add-on and impulse items here as well to help with your multiple sales.
- **Point Of Sale:** Your front counter is an important security post! You need great visibility of the sales floor here – especially if you are asking a minimal sales force to police and protect your merchandise. Avoid clutter and keep an open counter top for your guests to place their purchases. If there is a bunch of junk on the counter the guest will be confused and might limit additional shopping. You should place add-on and impulse items here for that last grab for their cash but position product above, near or behind the associate – neatly, in bins. Be aware of the size of your counter – too big and you are taking up valuable floor space! The best placement for the counter is to the left of the entrance (to the right facing out) or towards the center/ front of the store.

## Shelf Set

Don't underestimate the power of eye-level shelving. That's where your high profit items belong. Folks will bend or reach for cheap goods, but you want to make it easier for them to purchase the products that boost your profitability.

## Displays

You have your traffic pattern set and you know "where and what" to do with your promotional displays. What's your display going to show?

1. **Similar product** – This will educate your guest the depth of product you carry in a particular category.
2. **Cross-Mix Product** – Here you are mixing categories to show a breadth of merchandise; perhaps to support the "lifestyle" and boost multiple sales
3. **Branded** – A promotion for a particular vendor and usually offer a cross-mix to show your guest all the brand represents in your store

Gather up the merchandise and also think of some props to help tell the story. Get crazy here – witty, attention grabbing and eclectic. Set your theme to support a local event like a parade or music festival. Theme it out for a holiday sale. Use large items if you can. Use thought-provoking placements like a mannequin form "shredding" on a surfboard for a rad summer theme in the top corner of a room or hang a Christmas tree upside down in the middle from the ceiling! It's fun and saves valuable floor space! It will definitely catch your guest's eye and they'll tell their friends. Make your own props too – buy some brightly-colored bowls, turn one upside down and hot glue them together and fill the top for a nice touch. When setting your promotion display tables or walls follow a theme with your items, remember the following for organization and arrangement:

1. Light to Dark
2. Left to Right
3. Small to Large

When placing tables make a positive impact with your walls. Don't hide the walls. Instead use your table displays to draw the eye and focus the attention on the wall behind.

End cap displays should grab the customer's attention and sell merchandise.

An end cap should sell as much merchandise at 50 percent of one side of the adjoining counter.

## Signs

Merchandise is now placed on your fixtures and on the floor. Hooray! Let's communicate, educate and direct traffic with some signs. Up front, remember the windows? Promo decals are a clean and colorful approach to letting your guest know what's behind door # 1. Take advantage of your vendor's generosity here as those promo decals hammer the point home on what you carry... in a bright colorful lifestyle-laden message. Just don't mix and match with brands.

Inside the store carry and reinforce the theme forward by matching the art, font, colors and message to tie the sales floor together. Make sure to develop a sign template to work from for consistency and to avoid confusing your guest. Invest in a laminating machine too. Added humidity will curl your signs quickly. Avoid handwritten signs at all costs! It's hard to have a consistent theme and even though you can read your writing, not everybody else can.

## Price Identifiers

If it doesn't have a price, it is not for sale!

Shelf pricing is easier to read than bottle tags.

## In Facility Sampling

We live in a tactile-deprived society, and shopping is one of our few chances to freely experience the material world firsthand.

Almost all unplanned buying is a result of touching, hearing, smelling or tasting something on the premises of a store.

## **Financial Statements / Pricing / Inventory Control**

### Product Selection

**DO NOT pre-qualify yourself based on city size!!**

- \* How Many Similar Items Currently Carry
- \* Retail Price Point
- \* Unique Packaging - Including Bottles & Label
- \* Room on Shelf
- \* Do Competitors Carry It



- \* People Ask for It
- \* Track Record of Sales Representative
- \* Wholesale Price
- \* Quality of Product
- \* Tastings and Point of Sale Available

Avoid selling .750 glass next to liters with small price difference.

Minnesota is a liter market.

.750 plastic travelers have a different target market.

### Proprietary Brands

According to Minnesota Statute, all alcohol products must be available to all licensees at the same price – including proprietary items from Total Wine & More, Target, Trader Joes and Olive Garden.

### Joint Purchases

According to Minnesota Statute, the joint purchase by two or more licensed retailers of up to 300, 1.75 liter or smaller, bottles of distilled spirits or wine for resale to the public is lawful.

### Portals

A portal is a huge (truckload) purchase of spirits and wine for a discounted price.

### Multiple Wholesalers

Utilization of only 1 or two wine and spirit wholesalers limits purchasing effectiveness. If they don't call you, you need to call them.

## Inventory Control Reports

- Inventory Cycle Counts
- Gross Profit Reports
- Daily Sales Report
- Receiving Report
- Class Report
- Quantity on Hand Report
- Year to Date Sales Report
- Last Received Report
- Item Reorder Report (setting minimum qty, looking at 8 week sales history and other tricks to save time)

## Free Goods

- How are free goods associated with product purchases tracked in your inventory control system?
- How are they utilized?
- How do they impact posted price?

## Tiered Mark-Up

Here is a general mark-up chart. Remember it is a guideline and can change based on demand, competition etc.

Pint and half-pint = 45% -50% (31% - 33% GP)

.750 = 35% - 40% (26% - 29% GP)

Liter and 1.75 = 33% - 38% (24% - 27% GP)

Cordials = 38% - 43% (27% - 29% GP)

6-pack = 38% - 43% (27% - 29% GP)

12-pack = 33% - 38% (24% - 27% GP)

24 -pack = 28% - 33% (21% - 24% GP)

Specialty Beer = 35% - 40% (26% - 29% GP)

Wines = 45% - 50% (31% - 33% GP)

Miscellaneous = 43% - 48% (30% - 32% GP)

## The difference between mark-up and gross profit

The following information is presented per a request at one of the recent Regional MMBA Managers Conferences.

**Markup (on the cost of an item)** – Defined as the amount added to the cost of an item to determine its selling price. The markup is expected to cover all associated expenses and permit the operation to earn a reasonable return on the sale of a product. Markup is most often stated as a percentage of the **item cost**. (See Exhibit ‘‘A’’):

**Gross Profit (on the sale of an item)** – Defined as the revenue from the sale of an item minus the cost of the item sold. Operating expenses (salaries, utilities, etc.) must be deducted from gross profit to determine **net-income (profit)**. (See Exhibit ‘‘B’’):

Note, in Exhibit ‘‘B’’ the Gross Profit is 33.3 percent while the markup is 50 percent. The **Gross profit percentage** is always less than the **markup percentage**.

The markup percentage is based on the **original cost of the item**. The Gross Profit percentage is based on the **selling cost of the item**.

To further understand the process of analyzing Gross Profit, ask yourself the question, ‘‘How much Gross Profit, in **percentage**, will I make from the **sale** of an item?’’

In the example, 33.3 percent Gross Profit (\$5.00) was made on the sale of a \$15.00 item. Remember, a markup of 50 percent (\$5.00) was made to the item’s original cost (\$10.00) to determine the selling price (\$15.00).

A common mistake is to apply the same markup percentage to all items within an operation – regardless of other factors, such as demand.

