MMBA

MINNESOTA MUNICIPAL BEVERAGE ASSOCIATION

Welcome TO THE 2023 MMBA ANNUAL CONFERENCE

Arrowwood®

RESORT & CONFERENCE CENTER

by CLUBHOUSE®

TABLE of CONTENTS

PAGES 1 - 9 ..... Meals

PAGES 10 - 13 ..... Casino Night, Bags Tournament Bracket & Wine Bar

PAGES 14 - 33 ..... How to Succeed in the 2023 Competitive Environment

PAGES 34 - 77 ..... Is Your House in Order?

PAGES 78 - 93 ..... It's All About the Numbers

PAGES 94 - 97 ..... Cost of Dead Inventory

PAGES 98 - 104 ..... Loyalty Programs - Good or Bad?

PAGES 105 ..... Package Store Success

PAGES 106 - 122 ..... Bar Success Stories

PAGES 123 - 127 ..... Welcome to U-Commerce

PAGES 128 - 165 ..... Certified Beer Server Training

PAGES 166 - 174 ..... MMBA Annual Meeting, Elections, Awards & Industry Discussions

Saturday Deli Bag Lunch

CHOICE OF:

Sliced Baked Ham, Swiss Cheese, Lettuce, Tomato, and Honey Dijon Spread on Brioce Bun

OR:

Smoked Turkey, Havarti, Lettuce, Tomato, Dijon Mayo Aioli on a Fresh Baked Croissant

OR:

Chicken Caesar Wrap; Sliced Grilled Chicken, Romaine Lettuce, Caesar Dressing, Parmesan Cheese in a Flour Tortilla

OR:

Vegetarian Wrap: Fresh Vegetables and Hummus Served in a Tortilla

Bag of Potato Chips, Apple, Candy Bar

Saturday Dinner

Charcuterie board

Crab Rangoon w/lemon crème fraiche

Grilled Caesar salad w/ roasted tomato, and fried anchovies

Sour cream chive Yukon Mashed

Prosciutto wrapped asparagus w/fontina mornay.

Sauvignon Blanc Crab boil

Grilled Flank steak w/balsamic red wine glaze

Strawberry Poke Cake

Tiramisu

VINOCOPIA Spirts Provider

Sunday Breakfast

Fresh Fruit Medley

Waffles with Warm Maple Syrup, Whipped Cream and Strawberries

Scrambled Eggs

Omelet Station

Kansas City Hash Browns

Bacon and Ham

Caramel Rolls and Pastries

Freshly Brewed Coffee, Decaf, Tea, Juice & Milk

Sunday Lunch

BENZIGER
family winery

Spring green salad w/Sauvignon Blanc honey vinaigrette

Chicken Milanese w/Chardonnay risotto

French Green beans

Spaghetti Bolognese

Rosemary Focaccia

Pinot Noir Truffles

Zabaglione w/raspberry cream

Sunday Dinner

Spinach/Arugula salad with port candied pecans, red onion, feta, & raspberry vinaigrette.

Burrata roasted pear salad with sherry vinaigrette.

Spring vegetable medley w/fresh thyme butter

Chili rubbed sage roasted red potatoes.

Cabernet braised short ribs.

Whiskey braised chicken & smoked duck

Fresh herb breadsticks

Fresh berry Trifle

Chocolate flourless torte

Monday Breakfast

Fresh Fruit Medley

Scrambled Eggs

French Toast with Maple Syrup

Biscuits and Gravy

Home Fries

Sausage & Bacon

Scones & Muffins

Freshly Brewed Coffee, Decaf, Tea, Juice & Milk

Monday Lunch

Coleslaw

Roasted red potato bacon salad.

Roasted corn w/chive butter

Southern fried chicken sliders

Schell's beer battered cod.

Homemade fried chips

Carolina whiskey baked beans

Fried bread & Hoecake with honey butter

Pecan and Cherry pie

Ste. Michelle Wine Estates Music Personalities Themed Dinner

STE MICHELLE
WINE ESTATES
We grow together

"Charlie don't surf" salad.

"Blind Melon" fruit salad

"I fought the law" borscht.

"Southern Cross" gratin spuds

"Black eyed peas and carrots"

"Hot Chili Pepper" Jalapenos

"The boys of summer" steak kabobs

"Song of the coconut Shrimp"

"The sweet and sour Chicken in black"

"Parsley, sage, rosemary and thyme" rolls

"Brown sugar" apple crisp

"Jailhouse rock" peanut butter banana pudding

Love Boat Mai Tai Cheesecake

Homer's Fried Donuts

Tuesday Breakfast

Fresh Fruit Medley

Scrambled Eggs

Breakfast Sandwiches with Ham & Sausage

Hashbrowns

Kielbasa with onions & peppers

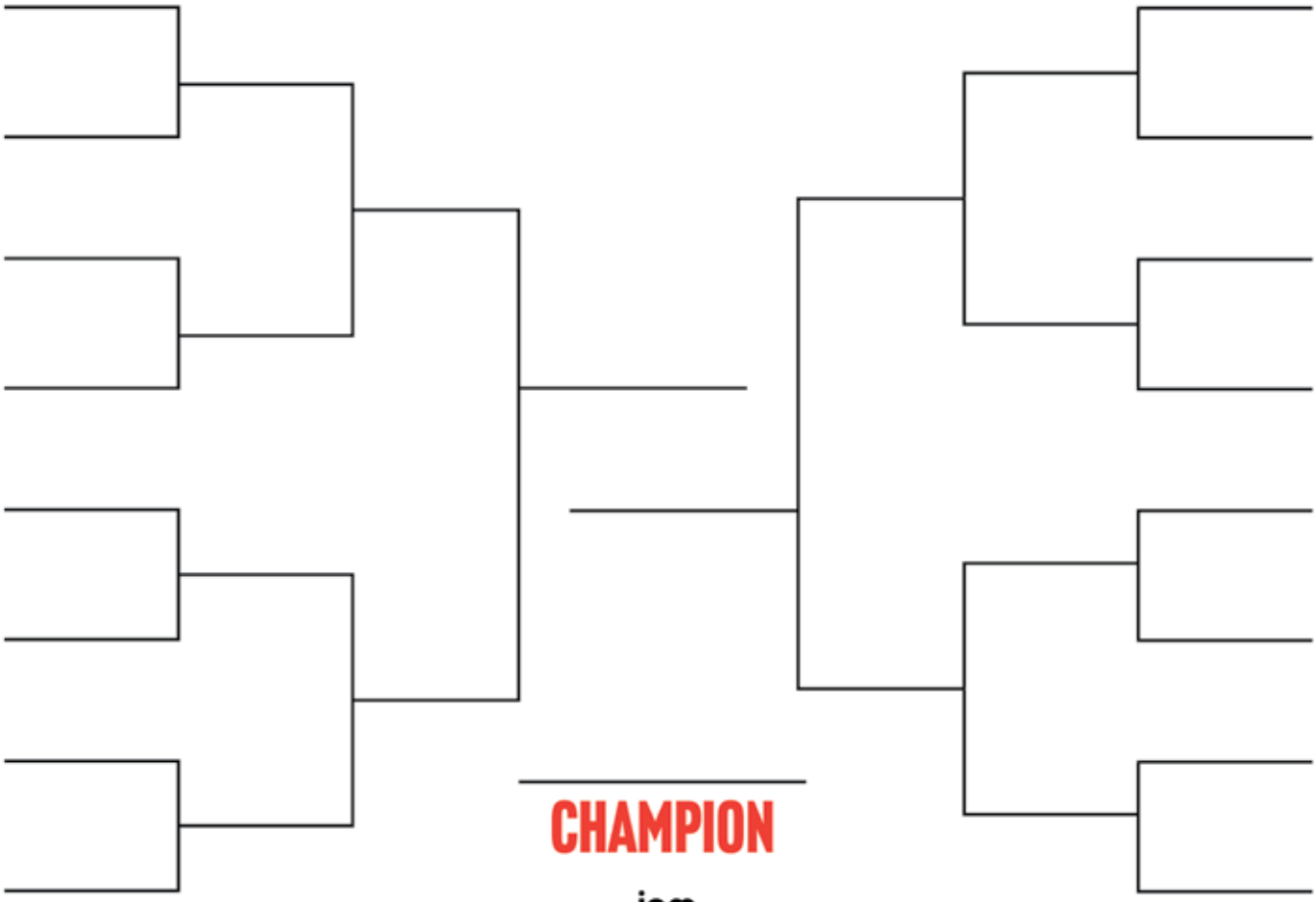
Donuts & Muffins

Freshly Brewed Coffee, Decaf, Tea, Juice & Milk

MMBA
MINNESOTA MUNICIPAL BEVERAGE ASSOCIATION

WINE MERCHANTS
25TH ANNIVERSARY

CONFERENCE 2023 TOURNAMENT



CONUNDRUM jam jar SUBSTANCE

Wine BAR

SUBSTANCE

2021 SUBSTANCE 'Ch' CHARDONNAY

Tasting Notes by Winemaker Charles Smith

Cool Liquid Sunshine. Mouth-filling tangerine, Meyer lemon curd and a kiss of butterscotch. Silky and rich to the last long sip!

Vintage Notes

2021 was one of the warmest vintages to date in Washington. It started with an early bud break due to nice weather and moderate temperatures. June was one of the warmest in recorded history, resulting in very small berries. Veraison and the beginning of the ripening season were nice and even, creating a beautiful, extended ripening season that led to excellent fruit with incredible concentration. Overall, 2021 is a distinct and lovely vintage and produced fantastic wines to enjoy now and into the future.

Current & Past Scores

93 Points, *James Suckling* (v2020)
"Aromas of candied ginger, baked pear and fresh herbs. Full-bodied with a lovely, oily texture. Layered flavors of chamomile and lavender at the beginning, but turns toward fresh cream and then the note of candied ginger on the nose returns. Linear and balanced. Drink now."

90 Points, *Wine Spectator* (v2019)
"Juicy and rich, this offers pear, clove and toasty spice flavors that fan out on the plump finish. Drink now."

90 Points, *Vinous–Owen Bargreen* (v2019)
"Sourced from a host of vineyards including Evergreen, Roza Hills and Moxee, the 2019 Chardonnay Ch was aged for nine months prior to bottling and underwent native yeast fermentation. The outstanding nose features Bananas Foster, pear and vanilla cream tones. At a mere $17 retail, this offers really good value."

Vineyards

Evergreen (40%), **Frenchman Hills** (32%), **Roza Hills** (14%), **Gearheart** (7%), **High River** (5%), **Moxee** (2%)

Winemaking

Varietal Breakdown: 100% Chardonnay

Appellation: Columbia Valley

Production: 4.0 tons per acre, native yeast, whole cluster press, 100% barrel fermentation | 10 months barrel-aged on lees, 20% new French oak

Wine Analysis: 5.5 g/L titratable acidity, 3.54 pH, 14% alcohol, no residual sugar

UPC: 184745003455

©2023 K Vintners LLC | 35 South Spokane Street, Walla Walla, Washington 99362 | www.HOUSEOFSMITH.com

HOUSE OF SMITH

CONUNDRUM

2020 RED BLEND

Scents: Medley of fresh fruits including plum and a hint of nectarine; semi-sweet baking chocolate, damp earth and a backdrop of toasted oak

Flavors: Chocolate cake with coconut shavings, crème de cassis, stone fruit, nutmeg and clove, smooth tannins

Style differentiator: Dry yet rich, with lavish fruit and a smooth texture. Be daring and drink slightly chilled to reveal an unexpectedly refreshing red wine

Vineyards: Sourced from premier wine regions in California where red varietals thrive – producing Conundrum Red led us to even greater exploration of California

Varietals: Zinfandel, Petite Sirah and Cabernet Sauvignon each add distinct aromas, flavors and character to the blend

Suggested food pairings from winemaker Charlie Wagner: Asian or Indian cuisine; Mexican tacos and fajitas; smoked meats or anything that fits on a grill

"The beauty of going outside one growing region in California and venturing into others is that you really have no rules when it comes to what you can blend."

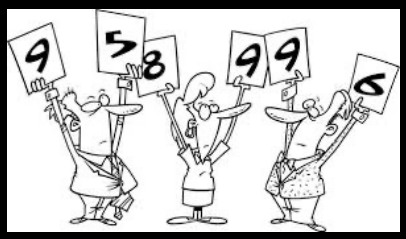
- Charlie Wagner, Director of winemaking

SUCCEEDING IN THE 2023 COMPETITIVE ENVIRONMENT

MMBA

MINNESOTA MUNICIPAL BEVERAGE ASSOCIATION

MESSAGE TO JUDGES



- Record Number of Entries
- *Look for Different & Unique*

COMMUNITY INVOLVEMENT AWARD

Awarded to the facility showing the most commitment to getting involved in activities within its local community.

Entrants will provide written and photographic evidence, including media coverage, of how being committed to the community benefited business and added to the facility's appeal.

The Awards winner will show how a municipal liquor operation is more than just a retailer that sells alcohol.

RIVER BEND LIQUOR (WINDOM) PALLET RAFFLE

THE STORY

Pallet Raffle with local Ducks Unlimited Chapter.

River Bend SOLD them a gift card.

Value of a pallet of Busch Light at cost plus Sales Tax.

The winner would have the opportunity to take the gift card and use it to purchase items at normal retail cost, or they could turn over the gift card and in return get 1 pallet of Busch Light.

Ducks Unlimited would sell raffle tickets (250) at $20 each.

A month before the banquet they had sold out of tickets, sold they did another certificate.

One winner took the pallet of beer, the other took the gift card.

Other groups are looking at the idea.

Successful Community Involvement can occur with little time and money commitment.

COMMITMENT TO STAFF DEVELOPMENT

Awarded to the facility with the best attitude and commitment to developing staff.

Entrants will submit written evidence, with supporting printed material if available.

Entrants should demonstrate how they are…

a) Committed to training of the highest standard

b) How they have enabled staff to better their knowledge for improved performance and possible career development.

SAVAGE CITY LIQUOR REBOUND

THE STORY

Challenges to new staff:

- Lack of policies and procedures
- A culture that allowed poor performance to flourish
- Lack of revenue
- Lack of community engagement
- Stores not competitively and consistently priced among competition
- Store overstocked with more than 2 times their annual revenue in inventory
- Utilizing outdated POS System not maintained for 12 years.
- Maintenance & upkeep of the property deferred for years.

THE STORY

Used MMBA & members as teachers.

Savage management was “just the conduit.”

Took all they learned and implemented in an extremely short amount of time

Apple Valley, Hutchinson, Paynesville, Brooklyn Center and Northfield
Assisted with references and on-going knowledge of new POS system.

Used MolsonCoors and MMBA Community Value events to jumpstart community engagement efforts.

Ron Gust from Mound shared information on their Whiskey Lottery event and raised $14,000 for the chamber of commerce.

MMBA is a unique situation in that individual business operators are willing to educate, coach and mentor.

It is unlike any other business group in the country and everyone who is an MMBA member has the tools and resources to be as successful and as innovative as they desire.

BEST INNOVATION

Awarded to the facility that challenges the status quo and develops innovative solutions that successfully enables positive change to occur.

Entrants must provide a description of the challenge, the innovative solution and the positive outcome achieved.

The judges will pay particular attention to:

Examples of challenging the status quo
Examples of the innovative solution
The execution
The outcome or result

LONGVILLE LAKES BOTTLE SHOP BEER CAN WRAP

THE STORY

In partnership with MolsonCoors, MMBA annually sponsors member community value initiatives including a Firefighter / First Responder fundraising program.

Longville Lakes Bottle Shop partnered with their fire Department to host a purse bingo at the fire hall.

The challenge was to create unique ways to generate additional revenue.

Manager Nancy Raines decided to do two raffles. (Proper permits were obtained)

One was wine bottles with generic firefighters on them already.

The second was to do an innovative beer wrap.

In partnership with MolsonCoors and wholesaler Dahlheimer Beverage, vinyl can stickers were created featuring local fire department members.

Bottle Shop employees wrapped each can by hand (12 cases in all).

THE STORY

Each can was numbered and sold for $10 and came with a chance to win a Yeti cooler.

They were only sold at the bingo event, for which they had to come in and pre-register for at the Bottle Shop.

The cans alone raised $2,160.00 and the other cans were given as a thank you to all the donors and volunteers.

The event was the biggest fundraiser the fire department has ever had and plans are already in place for another one.

MMBA Community Value events provide a base to build on.

Working with Commercial Members creates NEW ideas.

BEST BUSINESS DEVELOPMENT: NEW BUILD, REFIT OR LAUNCH

Awarded to the best facility development within the qualifying period.

This may be a new building, concept, extension, rebuild, refit or relaunch.

It should show best practice in design, innovation and environmental standards.

Entrants should describe how the initiative was

a) Conceived

b) Executed

c) Quantified in terms of commercial success

HIGH SCHOOL WOOD SHOP CREATED BACKROOM SHELVES FOR HOME TOWN LIQUOR (BRAHAM)

THE STORY

- Summer of 2022 planning on updating backroom shelving.

  Became aware local high school was going to be offering a wood shop class.

  We decided to reach out to the teacher to see if they would be interested in collaborating with us to have the students build shelves for the store.

  The store would benefit from getting the necessary shelves, and the students would gain valuable work experience.

  They learned how to create a bid, draft blueprints and submit the bid to the store for approval.

  Once approval was given the students made the shelves, and delivered them to the store for installation.

  This final step required the students to coordinate an appropriate delivery time that wouldn't interfere with other store operations.

Initially we as a staff were just thrilled to have more shelves in the back room.

But many in the community expressed gratitude we would offer students this real-world work experience, which for some can translate into a future career path.

Hearing such positive feedback from our customers emphasized how important it is for us to stay involved in the community and the important role the municipal liquor store plays.

It is our goal to continue to be innovative in how we are involved in activities which will have a positive impact on the city as well as its residents.

BEST THEMED PROMOTION

Awarded to the facility demonstrating the most innovative themed promotion to reach and appeal to its customers.

Entrants must describe how the campaign or promotion was conceived, executed & evaluated for success, giving necessary data to support their claims.

Each entrant must submit photographic evidence and relevant items of promotional material to support their entry.

LIQUOR HUTCH (HUTCHINSON) LOYALTY COOLER BAGS

THE STORY

- .

We added the Loyalty Program Cooler bags (a wine cooler bag and a 24 pk can cooler bag) as an option to loyalty rewards last May.

Our Loyalty Program has a higher than expected membership and redemption level so we were trying to find a way to mitigate the effect the redemptions were having on our Gross Profits.

Our budget for local newspaper advertising was yielding little result so we were also looking for new ways to advertise.

Those two priorities gave us the idea to add items that retail for more than $20 but would cost less than our normal $20 reward.

THE STORY

- .

The results:

By purchasing these items with advertising budget, our GP% is maintained.

Loyalty Program Reward items have our logo on them – providing additional Advertising

We have set a maximum of $13 cost per item.

Reflecting retails of $20-$30 dollars – thereby encouraging the customers to choose the item instead of a $20 cash discount

Redemptions of the Cooler bags were very high last summer….lower in the winter as expected.

We just added some Liquor Hutch logo plastic glassware to the selection (at a cost of $8 per set of 4).

Will continue the program & looking for new items to add. Any ideas?

Customers love the options and we have safeguarded our Gross Profits while reaping the usual benefits of a Loyalty Program.

Win, Win.

