

Vermont Department of Liquor Control

# Liquor Agency

# Application

13 Green Mountain Drive Montpelier, Vermont (802) 828-2345  
802spirits.com

# Introduction

## *Liquor Agency Application*

The agency application is a formal request from a retail business, located in the geographical area of Bradford, VT, to act as a Contract Agent (“Agent”) for the Vermont Department of Liquor Control (DLC), to store and sell spirituous liquor received on retail for a contracted term.

# Deadline

1. Please return the original Agency Application and attachments in a sealed envelope to Director of Retail Operations, Department of Liquor Control, 13 Green Mountain Drive, Montpelier, Vermont 05602. Agency Applications submitted in any other form (i.e. fax or e-mail) will not be accepted. Agency Applications and/or attachments received after 2:00 p.m. on March 7th will be disqualified.

# Disclosure

1. All information an applicant submits to DLC in furtherance of the application is subject to Vermont’s Public Records Law.
2. No application will be considered unless the certification page is signed.
3. By signing the Agency application, the applicant agrees to a criminal background check.

# Qualifications

1. Failure to meet the required specifications or providing insufficient information may result in disqualification or a reduction of evaluation points. Providing inaccurate or false information may result in disqualification of the applicant.
2. The DLC may, in its sole discretion, reject any or all applications if the applications are not satisfactory to the DLC or if the DLC decides not to proceed with the Agency at that time.

## **Restrictions**

1. General consumption of alcohol beverages at an Agency premises are prohibited. Tastings of beer, wine and spirits may be allowed under appropriate permits.

## **Bonds**

1. If selected, Agent must obtain a surety bond (“bond”) in \$10,000 or based upon inventory maintained by Agent. The bond shall designate DLC as the payee/obligee and is required pursuant to Agency Contract.
2. If chosen, all liquor agency bonds must be renewed annually. If the Agent acquires the bond through an independent sales agent, a copy of the surety bond must be mailed and received by Retail Operations each year. This will be the responsibility of the Agent; late submissions will affect the incentive commission.
3. If selected, the Agent shall file a surety bond or irrevocable letter of credit in \$10,000 or another amount determined by the Commissioner. No warranty is made that the coverage’s and limits listed herein are adequate to cover and protect the interests of the Agent and the Agent’s operations. These are solely minimums that have been set to protect the interests of the State. The Agent shall pay all premiums directly to the bonding company. It will be the Agent’s responsibility to insure this is updated yearly at the Department.

## **Training**

1. Applicant agrees that, in accordance with the Agency Contract, each person involved in the sale of spirituous liquor will attend and satisfactorily complete DLC’s Alcohol Servers Education and Certification Program as scheduled by DLC.
2. All new employees hired after the effective date of the Agency Contract that will be involved in the sale of spirituous liquor will attend and satisfactorily complete the Alcohol Servers Education program. All training must be completed within 4 months of being hired.

## **Requirements**

1. The applicant must provide the minimum space and equipment advertised. The applicant must also insure that the following criteria are met; broadband connection, shelving for product, counter space for POS system and any other items the DLC may require. The DLC will provide the product, training materials, POS system and receipt paper. The applicant must be able to commence sales within a specified time noted in the contract.

## **Deliveries**

1. Regular deliveries of spirituous liquor will be made to the Agent weekly or biweekly from department trucks tentatively between the hours of 7:00 a.m. and 2:00 p.m., Monday through Friday. The exact delivery time may vary during holidays and due to emergency circumstances. It is the Agent's responsibility to provide staff to receive the order.

## **Pricing/Reporting/Depositing**

1. The spirituous liquor prices are calculated and set by DLC.
2. The Agent will be required to prepare daily reports for spirituous liquor sales and other essential data and send to DLC through nightly polling via POS system.
3. Agent must deposit daily all monies from the sales of spirituous liquor into an account at a financial institution and have the receipts available for electronic transfer into DLC's financial institutions account on Wednesday of each week.