For example, markup on smaller bottles of product (375 ml, 200 ml, etc.) are generally higher than larger sizes (1 liter, 1.75 liter, etc.).

### Exhibit ‘‘A’’

Markup % =  $\frac{\text{Amount added to the Item Cost to determine the selling price}}{\text{Item Cost}}$

or

Markup x Item Cost = Amount added to the **Item Cost** to determine the selling price

As an example, if the cost of an item is \$10.00, adding a markup of 50% (\$5.00) will bring the selling price to \$15.00.

$$50\% = \frac{\$5.00}{\$10.00}$$

or

$$50\% \times \$10.00 = \$5.00$$

Therefore, to determine the selling price:

$$\begin{array}{r} \$10.00 \text{ (original cost of item)} \\ + \$5.00 \text{ (markup on cost of item)} \\ \hline \$15.00 \text{ (selling price of item)} \end{array}$$

### Exhibit ‘‘B’’

Continuing the example:

$$\begin{array}{r} \$15.00 \text{ (revenue from the product sale)} \\ - \$10.00 \text{ (original cost of the item)} \\ \hline \$5.00 \text{ (Gross Profit on the sale of the item)} \end{array}$$

Note that the Gross Profit (on the **sale** of an item) is the same as the markup (on the **cost** of an item) **when comparing them monetarily**. However, if Gross Profit (on the **sale** of an item) and markup (on the **cost** of an item) are compared **using percentages, the figures are not the same**.

Gross Profit, stated as a percentage, is determined by dividing the Gross Profit on markup in dollars by the revenue from the **Product Sale**:

$$\text{Gross Profit \%} = \frac{\text{Gross Profit in \$ or markup in \$}}{\text{Revenue from the product sale}}$$

Therefore:

$$33.3\% = \frac{\$5.00}{\$15.00}$$

### Do NOT Include Sales Tax on Posted Prices

Makes prices seem higher.

No other industry does this except gasoline – and in that industry all sellers follow the practice.

### Odd Pricing

Suppose you are comparing two products in a store. One is more expensive, so naturally you wonder if the higher price is worth the additional cost. There is the subtraction. The only way to know the additional cost is to subtract the two prices, but we rarely do that. Instead we simply estimate the difference — because we are lazy subtractors.

Here's the psychology, proven by endless research: We tend to compare two prices starting with the left-most digits. If they are different, we stop there and make our estimate.

If they are the same, we move right one digit and compare them, and so on.

How is this relevant? Customers are most likely to ignore right-hand digits, so why wouldn't companies charge the highest "right hand" price? This is why we see .99 so frequently, and why you should consider using it.

Specifically, you should use .99 for any product where your customers will be comparing your prices to a competitor's.

Plus, you will make more money!

### Conduct Regular Cycle Counts

Accountants love it, since there is on-going attention to inventory.

Avoids a January 1 full physical inventory.

## Ice Prices

### From an MMBA Member:

*Just a short note of thanks once again. Whenever I go to any MMBA meeting I learn things that do nothing but make me money. At our regional meeting last year you said if we were not getting \$ 1.49 for our ice we were giving money away by being the cheapest in town. We raised our price that day and in the first 6 months of 2010 have made over \$ 2600 more in sales than last year. **(Note: Ice prices are trending toward \$1.79 - \$2.00 for a 5# bag.)***

Sales tax is NOT charged on pre-packaged ice.

Sales tax IS charged on ice made in the facility.

## Focus on Gross Profit

24% - 25% Off Sale / 42% - 45% Combination (Could change due to on sale & off sale mix).

The following are **real-life** examples from MMBA members:

### Example #1

2010

Sales YTD = \$1,787,782

Gross Profit = 24.4%

Net Margin = \$436,171

2011

Sales YTD = \$1,762,096

Gross Profit = 25.23%

Net Margin = \$444,587

*Manipulating the overall gross profit less than one percent resulted in greater net margin dollars!*

*Gross sales for this facility were over \$25,000 dollars less from 2010 to 2011 YTD but the net margin increased by over \$8,000 due to a manipulation of gross profit by only .83%!*

### Example #2

*These are my numbers for this year. I set a goal of growth at a sacrifice of some gross profit .... It is working to improve my bottom line. Would*

*the growth have been there without aggressive prices..... I doubt it. I focused on the bottom end of the cooler on beer and some lower end wine and spirit which seem to develop repeat sales and word of mouth increase in traffic. I realize I am in (city) it may be just an anomaly. This big picture is the most important....not just sales, not just gross profit but a blend of both. Staying vigilant in monitoring both will help make the store successful.*

2010 YTD= \$ 666,579.37

GP%=23.108 GROSS PROFIT= \$ 154,031.80

2011 YTD=\$ 694,647.85

GP%=22.76705% GROSS PROFIT=\$158,150.81

### Operating Hours / Scheduling

Can be seasonal

Labor 10% Off Sale / 25% Combination

*We used to open at 9am, but **my city was asking for more money to be transferred into the general fund.** so one place I looked at was our hours of operation.*

*I found that we did not have more than 10 sales the first hour of the day even when it was a holiday. So we moved our opening time to 10am about a year and a half ago.*

*I used to be scheduled to come in at 8 am to open at 9 am, I could have kept it that way, but that was a waste of salary dollars. So I adjusted my schedule and do not come in until 9 am. I can get all of my opening duties and complete all my daily paperwork before we open at 10 am.*

***By doing this I am saving my city a minimum of 2 hours per day and over \$8,000 that goes right to my bottom line.***

In addition, if city hall expenses are directly allocated to the liquor operation, will they be eliminated or reduced if the facility were closed? If not, these expenses should be listed as a transfer, after net-income.

### Make Your Own Six Packs (Retailer)

For major products being sold in the cooler, this process reduces cost of goods.

## Build Your Own Six Packs (Customer)

This is a major trend.

Here is how one member tracks for inventory control:

*Each product in our POS is entered as it's base unit (single bottle of beer in this example) and each quantity level it can be sold as is a different sales level of the same product. If you scan a single bottle, it has its own price and takes one bottle out of inventory...if you scan the 6-pack carton barcode, it has it's own price and takes 6 bottles out of inventory. We set the price of single bottles a couple points above whatever markup of the 6-pack price is but do not adjust single bottle price to the .49/.99 rule. We always have 125+ SKU's available as singles. Before we got our new POS system, we had to do the inventory adjustments from 6-pack to single and that was a HUGE pain to do and because of that, it was often neglected and caused inventory errors...Multi-tiered SKU capability eliminated this problem. Seasonal items are a problem because they recycle the same UPC and you lose tracking ability. Also, there are a few breweries who do not put individual UPC codes on the bottles...these do not make it into our build-your-own-pack selection.*

## Grab Bags:

***The MMBA office recently received the following note. The author did not want to be mentioned, but you will figure out from the price-points that it is a larger store.***

**HOWEVER, this idea is currently successfully used with spirits by a small combination facility in Greater Minnesota.**

*A constant in the industry is how to move old/slow product.*

*On top of that we are getting bombarded with about 20 new items but nobody is offering shelf extensions.*

*So I took the bottom 200 wines according to history in our files. In looking at the history, some of these wines had only sold 1 bottle in the past year. Not a very productive use of space. Good wine, but not moving,*