OTHER GREAT STUFF:

NEW STORES

OTHER GREAT STUFF:

NEW STORES

Underwood

OTHER GREAT STUFF:

NEW EVENTS

Silver Lake

OTHER GREAT STUFF:

BIG CHECKS & PUBLICITY

OTHER GREAT STUFF:

YOU TUBE & FACEBOOK

OTHER GREAT STUFF:

SPECIAL BREW

CITY HIVE

Reminder: Seminar on Sunday, April 30, 11:30 am – 12:30 pm

That's all Folks!
kalitak

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 to 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"

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

or

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

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

$$50\% \text{ x } \$10.00 = \$5.00$$

Therefore, to determine the selling price:

$10.00	(original cost of item)
+ $5.00	(markup on cost of item)
$15.00	(selling price of item

Exhibit "B"

Continuing the example:

$15.00	(revenue from the product sale)
−$10.00	(original cost of the item)
$5.00	(Gross Profit on the sale of the item)

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.

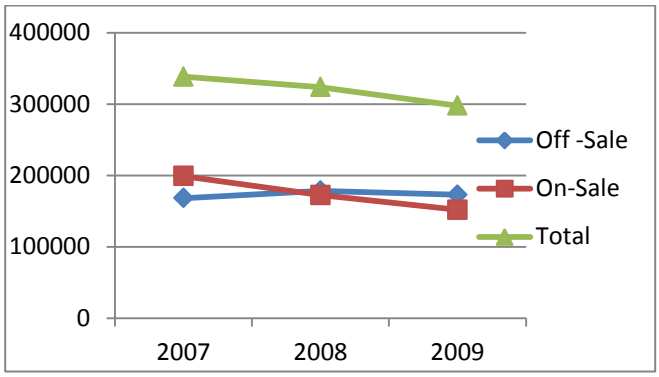
(Should have on-sale / off sale breakout)

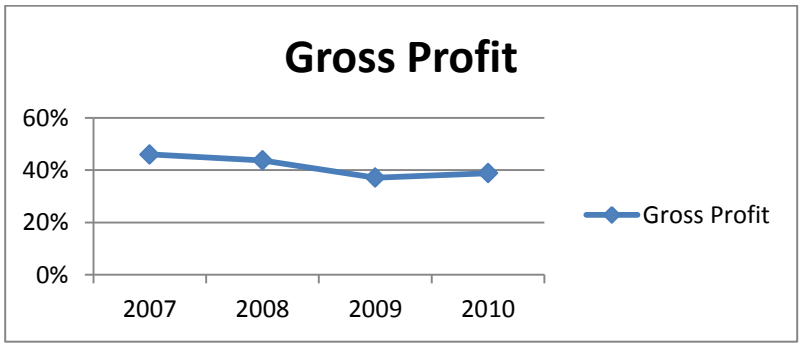
[redacted] LIQUOR STORE
STATEMENT OF REVENUES & EXPENSES
January through December 2017

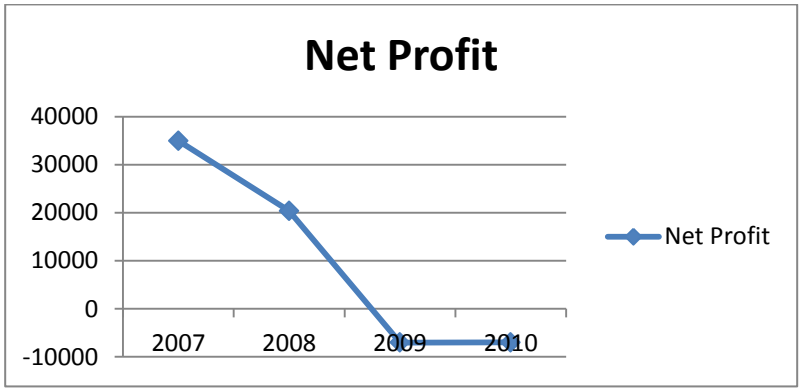
	Jan - Dec 17	Jan - Dec 16
Ordinary Income/Expense		
Income		
4018 · Gift Certificates	1,037.00	425.00
4085 · Income - ATM	1,290.00	1,956.00
4041 · Rebates	0.00	528.07
4040 · Pulltabs	19,097.00	15,635.40
4030 · Games & Music	144.00	394.00
4025 · Miscellaneous Income	23,592.52	21,405.22
4017 · Food	83,409.29	83,879.42
4015 · Clothing	1,909.95	0.00
4014 · Cigarette Sales	19,395.43	18,310.50
4013 · Off Sale Beer	57,006.37	63,856.90
4012 · On Sale Beer	125,590.84	128,207.84
4011 · Off Sale Liquor	16,598.24	17,932.33
4010 · On Sale Liquor	68,065.90	75,496.07
Total Income	417,136.54	428,026.75
Cost of Goods Sold		
5000 · Cost of Goods Sold		
5040 · Kitchen Food Purchases	28,826.68	28,968.08
5030 · Misc & Snack Food Purchases	21,956.15	22,732.48
5050 · Cigarette Purchases	16,606.08	16,929.99
5010 · Liquor Purchases	25,214.49	26,373.60
5020 · Beer Purchases	89,220.20	93,872.55
Total 5000 · Cost of Goods Sold	181,823.60	188,876.70
Total COGS	181,823.60	188,876.70
Gross Profit	235,312.94	239,150.05
Expense		
6134 · Snow Removal	0.00	300.00
6035 · Cash Over/Short	1,079.03	1,003.28
6910 · Entertainment - DJ's	2,450.00	4,100.00
6110 · Freight	291.50	245.00
6138 · Directv	1,847.16	1,803.22
6137 · Culligan	1,062.34	1,148.65
6135 · City Utilities	2,834.95	2,829.12
6130 · Otter Tail Power	10,165.83	11,962.06
6126 · Heating Fuel	7,267.30	8,686.24
6120 · Depreciation	8,833.43	9,052.42
6170 · Advertising	6,332.96	4,458.01
6060 · Bank Fees & Credit Card Fees	4,568.59	4,652.73
6045 · Dues and Subscriptions	675.00	550.00
6380 · Insurance	12,038.80	11,564.50
6075 · Interest Expense	2,626.22	4,676.12
6080 · Laundry	2,884.69	3,169.29
6500 · Licenses & Other Tax	793.00	693.00
6172 · Mileage	31.72	0.00
6095 · Office Supplies	727.27	813.74
6020 · Wages & Salaries	112,791.43	117,483.72
6025 · Payroll Taxes	8,628.56	9,278.86
6030 · Retirement Contributions	5,084.33	9,924.44
6040 · Professional Fees	11,914.27	11,073.36
6710 · Repairs	9,065.82	15,009.93
6055 · Supplies	10,068.31	7,345.97
6140 · Telephone	963.27	944.29
Total Expense	225,025.78	242,767.95
Net Ordinary Income	10,287.16	-3,617.90

See Accounts Report

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

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.

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 and additional liquor facility location.

1) Have the city council formally designate the facility as an additional municipal liquor location.

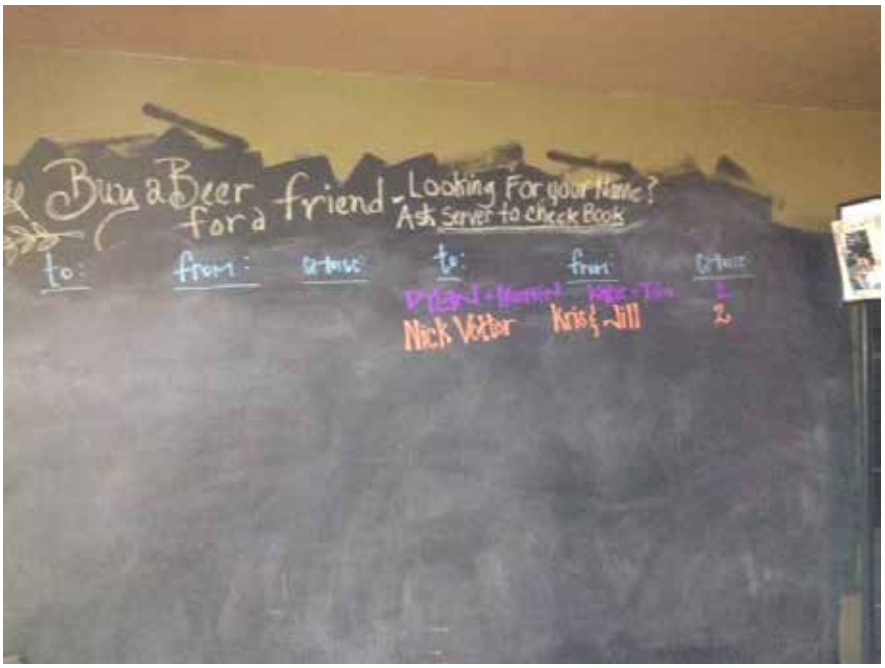
2) Complete the appropriate Minnesota Liquor Control paperwork.

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

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.

Shoplifing 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.

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.

Procedure	Fully Knowledgeable	Partially Knowledgeable	No Experience	Explained
CASH REGISTER				
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	_____	_____	_____	_____
CHECKING ID'S				
Who to check	_____	_____	_____	_____
Acceptable ID	_____	_____	_____	_____
What to do with a false ID	_____	_____	_____	_____

CHECK ACCEPTANCE

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

SECURITY	Fully	Partially	No Experience	Explained
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	Fully	Partially	No Experience	Explained
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	Fully	Partially	No Experience	Explained
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:

_____

_____

_____

_____

Employee Comments:

_____

_____

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!

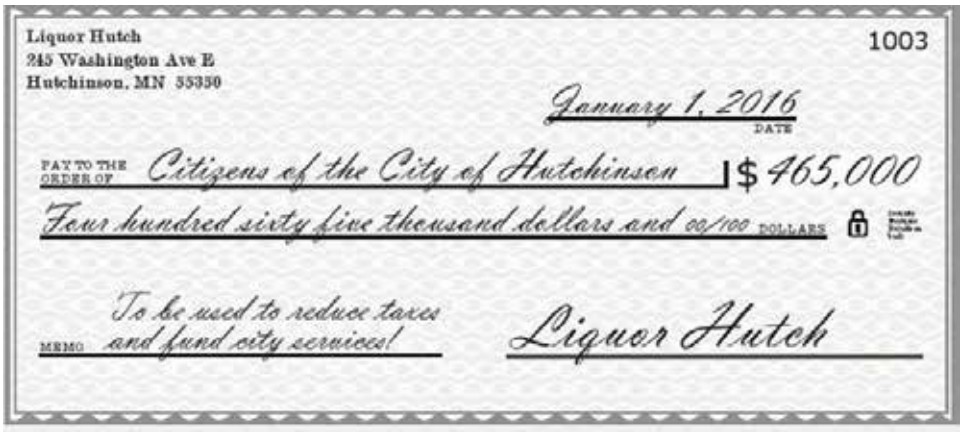
When we finished we loaded up our van and headed to the Hennepin County Humane Society where we presented them with a check and all the supplies our customers had so graciously donated. We had a brief tour and I thought we would be there for 15min and then get back to work. Again I was wrong Deb required 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 enocourage anyone out there participating in this drive April 1st 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.

It's All About the Numbers!

LIQUOR STORE
STATEMENT OF REVENUES & EXPENSES
January through December 2017

Is Your House in Order Page 17

Paul's Initial Review Order

1) Net Income
2) Gross Profit Percentage
3) Labor to Sales Ratio
4) Sales
5) Dram Shop Insurance
6) Change in the various expenses

Net Income

the excess of revenues and gains of a business over expenses and losses during a given period of time.

In the Example….

Net income increased approximately $14,000

2016 = ($3617.90)

2017 = $10,287

It is Possible to Have a Negative Net Income and More Money in the Bank

In June 2012, the Governmental Accounting Standards Board (GASB) issued new public pension accounting rules that took effect in fiscal year 2015 for state and local governments.

The new GASB #68 rules only apply to accounting and financial reporting. They do not apply to PERA funding, and are not used to determine contribution requirements.

The actual cost of providing pension benefits did not change… the only thing that changed is where and how pension costs are accounted for in financial statements.

Due to GASB #68, a small town municipal liquor operation recently reported a paper net loss of more than $68,000 even though they generated a positive cash flow of $30,000.

FYI: The Law Was Changed

- **340A.602 CONTINUATION.**
- In any city in which the report of the operations of a municipal liquor store has shown a net loss prior to interfund transfer **and without regard to costs related to pension obligations of store employees, as required by Statement 68 of the Governmental Accounting Standards Board**, in any two of three consecutive years, the city council shall, not more than 45 days prior to the end of the fiscal year following the three-year period, hold a public hearing on the question of whether the city shall continue to operate a municipal liquor store. Two weeks' notice, written in clear and easily understandable language, of the hearing must be printed in the city's official newspaper. Following the hearing the city council may on its own motion or shall upon petition of five percent or more of the registered voters of the city, submit to the voters at a general or special municipal election the question of whether the city shall continue or discontinue municipal liquor store operations by a date which the city council shall designate. The date designated by the city council must not be more than 30 months following the date of the election. The form of the question shall be: "Shall the city of (name) discontinue operating the municipal liquor store on (Month xx, 2xxx)?".

Depreciation / Captialization

The word capitalize means to record the amount of an item in a balance sheet account as opposed to the income statement.

(The accounts in the general ledger and in the chart of accounts consist of two types of accounts: balance sheet accounts and income statement accounts.)

To illustrate, let's assume that your company purchases a new computer printer for your office. Its cost is $700.

If your company is a small company, it might capitalize the cost of the printer.

That means the printer will be included in an equipment account and will be reported in the property, plant and equipment section of the balance sheet.

Its cost will be depreciated over the printer's useful life.

A larger company might decide that $700 is an immaterial amount and will not capitalize the printer as an asset. Rather, the large company will expense the printer immediately.

(This larger company might have a policy of not capitalizing any asset with a cost of less than $5,000 because of the materiality convention.

This is allowed because no reader of the financial statement is going to be misled because the $700 will appear as an expense in the year the printer is purchased instead of $140 in that year and $140 in each of the subsequent four years.)

Paul's Initial Review Order

1) Net Income
2) Gross Profit Percentage
3) Labor to Sales Ratio
4) Sales
5) Dram Shop Insurance
6) Change in the various expenses

Gross Profit Percentage

*The percentage of money you've made from selling a good or service – **after** you subtract the cost of producing / obtaining that good or service.*

*You want that percentage to be as high as it can reasonably be. **The higher your gross profit percentage, the healthier your business** and the more profit you'll take home at the end of the day.*

Greed is Bad!

Making Money is Good!!!!!

Calculating Gross Profit Percentage

First, **add up your costs** of goods sold.

Let's say $77,000

Next, **calculate your gross profit dollars**.

Total revenue – cost of goods sold
$110,000 – $77,0000 = $33,000

Then, **calculate your gross profit percentage** by converting dollars to a percentage.

Gross profit / total revenue x 100
$33,000 / $110,000 x 100 = 30%

Are Your Cost of Goods Numbers Accurate??

Are invoices recorded in the system?

How are free goods handled?

What is the process for transfers between on and off sale?

Is quantity on hand accurate through cycle counting?

How are inventory adjustments made?

Impact Gross Profit Percentage

Quantity Purchase (Lower Cost of Goods Sold)

Joint Purchase of Spirits & Wine (Lower Cost of Goods Sold)

Bridge Buying (Lower Cost of Goods Sold)

Proprietary Brands (Lower Cost of Goods Sold)

Theft (Higher Cost of Goods Sold)

Overpouring (Higher Cost of Goods Sold)

Current Market Pricing (Increased Sales)

End in .99 (Increased Sales)

Ice (Increased Sales)

As a Percentage, Gross Profit IS DIFFERENT than Markup

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"

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

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:

$10.00 (original cost of item)
+ $5.00 (markup on cost of item)
$15.00 (selling price of item

Exhibit "B"

Continuing the example:

$15.00 (revenue from the product sale)
–$10.00 (original cost of the item)
$5.00 (Gross Profit on the sale of the item)

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:

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

MUNICIPAL LIQUOR STORES 16

Is Your House in Order Page 11

Standard Minnesota Markups

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)

Gross Profit Success Range

24% - 25% Off Sale

42% - 45% Combination

(Could change due to on sale & off sale mix)

In the Example….

Gross Profit Percentage Dropped aproximately .5%

2016 = 44%

2017 = 43.5%

(New management will be addressing overpouring & free drinks issues)

Paul's Initial Review Order

1) Net Income
2) Gross Profit Percentage
3) Labor to Sales Ratio
4) Gross Sales
5) Dram Shop Insurance
6) Change in the various expenses

Labor to Sales Ratio

Labor Cost includes Wages, Salaries, Payroll Taxes, Retirement Contributions and everything else

Divided by Total Gross Sales

Industry Standard

10% Off Sale

25% Combination

Impact this number by increasing sales or adjusting regular or seasonal hours.

In the Example….

Labor Percentage Dropped aproximately $10,000 or 2%

2016 = 32%

2017 = 30%

(Had gross sales remained stable, 2017 percentage would have been 29.5% - Still Room for Improvement)

Paul's Initial Review Order

1) Net Income
2) Gross Profit Percentage
3) Labor to Sales Ratio
4) Sales
5) Dram Shop Insurance
6) Change in the various expenses

Sales

Net Sales / Total Income / Sales (on State Auditor Report) *refers to the amount of* ***sales*** *engendered by a business after deducting the returns,* ***taxes****, allowances for damaged or missing goods, and any discounts allowed*

In the Example….

Total Income Dropped aproximately $11,000

2016 = $428,026

2017 = $417,136

But Net Income Went UP!!

Paul's Initial Review Order

1) Net Income
2) Gross Profit Percentage
3) Labor to Sales Ratio
4) Sales
5) Dram Shop Insurance
6) Change in the various expenses

Yes, This is Your Concern!!

Off Sale

League of Minnesota Cities Insurance Trust

On Sale

Illinois Casualty Company

In the Example….

Insurance Increased

2016 = $11,564

2017 = $12,038

(Opportunity to save THOUSANDS of dollars!!!!)

Paul's Initial Review Order

1) Net Income
2) Gross Profit Percentage
3) Labor to Sales Ratio
4) Sales
5) Dram Shop Insurance
6) Change in the various expenses

Other Expenses

Credit Card Fees

Freight

Entertainment

Office Supplies

Professional Fees

Advertising

In the Example….

Some Expenses Went Up & Some Went Down

Overall, expenses decreased over $17,000

Inventory Levels
(Located in Balance Sheet)

Overall

10% of gross sales for Metro

15% for Greater Minnesota

Varies by season

How Much Is That Doggie In The Window?

FINANCIAL MANAGEMENT SKILLS TRACK

The Cost of Holding Dead Inventory

Presented
by
Tom Shay

PROFITS PLUS
$OLUTION$
FOR SMALL BUSINESS™
P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

What is the Return on Investment (ROI) for your business?

What is your ROI in your business today?

File Edit View History Bookmarks Tools Help

Return on Investment Cal...

www.profitsplus.org/calculator_return_on_investment.html

Getting Started Log Out

Want to share or save this page?