## **Commission**

1. Agent's commission will be 6.7% of gross sales plus the agent's total earned incentive points. Incentive points are built on performance objectives, which will be rated over the course of the previous year for payment for the following fiscal year. Base commission will start at 6.7%, earned incentive points can amount to as much as 1.5%, and total possible commission can be as much as 8.2%.
2. Commission payments are based upon gross retail sales of spirituous liquor reported to DLC, minus state and local sales tax, which are included in the selling price.
3. Commissions are paid twice monthly on gross retail sales from the first of the month through the fifteenth and again from the sixteenth through the last day of the month.

## **Evaluation Process**

1. DLC's staff will meet on site with each applicant providing a complete qualified application to justify the disposition of their application.
2. The DLC's staff will review each application that has been timely received; award points designated in accordance with the criteria set forth by Board policy or rule, and provide the point assessments of all applicants and its recommendation to the Liquor Control Board, who has the discretion to select the Agent.

3. In the event that two or more otherwise qualified applicants receive an identical number of evaluation points, both applications will be provided to the Commissioner of DLC for his/her consideration.

## General Information

1. Agents may qualify for a Liquor Agency Contract which example is attached to the application for information purposes.
2. Any questions can be directed to DLC, Director of Retail Operation at (802) 828-2345

### Section A- Personal/Business Information

Applicants

First Name \_\_\_\_\_ Middle Initial \_\_\_\_ Last Name \_\_\_\_\_

Corporate Name \_\_\_\_\_

Proposed Business Address: \_\_\_\_\_

Business Phone \_\_\_\_\_ Home Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_

Contact Person \_\_\_\_\_

**Please provide 3 Business references when you submit your application.**

### Section B- BASE CRITERIA-

The following items are a must to be considered a final applicant for an Agency. Please explain your answers.

1. Is the entrance to the business accessible to a person in a wheelchair?
2. Is the external lighting bright and functional; ensuring the safety of staff and consumers?

3. Is there a view of the entire sales area from behind the retail counter?
  
4. Are there security measures in place inside/outside the building?
  
5. The applicant must disclose any bankruptcy, pending bankruptcy, receivership or other insolvency proceeding filed by or against the applicant in the past 3 years.
  
6. Are all federal, state, local and business (i.e. sales, workers' compensation and unemployment compensation) taxes current and paid or a plan on file with the tax department to come current. Please provide a letter of good standing from the Department of Labor in reference to the above.
  
7. Applicant will need to provide certificate of liability insurance with proof the policy is in effect before the contract can be awarded.

## **SECTION C- PHYSICAL SITE**

1. Does the business have off-street parking or on-street parking? What is the parking area's surface and condition? Is there easy access to and from the parking area to the street?
  
2. Please enclose a store layout diagram with a drawing of the proposed liquor area.



## **SECTION D. Financial Data-**

1. Provide a Business plan.

Our expectations will include; detailed capital and estimated expenses needed to operate the liquor agency for the first year. Provide a letter or statement from the bank or other financial institution which certifies there are existing funds for the set up and first year operating costs.

2. Provide either a personal credit report or business credit rating produced by a reputable credit bureau.

3. List all proposed partners, shareholders, members, investors, etc., and the extent of each person's interest and/or investment. Corporations, partnerships and limited liability companies must submit a current dated copy of their Certificate of Good Standing issued by the Vermont Secretary of State.

4. List any previous retail experience and/or submit a résumé.

5.If there is a lease/rental contract of the building; please provide official documentation showing an agreement with the real property owner.

## **SECTION E – BACKGROUND HISTORY**

**(Background Check to be done by Department of Liquor Control)**

1. List all alcoholic beverage experience. Include businesses holding liquor permits or permit premises employed within the past 10 years. Disclose all liquor law violations. List any existing or previous DLC contracts or licenses held.
  
2. Disclose any crime or criminal incidents (i.e. robbery, burglary, assaults, etc.) which have occurred at the proposed site within the last 2 calendar years. Provide supporting documentation (i.e. police incident reports). Provide any documentation on how you made your establishment safer.
  
3. Disclose any criminal convictions, and enclose information with this application. Applicant must agree to provide any data or information about any and all employees, officers, investors, shareholders or other persons connected with the applicant's business, upon request by the Division and as a condition precedent to Contract award. Note: Felony conviction of applicant, partner, member, officer, director or stockholders of applicant may be grounds for disqualification.