*So I placed these wines into a spreadsheet that included description, quantity on hand, cost and retail price. Total, there were about 310 bottles with an average cost of \$8.33 per bottle and a retail price ranging from \$8.99 to \$45.99.*

*We have tried discount barrels, selling them at cost in hopes of breaking even (which I think is industry standard). But then you may have a \$45.00 bottle of wine in the system, you discount it to cost of \$35.00 but it still*

*looks like an expensive bottle of boring wine, the discount barrels get picker over and you still have a barrel of junk.*

*So we took these wines, created a new number with a cost of \$8.33 and a retail price of \$10.00. We placed these bottles of wine in a \$.07 cent metallic gift bags and put a sign up calling them:*

*"\$10.00 Wine Grabs - Retail prices range from \$8.99 - \$45.99 with an average retail price of \$14.99."*

*We have already sold 105 bottles. As these are up by the registers, it's an impulse additional sale.*

*So bottom line, we have generated \$1,050 in additional sales, while getting rid of 105 bottles of wine that were using up valuable shelf space.*

*Profit may not be tremendous, but as we all know, new products are the life blood of the industry!*

#### Inventory Levels

Overall, 10% of gross sales for Metro and 15% for Greater Minnesota. This level varies by season.

#### Dram Shop (Liquor Liability) Insurance

The League of Minnesota Cities has great off sale rates, but generally higher on-sale rates.

On-Sale facilities should obtain competitive pricing.

#### Credit Card Processing

Obtain competitive pricing on a regular basis.

#### Monthly Financial Reports

At minimum , there should be a review of Income / Expense Report.

*(Should have on-sale / off sale breakout)*

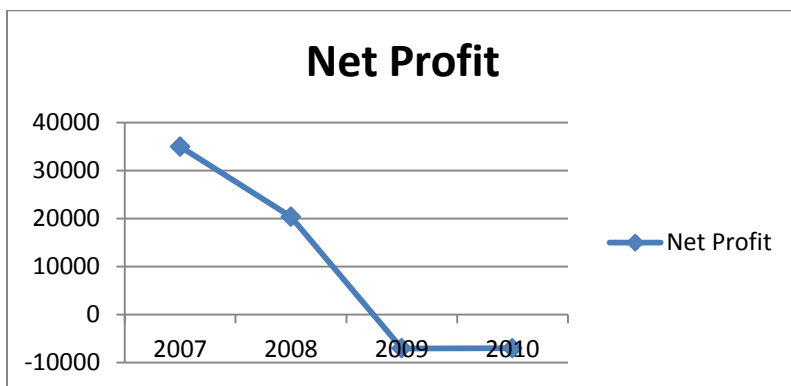
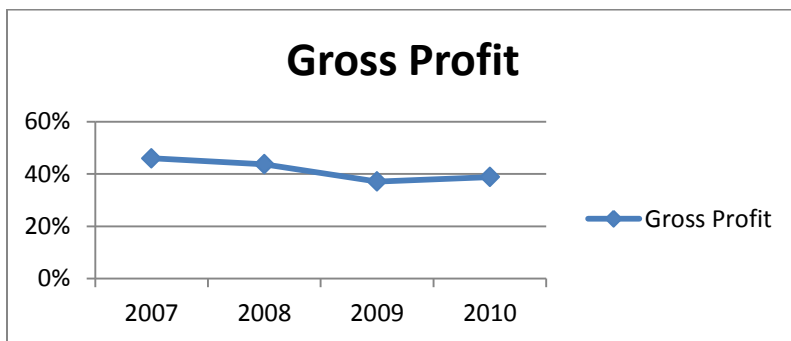
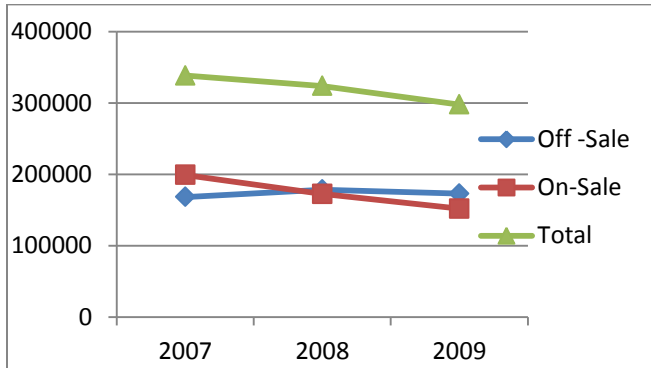


AUDUBON LIQUOR STORE INCOME STATEMENT  
May 31, 2013

SALES				
	Cost of Sales			\$49,118.14
4/30/13 Inventory		\$40,534.10		
	Purchases	<u>\$21,010.49</u>	\$61,544.59	
5/31/13 Inventory			\$46,755.18	
Cost of Goods Sold				<u>\$14,789.41</u>
Gross Profit on Sales			70%	<u>\$34,328.73</u>

EXPENSES				
Advertising		\$208.00		
Promotions		\$377.50		
Bad Ck. Account		\$0.00		
Bank Charges		\$0.00		
Cash Over/Short		\$10.46		
Est. Deprc.		\$1,886.58		
Dues & Subscriptions		\$0.00		
Entertainment		\$1.50		
Freight		\$98.13		
Prepaid Ins.		\$1,092.26		
Norwest Int. Exp		\$1,015.21		
Laundry		\$373.58		
Legal & Accounting		\$176.00		
Licenses		\$327.00		
Cr Card & E-Check fees		\$566.59		
Misc. Exp		\$1,411.12		
Office Sup. & Post.		\$134.51		
PR Tax-FICA		\$508.55		
PR Tax-MED		\$118.94		
PR Tax-PERA		\$597.90		
PR-Health Insurance		\$0.00		
Petty Cash		\$0.00		
Property Tax		\$60.00		
Rep & Maint. Bldg		\$429.73		
Rep & maint. Equip.		\$0.00		
Garbage		\$291.71		
Salaries		\$8,187.58		
Sales Tax		\$3,625.00		
Store Supplies		\$850.02		
Refinancing Charges		\$5,669.92		
Telephone		\$87.91		
Training		\$0.00		
Cable		\$85.24		
Utilities		\$1,202.00		
Unemployment		\$0.00		
Total Operating Expenses				<u>\$29,362.94</u>
Net Income/Loss before Transfer				4,965.79
Transfers to City				<u>\$1,250.00</u>
Net Income/Loss after Transfer				3,715.79
Interest Income				<u>2.17</u>
Net Income/Loss Inc. Interest Income				3,717.96
Other Revenue/Gaming/Dividend				<u>\$274.13</u>
Total				3,992.09

Information can be charted to identify trends and issues:



## Customer Service

### Define Expectations in Writing

Be as specific as possible:

For example,

Give the guest enough time to get through the door, arrange their belongings, and start scanning the sales floor / bar area. Fifteen seconds works in most situations.

Answer questions and solve problems to the best of your ability. Obtain assistance from a supervisor or fellow employee if necessary or direct the customer to someone who can provide the correct answer.

Ensure you introduce yourself and ask if they have any questions right from the start.