Share/Save /Bookmark

Translate this page

Spanish

Microsoft® Translator

Return on Investment Calculator from Profits Plus			
Sales	0.00	0	Credit Sales %
Cost of goods sold	0.00		
Gross profit	$0.00	0.00%	Gross Margin %
Operating Expenses	0.00	0.00%	Operating Expenses %
Net Profit	$0.00		
Taxes	$0.00	0	Taxes % of Net profit
Net Profit after Taxes	$0.00	0.00%	Net Profit %
Average Inventory on Hand	0.00	0.00	Inventory turnover
Average Accounts Receivable	0.00	0.00	A/R collection days
Other Current Assets	0.00		
Total Current Assets	$0.00		
Long Term Assets	0.00		
Total Assets	$0.00	0.00	Asset Turnover
		0.00%	Return on Assets
Current Liabilities	0.00		
Long Term Liabilities	0.00		
Total Debt	$0.00	0.00	Financial Leverage
Net Worth	$0.00	0.00%	Return on Investment

Reset Print

Home | Contact Us | Meeting Planners | Magazine Editors
E-Ret@iler! Resources

Copyright 1998-2016, Tom Shay

Profits Plus Solutions, Inc.
PO Box 1577
St. Petersburg, Fl 33731
(727) 464-2182

Document1 - Word Return on Investment...

How much is that doggy?
Page 2 of 4

What if you could decrease the "cost of goods sold" and/or operating expenses?

What would your ROI be with these changes?

File Edit View History Bookmarks Tools Help

Return on Investment Cal...

www.profitsplus.org/calculator_return_on_investment.html

Getting Started Log Out

Return on Investment Calculator from Profits Plus

Sales	0.00	0	Credit Sales %
Cost of goods sold	0.00		
Gross profit	$0.00	0.00%	Gross Margin %
Operating Expenses	0.00	0.00%	Operating Expenses %
Net Profit	$0.00		
Taxes	$0.00	0	Taxes % of Net profit
Net Profit after Taxes	$0.00	0.00%	Net Profit %
Average Inventory on Hand	0.00	0.00	Inventory turnover
Average Accounts Receivable	0.00	0.00	A/R collection days
Other Current Assets	0.00		
Total Current Assets	$0.00		
Long Term Assets	0.00		
Total Assets	$0.00	0.00	Asset Turnover
		0.00%	Return on Assets
Current Liabilities	0.00		
Long Term Liabilities	0.00		
Total Debt	$0.00	0.00	Financial Leverage
Net Worth	$0.00	0.00%	Return on Investment

Reset Print

Want to share or save this page?

Share/Save /Bookmark

Translate this page

Spanish

Microsoft® Translator

Home | Contact Us | Meeting Planners | Magazine Editors
E-Ret@ilerl Resources

Copyright 1998-2016, Tom Shay

Profits Plus Solutions, Inc.
PO Box 1577
St. Petersburg, Fl 33731
(727) 464-2182

Document1 - Word

Return on Investment...

How much is that doggy?
Page 3 of 4

How much dead inventory do you have?

What if you sold it at cost and invested those dollars into inventory that turned at the same rate as the rest of your business?

File Edit View History Bookmarks Tools Help

Return on Investment Cal...

www.profitsplus.org/calculator_return_on_investment.html

Getting Started Log Out

Want to share or save this page?

Share/Save /Bookmark

Translate this page

Spanish

Microsoft® Translator

Return on Investment Calculator from Profits Plus			
Sales	0.00	0	Credit Sales %
Cost of goods sold	0.00		
Gross profit	$0.00	0.00%	Gross Margin %
Operating Expenses	0.00	0.00%	Operating Expenses %
Net Profit	$0.00		
Taxes	$0.00	0	Taxes % of Net profit
Net Profit after Taxes	$0.00	0.00%	Net Profit %
Average Inventory on Hand	0.00	0.00	Inventory turnover
Average Accounts Receivable	0.00	0.00	A/R collection days
Other Current Assets	0.00		
Total Current Assets	$0.00		
Long Term Assets	0.00		
Total Assets	$0.00	0.00	Asset Turnover
		0.00%	Return on Assets
Current Liabilities	0.00		
Long Term Liabilities	0.00		
Total Debt	$0.00	0.00	Financial Leverage
Net Worth	$0.00	0.00%	Return on Investment

Reset Print

Home | Contact Us | Meeting Planners | Magazine Editors
E-Ret@iler! Resources

Copyright 1998-2016, Tom Shay

Profits Plus Solutions, Inc.
PO Box 1577
St. Petersburg, Fl 33731
(727) 464-2182

Document1 - Word Return on Investment...

How much is that doggy?
Page 4 of 4

Stop giving away your profit!

MARKETING SKILLS TRACK

Presented
by
Tom Shay

PROFITS PLUS
$OLUTION$
FOR SMALL BUSINESS™

P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

Stop giving away your profit!

The tradition of advertising in small businesses

Spend to retain instead of obtain

When you discount your item or service:

You diminishes the bottom line

You set up future expectation of discounting

A bigger discounts mean less chance of a return customer

The clearnance corner

Demonstration of what a discount does to the bottom line

P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

An example of how to replace discounting

The importance of knowing these factors:

Average ticket size

Estimate of the percentage of gift cards to be redeemed

The calculation of giving a gift card instead of a discount

Why the gift card should begin when the average ticket size has been exceeded

Examine the results:

Average ticket size

Customer count

Margin

Profit

P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

Gift card VS discount calculator

Not secure | profitsplus.org/calculator_gift_card_vs_discount.html

Getting Started | Tom Shay | retail ex...

Profits Plus Gift Card vs Discount Calculator

Describe your promotion	
How much does customer need to spend? "$"	0.00
Value of the gift card "$"	0.00
Anticipated maintained margin	0.0%
The initial sale	
Average ticket during promotion "$"	0.00
Anticipated number of qualifying sales	0
The redemption	
Percentage of gift cards redeemed	0.0%
Number of gift cards redeemed	0
Average sale when redeemed "$"	0.00

	Card scenario	Discount scenario	
Total income from initial sales	$0.00	$0.00	
Initial gross margin	0.0%	0.0%	
Discount	X	0.0%	
Maintained gross margin	X	0.0%	
Gross profit from initial sale	$0.00	$0.00	
Income from return sales	$0.00	$0.00	
Cost of gift cards redeemed	$0.00	$0.00	
Gross profit from return sales	$0.00	$0.00	
Total cash from sales	$0.00	$0.00	
Total cost from sales	$0.00	$0.00	**Bottom line difference**

PROFITS PLUS SOLUTIONS FOR SMALL BUSINESS
P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

Gift card VS discount calculator

Not secure | profitsplus.org/calculator_gift_card_vs_discount.html

Getting Started | Tom Shay | retail ex...

How much does customer need to spend? "$"	0.00
Value of the gift card "$"	0.00
Anticipated maintained margin	0.0%
The initial sale	
Average ticket during promotion "$"	0.00
Anticipated number of qualifying sales	0
The redemption	
Percentage of gift cards redeemed	0.0%
Number of gift cards redeemed	0
Average sale when redeemed "$"	0.00

	Card scenario	Discount scenario	
Total income from initial sales	$0.00	$0.00	
Initial gross margin	0.0%	0.0%	
Discount	X	0.0%	
Maintained gross margin	X	0.0%	
Gross profit from initial sale	$0.00	$0.00	
Income from return sales	$0.00	$0.00	
Cost of gift cards redeemed	$0.00	$0.00	
Gross profit from return sales	$0.00	$0.00	
Total cash from sales	$0.00	$0.00	
Total cost from sales	$0.00	$0.00	**Bottom line difference**
Gross profit	$0.00	$0.00	**$0.00**
Maintained gross margin	NaN	NaN	**NaN**
Total number of customer visits	**0**	**0**	**0**

PROFITS PLUS $OLUTION$ FOR SMALL BUSINESS
P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

Gift card VS discount calculator

Not secure | profitsplus.org/calculator_gift_card_vs_discount.html

Getting Started | Tom Shay | retail ex...

Profits Plus Gift Card vs Discount Calculator

Describe your promotion	
How much does customer need to spend? "$"	0.00
Value of the gift card "$"	0.00
Anticipated maintained margin	0.0%
The initial sale	
Average ticket during promotion "$"	0.00
Anticipated number of qualifying sales	0
The redemption	
Percentage of gift cards redeemed	0.0%
Number of gift cards redeemed	0
Average sale when redeemed "$"	0.00

	Card scenario	Discount scenario	
Total income from initial sales	$0.00	$0.00	
Initial gross margin	0.0%	0.0%	
Discount	X	0.0%	
Maintained gross margin	X	0.0%	
Gross profit from initial sale	$0.00	$0.00	
Income from return sales	$0.00	$0.00	
Cost of gift cards redeemed	$0.00	$0.00	
Gross profit from return sales	$0.00	$0.00	
Total cash from sales	$0.00	$0.00	
Total cost from sales	$0.00	$0.00	**Bottom line difference**

PROFITS PLUS SOLUTIONS FOR SMALL BUSINESS
P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

Gift card VS discount calculator

Not secure | profitsplus.org/calculator_gift_card_vs_discount.html

Getting Started | Tom Shay | retail ex...

How much does customer need to spend? "$"	0.00
Value of the gift card "$"	0.00
Anticipated maintained margin	0.0%
The initial sale	
Average ticket during promotion "$"	0.00
Anticipated number of qualifying sales	0
The redemption	
Percentage of gift cards redeemed	0.0%
Number of gift cards redeemed	0
Average sale when redeemed "$"	0.00

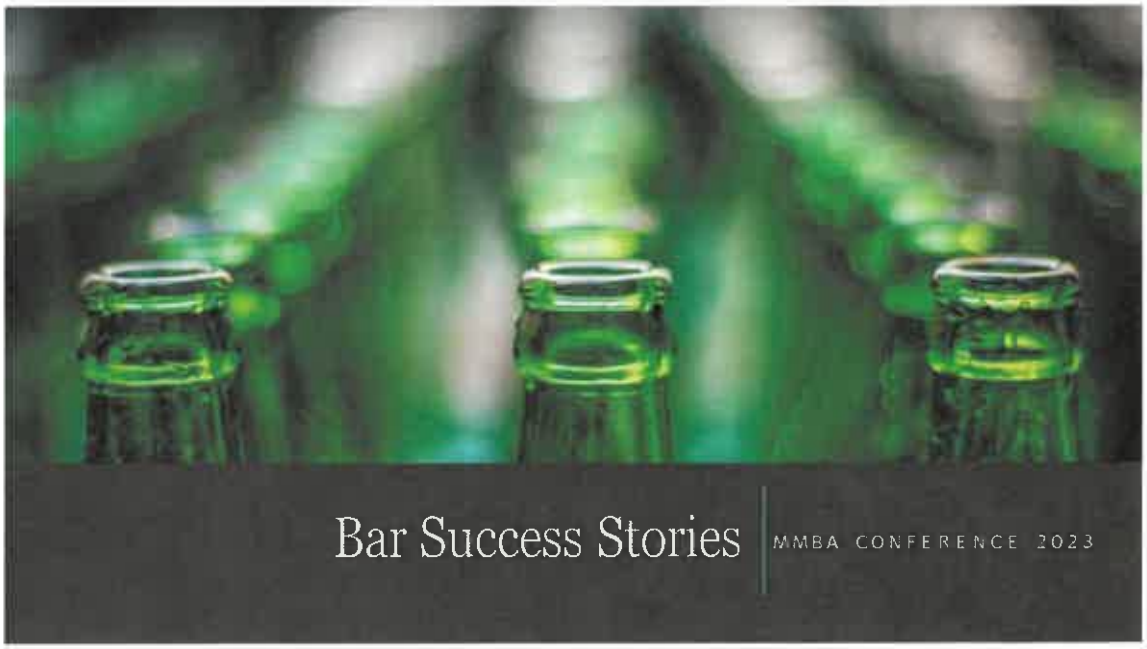
	Card scenario	Discount scenario	
Total income from initial sales	$0.00	$0.00	
Initial gross margin	0.0%	0.0%	
Discount	X	0.0%	
Maintained gross margin	X	0.0%	
Gross profit from initial sale	$0.00	$0.00	
Income from return sales	$0.00	$0.00	
Cost of gift cards redeemed	$0.00	$0.00	
Gross profit from return sales	$0.00	$0.00	
Total cash from sales	$0.00	$0.00	
Total cost from sales	$0.00	$0.00	**Bottom line difference**
Gross profit	$0.00	$0.00	**$0.00**
Maintained gross margin	NaN	NaN	**NaN**
Total number of customer visits	**0**	**0**	**0**

PROFITS PLUS SOLUTIONS FOR SMALL BUSINESS
P.O. Box 128
Dardanelle, AR 72834
www.profitsplus.org

PACKAGE STORE SUCCESS

What works for you?
What does not?

1. Price Increases and Profit Margins
2. Inventory Management
3. Buying programs
4. Hiring Process
5. Staff Training
6. Labor Cost and Scheduling
7. Council Reporting and Relationships
8. Advertising
9. Community Value Programs



On Sale & Off Sale Pricing Strategies

* Know what your competition is charging
* Make sure to have a consistent markup on Off Sale items

Standard Minnesota Markups

Pint and Half Pints = 45% - 50%	(31% - 33% GP)
750mL = 35% - 40%	(26% - 29% GP)
Liter & 1.75 = 33% - 38%	(24% - 27% GP)
Cordials = 38% - 43%	(27% - 29% GP)
6pks = 38% - 43%	(27% - 29% GP)
12pks = 33% - 38%	(24% - 27% GP)
24pks = 28% - 33%	(21% -24% GP)
Specialty Beer = 35% - 40%	(26% - 29% GP)
Wines = 45% - 50%	(31% - 33% GP)
Miscellaneous = 43% - 48%	(30% - 32% GP)

* Off Sale Prices end in .99

Pennies Count and add up to increase profits

In many forums MMBA has been promoting the concept of ending shelf prices in either .49 or .99.

Recently an analysis of beer pricing for a member facility's first quarter sales indicated the additional revenue that could have been generated with this system.

Below is that analysis.

Current Price	Suggested Price	Difference	Sold YTD	Additional Income
$8.90	$8.99	$0.09	65	$5.85
$18.79	$18.99	$0.20	172	$34.40
$21.95	$21.99	$0.04	123	$4.92
$2.59	$2.99	$0.40	1334	$533.60
$12.40	$12.49	$0.09	91	$8.19
$16.40	$16.49	$0.09	25	$2.25
$16.40	$16.49	$0.09	49	$4.41
$9.85	$9.99	$0.14	126	$17.64
$8.69	$8.99	$0.30	11	$3.30
$8.69	$8.99	$0.30	64	$19.20
$8.69	$8.99	$0.30	54	$16.20
$8.69	$8.99	$0.30	34	$10.20
$8.69	$8.99	$0.30	44	$13.20
$9.20	$9.49	$0.29	766	$222.14
$16.45	$16.49	$0.04	291	$11.64
$9.85	$9.99	$0.14	206	$28.84
$7.15	$7.49	$0.34	290	$98.60
$10.15	$10.49	$0.34	647	$219.98
$8.20	$8.49	$0.29	109	$31.61
$15.79	$15.99	$0.20	15.33	$3.07
$9.20	$9.49	$0.29	380	$110.20
$9.39	$9.49	$0.10	761	$76.10
$17.60	$17.99	$0.39	660	$257.40
$9.39	$9.49	$0.10	149	$14.90
$17.90	$17.99	$0.09	231	$20.79
$9.20	$9.49	$0.29	187	$54.23
$9.35	$9.49	$0.14	1139	$159.46
$9.35	$9.49	$0.14	365	$51.10
$7.29	$7.49	$0.20	158	$31.60

Current Price	Suggested Price	Difference	Sold YTD	Additional Income
$14.45	$14.49	$0.04	151	$6.04
$7.29	$7.49	$0.20	904	$180.80
$7.29	$7.49	$0.20	439	$87.80
$14.45	$14.49	$0.04	786	$31.44
$9.35	$9.49	$0.14	712	$99.68
$18.75	$18.99	$0.24	492	$118.08
$9.00	$8.99	-$0.01	36	-$0.36
$6.29	$6.49	$0.20	533	$106.60
$6.29	$6.49	$0.20	82	$16.40
$10.20	$10.49	$0.29	14	$4.06
$8.20	$8.49	$0.29	27	$7.83
$8.20	$8.49	$0.29	220	$63.80
$8.20	$8.49	$0.29	207	$60.03
$8.20	$8.49	$0.29	164	$47.56
$8.20	$8.49	$0.29	159	$46.11
$8.20	$8.49	$0.29	52	$15.08
$8.20	$8.49	$0.29	59	$17.11
$19.45	$19.49	$0.04	397	$15.88
$5.75	$5.99	$0.24	963	$231.12
$7.40	$7.49	$0.09	93	$8.37
$1.60	$1.99	$0.39	7228	$2,818.92
$1.60	$1.99	$0.39	7178	$2,799.42
$1.60	$1.99	$0.39	546	$212.94
$6.55	$6.99	$0.44	67	$29.48
$9.00	$8.99	-$0.01	176	-$1.76
$5.35	$5.49	$0.14	235	$32.90
$16.40	$16.49	$0.09	34	$3.06
$8.30	$8.49	$0.19	81	$15.39
Total Additional Income Year to Date				$9,148.37

10 Steps to Reducing Beverage Costs

By Bar and Restaurant Coach

Inventory. The word leaves a bad taste in your mouth, doesn't it?

Inventory is just one part of running a successful retail business of any kind, but to stay on top of your game as a bar or restaurant entrepreneur, follow these 10 steps and reduce your beverage costs.

1. Set up your Point of Sale Properly

Your POS system is only useful to you when you have it properly set up for speed, efficiency, and in-depth data collection. Set up your speed screen to work for YOU. If your POS isn't delivering the data you need, contact the vendor and suggest they get it right—and if they can't—buy another system.

2. Cocktail Recipes are Up-To-Date

Make sure every bartender makes every drink the same way every time. This includes measuring! When you have consistency in making cocktails, your guests get consistency—which helps build your reputation.

3. Consistency in Serving Sizes

This helps with customer satisfation, just like following the same recipe across the venue. Is a glass of wine 5 or 6 ounces? How much liquor in a mixed drink? What about draft beer?

4. Correct Glassware

Inconsistency in glassware can throw off your serving sizes. Do a glassware audit, identify the volume for each type, and make modifications to what you use—or purchase something more suitable for your needs?

5. Organize Storage Areas

If your storage area is a jungle, here's what could be happening:

- You leave guest waiting because you can't find what you're looking for.
- You may over-order because you can't see what you have.
- Stock isn't rotated properly.
- Inventory is next to impossible.

6. Verify Equipment is Functional

Prevention is better than a cure, right?

- Set up routine equipment checks in-house and through your draft suppliers.
- Keep a waste log in the cooler.
- Post step-by-step instructions for best practice and reporting issues.

7. Quiz Your Staff Routinely

<u>You can even gamify the process! Test your staff on:</u>

- pouring accuracy
- recipe knowledge
- drink technique
- drink quality
- speed of delivery

8. Set a Process for Receiving Inventory

Three types of inventory loss are common:

- You didn't get it—but you were charged for it.
- You got it—but it vanishes before you add it to storage.
- You got it—but you didn't order it.

<u>Your process for receiving inventory should include:</u>

- Inventory is only taken in by trained personnel
- Compare invoices to purchase orders
- Never leave product unattended

9. Conduct Regular Inventory Audits

Compare your stock depletion to sales and determine exactly how much is missing for each period.

10. Share Inventory Results with Staff

Once you have the data, share it—in an educational, non-confronting way. Let them be part of the process of figuring out ways to reduce waste or tighten up the delivery.

There are a lot of moving parts to keep your beverage costs to a minimum. But having accurate data in a timely manner is one of the most critical steps to take.

Don't let that fickle 20% distract you.

- Look at your sales results from a variety of productivity measures. Besides total sales volume, monitor total number of transactions and items per transactions, both for your total operation as well as by category. You will find surprises!

- The best time to take markdowns is just before the sales peak, not just after. Your past sales records will be indicators.

Reading without reflecting is like eating without digesting

OnSale Drink/Beer Pricing

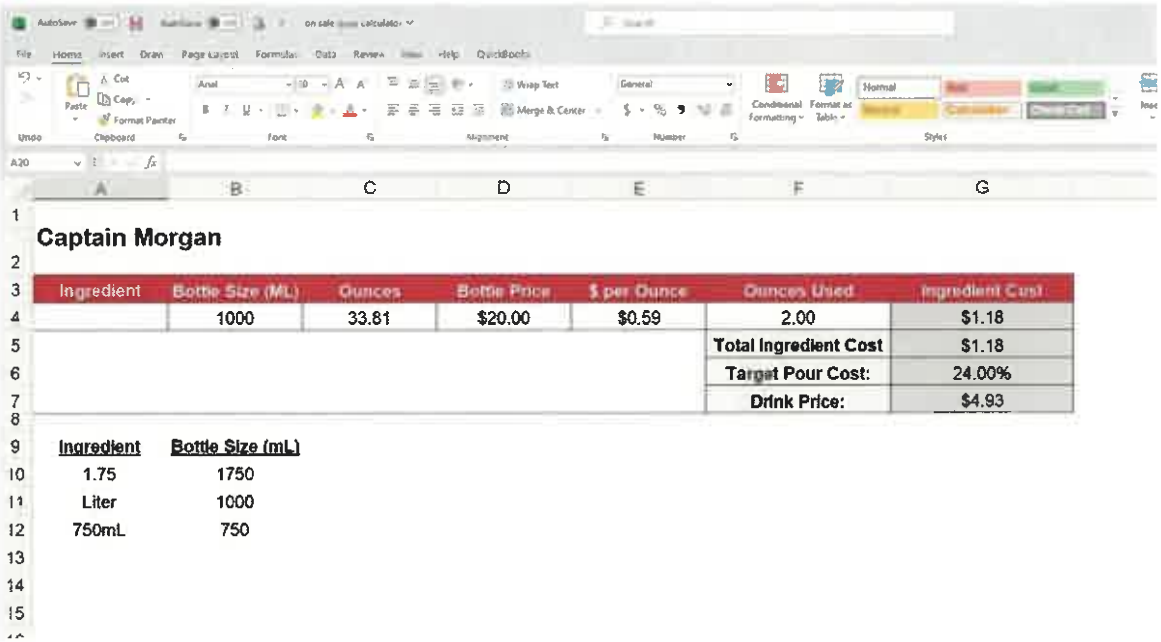
Pour Cost: the amount of money it costs your business to pour alcohol or beer over the bar

How to calculate Pour Cost:

If your bar used $15,000 worth of inventory in a quarter.
In that same quarter, your bar's total alcohol sales were $40,000.
$15,000 (Inventory Usage in $) ÷ $40,000 (Cost of Product Sold) x 100 = 37.5% (Pour Cost Percentage)

The average pour cost bar/restaurants should work towards is between 18% and 24%
37.5% is high and is contributed to over pouring and purchasing

On Sale Price Calculator Spreadsheet



Captain Morgan

Ingredient	Bottle Size (ML)	Ounces	Bottle Price	$ per Ounce	Ounces Used	Ingredient Cost
	1000	33.81	$20.00	$0.59	2.00	$1.18
					Total Ingredient Cost	$1.18
					Target Pour Cost:	24.00%
					Drink Price:	$4.93

Ingredient	Bottle Size (mL)
1.75	1750
Liter	1000
750mL	750

Long Island Iced Tea

Ingredient	Bottle Size (ML)	Ounces	Bottle Price	$ per Ounce	Ounces Used	Ingredient Cost
Vodka	1000	33.81	$12.00	$0.35	1.00	$0.35
Rum	1000	33.81	$15.00	$0.44	1.00	$0.44
Tequila	1000	33.81	$15.00	$0.44	1.00	$0.44
Gin	750	25.36	$16.00	$0.63	1.00	$0.63
Triple Sec	1000	33.81	$17.00	$0.50	1.00	$0.50
					Total Ingredient Cost	$2.38
					Target Pour Cost:	24.00%
					Drink Price:	$9.90

Ingredient	Bottle Size (mL)
1.75	1750
Liter	1000
750mL	750

Coors Light 12oz Bottle

Ingredient	Ounces in Keg or Bottle	Bottle/Keg Price	$ per Ounce	Ounces Used	Ingredient Cost
12oz Bottle	12.00	$1.00	$0.08	12.00	$1.00
				Total Ingredient Cost	$1.00
				Target Pour Cost:	24.00%
				Drink Price:	$4.17

Ingredient	Bottle/Keg Size (oz)
16oz bottle/can	16
12oz bottle/can	12
1/2 barrel keg	1984.00
1/4 barrel keg	992.00
1/6 barrel keg	665.60

Coors Light 16oz Tap

Ingredient	Ounces in Keg or Bottle	Bottle/Keg Price	$ per Ounce	Ounces Used	Ingredient Cost
16oz tap	1984.00	$120.00	$0.06	16.00	$0.97
				Total Ingredient Cost	$0.97
				Target Pour Cost:	24.00%
				Drink Price:	$4.03

Ingredient	Bottle/Keg Size (oz)
16oz bottle/can	16
12oz bottle/can	12
1/2 barrel keg	1984.00
1/4 barrel keg	992.00
1/6 barrel keg	665.60

ON/OFF SALE POS SYSTEMS

Unfortunately there are not a lot of options for combination facilities but here are a few things to look for when implementing a POS System in your facility

* Live Inventory and the capability of looking back at inventory counts on a particular day
* A variety of reports to run your business effectively
* 24/7 tech support that does what they say they will do
* Modifier options for On Sale
* 2 or less buttons for selling in On Sale
* Access Levels for different staff
* Tablet/handheld capability to check in orders
* Having 1 inventory and eliminating transfers
* Barcode capability for Off Sale selling
* All POS stations should communicate and work together not individually

PROMOTIONS/EVENTS

* Beer of the Month
* Buckets: Beer or Seltzers
* Karaoke & Bands
* Cross promote products between the On & Off Sale
* Change bar signage frequently to create new interest in products on hand or pique interest in new items
* Happy Hour Pricing
* Daily/Weekly/Monthly Promotions
* Tasting Events – team up with a Non-profit as a fundraising event to increase attendance
* Guest Bartenders
* Trivia Nights
* Bar Olympics
* Board Games / Puzzle Nights
* Pool / Dart / Beanbag Leagues

* Theme Nights
* Celebrate a random National Holiday – there is a holiday for just about anything
* Turkey Bowling
* Pumpkin Carving Contest
* Paint Nights

* Offer Free Space for groups for their events
* Schedule events in advance to allow customers to plan
* Advertise on Social Media and throughout your building inside and out

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: _____

INVENTORY CONTROL

* Routinely measure pours on bar staff increases profits and reduces over service – Place a full bottle at the mixing station and measure the next day
* Clearance items that are stagnant on your shelves to make room for new SKUs
    - Items that have old packaging, faded labels or just plan old
    - Seasonal items that are not worth storing until next year
    - Loners: if you only have 1, clear it out
    - Duplicates: multiple lines of the same type of merchandise. Eliminate the slow movers
    - Vendor you no longer buy from
    - Lower 20%: get rid of the SKUs in each category
    - Overbought: Mistakes happen. Items you have bought too much of should be brought into line with sales
* Group buying with other stores
* Chain Buys through the portal

Getting Repeat Customers in Your Bar

By BarBusinessOwners.com

Attracting new customers is often the major focus of advertising and marketing for most bars. Because the flow of new customers is vital to the long term health of the business, it tends to get the bulk of resources and attention. As a result, many bar owners and managers don't place a major priority, complete with action plans and execution, to getting their existing customer base to return again and again.

We think this is because they don't understand the huge financial benefits repeat customers represent.

Why Focus on Repeat Customers?

A research study focused on repeat customers concluded that an increase of customer visits by only 5% results in an increase in profitability of at least 25%. Take a moment and digest these numbers.

Without significant effort or cost just about every bar can take the necessary steps to increase repeat patronage by 5%. Especially when they see the amount they can take to the bottom line by doing so.

Another research study on the restaurant business revealed the following:

- 77% of owners/managers surveyed said customer loyalty programs helped drive business
- 90% of those surveyed said loyalty programs give them a competitive advantage

In addition, getting existing customers who know and like your bar to return again is far easier than finding and attracting new customers. It's also far less expensive.

Repeat customers who know and like your bar also typically spend more per visit and are more likely to refer their friends and family.

Not to be overlooked is how regulars make your bar more interesting. Regular customers give your bar personality, an identity, and make it a more comfortable place to hang out as well as a more enjoyable place to work. Regulars tend to interact in a more friendly way with your staff, helping to keep attitudes positive and morale higher.

Focusing on getting more repeat customers just makes sense in a number of ways. Let's dig a little deeper.

Know Your Outcomes

Once you make the commitment to getting more repeat business, you then need to know what exact results you should focus on.

Your possible outcomes include:

- more visits by your existing customers
- increased average ticket from existing customers
- a stronger positive identity to your bar from your existing customers
- a more profitable bar
- lower advertising and marketing costs per customer visit

Think thorough if you have another outcome you would like from getting more repeat customers. Whatever outcomes you choose, keep in mind that you can accomplish more than one at the same time. The more your outcomes you accomplish, the faster you'll increase your sales and profits.

Now that you are more aware of the importance of getting existing customers to return more often, and you know what specific results you want to achieve, the next step is to focus on how exactly you can reach these goals.

Specific Strategies That Work

Depending on the type of bar you operate, you may want to focus primarily on one strategy or roll out all of them. You know your bar better than anyone else and have a better idea on which ones are the most appropriate.

Bouncebacks

An excellent low cost way to promote repeat business is by using bounce back offers. A bounce back offer is a discount offer that is given to your customers at the conclusion of their visit that they can redeem on their next visit. Their future return visit is referred to as the "bounce back", hence the name.

Bounce back offers can be set up to only be redeemed during your slower times, giving you an opportunity to establish more customers when you need traffic the most, or they can be set up for any future visit without time limitations.

Most importantly, bounce back offers are very effective at getting your customers to patronize you more often, and can be rolled out very inexpensively, with almost no upfront marketing costs.

Customer Loyalty Program

A customer loyalty program is a program designed to reward your frequent customers. The rewards and how to get them can differ depending on the type of program, but the underlying theme is rewarding customers for returning to your bar and giving them incentive to come back again and again.

You can be sure that if you don't take every opportunity to bring customers back into your bar, you will lose some of the people that could have become

(Continued on page 12)

regulars to the competition. Having an effective customer loyalty program turns the tables and gives you one more advantage over your competitors. People will come back to your bar because they see the benefits of their patronage with you.

Referral Customer Program

One of the best ways to encourage repeat business as well as attract new customers is right in your bar - your existing regular customers. If you ask and provide an incentive for them to do so, they will refer their friends to your bar.

In short, your regular customer base, who enjoy your bar and like going there, become part of your marketing department and approaches their friends to become customers of your bar. They pass on to some of their friends a gift certificate in an amount you choose, say for $10 to $20.

As a reward, your bar provides a future gift certificate to your best existing regular customers in a similar amount as a thank you for their business. This not only gets your existing customer to return in the future, it also employs the powerful law of reciprocity whereby your existing regular customers feel obligated to return your generosity by passing out your referral gift certificates to their friends.

Enhanced Customer Recognition

Often the best way to encourage customers to frequent your bar more often is by taking the extra effort to acknowledge, thank, and reward them when they return. We all want to feel special and appreciated and respond very favorably when someone, or a business, makes us feel wanted and liked.

Here are some ways you can raise the bar and provide enhanced customer recognition to your repeat customers.

Give Customers Extra Attention

Treat your repeat customers as VIPs whenever possible. This includes having your best staff members serve them, making sure to acknowledge and thank them for coming in, using their names, and having your manager stop by and thank them for coming in. Anything you can do to make them feel special will make your customers more loyal to your bar.

Make sure your staff interactions are sincere and not scripted. The "thank yous" and "Thanks for coming in. We hope to see you real soon" greetings and farewells need to be genuine and meant.

Dazzle Them During and After Visit

Have a new beer on tap? Send a glass to your regulars in addition to the beer they ordered for them to try. Or bring out a portion of an appetizer with their regular appetizer order. Or create a special item that you can automatically send out to your regulars on occasion as a way of saying thank you.

For customers who have held a birthday, bachelor or bachelorette party, or company event at your bar, send out a thank you card, and anniversary card, or anything else you can think of a few weeks after the event. Just this little bit of acknowledgement will go along way in getting the customer to return again.

Invite your regulars to any special events or promotions before they are advertised or made known to everyone. Many customers like to be part of a special "in" group and will love the special recognition you are giving them.

Collect Customer Information to Make Recognition Easier

As part of your repeat customer strategy, you need to have a way to collect contact information. This could be a fishbowl where customers register for a free birthday drawing to asking for birthday and anniversary dates when they fill out your customer loyalty card to placing a guest signup form when their check is presented asking for birthdates and anniversary dates.

Having this data will make it easier for your staff to recognize special dates and anniversaries for your repeat customers.

Train Your Staff to Focus on Repeat Customers

A key element of your repeat customer strategies is getting your staff trained and motivated so that they understand what to do, how to do it, the reason for doing it. Having your staff "buy in" to treating repeat customers extra special will greatly increase the effectiveness and consistency of your repeat customer emphasis.

Nine Ways to Turn Off Customers

By Shari Waters, About.com

As individuals, we all have our own little pet peeves. What may turn off one customer may not bother another. As retailers, we can't afford to turn off a single customer and image is everything. Keeping our stores neat and clean is not only easy to do; it is generally an inexpensive way to attract customers and create a pleasant store atmosphere.

Take a look around your retail store. Do any of the following situations exist? Here are nine ways your store may be turning off customers:

Dirty Bathrooms
This customer pet peeve clearly deserves the number one spot on this list. Retail store restrooms should always be sparkling clean, whether they are open for public use or not. Make sure to stock the bathrooms with plenty of paper products, soap, trash receptacles and clean it daily.

Loud Music
Playing music in a retail store can help create a certain atmosphere for our shoppers. Music that is too loud, inappropriate or of poor quality can run a positive shopping experience.

Handwritten Signs
In this era of technology, there is no excuse for displaying handwritten signage. It is too simple to print a sign from our computers or use pre-printed signs. Printed signs simply look more professional and signs with hard-to-read handwriting can be a customer turn-off.

Stained Floor or Ceiling Tiles
It is true, accidents happen. However, our customers don't have to see them. Dirty carpet, stained flooring and ugly ceiling tiles can turn off many shoppers. Sweeping, vacuuming and mopping should be done on a regular basis. Consider hiring a professional cleaing crew to polish tile floors. Replace stained portions of carpet and ceiling tiles where possible.

Burned-out or Poor Lighting
Replace any burned out light bulbs as soon as possible. Make sure all customer areas of the store have ample lighting and take into consideration shoppers with aging or less than perfect eyesight. Your store should be well illuminated for all customers.

Offensive Odors
Customers understand if they visit a lawn and garden center they will have to deal with the smell of fertilizer. The same goes for shoppers of a feed supply store. Certain odors are understandable and may even appeal to the customer's sense of smell. However, shoppers don't want to smell an employee's lunch drifting across the store. Use neutralizers to combat any offensive odors.

Crowded Aisles
Consumers like a selection but not if it means sacrificing comfort while shopping. Be sure your store is designed to allow adequate space between aisles and keep walkways free of merchandise. Cramped spaces can ruin a shopping experience and turn off a customer.

Disorganized Checkout Counters
Sloppy work areas behind the checkout is a huge customer turn-off. This particular area where a customer's financial transaction is taking place should not show any signs of disorganization. Like messy dressing rooms, a disorganized checkout counter can lead to theft. Keep those register areas neat and tidy.

Lack of Shopping Carts/Baskets
Your type of retail shop may not require a shopping cart or your store may be too small, but there's not a single type of retailer that wouldn't need at least some sort of shopping basket. If you hope for your customer to purchase more than one item in your store, be sure to have an adequate supply of shopping carts or baskets on hand.

Bartender Mistakes That Make Management Cringe

By: Robert Plotkin

It's hard to imagine someone excelling behind the bar without making mistakes along the way. Bartending is a detail-oriented job and the clientele can be exceedingly demanding and unforgiving. Throw in the debilitating effects of working in a high-pressure environment and even the most stalwart of individuals is going to screw up. However, keeping the learning curve shallow and mistakes to a minimum will lessen the amount of collateral damage bartenders inflict on guests and the establishment.

To that end, we've compiled a list of the bartending mistakes that elevate a manager's blood pressure.

• **Disregarding specified serving portions.** The notion that great tips result from pouring "heavy" drinks is a costly one. Over-pouring liquor jacks up costs, increases liability and hurts the other bartenders on the staff who pour according to the rules.

• **Transferring stress.** Crank up the pressure and even common courtesy can quickly disappear. Nevertheless, bartenders must maintain their composure and control their emotions at all times. Stress and frustration must be internalized, not vented onto the clientele or co-workers.

• **Serving inferior product.** Whatever the reason, if a drink isn't up to quality standards, don't serve it. Make sure that mixes are well prepared and juices fresh. Fruit garnishes should be cut daily and be used only in good condition. Don't take short cuts.

• **Cash-handling impropriety.** Handling a steady stream of cash has its temptations, but depositing all of the bar's cash proceeds must be done without hesitation. Bartending is stressful enough without stealing and attempting to avoid detection. Running an honest till is a conscious commitment.

• **Unjust treatment.** The distinction between guests and customers is crucial. Guests are catered to and should be made to feel welcome and appreciated. Customers are warm bodies with money in their pockets. Treat the clientele like guests, and they'll return another night.

• **Being an order taker.** Don't be complacent just filling orders — make things happen. Energize the guests by suggesting new drinks and products. Recommend the daily specials or inquire whether guests would like to try an appetizer or two. There's no more effective form of marketing than the enthusiastic efforts of servers at the point of sale.

• **Lax professional standards.** From a pressed uniform to a positive attitude, professionalism matters. Establish personal standards and refuse to settle for anything less. Along the same lines, bartenders must develop the ability to recall customers' names and what they're drinking.

• **If there's time to lean, there's time to clean.** There is more at stake to keeping the bar clean than just passing health-code inspections. The bar's cleanliness also reflects on the establishment's overall sanitary condition — if the bar is dirty, imagine what the kitchen must be like.

• **Scattered priorities.** Working a high-volume bar requires the ability to take care of first things first, e.g., waiting on guests before washing a load of glasses or preparing drink orders for servers before chatting with a friend. Prioritizing tasks according to their highest and best use of time is a proven method of wrenching order out of chaos.

• **"We don't make those."** Saying no to a drink request is bad form. Regardless of whether the guest orders a Mojito or Long Island Iced Tea, if the ingredients are available somewhere on property, make the drink. Saying no is not an option.