Make them at ease by employing a friendly smile and happy attitude.

Be certain to ask them the right questions:

Have you been here before? If they have been here ask them what they liked about their last experience or what brings them back.

Would you like me to tell you about some of our specialties or help you to select an item from the menu?

This will show the customer that you are knowledgeable about the products that we offer and perhaps remove some apprehensions that they might have.

### Specific Product Cheat Sheets

Generic pairing sheets can be useful in some situations. However, create a sheet with specific products, flavor profile and pricing. Employees should be walked through the location of each item, and a copy should be kept at the cash register for easy reference.

## Focus Wines

		Reg	Sale
Chateau Ste Michelle Riesling	<i>Appetizers, sweet glazed ham, turkey, spicy foods, desserts</i>	\$ 9.99	\$ 6.99
Santa Ema Moscato Soul	<i>Appetizers, sweet glazed ham, turkey, spicy foods, desserts</i>	\$ 8.99	
B&G Vouvray	<i>Appetizers, sweet glazed ham, turkey</i>	\$10.99	
Roscato Bianco	<i>Appetizers, sweet glazed ham, turkey, spicy foods, desserts</i>	\$13.99	\$11.99
Six Degrees Chardonnay	<i>Turkey, chicken, fish, shellfish, white cream sauces</i>	\$11.99	
KJ Chardonnay	<i>Turkey, chicken, fish, shellfish, white cream sauces</i>	\$14.99	\$12.99
Zen of Zin Old Vine Zinfandel	<i>Lamb, beef, cured meat, firm cheeses</i>	\$10.99	\$ 7.99
Dark Horse Cabernet	<i>Lamb, beef, smoked meats, Aged Cheddar</i>	\$ 9.99	\$ 7.99
Mark West Pinot Noir	<i>Grilled chicken, pork, veal, soft cheeses</i>	\$ 9.99	\$ 8.99
Avalon Cabernet	<i>Lamb, beef, smoked meats, Aged Cheddar</i>	\$11.99	\$ 9.99
Deadbolt Red Blend	<i>Red meats, grilled foods, red tomato sauces, chocolate</i>	\$11.99	\$ 9.99
Acaia Red Blend	<i>Red meats, grilled foods, red tomato sauces, chocolate</i>	\$13.99	\$10.99

### Product Knowledge

Having a knowledgeable team of both sales and customer service staff inevitably leads to:

- Enhanced customer trust on a one-to-one level
- Empowered employees who feel ready to tackle problems without referring to a higher authority
- Faster resolution rate for customer issues and complaints
- Improved sales
- Positive customer reviews when a member of staff has been particularly helpful

### How to Gain Product Knowledge

- Marketing Literature
- Sales Reps
- Training Sessions
- Testimonials
- Role Playing
- Practical Use

## Constant Training

Take a look below at 8 top benefits of ongoing staff development:

- Keep up with industry changes
- Be in touch with all the latest product developments
- Stay ahead of competitors
- Be able to see weaknesses and skill gaps
- Maintain knowledge and skill
- Advance employee skills
- Provide an incentive to learn
- Increase job satisfaction levels

## **Advertising & Promotion**

### No, Little or Non-Strategic Advertising

Always measure the results of your advertising efforts.

Advertising should be designed to deliver specific results.

If you do not get results, change the media or the products

## LIQUOR FACILITY EVENT RECAP

Event: \_\_\_\_\_

Event Date: \_\_\_\_\_

Event Hours: \_\_\_\_\_

Event Location: \_\_\_\_\_

Weather: \_\_\_\_\_

Event Purpose (Education? Sales?): \_\_\_\_\_

Event Summary:  
\_\_\_\_\_

Other events taking place (local event, special on television etc.) :  
\_\_\_\_\_

Competitor Activity?  
\_\_\_\_\_

How was the event promoted? Attach copies. Was the event a focus of your marketing effort or a part of others? \_\_\_\_\_

Costs associated with the event (labor, advertising, talent etc.) \_\_\_\_\_

Were there start-up costs for items which can be used again? \_\_\_\_\_

Event Revenue: \_\_\_\_\_

Event Net-Income: \_\_\_\_\_

Has the event been attempted before? If yes, when? If yes, what were the previous results?  
\_\_\_\_\_

What was successful? \_\_\_\_\_

What was disappointing? \_\_\_\_\_

What would you change? \_\_\_\_\_

Other: \_\_\_\_\_

REGULAR Wine SELLING Events

These are cases you would not otherwise have sold

## Ada Liquor Wine Tasting Event

(First in a Series)

*Taste -- Learn -- Have Fun -- Special Deals!!!*

Featuring a *Wine 101* Presentation from

Randy Dobratz of Ste. Michelle Wine Estates



We will be tasting the following wines from the Ste. Michelle  
Portfolio

*Chateau Ste. Michelle Harvest Select Riesling*

*Two Vines Pinot Grigio*

*Two Vines Sauvignon Blanc*

*Two Vines Chardonnay*

*14 Hands Hot to Trot Red*

*Two Vines Shiraz*

*Red Diamond Merlot*

*Columbia Crest Grand Estates Cab*

Thursday, October 28, 2010

7PM – 9 PM (Registration begins at 6:30 PM)

Ada VFW

415 West Main Street

Ada, MN 56510

Pre-Registration at the Ada Liquor Store  
through Wednesday, October 27 \$10. At the door \$15.

## On-Sale

### Free Drink Policy

#### **Employee Comp Policy for: Bar Name Here**

Business related complimentary items and services (aka “comps”) will be periodically issued by authorized employees for the purposes of increasing future revenue (such as giving a customer a free drink on their birthday or offering a free drink for signing up to our loyalty program) or mitigating a decrease in revenue (such as comping an appetizer to make a dissatisfied customer happy.)

There are two main areas of in which an authorized comp will be issued: general service/business and marketing/promotion. Unauthorized comps will be dealt with on a case by case basis but may result in employee reprimand or termination.

All comp items will be for Bar Name Here. Third party items, vouchers, coupons or services are not included as comp items and will be considered prizes.

#### **General Comps**

Service – Service comps will be used to recover from an incident in which a customer experience was below our regular standard of service. The issuance of a comp is relative to the incident and is intended to minimize the complaint so that the customer will feel satisfied and they will frequent Bar Name Here at a future date.

Business – Business comps will be used when vendors, celebrities, critics or members of the press are present at Bar Name Here. Business comps are also used for staff when engaging in a meeting, training or company celebration during the course of business.

#### **Marketing/Promotion Comps**

Marketing and Promotion comps will be used to increase sales revenue from new and existing customers. In addition, Marketing and Promotion comps may also be used to promote a new service or product.

#### **Unauthorized Comps**

Unauthorized comps are comps that are used for reasons other than General or Marketing/Promotion. Giving unauthorized comps is forbidden and is viewed as stealing.

Unauthorized comps include but aren't limited to comps for employee friends or family and comps for employees.

Unauthorized comps may result in employee reprimand, comp reimbursement or termination of employment.