20 Ways to Be a Great Bartender

By Tom J. Neff

1) Do everything you can to make your guests happy within the boundaries you have been given.

2) It's not your party. It's not your booze. It's not your bar.

3) You are on stage and people are watching you. Act accordingly. If you are not comfortable with this, find another job.

4) Sleeping with your customers is a great way to lose money.

5) Know what you serve and why. If you work at a beer bar, make sure you know about beer. If you're new and uneducated, pick a few that you can get to know well, and start from there.

6) Learn how to make cocktails. Practice the details.

7) Cash-handling is king. Neat money shows your customers and owners that you are paying attention to their cash.

8) Tips aren't everything. It's a long-term game, so don't sweat the random crappy gratuity from time to time.

9) Insist on proper behavior in your bar, whatever that happens to be. If you let the clientele run your establishment, you will never regain control.

10) Learn how to comp and why

11) Look the part.

12) Control your environment. Is the A/C too high? Is the music too loud? Your clienteles' comfort is directly proportional to the number of stars they will give you on Yelp when they walk out the door.

13) Branch out. Make sure you have the skill-sets necessary to deliver what people can reasonably expect in your bar, and work to gain the skills you'll need to succeed at your next job. Because you will have a next job, and it will require more of you.

14) Know a joke. Get good at banter. People pay for booze, but they tip for your service.

15) Keep a clean bar. Turn bottles to face forward. Wipe the bar-top. Straighten the stools. If people think you don't care, they won't either.

16) *Mise en place*. It's a fancy French phrase for how you arrange your tools and ingredients. Set your mise, and do the same thing every time. You can't be fast if you're constantly searching for what you need.

17) Don't touch your face, hair, or any other part of your body. Cough in to the crook of your arm. Sneeze down. Always be seen washing your hands. Don't be disgusting.

18) Open your mouth. Talk to people. Say hello when they walk up and goodbye when they leave. Chat with your clientele, ask how they're doing, even if it's just passing time. Often, that is exactly what people want from you.

19) Keep your mouth shut. Don't offer advice. Don't dominate conversations. Keep yourself to yourself.

20) Behind the bar, you are an illusion, a fantasy, a servant, and an actual person all rolled in to one. Choose wisely which side you choose to present at any given moment.

Controlling Bar Food Costs

By George Barton

There is a lot more to controlling food cost in the bar area that one would assume.

Controlling food cost must be an all-out team effort. All managers as well as team members play a key role to ensure your guests receive only the best produced products that are prepared the right way.

Here are 5 key deliverables and procedures to ensure bar food cost controls are top of mind while enhancing quality at the same time.

1. Order It Well

- You must place accountability on who is responsible for costs and who orders your inventory
- Pars should be set to align with sales mix (adjust with sales fluctuation)
- Fresh cut produce is critical so in sure high level of comfort with vendor
- When possible, teach this process to new managers and key team members

2. Receive It Well

- Request to receive product early AM or off times and not during lunch or dinner rush
- Review against P.O. (purchase order) to ensure you're not out of stock
- Make changes on "out of stock" and adjustment prices on the spot. Do not wait.
- Management orders product so management should receive and have staff store product quickly (use scales when appropriate)

3. Make it Well (To the recipe)

- Whether slicing oranges and limes or making the soup of the day, recipes must be followed (don't assume)
- When prepping, follow production levels set by management. Levels should be monitored continuously
- Ensure team members are working in a safe and clean environment (no bare hands contact)
- Education on use of equipment, especially sharp knives, will save you $$
- Build shelf life and sensitivity guide for all products and code containers Juices / Ice Cream / Puree's / Syrups / Sour Mix / All Fresh Produce

4. Don't Let It Die on the Bar Top

- Line check bar food consumables is as important as line check in your kitchen
- Management should have proper timetable to support tasting and line checks
- Rotation of products is critical. First in, first out and include this in line check
- Ensure staff does not eat bar garnishes (blue cheese stuffed olives are not free)
- Use par system (Place fresh product out for the shift only, then restock)

5. Sell It Well (First Time Every Time)

- Cover your products cost in the price you charge the customer
- Guests "eat with their eyes" so make your garnishes look impressive
- Insure finished product is delivered to guest the way you invented it

So in review, food cost makes up the largest portion of your gross profit. With strong team accountability, follow up and the practice of bar food cost controls, you can ensure that costs are in line and positively impacting margins in your business.

Researching Your Bar Competition

By Ray Foley & Heather Dismore

Know thy enemy is true in any business, and the bar business is no exception. Conduct regular reviews of your competitors and know what they are doing right and how they are missing the boat. What changes should you make to better compete?

- *What food do they serve?*
- *How much does it cost?*
- *What does it taste like?*
- *How is the quality?*
- *What draft beers are they pouring?*
- *What's their pricing structure for beer, wine, cocktails etc.?*
- *What bottle beers do they stock?*
- *What's featured on their drink menu?*
- *What glassware are they using?*
- *What specials are they plugging?*
- *What entertainment are they advertising?*
- *What kinds of customers do they draw?*
- *How are their bathrooms?*
- *How's the general atmosphere?*
- *What's their draw?*
- *What do they do that's special or intriguing?*
- *How does their location affect them?*
- *How was the service?*

QUESTIONS?

THANK YOU!

CONTACT INFORMATION

Gary Buysse – Rogers Wine & Spirits
gbuysse@rogersmn.gov

Karissa Kurth – City of Silver Lake Deputy Clerk
kurth.karissa@gmail.com

Jake Weise – Mapleton Municipal Liquor Store Manager
j.weise@mapletonmn.com

Terry Wallin – Ye Old Pickle Factory Manager
pickle@ci.nisswa.mn.us

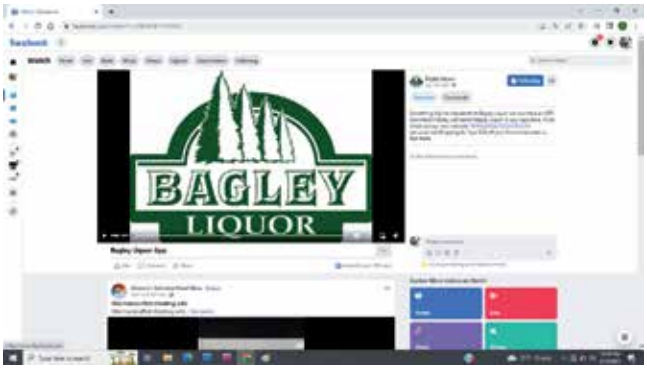
Sarah Olsen – City of Mapleton Account Technician
s.olsen@mapletonmn.gov

GO LIVE
WITH CITY HIVE

Welcome, to u-Commerce

Build every aspect of your business, better.

Facebook ad. A slide show with radio ad merged together!



SCAN ME

Take Pic to go to ad!

Let us DO THE SHOPPING for YOU!

LOOK WHAT IS NEW AT
BAGLEY LIQUOR
JUST SEARCH BAGLEY LIQUOR ON YOUR APP STORE
BAGLEY LIQUOR APP
Download the APP today!!
ANDROID APP ON Google Play
OR
Download on the App Store

WWW.BAGLEYLIQUOR.COM
SHOP ONLINE

GET
$10 OFF
YOUR FIRST ORDER
BY SPENDING
$30 OR MORE
WHEN YOU
SHOP ONLINE
BAGLEY LIQUOR APP
ENTERING CODE 10off30 at check out!!

SAVE UP
TO
34% OFF
THE ENTIRE
STORE
WHEN YOU
SHOP ONLINE
BAGLEY LIQUOR APP

Fold Line

Hot Buys

BAGLEY LIQUOR

Maker's Mark
Private Select
Private Select

$999.99

You Save $1.000

Fold Line

NON ALCOHOLIC

BAGLEY LIQUOR

Maker's Mark
Private Select
Private Select

$999.99

You Save $1.000

Fold Line

Happy Easter

Delano WINE & SPIRITS
100% of our Profits poured back into our community

Maker's Mark
Private Select
Private Select

$999.99

You Save $1.000

Fold Line

Happy St Patrick's Day

Paynesville Liquor BEER WINE & SPIRITS

Maker's Mark
Private Select
Private Select

$999.99

You Save $1.000

Fold Line

NEW ITEM

Delano WINE & SPIRITS
100% of our Profits poured back into our community

NEW ITEM

Maker's Mark
Private Select
Private Select

$999.99

You Save $1.000

Fold Line

Fold Line

CERTIFIED BEER SERVER TRAINING

Prepared and presented by the Cicerone® Certification Program

CICERONE® CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

1

THE LANGUAGE OF BEER FLAVOR

CICERONE® CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

2

A WORD ABOUT FLAVOR

"Taste" is pretty limited!

- Taste:
  - Sweet
  - Sour
  - Salty
  - Bitter
  - Umami (Savory, MSG)
  - Maybe: Fat

CICERONE® CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

3

A WORD ABOUT FLAVOR

- Most "flavor" actually comes from aroma!
- Olfactory nerves in nose
  - Sense 1000s of aromas
  - Activated every time you eat, drink
  - Your brain tricks you!

CICERONE® CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

4

FOCUS ON FLAVOR

Beer Ingredients

- Malt
- Hops
- Yeast
- Water
- Everything else!

CICERONE® CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

5

FULL BREWING PROCESS

Hot Side

1. Grain milling
2. Mashing
3. Lautering
4. Boil
5. Whirlpool
6. Cooling

Cold Side

7. Fermentation
8. Maturation (Lagering)
9. Clarification
10. Carbonation
11. Packaging
12. Pasteurization

CICERONE® CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

6

KEY PROCESSES OF BREWING

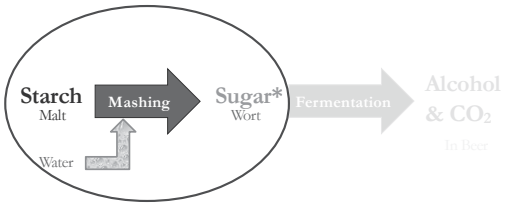
From malt to beer

*Malt flavors, colors also extracted into wort.

CICERONE CERTIFICATION PROGRAM

7

KEY PROCESSES OF BREWING

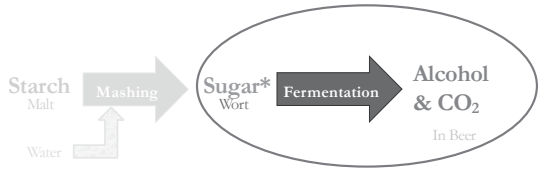


Brewers make wort

CICERONE CERTIFICATION PROGRAM

8

KEY PROCESSES OF BREWING



Yeast make beer

CICERONE CERTIFICATION PROGRAM

9

FOCUS ON FLAVOR

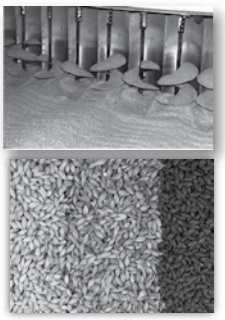
1) Focus on the flavors contributed by individual ingredients
2) Common terms for flavors
- Words everyone can understand
- Based on common language

CICERONE CERTIFICATION PROGRAM

10

FOCUS ON FLAVOR: MALT

- Malt is the soul of beer
- Provides sugar that gives alcohol
- Supplies flavor
- Contributes color



CICERONE CERTIFICATION PROGRAM

11

FOCUS ON FLAVOR: MALT

Malt is the soul of beer

- Malt made when raw grains germinate

CICERONE CERTIFICATION PROGRAM

12

FOCUS ON FLAVOR: MALT

Malt is the soul of beer

- To stop growth, the grain is dried
- Further kilned or lightly toasted
- Flavor develops in kilning

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

13

TALKING ABOUT MALT: BAKERY FLAVORS

- Flour
- Cereal
- Bread dough
- White bread
- Cracker
- Biscuit
- Bread crust
- Toast
- Caramel
- Pie Crust
- Toffee
- Nutty
- Roast
- Chocolate
- Coffee
- Burnt

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

14

FOCUS ON FLAVOR: MALT

Malt Dominated Beer Styles

- British Brown Ale
- Dark Mild
- Wee Heavy & Scottish Ales
- Bocks
- Festbier/Märzen
- Porters
- Stouts
- Red Ale
- Munich Dunkel
- Munich Helles

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

15

FOCUS ON FLAVOR: HOPS

Hopped up Beers

- From subtle additive to main attraction
- Now a major flavor component

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

16

FOCUS ON FLAVOR: HOPS

Hops

- Alpha Acid resins add backbone of bitterness
  - Must be boiled
- Essential oils add flavor and aroma
  - Boiling not necessary

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

17

FOCUS ON FLAVOR: HOPS

Hops Similar to Spices or Tea

- Flavor extracted, rest discarded
- Different varieties have different flavors

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

18

FOCUS ON FLAVOR: HOPS

All About Hops

- >100 hop varieties
- US, UK, German, Czech Rep, Aus/NZ

Admiral	Fuggle	Mosaic	Saphir
Ahtanum	Galaxy	Motueka	Select
Amarillo	Galena	Mount Hood	Simcoe
Apollo	Gem	Mount Rainier	Spalt
Azacca	Goldings	Northdown	Sterling
Brewers Gold	Hallertau Mittelfrüh	Northern Brewer	Strisselspalt
Cascade	Hersbrucker	Nugget	Styrian Goldings
Centennial	Horizon	Pacific Gem	Summit
Challenger	Huell Melon	Palisade	Tardif de Bourgogne
Chinook	Lemondrop	Perle	Tettnang
Citra	Lublin	Pioneer	Tomahawk
Columbus	Magnum	Pride of Ringwood	Tradition
Crystal	Mandarina Bavaria	Riwaka	Warrior
Ekuanot		Saaz	Willamette
Eroica		Santiam	Zeus

Basically 3 Families of Hops

- German
- English
- American

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

19

TALKING ABOUT HOPS

Region: **Germany/Czech Rep**

Flavor: **Flowery, perfumy, spicy, minty**

Examples: **Czech Premium Pale Lager, German Pils**

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

20

TALKING ABOUT HOPS

Region: **England**

Flavor : **Earthy, herbal, woodsy**

Examples: **English IPA, Best Bitter**

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

21

TALKING ABOUT HOPS

Region: **United States**

Flavor : **Piney, Citrus, Tropical Fruit**

Examples: **Double IPA, American IPA, APA, Hazy IPA**

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

22

TALKING ABOUT HOPS

Hop dominated beer styles:

- Double IPA
- India Pale Ale (IPA)
- Hazy IPA
- American Pale Ale
- American Amber Ale
- Pilsner-style beers
- "American" anything

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

23

FOCUS ON FLAVOR

What is the difference between an ale and a lager?

- Fermentation temperature?
- Yeast species?
- Top or bottom fermenting?

CICERONE CERTIFICATION PROGRAM

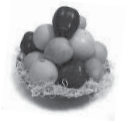
© 2023 Cicerone® Certification Program

24

FOCUS ON FLAVOR

Difference between an ale and a lager:
The Answer is Esters!

- Ales have fruity flavors
  - Banana
  - Peach, Apricot
  - Pear, Apple
- Lagers: "cleaner"



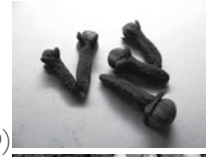
CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

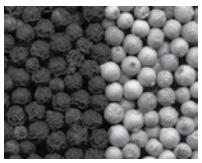
25

FOCUS ON FLAVOR: FERMENTATION

***Saccharomyces* species**



- Lager
- Ale
- Ale yeast with POF (PAD) gene:
  - Esters + **clove, pepper**
  - German Weizens
  - Belgian Ales



CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

26

FOCUS ON FLAVOR: WILD FERMENTATION

***Brettanomyces* species "Brett"**

- Yeast first found in English Ales
- Now usually in Belgian styles
- Flavors:
  - Leather
  - Barnyard
  - Horse blanket
- Orval, Matilda

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

27

FOCUS ON FLAVOR: WILD FERMENTATION

Acid-producing bacteria

- Acetobacter – acetic acid (vinegar)
- Lactobacillus – lactic acid (buttermilk, yogurt)

- Pediococcus – lactic acid
- Acidity brightens, sharpens flavor
- Contributes distinct secondary flavors

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

28

TALKING ABOUT BEER FLAVOR

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

29

ESSENTIALS OF BEER SERVICE

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

30

THE GOAL

- Goal: consumer enjoyment of beer
- Beer tastes as the brewer intended
  - Fresh
  - Flavorful
  - Properly carbonated
- Properly presented
  - Appropriate glass
  - Proper pour

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

31

ESSENTIALS OF BEER SERVICE

- Brewers package beer in two ways:

Small pack

Draft

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

32

ESSENTIALS OF BEER SERVICE

- All beer susceptible to harm

Transit

Storage

Dispense

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

33

ENEMIES OF BEER

Heat

Oxygen

Time

Light

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

34

ENEMIES OF BEER

Stale beer

Skunky beer

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

35

BEER STALING

- Changes flavor:
  - Dull – loss of hop aroma and flavor
  - Shift towards sweetness
  - Honey, toffee flavors develop
  - Paper, cardboard, sherry flavors occur

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

36

BEER STALING

Heat

- Ideal storage temperature is 35-45 °F
- High temperatures accelerate aging
  - Beer at room temperature ages ~10 times faster than cold beer!
- The warmer the beer, the shorter its life!
- 3-30-300 Anecdote
- Temperature cycling myth

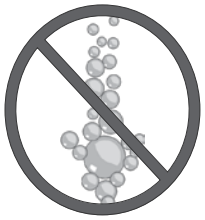
CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

37

BEER STALING: BOTTLES & CANS

- Oxygen:
  - Brewers control
  - Headspace filled with CO_2!



CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

38

BEER STALING: DRAFT

Never Use Compressed Air

Dispense with CO_2 and N_2

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

39

SKUNKING

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

40

SKUNKING

- Key points about skunking:
  - Light from fluorescent bulbs, most LEDs & sunlight
  - Kegs, cans, cardboard all block the light completely

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

41

SKUNKING

- Brown bottles block nearly all
- Green bottles only block a little
- Clear glass blocks nothing
- Green & clear glass must be protected from light to prevent skunking
- Otherwise skunking takes place in MINUTES!

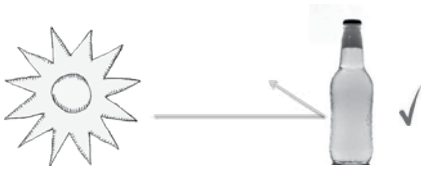
CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

42

SKUNKING

- One Exception!
- Some brewers use hop products immune to skunking



CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

43

INFECTION

- Poor sanitation in draft systems
- Proper cleaning required
  - (www.draughtquality.org)
- Warning signs:
  - Dull, muddied flavor
  - Butter/Sour/Vinegar

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

44

GLASSWARE

- Glass selection
- Glass cleaning & inspection
- Preparation of the glass

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

45

GLASS SELECTION

Shape

- Tradition & culture

Size

- ABV
- Economics

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

46

THE BEER CLEAN GLASS

- What is it, how to achieve it
  - Proper glass cleaning procedure
  - What *not* to do
- How to assess your glasses

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

47

THE BEER CLEAN GLASS

No:

- **Soil**
  - Food, dried beer, lipstick, etc.
- ***Oil***
  - Residue from food or *detergent*

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

48

THE BEER CLEAN GLASS

- No bubbles cling to sides!
- Forms a nice foam head
- Leaves "lace" as beer is consumed

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

49

THE BEER CLEAN GLASS – NOT!

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

50

THE BEER CLEAN GLASS – YES!

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

51

THE BEER CLEAN GLASS

- **Proper Cleaner**
  - Beer glass cleaner
  - Not petroleum based
- **Proper Technique**
  - Three sink manual
  - Automatic washer

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

52

THE BEER CLEAN GLASS

- Proper glass cleaning procedure
  - Empty glass into open drain
  - Hot-water wash: beer-glass detergent & brush
  - Rinse in cold water, heel in, heel out
  - Rinse in sanitizer, heel in, heel out

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

53

THE BEER CLEAN GLASS

- Air dry inverted on rack so air circulates inside
- Do not wipe or dry glasses with cloth
- Extra care with curves & angles
- Never wash food, milk in beer cleaner

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

54

THE BEER CLEAN GLASS

Testing for Beer Clean

- Water test
  - Wet glass and empty it
  - Water should sheet off, does not spot or web
- Salt test:
  - Wet glass and empty it
  - Shake salt to cover inside of glass
  - Salt should adhere everywhere

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

55

56

FINAL PREPARATION OF THE GLASS

To chill or not to chill

- Frozen or frosted glass doesn't work
- Ice causes foaming
- Room temp glass best for most beers
- "Chilled" is OK

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

57

FINAL PREPARATION OF THE GLASS

- Cold water rinse
  - Immediately before dispense
  - Clean glasses ONLY!
- Three roles:
  - Removes residual sanitizer
  - Chills glass
  - Conditions surface

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

58

POURING BEER

- Many ways to pour beer
- Need:
  - Clear beer in the glass
  - Foam control
- Start down the side (down the middle creates foam)
- Stand glass upright as it fills
- Leave proper head

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

59

POURING DRAFT BEER

#1 Grip handle at base

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

60

POURING DRAFT BEER

Why?

All the force goes here.

Imagine what happens if it breaks …

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

61

POURING DRAFT BEER

Pull the tap fully open!

This helps to prevent foaming.

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

62

POURING DRAFT BEER

- Glass should not touch faucet
  - Prevents contamination
  - Chip or break glass

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

63

POURING DRAFT BEER

- Faucet should not contact beer or foam
- Fill to top in one draw with no overflow

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

64

POURING DRAFT BEER

Assessing your pour

- Foam head:
  - 1/2-inch to 1-inch for most
  - 2-3 inches for some
- No bubbles stuck to side of glass in liquid

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

65

CHANGING A KEG

- Beer may sputter or just stop suddenly
- Time to head to the cellar

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

66

CHANGING A KEG

Next: Replace with oldest keg of correct brand

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

67

CHANGING A KEG

- Foam on beer detector (FOB)
- Must be reset after changing keg
- Otherwise no beer will flow

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

68

PROBLEMS WITH DRAFT BEER

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

69

DRAFT BEER SYSTEMS

- Designed to operate at one fixed temperature
  - Beer in glass should match cooler
  - Usually 38 °F
- If beer is not cold enough, it will not pour properly

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

70

FOAMING BEER

- Temperature is the biggest problem
  - Cooler is too warm (all beers foam)
  - Keg is warm (one keg foaming)
- **It takes 24 hours to chill a keg to 38 °F**

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

71

FOAMING BEER

- Never adjust gas pressures!
- Designed for specific temperature & pressure
- Too little ***or*** too much pressure ➔ foaming

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

72

FOAMING BEER

- If temperature of keg is spot on check connections:
  - Leaky coupler or keg gasket
  - Pinched hose
- Check the gas supply
  - Tank empty?
  - Shut-off valve?

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

73

POURING BOTTLED BEER

Why use a glass at all?

- Enhances appearance
  - Color
  - Clarity
  - Foam
  - Lace

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

74

POURING BOTTLED BEER

Why use a glass at all?

- Enjoyment of aroma
- Separates beer from the yeast
- Releases some carbonation from the beer
  - Less gas in the stomach
- Sharing & larger bottles
- Often enhances flavor as well!

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

75

OPENING THE BOTTLE

- Several types of closures
  - Crown
  - Cork & Cage
  - Crown & Cork

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

76

OPENING THE BOTTLE

- Easy to handle
- Good leverage
- No bottle damage
- Overly long prongs can break bottle lip

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

77

OPENING THE BOTTLE

- Crowns: remove with one motion
- Cork:
  - Remove cage–thumb over cork at all times
  - Twist and pull
  - Cloth napkin helps grip
- Be ready to pour

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

78

POURING BOTTLED BEER

Two Major Categories of Bottled Beer

- Filtered
  - No yeast present in bottle
  - Will pour clear to last drop
- Bottle-conditioned
  - Some yeast in bottle

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

79

FILTERED BEER

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

80

BOTTLE CONDITIONED BEER

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

81

POURING BOTTLE-CONDITIONED BEER

- In a few cases, its not a big issue
  - Very little yeast (Sierra Nevada Pale Ale)
- If unsure whether there's yeast, watch for it!

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

82

POURING BOTTLE-CONDITIONED BEER

Key Question: Pour The Yeast?

- Traditional to pour it in Weissbier and some other beers
- Remember: old/abused yeast tastes bad
- Usually best to ask the customer

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

83

POURING BOTTLE-CONDITIONED BEER

Pouring the Yeast

- When the yeast is desired, often roused
  - Pour most of the beer, then:
    - Roll bottle in hands or on table, or
    - Swirl upright bottle
  - Pour through head into the beer

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

84

POURING BOTTLE-CONDITIONED BEER

Leave the Yeast Behind

- Begin pouring in usual way
  - Glass tilted to 45 degrees
  - Pouring down the side
  - Straighten glass when ~2/3 poured
- Watch the beer *inside* the bottle
- Stop pouring when yeast moves into neck

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

85

POURING BOTTLE-CONDITIONED BEER

Leave the Yeast Behind

Watch for yeast in the bottle. Stop pouring when it enters the neck.

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

86

POURING BOTTLE-CONDITIONED BEER

Leave the Yeast Behind

- Large bottle or extra glasses: new challenge
- Tipping bottle back and forth rouses yeast
- Keep bottle tilted close to pouring position

CICERONE CERTIFICATION PROGRAM

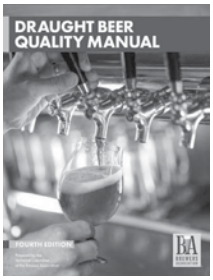
© 2023 Cicerone® Certification Program

87

REFERENCE MATERIALS

- Brewers Association
  - *Draught Beer Quality Manual*
  - Quick Reference Guides

See: www.draughtquality.org



CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

88

ESSENTIALS OF BEER SERVICE

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

89

BEER IDENTITY CONCEPTS & STYLES

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

90

BEER IDENTITY CONCEPTS

- Alcohol Content
- Bitterness
- Color
- Carbonation

CICERONE CERTIFICATION PROGRAM

91

BEER IDENTITY CONCEPTS:

ALCOHOL CONTENT

Alcohol measured in two ways

- Alcohol by weight (ABW)
- Alcohol by volume (ABV)

CICERONE CERTIFICATION PROGRAM

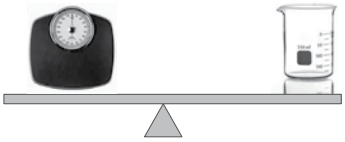
92

BEER IDENTITY CONCEPTS:

ALCOHOL CONTENT

Measurement by *weight* gives a lower number

3.2% ABW is same as 4.0% ABV



CICERONE CERTIFICATION PROGRAM

93

BEER IDENTITY CONCEPTS:

ALCOHOL CONTENT

- Alcohol by weight
  - For regulations (lower %s!)

- Alcohol by volume
  - Used for everything else
  - Everything in this series

CICERONE CERTIFICATION PROGRAM

94

BEER IDENTITY CONCEPTS:

ALCOHOL CONTENT

- Range: 2% to 28+% ABV
- "Normal" ~4.4–5.9% ABV
- Very few outside 3–13% ABV

CICERONE CERTIFICATION PROGRAM

95

BEER IDENTITY CONCEPTS:

ALCOHOL CONTENT

- 5 levels to simplify style classification

Lower – Up to 4.3%

Normal – 4.4 to 5.9%

Elevated – 6.0 to 7.5%

High – 7.5 to 10%

Very High – >10%

CICERONE CERTIFICATION PROGRAM

96

BEER IDENTITY CONCEPTS:
BITTERNESS

- Comes from hops
- Component of all beers
- Bitterness balances sweetness of malt
- Measured in IBUs (International Bitterness Units)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

97

BEER IDENTITY CONCEPTS:
BITTERNESS

- IBUs (International Bitterness Units)
- Range: ~0-100+ IBUs
  - Budweiser: 8-10 IBUs
  - Sierra Nevada Pale Ale: 35 IBUs
  - Double IPA: 70-100+ IBUs

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

98

BEER IDENTITY CONCEPTS:
BITTERNESS

Perception depends on malt character and sweetness too!

Perceived Bitterness scale:

- Low
- Moderate
- Pronounced
- Assertive
- Highly Assertive

CICERONE CERTIFICATION PROGRAM

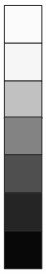
© 2023 Cicerone® Certification Program

99

BEER IDENTITY CONCEPTS:
COLOR

Beer color varies widely

- Straw: Budweiser
- Black: North Coast Old Rasputin Russian Imperial Stout

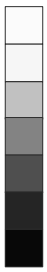


CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

100

BEER IDENTITY CONCEPTS:
COLOR



2–3
4–8
9–11
12–16
17–18
19–30
31+

Measured numerically

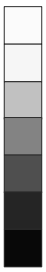
- Degrees SRM
- Range from 2 to 40+

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

101

BEER IDENTITY CONCEPTS:
COLOR



Straw
Gold
Light Amber
Amber
Dark Amber
Brown
Black

Words work well!

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

102

BEER IDENTITY CONCEPTS:

CARBONATION

- Occurs naturally during fermentation
- Enhances flavor and aroma
- Enhances appearance

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

103

BEER IDENTITY CONCEPTS:

CARBONATION

Measured as Volumes of CO_2

- Typically 2.3 to 2.8 volumes
- Range: 1 to 5 volumes

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

104

STYLES: THE LANGUAGE OF BEER

- Label a complex sensory package
- Allow quick description of a beer
- Essential to communication
- Some would compare to breeds of dog

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

105

STYLES

This course covers essential styles

- Section 1: German & Czech
- Section 2: British & Irish
- Section 3: American
- Section 4: Belgian

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

106

BEER IDENTITY CONCEPTS & STYLES

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

107

BASICS OF BEER STYLE

Unit 1: Germany and Czech Republic

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

108

LAGER BEERS

- **European Lager Styles – Amber/Dark**
  - Munich Dunkel/Märzen/Festbier
  - Dunkles Bock/Doppelbock
- **European Lager Styles – Pale**
  - Pilsner
    - Czech Premium Pale Lager
    - German Pils
  - Munich Helles

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

109

LAGER BEERS

Lagers are the dominant beer type in the world today.

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

110

LAGER BEERS

- Straightforward, endlessly perfected
- Somewhat limited in scope
  - Nature of lager yeast
  - Tight identities on many styles
  - Few variations or innovations

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

111

LAGER BEERS

- Lagers come from a cold climate
- For centuries, brewing was seasonal from October to March

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

112

LAGER BEERS

Climate + time of year = Cool Fermentation

Seasonal Production = Big inventory, long storage

Practice of lager brewing was established by 1600

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

113

LAGERS VS. ALES?

- Lagers: NOT Fruity!
- Smooth, refined
- Focus on flavors of malt and hops

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

114

LAGER BEERS

- Water drove styles
- Munich:
  - Dark malty beers
  - Carbonate water
- Pilsen:
  - Pale & hoppy
  - Soft water

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

115

DARK LAGERS

- Malt-balanced
- Munich-origins
- Pre-Pilsner age, back to 1600

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

116

MALT MAKES A DIFFERENCE

Pilsner Malt
- Pale
- Bready

Munich Malt
- Golden, light tan
- Biscuity

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

117

MUNICH DUNKEL

Everyday beer of Munich
- Light brown color
- 4.5-5% ABV
- Prost Brewing Dunkel
- KC Bier Co Dunkel
- Ayinger Altbairisch Dunkel, Hacker-Pschorr Münchner Dunkel, Hofbräuhaus Dunkel

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

118

MÄRZEN

- Last batches of Munich Dunkel each spring made stronger
- Dubbed "March beers" or Märzen

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

119

MÄRZEN BECOMES WEDDING BEER

- 1810 wedding
- Crown Prince Ludwig
- Märzen beer used for celebration

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

120

OKTOBERFEST/FESTBIER

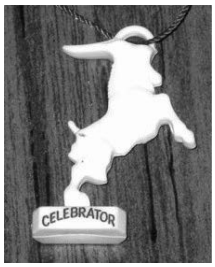
- Wedding/anniversary celebration becomes Oktoberfest
- An appellation in Germany
- Modern style has evolved to paler version, called Festbier

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

121

BOCK BEER



Dunkles bock
- Dark
- >6.3% ABV
- Stronger version of Dunkel/Oktoberfest

Helles Bock
- Pale
- >6.3% ABV
- Aroma & flavor hops

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

122

LIQUID BREAD

Monastic tradition
- Brewed for fasts
- "Salvator" = "savior"
- Suffix of "–ator"
- Dark or light color
  - 7-10% ABV
  - Paulaner Salvator, Ayinger Celebrator, Spaten Optimator

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

123

DARK LAGERS

Style	Alcohol/%ABV	Bitterness/IBUs	Color/SRM	Comments
Munich Dunkel	**Normal** 4.5-5.6	**Moderate** 18-28	**Brown** 17-28	**Brown, normal alcohol.**
Märzen	**Normal to elevated** 5.6-6.3	**Moderate** 18-24	**Dark gold to Amber** 8-17	**Amber, slightly elevated alcohol.**
Helles Bock	**Elevated** 6.3-7.4	**Moderate** 23-35	**Gold to light amber** 6-9	**Pale-amber, increased alcohol, some hops.**
Doppelbock	**High** 7-10+	**Low** 16-26+	**Gold to Brown** 6-25	**Brown to dark brown, strong. Sweet.**

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

124

CZECH PREMIUM PALE LAGER

Transformational Beer
- Nov 11, 1842
- New brewery
- Local ingredients
- Lager yeast

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

125

CZECH PREMIUM PALE LAGER

Pilsner Urquell
- "Bohemian Pilsner"
- Assertive hops
- Full-bodied malt
- Gold
- Hearty

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

126

GERMAN PILS

- Lighter body
- Lighter color
- Still well hopped
- Many variations
  - Trumer Pils
  - Radeberger Pilsner
  - Bitburger
  - Warsteiner
  - König Pilsener

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

127

MEANWHILE BACK IN MUNICH ...

- Pale beer still very difficult through 1800s
- ~1895 finally figured it out
- Created pale, but malty lager

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

128

MUNICH HELLES

- Lower bitterness
- Quite pale
- Medium-full body
- "Delicate, balanced, drinkable."
- Malty!
  - Hofbrau Original
  - Paulaner Premium Lager
  - Weihenstephaner Original

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

129

PALE LAGER TRAITS

Style	%ABV	IBUs	Color-SRM	Comments
Czech Premium Pale Lager	**Normal** 4.2-5.8	**Pronounced** 30-45	**3.5-6**	**Darkest, plenty of malt to balance bitterness.**
German Pils	**Normal** 4.4-5.2	**Assertive** 22-40	**2-4**	**Palest, pronounced bitterness.**
Munich Helles	**Normal** 4.7-5.4	**Moderate** 16-22	**3-5**	**Most malty, least bitter.**

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

130

LAGER BEERS

- **European Lager Styles - Amber/Dark**
  - Munich Dunkel
  - Märzen/Festbier
  - Dunkles Bock/Doppelbock
- **European Lager Styles - Pale**
  - Pilsner
    - Czech Premium Pale Lager
    - German Pils
  - Munich Helles
- **Specialties**
  - Rauchbier (Smoked)
  - Schwarzbier (black lager)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

131

GERMAN ALES

- History of brewing ales as well!
- Wheat Beers:
  - Weizen/Weissbier
  - Berliner Weisse
  - Gose
- Rhine Ales
  - Kölsch
  - Altbier

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

132

WEISSBIER

- Unique: mostly wheat
  - 67% wheat malt
- Unique yeast
  - Banana-clove trait
- Low bitterness (IBUs: 10-18)
- No hop flavor/aroma
- Highly carbonated:
  - 3.6-5.1 volumes of CO_2
- Normal alcohol (4.5-5.5% ABV)
- Straw to gold (2-6 SRM)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

133

WEISSBIER

- Unfiltered is "Hefe-Weizen"
  - Cloudiness mostly from **protein**
- Filtered: Kristal Weizen
  - Less yeasty in flavor
  - More susceptible to oxidation
- Others
  - Dunkles Weissbier
  - Weizenbock

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

134

OTHER GERMAN WHEAT STYLES

Berliner Weisse

- At least 50% wheat
- Lactic acid fermentation—high acidity!
- Low alcohol (2.8-3.8% ABV)
- Low bitterness (3 – 8 IBUs)
- High carbonation

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

135

OTHER GERMAN WHEAT STYLES

Gose

- At least 50% wheat
- Lactic acid fermentation—tart
- Brewed with coriander and salt
- Low to normal (4.2 – 4.8% ABV)
- Low bitterness (5 – 12 IBUs)
- High carbonation

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

136

RHINE RIVER VALLEY BEERS

- Kölsch
  - Köln (Cologne)
- Altbier
  - Düsseldorf

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

137

KÖLSCH

- Cool ale fermentation
  - Low levels of esters
- Otherwise similar to German Pils
- Unique style of service: Stange

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

138

BASICS OF BEER STYLE

Unit 1: Germany and Czech Republic

CICERONE CERTIFICATION PROGRAM

139

BASICS OF BEER STYLE

Unit 2: England, Ireland & Scotland

CICERONE CERTIFICATION PROGRAM

140

BEERS OF ENGLAND, IRELAND, SCOTLAND

- Ales, ales, ales!
- Industrialization
- Forebears of US craft brew movement

CICERONE CERTIFICATION PROGRAM

141

PORTER

Legend

- Created in 1722
- George Harwood, Shoreditch Brewery
- Based on cocktail

Fact:

- Prevalent by 1726
- First industrial beer
- Blend of old and new

CICERONE CERTIFICATION PROGRAM

142

PORTER

Vatting or Aging

- Aging and blending achieved variety in beer
- Stock ale – aged portion
- Mild – fresh beer
  - Different than current definition

CICERONE CERTIFICATION PROGRAM

143

PORTER

Colorful History

- Very large breweries
  - Benefitted from industrial advances
- Inconsistent
  - Noxious additives
- A flood of beer

Opium

Cocculus indicus

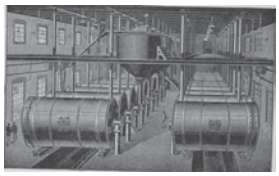
CICERONE CERTIFICATION PROGRAM

144

PORTER

Patent Malt

- 1817 Wheeler's roasting drum
- Changes porter formulation



CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

145

MODERN PORTER

English Porter

- Brown/dark brown
- Chocolate and caramel malts are common
- Restrained roast
- Moderate bitterness (18-35 IBU)
- Normal alcohol (4.0%-5.4% ABV)
- Commercial Examples
  - Fullers London Porter
  - Samuel Smith Taddy Porter

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

146

HISTORIC STOUT

- "Stout" originally an adjective
- Eventually applied exclusively to big porters
- Various levels of stout

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

147

HISTORIC STOUT

Porter and Stout - 1908

Beer	~ABV
Porter	5-6%
Single Stout	6-7%
Double Stout	7-8%
Imperial Stout	8-10%
Russian Export	>10%

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

148

MODERN STOUT

Irish Stout

- Traits
  - Roast barley, black color
  - Acrid, burnt, coffee-like flavor
  - Pronounced bitterness

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

149

MODERN STOUT STYLES

Key sub-styles

- Irish Stout – Lower Alcohol (up to 5% ABV)
  - Guinness Draught Stout, Murphy's Stout, Beamish Stout
- Foreign Extra Stout – Elevated to High alcohol (up to 8% ABV)
  - Guinness Foreign Extra Stout
- Imperial Stout – High to Very High alcohol (8% ABV and up)
  - Bell's Expedition Stout, North Coast Old Rasputin, Oskar Blues Old Chub
  - ***Considered an American style***

CICERONE CERTIFICATION PROGRAM

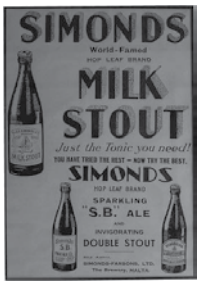
© 2023 Cicerone® Certification Program

150

STOUT

Other Variations

- Sweet Stout
  - Milk Stout
- Oatmeal Stout
  - Oats provide creamy mouthfeel



CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

151

OTHER DARK BRITISH ALES

British Brown Ale

- Toasty, nutty, caramel
- No roast
- Lower to normal alcohol (4.2 – 5.9% ABV)
- Examples:
  - Newcastle Brown Ale, Samuel Smith's Nut Brown Ale

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

152

TOWARD THE LIGHT

Pale Ales Take Over!