## Comp Procedures

1. All comps must be approved by a manager.
2. When applying a comp, employees must enter the item into the POS system or cash register as a comped item (if a code exists) or enter the item and then comp it.
3. When applying a comp for food or drink items, the employee applying the comp must fill out the Complimentary Food/Drink Log. On the Log, the employee must give details on the comp and have the comp approved and signed by the manager on duty.
4. When applying larger comps (such as for an entire guest check, marketing/promo or business comps), an individual Comp Sheet must be completed and approved and signed by a manager.
5. If the comp is a Marketing/Promotion comp that includes a coupon, voucher or special code, all coupons or promotional items must be attached to the guest bill. Failure to do so may call the comp into question.
6. Unauthorized or unapproved comps will be subject to manager revision and may result in corrective action and/or the cost of the comped item may be reimbursed by the employee.

### Does Super America give employees a free candy bar after a shift?

*I have spent most of my restaurant career working in corporate restaurants where the notion of a **shift drink** was unthinkable. In fact, my first exposure to the term was in a restaurant management training manual where it was explained that providing shift drinks was expressly prohibited. Most of the independent restaurants I worked in up until that point were not the types of places you would even find the offer of a shift drink attractive in. The staff would reconvene at the bar a few doors down for our post shift drink on our own dime. The notion of a shift drink never really crossed my mind much until I entered the consulting arena.*

*Many independent restaurant owners have accepted the fact that providing a shift drink is a great morale booster and reward for hard working employees who do not receive many other benefits. Other owners have been convinced that this is the industry norm and something employees should expect and be entitled to. Still other owners want to be the life of the party and providing access to free drinks provides them with a way to bond with their staff. Whatever the reasoning the owner uses to justify this decision, the staff is willing to take them up on their generosity. Even with all of these reasons in mind, I contend that offering a free shift drink to your staff is a bad policy and one that should be eliminated.*

Here are five reasons providing a free shift drink to your staff is a bad idea.

**It Is Exclusionary:** While most people within the beverage industry do enjoy alcohol, not all of your staff does. For those who do not drink or perhaps more importantly those concerned they might have an issue with drinking, not partaking in this shift drink excludes them from the team. Those who stay behind see this person excluding themselves from the group. This is also exclusionary for those who are not old enough to legally consume a shift drink.

**Liability Issues:** There are a fair number of concerns with liability when you offer a shift drink. You are responsible in most jurisdictions for those that consume alcohol at your establishment. This applies to those who work for you as well. These liabilities increase when you are providing free shift drinks. Even beyond the legal ramifications, the moral ramifications are large if one of your staff members were to have an accident after consuming a shift drink at the end of the night.

**Theft Risk:** Your staff is often friends with the bartender who serves them a shift drink. The bartender's income is at least in part contingent upon tips and tip outs from these employees in many cases. This creates a significant potential for over-pouring or offering a second free drink. This happens far too often and can be seen as a stand of solidarity against the owner or manager. The honest bartender is placed in an awkward position that is unnecessarily treacherous.

**It Becomes Expected:** Shift drinks usually begin with the best of intentions. A manager or owner might choose to reward the staff after a grueling shift with a free shift drink. This in turn becomes perceived as recognition of their hard work. So what happens next time they work hard and are not offered a free drink? If this becomes the reward for hard work, not offering it can be interpreted as an insult. Soon the definition of a grueling shift is lessened and a free shift drink is expected after each.

**It Breeds Strife:** This has been alluded to in several of the points above, but eventually your reward of a free shift drink becomes a point of contention. You are forced to offer it more often or run the risk of strife. Those who partake have the opportunity to complain about the hassles of the evening with lips loosened by liquor. This can lead to gossip, relentless complaining, and even fights. People who would normally choose not to associate outside of work are now put together immediately after a hard shift and given a drink. This can create a powder keg that can be devastating to the morale you were trying to boost with booze.

The purpose of this post is not to encourage you to take away benefits from your employees. The argument is simply that providing a free shift drink can create far more problems than would be anticipated on the surface.

Once you take all of the potentially destructive factors into account, is this benefit worth the risk? You should look for opportunities to reward your staff, but you can do so in far more effective ways than by offering a free shift drink.

## Drink Pricing

Take note of what your competition is pricing their products at, and take note of what your expected COGS percentages are, and make calculated decisions on how to create your pricing structure (and stick to it). By all means, offer specials and features, but don't get carried away with pricing new products lower just because you don't think they'll sell well. If you don't think they're going to sell, and you can't sell them for what they are worth, then why are you carrying them? Too often establishments arbitrarily price a product without doing the actual math on the cost percentages, and over time (and with enough products) this can erase profits.

Energy drinks, ginger beer, fresh juices, purees... the bar world is awash in these great additions to any drink—but at a cost. An average energy drink costs between \$1.25 and \$1.50 for an 8-ounce can, meaning that you'll likely only get two servings out of each can. That is more expensive than the liquor that is going into the drink. If you fail to charge appropriately for these additions, you'll soon find your profit margins disappear... you might even end up losing money on a specials night.

Individually cost out your mixers by the ounce, determine how much of each will be going into drink recipes, and develop an ideal profit margin on each serving. Then charge for it.

### **\$9.00 Bloody Mary a Hit in Nevis!**

It is a topic that comes up often for those of us who have an on sale.

*It is the question everyone fears to change....**drink prices!***

First off, let me ask this question?

How many people including yourself, walk into an establishment and ask how much they want their drink to cost?

Hardly no one - and the ones who do are not there to make you profits.

There is a reason you often see menus that do not list prices on their wines, beers or liquors at your favorite restaurants or drinking establishments.

It is because the people are there for the idea of being out, the atmosphere of your establishment and the fun and enjoyment they want to experience.

At our on sale, I took an idea I had experienced during a girls weekend. It has become a famous drink that puts us on the map to newcomers because they heard from a friend that you have to stop and have their "Special Bloody Mary".

What makes it special is not only what's in it, but the story behind it.

We had stopped at a small bar in northern Minnesota waiting for another friend to meet up with us and the owner sat down and ordered a Bloody Mary.

We chatted amongst ourselves and since we were all bartenders we watched as the bartender mixed her this awful concoction.

My friend said he must really not like his boss,...did you see what he just put in that!

Well he heard us and so did she and so he had us all try it.

It was the Best Bloody Mary we had all ever had!

I learned the recipe and started to make them at my bar.

It took a few try's with the friends as guinea pigs, but I mastered the specialty!

It started as those friends ordering it when they would come in.

Others became curious, so they had to have one and it grew from there!

We now have people come in who have never even stopped in Nevis along their way, because they have to try what they heard someone else rave about!

The bottom line is we charge \$7.00 for our house Bloody Mary and \$9.00 for a "special" Bloody Mary.

We sell roughly 10 special ones to the regular!

People don't care what it costs, they will pay because that's what they want!

They care about the excitement of something new.

I don't think it is fair to overcharge and you have to base your prices on costs and overhead, but just because the competition is cheaper, doesn't make them better!

Don't be afraid to charge what you need to be charging.

The few who complain will be back tomorrow and will pay the price.

### Cross Promotion

Feature an item in both the on and off sale for greater exposure.

Bars offer a unique advantage in presenting new products.

## Community Center

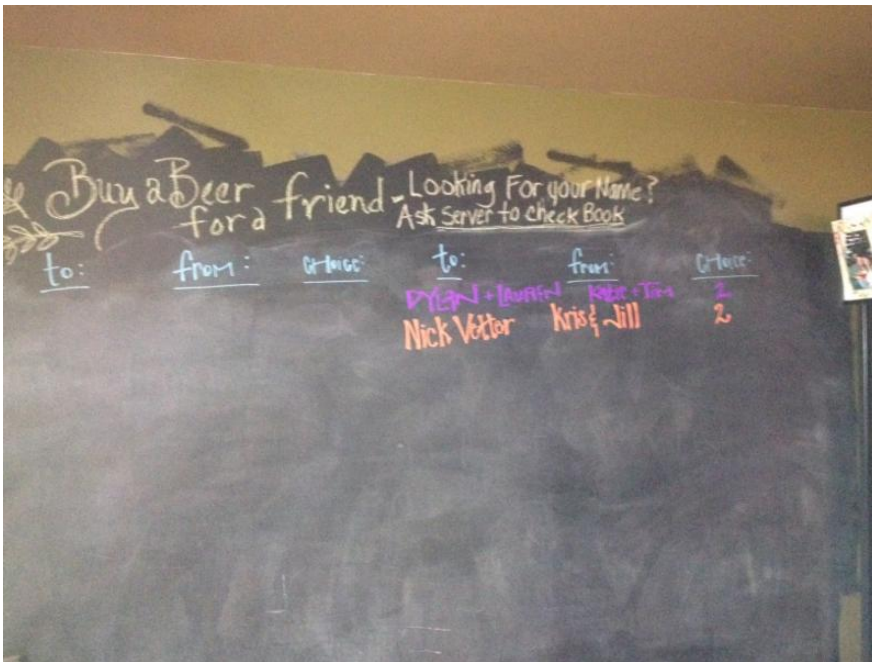
Consider designating the local community center as an additional liquor facility location.

- 1) Have the city council formally designate the facility as an additional municipal liquor location.
- 2) Complete the appropriate Minnesota Liquor Control paperwork.
- 3) Notify your dram shop carrier.

## Drink Chips

Drink Chip accountability is often very difficult.

Consider utilizing a public blackboard and internal log book.



## Offer Food Over and Above Pizza

Auto Fry

Convection Oven



## Pot Lucks are Legal

What is a potluck?

A meal at which attendees bring food that is donated and shared by the attendees.

Also known as a potluck supper.

Any fundraising efforts must be separate from the potluck event.

Events sponsored by a licensed food establishment or for which food is prepared or held in the kitchen of a licensed food establishment is not a potluck event

## **Security, Theft, Internal Controls**

### **Daily Deposits**

Timely daily deposits decrease the risk of potential misappropriation or loss of funds and increase investment earnings. The city's finance officer should regularly review the timeliness of deposits and the city should take appropriate action if the deposits are late.

We have seen instances where cash was given back during deposits of liquor store receipts. Returning cash during a bank deposit transaction increases the risk of loss of funds through misappropriation.

Instead, cities may want to require that each deposit be made intact, and to direct the city's bank that cash should not be returned during a deposit into a city account.

### **DAILY Register Reconciliation Procedures**

- 1) *Designated employee will "X" the register and if applicable, credit card terminals, and place ALL cash and tape into a zipped bag.*
- 2) *Place bag into locked, bolted safe.*
- 3) *The following morning, designated employee will "Z" the register. Optionally, they can again "X" the register as a double check.*
- 4) *Compare the tape, count the cash and reconcile the information on the designated form.*
- 5) *Prepare the bank deposit.*
- 6) *Staple tapes and a copy of the deposit to the form.*
- 7) *Take bag to the bank for deposit or city hall for double check.*
- 8) *File the form in designated location.*

*(Note: Designated employee will place cash in registers as part of the opening procedure)*

## Deliveries

The proper receiving of product merchandise is extremely important in maintaining the accuracy and integrity of our physical inventory. To receive product merchandise the following procedures must be followed:

1. All product is to be received through the back delivery entrance, no deliveries are to be accepted through the front door.
2. All merchandise must be brought into the building before it is checked in. Once all product is in the building, the back doors are to be shut and remain shut until all product is checked in and dispersed.
3. Storeroom doors must remain locked any time the delivery entrance is opened.
4. Confirm locale by circling store location on the invoice. Verify all product listed on the invoice for quantity, size and description.
5. As product is checked in, place a small check mark near the product quantity to note that it has been verified and received (invoice must remain legible).
6. If a correction in the quantity received is necessary, put a line through the quantity on the invoice and write the correct total received to the left hand side of the quantity listed. A merchandise return slip must also be completed and attached to the invoice for any liquor, wine or miscellaneous product that is out of stock or returned, and a beer credit slip (Product Returns to Vendor Policy) must be completed and attached to the invoice for any beer product that is returned.
7. Once check in and verification has been completed, date and sign invoice legibly.
8. Match product received to order sheets noting back orders and products returned, submit invoice to inventory control technician's file.
9. Product may now be dispersed to the proper storage area.

## Register Drawers

Register drawers should be closed after each transaction



## Doors

Ensure backroom, hallway, office, cooler doors are secure.

Do not allow non-employees to access your storage area.

## Shoplifting Policy

Some retailers without loss prevention associates have policies and procedures that state only a manager or supervisor can stop and detain a person for shoplifting. Some other retailers may not allow the apprehension of shoplifters

## Cameras

In some cases, security cameras catch intruders right away, and in other cases it takes more time and police investigation to catch an intruder.

Carefully consider location and effectiveness.

## Employee Theft

Retailers everywhere deal with shrinkage, but there is one big difference between the U.S. and the rest of the world: Globally, dishonest employees are behind about 28% of inventory losses, while shoplifters account for a markedly higher 39%. Not so stateside, the study says, where employee theft accounts for 43% of lost revenue.

DO NOT let the shoplifting employee continue working at your facility!!!

## Segregation of Duties

One of the most basic and effective controls is to segregate duties. Simply put, segregation of duties means that no employee should be in a position to both commit an irregularity and cover it up. Since many municipal liquor stores are small businesses, it may be difficult to fully segregate duties.

But even small businesses can take certain reasonable steps.

For example, the number of employees authorized to run control key access functions on a cash register ("X" and "Z" functions) should be limited.

The summary tapes that zero-out a day's sales on a cash register (the "Z" function) should be submitted to the city along with the daily deposit documentation.

The summary tapes often contain sequential numbers that the city's finance officer can monitor to confirm that all register sales have been reported to the city and deposited in the city's account.

These tapes also permit the city's finance officer to compare the time the summary tapes were run with the liquor store's closing times.

### Incident Report Forms

Have forms for easy completion.

Not only for injuries, but for operational situations.

### Credit Card PCI Compliance

The Payment Card Industry Data Security Standard (PCI DSS) is a set of data protection mandates developed by the major payment card companies and imposed on businesses that store, process, or transmit payment card data.

As part of their contracts with the card companies, merchants and other businesses that handle card data may be subject to fines if they fail to meet the requirements of PCI DSS compliance.

Businesses must assess their current compliance with these operational and cyber security requirements, remediate any vulnerabilities, and report their compliance status to the payment card companies that they work with.