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

153

INDIA PALE ALE

Granddaddy of all pale ales

- Cheap shipping to India
- 1790 Hodgson begins, monopolized
- His beer NOT "IPA"

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

154

INDIA PALE ALE

Granddaddy of all pale ales

- 1820s, Burton brewers break in
- Market doubles by 1840
- Their water suited to making highly bitter beer
- Basic recipe we follow today framed

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

155

THE HOME MARKET

- Mid-1800s
- Porter wanes
- Glass tax lifted (1845)
- Pilsner popular (1840s)
- IPA: "medicinal cordial"
- Domestic market develops
- IPA as we know it widely made by ~1865

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

156

IMPACT OF TEMPERANCE MOVEMENT

- No US-style ban
- Steep taxes based on % ABV
  - Exacerbated by WWI and WWII
- Drove alcohol levels down
- By late 20th Century
  - No more traditional IPAs
  - Average bitter was 3.6% ABV
- Modern beer styles shaped by this

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

157

ENGLISH PALE ALES

- "Bitter" has become everyday beer
- Served on draft
- Amber, pronounced bitterness
- Classic "session" beer:
  - Lower alcohol
  - Lighter bodied
  - Lightly carbonated

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

158

ENGLISH PALE ALES

Ordinary Bitter	3.2-3.8% ABV
Best Bitter	3.8-4.6% ABV
Strong Bitter	4.6-6.2% ABV

English Pale Ale = bottled bitter

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

159

SCOTLAND

- Two groups: session and strong
- Shilling numbers

Generally:

- Amber to light brown
- Low bitterness
- Low levels of esters (fruitiness)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

160

SCOTLAND

Scottish Ales (lower abv)

- Scottish Light – Lower alcohol (2.5-3.3% ABV)
- Scottish Heavy – Lower alcohol (3.3-3.9% ABV)
- Scottish Export – Normal alcohol (3.9-6.0% ABV)
- Commercial Examples
  - Belhaven Scottish Ale
  - Orkney Dark Island

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

161

SCOTLAND

Wee Heavy

Elevated to High alcohol (6.5-10% ABV)

- Various names
  - "90 shilling" or "120 shilling"
  - "Strong Scotch Ale"
- Commercial Examples
  - Belhaven Wee Heavy 90/-
  - Traquair House Ale
  - Oskar Blues Old Chub

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

162

BASICS OF BEER STYLE

Unit 2: England, Ireland & Scotland

CICERONE CERTIFICATION PROGRAM

163

BASICS OF BEER STYLE

Unit 3: United States

CICERONE CERTIFICATION PROGRAM

164

BREWING IN AMERICA

- Immigration
- Industrialization
- Branding

CICERONE

165

AMERICAN BREWING AND BEER STYLES

In the Beginning

- Europeans brought ale
- Ales favored until mid-1800s

CICERONE

166

LAGERS CROSS THE ATLANTIC

- German immigration
  - 1840-1900: 6 million arrivals
- Shaped American brewing
  - *Der Amerikanische Bierbrauer*
  - Brewing a "German" industry

CICERONE

167

LAGERS CROSS THE ATLANTIC

- New beers created:
  - American Lager
  - Cream Ale
  - California Common

CICERONE

168

AMERICAN-STYLE LAGER

Formulation

- Up to 40% corn or rice
- Rest 6-row American malt
- Adjunct needed for clarity (protein dilution)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

169

AMERICAN LAGER

Attributes

- No dominant ingredient
- Light malt sweetness
- Little to no hop
- Low Bitterness (8-18 IBUs)
- Straw color (SRM: 2-3.5)
- Lower to Normal alcohol (ABV: 4.2-5.3%)
- Pronounced carbonation

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

170

AMERICAN LIGHT LAGER

- Comes to prominence in early 70's
- Slightly lower Bitterness (8-12 IBUs)
- Lower alcohol (ABV: 2.8-4.2%)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

171

AMERICAN LAGERS

Recognized Styles

- American Light Lager: Miller Lite, Coors Light, Bud Light, Amstel
- American Lager: Budweiser, Miller High Life, Coors Original, PBR, Foster's, Labatt Blue

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

172

INTERNATIONAL PALE LAGER

- Similar to American lager styles
  - A bit more body (may be all malt)
  - Slightly higher bitterness
- Carbonation still major component of flavor

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

173

CALIFORNIA COMMON

- Popular 1850 to 1920
- 27 steam breweries
- Anchor started 1894
- Only survivor of prohibition
- Trademark on "Steam"

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

174

CALIFORNIA COMMON

- No refrigeration
- Lager yeast
- Improvised brewing
- Shallow trough to aid cooling
- Creates a "hybrid" style

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

175

CALIFORNIA COMMON

- Amber, medium body
- Low-to-medium fruity esters
- Slight caramel malt flavor, aroma
- Pronounced Bitterness (30-45 IBUs)
- Hop flavor/aroma low to med-low
- Overall: hoppy amber lager
- Commercial Example: Anchor Steam

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

176

AMERICAN STYLES

20th Century America

- Prohibition
- Post-War
  - Transportation
  - Communication
- Consumer Packaged Goods Marketing

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

177

AMERICAN STYLES

20th Century American Brewing

- 1970s:
  - Lite beer
- Homebrewing: 1979
- Created craft brewing

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

178

AMERICAN STYLES

Craft Brewing

- Classic European styles
- New American interpretations
- Revivals of lost styles:
  - IPA
  - Porter

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

179

ESSENTIAL AMERICAN STYLES

- American Wheat Ale
- Blonde Ale
- Pale and Amber Ales
- India Pale Ale and Double IPA
- Brown Ale
- American Stout/Imperial Stout
- American Barleywine
- Barrel-aged and Experimental

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

180

AMERICAN WHEAT ALE

- ~30% wheat
- Hops vary
- Often hazy
- Some "flour" or bread flavor
- Differ from German wheat beers: no clove-banana flavor

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

181

AMERICAN WHEAT ALE

- Confusing labels
- German wheat beers:
  - Weissbier
  - Weizen
  - Hefe-Weizen

- For American flavor profile, prefer the style name "American-style wheat beer"

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

182

AMERICAN WHEAT ALE

- Moderate (IBUs: 15 – 30)
- Straw-Gold (SRM: 3 – 6)
- Normal Alcohol (ABV: 4 – 5.5%)

Commercial Examples:

Bell's Oberon, Goose Island 312, Boulevard Unfiltered Wheat Beer, Pyramid Hefe-Weizen, Widmer Hefeweizen

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

183

WHEAT & BLOND ALES

American Wheat Beer		American Blonde Ale	
IBUs:	15 – 30	IBUs:	15 – 28
SRM:	3 – 6	SRM:	3 – 6
ABV:	4.0 – 5.5%	ABV:	3.8 – 5.5%

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

184

BLONDE ALE (GOLDEN ALE)

- Gold colored
- Malt-balanced
- Drinkable
- All barley malt
  - More like bread rather than flour

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

185

BLONDE ALE (GOLDEN ALE)

- Moderate (IBUs: 15 – 28)
- Straw-Gold (SRM: 3 – 6)
- Lower to Normal Alcohol (ABV: 3.8 – 5.5%)

Commercial Examples:

Firestone Walker 805, Kona Big Wave Golden Ale

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

186

AMERICAN PALE ALE (APA)

- APA was pioneering beer
  - Sierra Nevada Pale Ale
- Amber came a bit later
- Borrowed from English pale ale

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

187

AMERICAN PALE ALE (APA)

- Low–Med malt
  - Toasty
  - Very light caramel
- Med–High American hops
  - Flavor
  - Aroma

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

188

AMBER ALE VS. PALE ALE

- Virtually identical
- But Amber Ale is:
  - Usually darker
  - More caramel flavor
  - More body
  - Maltier balance
  - No chocolate or roast flavor

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

189

PALE V. AMBER ALE

Pale Ale

- IBUs: 30 – 50
- SRM: 5 – 10
- ABV: 4.5 – 6.2%

Amber Ale

- IBUs: 25 – 40
- SRM: 10 – 17
- ABV: 4.5 – 6.2%

Both have:

- Pronounced Bitterness
- Gold to Amber Color
- Normal to Elevated Alcohol

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

190

INDIA PALE ALE

- Amped up American Pale Ale
- More malt, more hops
- Still pretty pale
- Very little (if any) caramel flavor
- Return to historic English strength
- Often "dry-hopped"

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

191

PALE ALE FAMILY

	Pale Ale	Amber Ale	IPA
Bitterness IBUs	Pronounced 30 – 50	Pronounced 25 – 40	Assertive 40 - 70
Color SRM	Gold to Amber 5 – 10	Amber 10 – 17	Gold to Amber 6 – 14
Alcohol ABV	Normal 4.5 – 6.2%	Normal 4.5 – 6.2%	Elevated 5.5 – 7.5%

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

192

DOUBLE IPA

- The next step up
  - Slightly darker, still amber
  - High alcohol content (7.5-10%)
  - Intense hop flavor/aroma
  - Highly assertive bitterness (Up to 100 IBUs)
- Commercial Examples:
  - Russian River Pliny the Elder
  - Avery Majaraja
  - Stone Ruination

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

193

HAZY IPA

- Grew out of New England versions in late 2010s
- General characteristics:
  - Soft, full mouthfeel
  - Lower bitterness (25-60 IBU)
  - High hop aroma
    - Emphasis on dry hopping
    - Tropical Fruit/"Juicy" hop aroma/flavor
  - Hazy appearance

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

194

AMERICAN BARLEYWINE

- Similar to Double IPA, with increased malt and body
- High to very high alcohol (8 – 12% ABV)
- Pronounced bitterness (50 – 100 IBUs)
- High American (citrus, pine) flavor
- High caramel and toffee malt flavor

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

195

DARK AMERICAN ALES

- American Brown Ale
  - Usually malt-balanced, some examples hoppy
  - Lower IBUs than APA and American Amber
  - Chocolate, caramel, nutty, toasty
    - No burnt flavors
  - Examples: Bell's Best Brown, Avery Ellie's Brown, Big Sky Moose Drool

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

196

DARK AMERICAN ALES

- **American Porter**
  - American take on English Porter
  - American or English hops
  - Higher roasted character, higher ABV
- Commercial Examples
  - Meantime London Porter
  - Smuttynose Robust Porter
  - Sierra Nevada Porter
  - Deschutes Black Butte Porter
  - Boulevard Bully! Porter

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

197

DARK AMERICAN ALES

- **American Stout**
  - American take on Foreign Extra Stout
  - American hops used
- **Imperial Stout**
  - Often known as "Russian Imperial Stout"
  - Strongest of Stout substyles (8 – 12% ABV)
  - Intense roast flavor
  - High hop bitterness (50 – 90 IBUs)
  - May have plum and prune notes

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

198

OTHER AMERICAN STYLES

Specialties
- Coffee Beer
- Fruit/Vegetable/ Spice Beer
- Barrel-aged Beer
- Brett Beer
- Sour Beer

CICERONE CERTIFICATION PROGRAM

199

BASICS OF BEER STYLE

Unit 3: United States

CICERONE CERTIFICATION PROGRAM

200

BASICS OF BEER STYLE

Unit 4: Belgium

CICERONE CERTIFICATION PROGRAM

201

BELGIAN BEER

- History somewhat lacking
- Many artisan brewers
  - Diverse
  - Wacky!
  - Less style oriented
- Fewer "commercial" beers

CICERONE CERTIFICATION PROGRAM

202

BELGIAN BEER

- Some oft seen traits
  - Very fruity, spicy yeast flavors
  - Stronger: 6-10% ABV
  - High carbonation typical
  - Fruits, spices common
  - Sugars used for fermentables
  - Non-standard fermentations

CICERONE CERTIFICATION PROGRAM

203

BELGIAN BEER

Families:
- Trappist & Abbey
- Witbier and Saison
- Spontaneously Fermented
- Flanders Ales
- Other Belgian Styles

CICERONE CERTIFICATION PROGRAM

204

MONASTIC TRADITIONS

Trappist & Abbey

- "Trappist" is appellation
  - Chimay, Rochefort, Orval,
  - Westvleteren, Westmalle, *Achel
  - LaTrappe/Koningshoeven, Zundert (Netherlands)
  - Stift Engelszell (Austria)
  - *Spencer (MA, United States)
  - Tre Fontane (Italy)
  - Mount St. Bernard (UK)
  - Cardeña (Spain)
- "Abbey" for similar secular beers

*Achel just recently lost the designation, Spencer recently closed

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

205

MONASTIC TRADITIONS

- An evolved ladder
  - **Dubbel – 6-7.6% ABV** Amber-Brown
  - **Tripel – 7.5-9.5% ABV** Gold
  - **Belgian Dark Strong Ale – 8-12% ABV** Amber-Brown

- Orval makes a single distinctive beer

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

206

WITBIER

- Raw wheat, sometimes oats
- Orange, coriander, others
- Low bitterness (8-20 IBUs)
- Normal alcohol (4.5-5.5% ABV)
- Lactic acidity possible
- Citrus, herbal notes
- Light and refreshing
- Hoegaarden, Allagash, Blue Moon, Avery White Rascal

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

207

SAISON

- Pilsner malt
- Unique yeast: fruity, peppery
- Sugar, spices, wheat possible
- Moderate bitterness (20-35 IBUs)
  - Hoppier than most Belgians
- Gold to full amber (5-14 SRM)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

208

SAISON

Three strength designations:

- Table – 3.5-5.0% ABV
  - Allagash River Trip
- Standard – 5.0-7.0% ABV
  - Saison Dupont
- Super – 7.0-9.5% ABV
  - Boulevard Tank 7, Ommegang Hennepin

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

209

WILD BREWS

- Non-Saccharomyces Fermentation
  - Lambic and all variations (Cantillon, Lindemans, Drie Fonteinen, Boon)
  - Flanders Red & Brown (Rodenbach, Liefmans)
- Much more like making wine
  - Aging (1-3 years to finish)
  - Blending
  - Fruiting

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

210

LAMBIC & GUEUZE

- Unmalted wheat
- Aged hops for nearly 0 IBUs (0-10 officially)
- Very thin body
- Tart & acidic
- Normal to elevated alcohol
  (5–8% ABV)

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

211

LAMBIC & GUEUZE

- Lambic: straight unblended, 6-months old
- Gueuze: blended, 1, 2 & 3 yr old lambic
- Fruit Lambic: same as Gueuze with fruit added
  - Kriek (cherries)
  - Framboise (raspberries)
- Cantillon, Boon, Lindemans, Hanssens

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

212

FLANDERS RED

- Dark red malty base
- Initial yeast fermentation
- Oak barrel aging for ~2 years
- Takes on a tart, vinegar-like acidity
- Commercial Examples:
  - Rodenbach Grand Cru
  - Duchesse de Bourgogne
  - Cuvee de Jacobins Rouge

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

213

OTHER BELGIAN STYLES

- Other styles resist commercialization
- Belgian influence but market appeal
  - Belgian Pale Ale (DeKonnick, Palm) 4.8-5.5% ABV
  - Belgian Blond Ale (Leffe) 6-7.5% ABV
  - Belgian Strong Golden Ale (Duvel) 7.5-10.5% ABV

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

214

BELGIAN BLOND ALE

- Gold (4-6 SRM)
- Low bitterness (15-30 IBUs)
- Elevated alcohol (6.0-7.5% ABV)
- Yeast driven flavor profile
- Higher body than other similar Belgian styles

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

215

BELGIAN STRONG GOLDEN ALE

- Gold (3-6 SRM)
- Moderate bitterness (22-35 IBUs)
- High to very high alcohol (7.5-10.5% ABV)
- Lighter body
- High carbonation
- Result: Very Drinkable

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

216

BASICS OF BEER STYLE

Unit 4: Belgium

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

217

CICERONE PROGRAM KNOWLEDGE

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

218

CBS PRE-TEST

- Before Certified Beer Server Exam
- Cicerone Program Knowledge Quiz
  - Only 5 Questions
  - Passing grade: 100%!

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

219

PROGRAM STRUCTURE

Five areas of knowledge:

- Keeping and Serving Beer
- Beer Styles
- Beer Flavor and Evaluation
- Beer Ingredients and Brewing Processes
- Pairing Beer with Food

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

220

PROGRAM STRUCTURE

Four levels:

- Certified Beer Server
- Certified Cicerone®
- Advanced Cicerone®
- Master Cicerone®

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

221

PROGRAM STRUCTURE

First Level: Certified Beer Server

- Title does not include the word "Cicerone"
- Proper way to present this title:
  - "Certified Beer Server"
  - "Cicerone program's Certified Beer Server"
  - "Certified Beer Server in the Cicerone Program"

CICERONE® CERTIFIED BEER SERVER

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

222

PROGRAM STRUCTURE

Second Level: Certified Cicerone®

- Title includes "Cicerone"
- Should always be printed with ®
- Proper way to say this title:
  - "Certified Cicerone"

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

223

PROGRAM STRUCTURE

Third Level: Advanced Cicerone®

- Title includes "Cicerone"
- Should always be printed with ®
- Proper way to say this title:
  - "Advanced Cicerone"

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

224

PROGRAM STRUCTURE

Fourth Level: Master Cicerone®

- Title includes "Cicerone"
- Should always be printed with ®
- Proper way to say this title:
  - "Master Cicerone"

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

225

CICERONE PROGRAM KNOWLEDGE

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone® Certification Program

226

THANK YOU!

Presented by the Cicerone® Certification Program

Certification and Education for Beer Professionals

www.cicerone.org

info@cicerone.org

CICERONE CERTIFICATION PROGRAM

© 2023 Cicerone Certification Program

227

AGENDA

MMBA Annual Meeting

Tuesday, May 2, 2023 - Arrowwood Resort

1) Call to Order
2) Minutes of Last Meeting
3) Financial Report
4) State of the Association
5) State of the Industry
6) 2023 Legislative Session & Beyond
7) Articles of Incorporation Changes
8) Director Elections
9) Other
10) Adjourn

Minnesota Municipal Beverage Association Annual Meeting Minutes

Tuesday May 3, 2022, Arrowwood Resort, Alexandria Minnesota

Call to Order-Meeting was called to order at 8:45 am by President Chris Arnold, a Quorum was declared.

Review of Minutes- 2021 Annual Meeting Minutes were approved.

Financial Report- MMBA finances remain stable. An explanation of the checks and balance system the MMBA uses for accountability in dealing with finances was explained. Paul Kaspszak also gave an overview of conference revenue / expenses, long term strategic legislative initiatives and social media marketing.

State of the Association- We are an internationally recognized organization. Our goal remains constant; to help all of our members succeed. The association remains strong despite many challenges in recent years.

2022 Legislative Session- Paul Kaspszak discussed the Colman Act and the multi-tier industry bill, tracking for legislative approval.

Awards-

Best Business Development: Barnesville

Community involvement: Underwood

Best Themed Promotion: Long Prairie

Best Innovation: Brooklyn Center & Elk River

Operational Adaptability: Brooklyn Center

Commitment to Staff Development: Nisswa

State of the Industry – Members are adapting to a post-lockdown environment. On-sales are beginning to show increased activity. MMBA group purchasing initiatives have been beneficial to both large and small members. Chris Arnold presented an overview of upcoming e-commerce initiatives.

Director Elections- The Nominating Committee presented the following slate:

Jake Wiese - Mapleton

Terry Wallin - Nisswa

Cathy Pletta - Kasson

All were elected.

Nancy Raines and Nanette Serbus were thanked for their years of service to the board & membership.

The meeting was adjourned at 9:52 am

MMBA ARTICLES OF INCORPORATION
(Last Revision 5/23/6)

The undersigned, being all of the Board of Directors of Minnesota Municipal Liquor Stores Association, Inc., pursuant to Minnesota Statutes Section 302A.441 and 317.27 do hereby adopt the following resolutions with the same force and effect as if done at a regularly scheduled meeting duly called for that purpose.

RESOLVED, that the Articles of Incorporation of Minnesota Municipal Liquor Store Association, Inc., are superseded and that the following Articles of Incorporation, as restated, shall read as follows:

ARTICLE I.

NAME AND OBJECT

Section 1. The name of this Corporation shall be the Minnesota Municipal Beverage Association, Inc. It's office and principal place of business shall be at the office of the Executive Director, or at such other place or places as the Board of Directors may by resolution from time to time designate.

Section 2. The purpose and objects for which this Corporation is formed are:

a. To promote the efficient management of all municipal stores in the State of Minnesota.

b. To foster among managers and employees of municipal liquor stores and municipal councils a high sense of responsibility for the maintenance of strict standards in conformity with the law so as to reflect credit upon the municipal liquor store as an effective instrument for liquor control and generating revenue.

c. To supply members with authentic information on federal, state and local liquor laws and municipal ordinances, , market conditions and all other aspects of municipal liquor store establishment and operation.

d. Consistent with Article V, to promote legislation in the field of municipal liquor store establishments, management, and operation which is beneficial to the municipalities of the state and their citizens and to oppose legislation which is injurious thereto.

Deleted: duty

Deleted:

Deleted: 1317 Hillcrest Dr. N.E., Fridley, County of Anoka, State of Minnesota 55432…, or
, or

Deleted: , or

Deleted: Secretary

Deleted: R

Deleted: moral

Commented [P3]: Reflects current municipal liquor purpose

Deleted: , temperance and sobriety

Deleted: and

Commented [P4]: Eliminate quality and price specifics. New language avoids collusion accusations.

Deleted: quality, price

Deleted: ,

ARTICLE II.

MEMBERSHIP

Section 1. There shall be no capital stock in this Corporation, which will not afford pecuniary profit or gain incidentally or otherwise, to its members. There will be no personal liability of the members for any corporate liability.

Section 2. Those Minnesota cities which operate a municipal liquor facility as authorized by law may become members of the Corporation upon approval of the board of directors and by paying the annual dues. Each such member shall be entitled to one vote on any subject, issue or matter.

Section 3. Membership dues shall be established from time to time by the Board of Directors.

Section 4. Associate Memberships and Commercial Memberships are available, without voting privileges, to qualified individuals, groups, businesses or other entities. Conflicts concerning qualifications shall be resolved by a majority vote of the Board of Directors. Reasonable Associate Membership and Commercial Membership dues shall be established from time to time by the Board of Directors.

Commented [P5]: Typo correction

Deleted: 11

Deleted: store

Commented [P6]: Remove membership formalities

Deleted: written application pursuant to proper Resolution of the City Council and by paying the annual

Deleted: established from time to time by the Board of Directors. However, each

Deleted: However, each

Deleted: Reasonable

Deleted: m

Deleted: The amount of such annual dues may be made dependent upon the size of each City and/or the gross annual income derived by the Municipal liquor establishment in any city. The fiscal year shall… commence on July 1 of each year. Annual dues shall become due on July 1 of each year and any City whose dues are not paid within sixty (60) days of July 1, shall be considered to have resigned as a member of the association.¶

Deleted: commence on July 1 of each year. Annual dues shall become due on July 1 of each year and any City whose dues are not paid within sixty (60) days of July 1, shall be considered to have resigned as a member of the association.¶

Deleted: Annual dues shall become due on January 1 of each year and any Associate Member or Commercial Member whose dues are not paid within sixty (60) days of January 1, shall be considered to have resigned as a 1, shall be considered to have resigned as a member of the Association.¶

Deleted: 1, shall be considered to have resigned as a member of the Association.¶

ARTICLE III.

OFFICERS

Section I. The business of the Corporation shall be conducted by a Board of Directors composed of between 9 to 15 members.

a. Any director position shall be elected from a slate of candidates comprised of nominees from any part of the State of Minnesota. The nominee(s) receiving the majority vote(s) shall serve as a director.

b. No director shall serve more than two consecutive three-year terms.

c. Any Board vacancy shall be filled by motion duly adopted by the Board of Directors for the remainder of the unexpired term.

Commented [P9]: Provides flexibility

Deleted: 11

Deleted: Each director shall be elected for a three-year term, which terms shall be rotated with four directors elected in each of two consecutive years and… ¶
¶
three directors elected in the third year.

Deleted: ¶
three directors elected in the third year.

d. Any officer or director of the corporation may be removed from office by a two-thirds vote of the Board of Directors present at a duly called meeting. Any director or officer charged with misconduct adversely affecting and / or violating Articles of Incorporation and / or By-Law provisions or has failed to perform required duties as approved by the board of directors, shall have such charges, served in written form, at least 10 days prior to the meeting. Such charges shall be heard, and said director or officer shall be given reasonable opportunity at such meeting to answer such charges.

Deleted: special board

Deleted:

Deleted: called for that purpose

Deleted: ,

Commented [P12]: Adds accountability

Deleted: 21

Section 2. Only liquor operation directors, liquor store managers, liquor facility assistant managers, other liquor facility management level personnel or a city employee actively involved in the municipal liquor operation of a member city shall be eligible for election to the Board of Directors and shall remain eligible as long as he or she remains in such position and his or her member city remains in good standing in the association. No more than two representatives from any member city are eligible to serve at the same time.

Deleted: or

Commented [P13]: Would allow city representatives to vote. Board still decides who would qualify.

Section 3. The offices of the Corporation shall consist of a President, Vice President, Secretary and Treasurer, each of whom shall be elected by the Board of Directors annually from among its members. The Board of Directors may establish an additional office of Second Vice President and such other offices as it may from time to time deem advisable. It may combine the office of Secretary and Treasurer. It may establish an office of Executive Director which may be filled by appointment based upon qualifications for such office without regard to membership as director.

Commented [P14]: Technical change

Deleted: Secretary

Section 4. The immediate past President of the Corporation may be an official advisor to the corporation during the first year ex-office. The past President may attend board meetings and Executive Committee meetings. The position will entail no remuneration other than the ordinary meeting expense of other directors.

ARTICLE IV.

MEETINGS

The annual meeting of the Corporation shall be held on the day and hour designated by the President and Secretary of the Corporation. Other meetings shall be held as provided by the By-Laws. Each member whose dues for the current year have been paid shall be entitled to one vote at meetings of the Corporation. Only a delegate eligible under Article III, Section 2, for board membership may cast a vote. A quorum shall consist of delegates from at least twenty member cities.

Deleted: during the Annual Convention

Deleted: of the association. The

Deleted: shall be

Deleted: forty

ARTICLE V.

LEGISLATIVE POLICY

Legislative policy shall be determined by the board of directors.

Deleted: On matters of state and federal legislation, the Corporation shall attempt to coordinate its activities with those of the League of Minnesota Cities. It shall work through the League on legislative matters except which in the judgment… of the Board, independent action will of the Board, independent action will better further the purposes of the Corporation. The Corporation shall be considered as tantamount to a League committee which may initiate legislative proposals for League action or to which legislative proposals may be referred by the League for study and recommendation.¶

Deleted: of the Board, independent action will better further the purposes of the Corporation. The Corporation shall be considered as tantamount to a League committee which may initiate legislative proposals for League action or to which legislative proposals may be referred by the League for study and recommendation.¶

ARTICLE VI.

EXISTENCE

The Corporation shall have perpetual existence.

ARTICLE VII.

AMENDMENTS

These Articles may be amended at any annual or special meeting of the association. Each proposed amendment shall be distributed to each member municipality at least ten days in advance of such annual or special meeting and shall be adopted if then approved by a vote of delegates from two-thirds of the member municipalities then and there present.

The failure of any member to receive notice shall not invalidate any action which may be taken at the meeting.

Deleted: at any winter

Deleted: published in the official publication of the Corporation or maileddistr

Commented [P17]: Change to more general wording and provides additional flexability

Deleted: M

Deleted: fifteen

Deleted: winter

Deleted: M

Commented [P18]: Language used in other sections.

ARTICLE VIII.

BOARD OF DIRECTORS

The management and direction of the business and affairs of this Corporation shall be vested in a Board of Directors. The number, qualifications, term of office, method of election, powers, authority, and duties of the directors of this Corporation, the time and place of their meetings, and such other provisions with respect to them as are not inconsistent with the express provisions of these Articles of Incorporation shall be as specified in the By-Laws of the Corporation.

The term of office of each such member of the Board of Directors shall be consistent with Article III, and such director's successor shall have been elected or otherwise shall qualify.

RESOLVED FURTHER, that the President and Secretary of this Corporation be and thereby are, authorized and directed to make, execute and acknowledge a certificate embracing the foregoing resolution, and to cause such certificate to be filed for record in the manner required by law.

BY-LAWS OF
MINNESOTA MUNICIPAL BEVERAGE ASSOCIATION, INC.
(Last Revision March 2009)

ARTICLE I

Section 1. Special meetings of the Corporation may be called by the President of the board of directors. Notice of the time and place of any annual or special meeting shall be given to each member at least ten days in advance of the meeting; but the failure of any member to receive notice shall not invalidate any action which may be taken at the meeting.

Section 2. Meetings of the board of directors may be called by the President or by a majority of the board upon reasonable notice to the members of the board. Two-thirds of the board shall constitute a quorum at all meetings of the board.ARTICLE II

Section 1. The board of directors shall manage the business and affairs of the Corporation and make all necessary rules and regulations not inconsistent with law or with the articles and by-laws for the management of the Corporation's affairs and the guidance of the officers, employees and agents of the Corporation. It shall have power to employ and dismiss personnel, to determine their duties, fix their wages and require bonds of those charged with responsibility for the custody of any of its funds or property.

Section 2. The president, vice presidents, secretary and treasurer shall have the duties customarily implied by their titles.

Deleted: by mail or by publication

Deleted: in the official publication

Deleted: ¶
¶
¶
¶
¶
¶
→→→→¶
→¶
¶
¶

Deleted: Section 3. The Corporation's Legislative Committee shall be the Corporation's primary representatives on legislative issues, but shall not establish policies for the Corporation. It shall consist of four members; three… members of the board of directors members of the board of directors and the executive director. The committee shall be annually appointed by the board of directors.¶
¶
Upon a unanimous vote of the committee, the committee is authorized to disburse budgeted general and special legislative account funds.¶
¶
The committee shall interview and, upon a unanimous vote of the committee, is authorized to select contract lobbyists to represent the corporation.¶

Deleted: members of the board of directors and the executive director. The committee shall be annually appointed by the board of directors.¶
¶
Upon a unanimous vote of the committee, the committee is authorized to disburse budgeted general and special legislative account funds.¶
¶
The committee shall interview and, upon a unanimous vote of the committee, is authorized to select contract lobbyists to represent the corporation.¶

Deleted: The committee shall provide an activities update at each board meeting.¶

Section 4. Each member of the corporation board of directors shall annually perform duties as directed by the executive committee:

ARTICLE III

Section 1. These by laws may be amended by vote of a majority of those members of the board of directors present at any meeting of such board, unless waived in writing. Notice of any proposed amendment to the by-laws shall be sent to each Director at least ten days prior to the date of consideration by the board of any such amendment.

ARTICLE IV

Section 1. Board of Director elections shall be conducted in the following manner:

a) Written notification of available positions and application procedures shall be distributed to the membership at least forty-five days prior to election date.

b) Eligible candidates will fully complete and submit to the Corporation office a written application. At minimum, the written application shall include:

1) Candidate's name, address and telephone number
2) Candidate's qualifications/background
3) Reasons candidate desires to become a director

The board of directors may also determine additional candidate requirements. Completed applications must be received in the official Corporation office no later than twenty-five days prior to election date.

c) The president of the corporation shall appoint a nominating committee to nominate the elected candidates for the board of directors.

The nominating committee shall be appointed at least thirty days prior to the annual meeting of the corporation, and chosen from the current board of directors and / or past officers of the corporation, and shall not be less than three in number. The president shall also select the chairperson of the nominating committee.

Commented [P21]: Language put in a different document.

Deleted: the following

Deleted: <#>Collectively make personal contact with 100% of cities with municipal liquor operations.¶
¶
<#>Attend and participate in the Corporation's Annual Conference and Boot Camp¶
¶
<#>Attend a minimum of one of the Corporation's Regional Meetings¶
¶
<#>Attend the Corporation's activities as requested¶
¶
<#>Attend the Corporation's Legislative Day¶
¶
<#>Attend and actively participate in the Corporation's board meetings¶
¶
<#>Timely respond to executive director / member information requests¶
¶
Directors are encouraged to annually make a $50 / $100 (refundable) political contribution and attend an educational event on non-profit management.¶

Deleted: Section 5. Each member of the Corporation's board of directors shall:¶
¶
<#>Listen carefully to other Board members¶
¶
<#>Carefully consider and respect the opinions of other Board members¶
¶
<#>Respect and support all majority decisions of the Board¶
¶
<#>Recognize the authority vested in the Board¶
¶
<#>Participate actively in Board meetings and actions, and not discuss elsewhere what they are not willing to discuss in Board meetings¶
¶
<#>Bring to the attention of the Board any issues they believe will have a significant effect on the corporation or those they serve¶
¶
<#>Attempt to communicate the needs of those they serve to the Board of Directors¶
¶
<#>Refer complaints directly to the proper level on the chain of command¶
¶
<#>Recognize their job is to ensure that the Corporation is well-managed, not necessarily to manage the Corporation¶
¶
<#> Represent all those whom the Corporation serves vs. geographic or ¶
special interest groups¶
¶
<#> Consider themselves a "trustee" of the Corporation and do their best to ensure it is well-maintained, financially secure and always operating in accord with the Corporation's stated objectives.¶
¶
<#> Work to learn how to do their job better¶
¶
<#> Acknowledge conflicts of interest between their personal life and their position on the board, and abstain from voting or attempting to influence issues in which they are conflicted.¶
¶
Section 6. Each member of the Corporation's Board of Directors shall not:¶ ... [1]

Notwithstanding application deadline and process requirements, members of the nominating committee may nominate candidates for consideration,

To the extent possible, the nominating committee will consider geographical, professional sector, and gender balance when seeking and nominating candidates.
The nominating committee will conduct candidate interviews, as it considers appropriate.

The nominating committee shall nominate a slate of candidates to fill the expiring terms of the elected members of the board of directors and make its report at the annual meeting of the corporation.

Should the candidates presented by the nominating committee fail to be elected by the general membership at the annual meeting; a vote will be taken for each candidate. Those candidates receiving a majority votes from said membership will be elected to the board of directors. Resulting vacancies shall be filled by the board of directors in the manner prescribed in the corporation's articles and by-laws.

Candidate information provided to comply with this section will be distributed to the membership at least ten days in advance of election date.

d) Elections shall occur during the annual meeting of the Corporation. Votes for write-in candidates will not be accepted.

e) Unless duly authorized by the board of directors, no nominations shall be accepted in any other manner except as described in this section.

f) Failure of any member to receive notices described in this section shall not invalidate any action which may be taken prior to, at, or following the election.

g) Notwithstanding application deadline requirements, candidates applying to fill the remainder of an unexpired director term, must comply with By-Laws Article IV, Section 1. Subdivision b application requirements.

Article V.

Section 1. Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed for one or more exempt purposes within the meaning of Section 501c3 or the Internal Revenue code or shall be distributed to the federal government, or to a state or local government, for public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Formatted: Font: 12 pt, Bold

Deleted: To the extent possible, the nominating committee will seek, consider and nominate regional, professional sector and gender representation… as as candidates.¶

Deleted: as candidates.¶

Deleted: ©

Commented [P23]: Typo correction

Proud Sponsors OF MMBA

13 CELSIUS
BENZIGER family winery
BIG HOUSE WINE CO.
CHLOE WINE COLLECTION
CONCANNON VINEYARD
TRIBUTE Bold Flavors, Strong Bonds
LOVE NOIR
ALMADEN VINEYARDS
Beso Del Sol SANGRIA
flipflop
THE WORLD'S MOST POPULAR WINE FRANZIA
Glen Ellen
THE WINE GROUP
O'SHAUGHNESSY DISTILLING CO.
KEEPER'S HEART
Phillips DISTILLING CO
RC RÉMY COINTREAU
Schell's SINCE BEER 1860
SURLY BREWING CO
MN|US TATTERSALL distilling
TRINCHERO Family Estates
DIAGEO
BENT PADDLE BREWING CO.
DELICATO Family Wines
Freixenet
Segura Viudas CAVA
ROYAL WINE CORP.
BARKAN
BARTENURA PRODUCT OF ITALY
Prestige Beverage Group
Risata
ASTORIA WINES
1846 Devaux CHAMPAGNE
S.PELLEGRINO
FOLIO FINE WINE PARTNERS
HOUSE OF SMITH K | SIXTO | SUBSTANCE | Bleighton | GOLDEN WEST | CASASMITH | VINO
Wagner FAMILY of WINE
Angeline VINEYARDS
Santa Margherita
JOHNSON BROTHERS
jam jar
EST 1998 WINE MERCHANTS
Phillips EST 1912