Medium and large merchants are also subject to a yearly audit by an independent assessor.

## Hiring & Training

# Yesterday's Unhireables Are Today's Employees

By Mike McKinley,  
Alive!Alive!Associates

The vice president of a medical center remarked to me, "Today we're hiring people that three years ago we wouldn't have interviewed." Now that makes you feel good about getting injured or sick, doesn't it?

Businesses are struggling for bodies and no longer have the choices they once did. Still, I stick by what I've said for years: An empty slot is better than the wrong person in the slot. Finding someone to fill a position isn't that difficult, but finding and keeping someone who can produce high-quality results might be.

Employees are in shorter supply today than they were a few years ago, but they are still looking for the same things my parents did: meaningful work, good pay, and safe working conditions. The difference is that my parents were patient, timid, and loyal. Today's employees are straightforward, outspoken, and mobile. Work needs to be fun, challenging, and rewarding. If a more enjoyable environment exists elsewhere, then it's "Goodbye, current job."

Flexibility is on the lips of almost every employee. Employees want structure and direction along with choices and freedom. Using their time productively is foremost, and time

away from work for self and family is a given.

Understanding employees as individuals is the key to long-term retention. Interview each employee about his or her unique needs, motivations, and concerns. Then flex the job to match as much as possible. Stay committed to being fair to everyone.

And when you still end up interviewing and even hiring people that previously would have been passed by, plan on a commitment to continuing education and to managers becoming an ongoing resource for them. Many less-than-ideal candidates can flourish when focused on the right mission.

# Lakeville Liquors

## Policy and Procedure Review

### 90 Day Review

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Reviewed  
by: \_\_\_\_\_

Start  
Date: \_\_\_\_\_

Employee to explain and/or demonstrate the proper policy/procedure for each of the items listed below.  
Trainer to mark appropriate levels) of knowledge or understanding of the procedure.

<b><u>Procedure</u></b>	<b><u>Fully Knowledgeabl e</u></b>	<b><u>Partially Knowledgeabl e</u></b>	<b><u>No Experience</u></b>	<b><u>Explaine d</u></b>
<b><u>CASH REGISTER</u></b>				
Activate Cash Drawer	_____	_____	_____	_____
Count Cash Drawer	_____	_____	_____	_____
Activate Touchscreen	_____	_____	_____	_____
Logging In and Out	_____	_____	_____	_____
No-Sale	_____	_____	_____	_____
Returns	_____	_____	_____	_____
Voids	_____	_____	_____	_____
No Tax	_____	_____	_____	_____
F-9 Look up key	_____	_____	_____	_____
Keg/Tap Deposit Returns	_____	_____	_____	_____
Off-line Mode Procedures	_____	_____	_____	_____
<b><u>CHECKING ID'S</u></b>				
Who to check	_____	_____	_____	_____
Acceptable ID	_____	_____	_____	_____
What to do with a false ID	_____	_____	_____	_____

**CHECK ACCEPTANCE**

Information required	_____	_____	_____	_____
Unacceptable checks	_____	_____	_____	_____
Proper Identification	_____	_____	_____	_____
Offering alternatives	_____	_____	_____	_____

<b><u>SECURITY</u></b>	<u>Fully</u>	<u>Partially</u>	<u>No Experience</u>	<u>Explained</u>
When coming on duty	_____	_____	_____	_____
Drop safe procedures	_____	_____	_____	_____
Security Cameras\Alarm Systems	_____	_____	_____	_____
Delivery area	_____	_____	_____	_____
End of night procedures	_____	_____	_____	_____

**WINE CLUB MEMBERSHIPS**

Signing up a member	_____	_____	_____	_____
Benefits of being a member	_____	_____	_____	_____
Listserv guidelines	_____	_____	_____	_____

**DISCOUNTS**

Senior	_____	_____	_____	_____
Wine Club	_____	_____	_____	_____
Price Override	_____	_____	_____	_____
Case	_____	_____	_____	_____

**GIFT CARDS**

How to sell	_____	_____	_____	_____
How to ring up	_____	_____	_____	_____

**CREDIT CARDS**

Procedures	_____	_____	_____	_____
Manual Entry	_____	_____	_____	_____

**TRANSFERS**

Sending out	_____	_____	_____	_____	-
Receiving of	_____	_____	_____	_____	-
Discrepancies	_____	_____	_____	_____	-

**DELIVERIES**

How to check in and verify product	_____	_____	_____	_____	-
Store credit slips (Merchandise In)	_____	_____	_____	_____	-
Discrepancies (Merchandise In)	_____	_____	_____	_____	-
Dating and Signing invoices	_____	_____	_____	_____	-

**DAILY ADJUSTMENT SHEET**

	<u>Fully</u>	<u>Partially</u>	<u>No Experience</u>	<u>Explained</u>	
Product adjustments	_____	_____	_____	_____	-
How to write up	_____	_____	_____	_____	-

**CREDIT DEPARTMENT/RETURNS**

Sales people returns	_____	_____	_____	_____	-
Wine/Liquor credit returns	_____	_____	_____	_____	-
Beer credit returns	_____	_____	_____	_____	-
Tasting bottles	_____	_____	_____	_____	-
Breakage	_____	_____	_____	_____	-
Customer returns	_____	_____	_____	_____	-

**KEG/TAP/COOLER PROCEDURES**

Deposit requirements	_____	_____	_____	_____	-
Keg registration/Deposit Sheets	_____	_____	_____	_____	-
Lifting policy	_____	_____	_____	_____	-
Reservation restrictions	_____	_____	_____	_____	-
Deposit Waiver Sheet	_____	_____	_____	_____	-

**INCIDENT REPORTS**

When to fill out	_____	_____	_____	-
How to fill out	_____	_____	_____	-
Where they are kept	_____	_____	_____	-
What to do with when done	_____	_____	_____	-

**GENERAL INFORMATION**

	<u>Fully</u>	<u>Partially</u>	<u>No Experience</u>	<u>Explained</u>
Uniform policy	_____	_____	_____	-
Parking policy	_____	_____	_____	-
Employee purchasing	_____	_____	_____	-
Time off requests (paid and non-paid)	_____	_____	_____	-
Time cards/white sheets	_____	_____	_____	-
NSF Payments	_____	_____	_____	-
Tastings	_____	_____	_____	-
Storeroom /Product rotation	_____	_____	_____	-
Logbooks	_____	_____	_____	-
Price changes	_____	_____	_____	-
Special orders	_____	_____	_____	-
House charges	_____	_____	_____	-
Cooler duties	_____	_____	_____	-
Telephone procedures	_____	_____	_____	-
Covering Shifts/Calling In	_____	_____	_____	-

Trainers Comments:

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Employee Comments:

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This 90 day Policy and Procedure review was given to

\_\_\_\_\_

on \_\_\_\_\_.

Employee Signature: \_\_\_\_\_

Trainers Signature: \_\_\_\_\_

### Things to Do When Not Busy

1. Clean the glass on the entry doors and windows.
2. Sweep the front sidewalk & clean parking lot.
3. Knock down cobwebs in the corners of the ceilings and floors.
4. Check the bathroom for cleanliness and clean if necessary.
5. Check for moldy stuff in the staff refrigerator and toss it. Clean if necessary.
6. Wipe the counters and all machines clean.
7. Pick a shelf, remove all the product, clean and merchandise.
8. Check the vacuum bag in the vacuum cleaner and replace if dirty.
9. Change any burnt out interior and exterior light bulbs
10. Check that all remnants of dated decorations and promotions including tape, wires and strings are removed.
11. Pick a shelf / endcap / display and make sure items are priced and tagged accordingly
12. Check your special orders or requests to see if items have arrived or need follow-up.
13. Make sure digital displays are working correctly.
14. Organize the under-the-counter areas.
15. Call or write a customer thanking them for a purchase
16. If you have computer access, go to a vendor's website and learn five new things about an expensive item you carry.
17. Research a new line to carry and write an explanation for why it is a good fit for your facility.
18. Role-play a sale.
19. Role-play a return without receipt.
20. Give another employee a list of ten items to find in your store; time them while they look.



21. Create a scenario where employees find the biggest add-on to a sale in just five minutes.
22. Organize the stockroom and make sure areas are labeled correctly.
23. Take a portion of an online retail sales training course **like this one**.
24. Offer to help a customer to their car.
25. Spot check if inventory spot matches POS
26. Find the slowest moving item in the facility and come up with how you could sell it.
27. Break down empty boxes in the back.
28. Fill up the register supplies.
29. Fill up the bathroom supplies.

**If you are the manager:**

30. Analyze your sales figures and markdown those items rarely sold, overbought or dated.
31. Analyze your store's online reviews on sites like Yelp, then find a solution to stop the bad comments from recurring.
32. Teach an employee how to order supplies, check in shipments, make a call tag, etc. so those employees can take on more responsibilities and see a path to the next level of employment.
33. Make up a quiz of the top 25 questions customers ask you with a correct response for each.
34. Have an employee write out a review of a product.
35. Check out five large retailers' Facebook pages and list 3 things that seem to get a lot of "likes" or comments.
36. Write several emails to send out during the coming month.
37. Perform an employee review.
38. Shop a competitor and write up recommendations about what they are doing right.
39. **Of course, once a customer comes in, all of this stops and the customer is given full attention.**

## Promote Community Value

### MMBA Events (Expand Beyond Store Display)

As I see it...people and pets are getting excited about our “Help our local animals” Supply drive. 3 years ago when this was introduced we were not sure what to expect, we thought people might be confused about what to give. And we didn’t know about where to bring the supplies. But we decided to jump in with both paws and give it a run. We had been fairly successful with the food drive every year but didn’t know if people would translate as well to pets. Boy were we wrong!

As many of you know to have success in anything people have to get excited about it. We have a member of our staff named Deb. She took this program and ran full speed with it. She got other employees excited and came up with bins for supplies and food. We have a customer who works for a big pet store that brought in samples, we had a customer donate a kennel and a bird cage, we also took cash donations at the registers. What we found when we compared it to the food drive is that many times people love pets more than people!

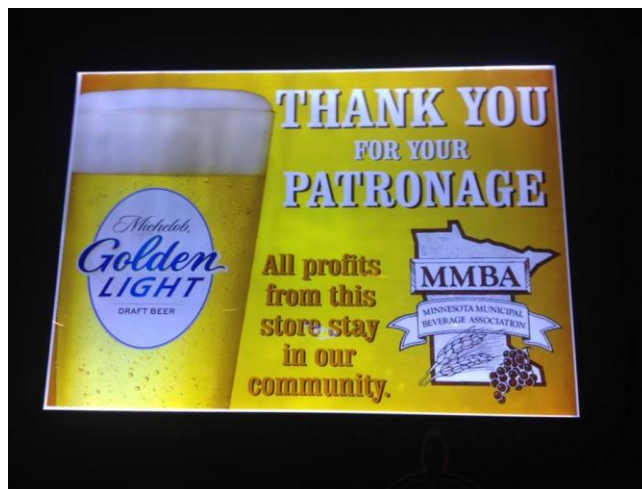
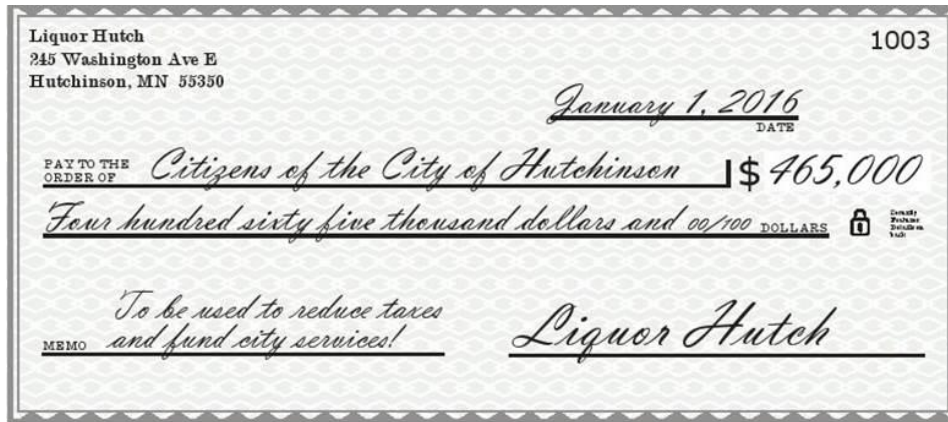
When we finished we loaded up our van and headed to the Hennepin County Humane Society where we presented them with a check and all the supplies our customers had so graciously donated. We had a brief tour and I thought we would be there for 15min and then get back to work. Again I was wrong Deb required us to say hello to every pet there and 2 hours later we headed back to work.

Deb will spend her own money to buy doggie treats and go out and greet our customers pets in their cars with a little treat. I encourage anyone out there participating in this drive April 1<sup>st</sup> find the Deb in your staff who will spearhead this project and get everyone excited about donating food, blankets, leashes, kennels and cash.

I would like to give a special thanks to Miller/Coors for supporting this project and getting signs, donation cards and buckets for us to get the message out.

Thanks and have fun!  
Tom Agnes – Brooklyn Center Liquor

Facility Signs



## Clothing / Buttons



## Employee Understanding

*Welcome to the Lakeville Liquors Organization! Established in 1934, Lakeville Liquors is a municipal off-sale liquor operation owned and operated by the City of Lakeville. Our goal at Lakeville Liquors is to provide high quality customer service, while responsibly controlling the sale and consumption of alcohol.*

*The use of Lakeville Municipal Liquor Store Revenue has contributed greatly toward a number of community wide facilities and operations including:*

- *Lakeville Ames Ice Arena*
- *Dakota County Heritage Library land acquisition*
- *Fire Station building, improvements and remodeling*
- *Police Station expansion projects*
- *DARE and Chemical Awareness Programs for Independent School Districts 192, 194 and 196*
- *Central Maintenance Facility architectural services*
- *Civil defense sirens*
- *Lakeville Area Arts Center roof repairs*

*Municipal Liquor Operation Revenue is therefore a major contributing factor in reducing citizen's property taxes, while effectively reducing youth procurement of alcohol.*