

OUTPOST SPIRITS

BUSINESS PLAN

SUMMARY

Outpost Spirits is a retail liquor outlet and sundry shop located at 3900 North Wolf Creek Drive in Eden, Utah.

Outpost Spirits will offer packaged liquor, mixers and soft drinks, as well as snack foods, magazines, souvenirs and other miscellaneous items.

Outpost Spirits will be open to the general public.

Outpost Spirits will be operated by SMHG Management, LLC, which is the manager of Powder Mountain Ski Resort.

DABC AUTHORIZATION

Outpost Spirits will sell packaged liquor for off-premise consumption under a "Package Agency" contract with the Utah Department of Alcoholic Beverage Control (DABC). Outpost Spirits will be designated by the DABC as a "Type 1" Package Agency, which is specifically intended to serve resort environments, such as hotels, ski lodges and summer recreational areas.

LOCAL DEMAND

The nearest State Liquor Store is located approximately 25 miles from Eden. As such, the packaged liquor portion of Outpost Spirits' business will provide a much-needed service to local residents and the thousands of vacationers who enjoy Ogden Valley's resorts and recreational areas throughout the year. This may also have the added benefit of reducing traffic through Ogden Canyon, particularly during holidays and weekends.

The sale of soft drinks, snack foods, magazines, souvenirs and other miscellaneous items will provide an additional amenity for Powder Mountain Ski Resort patrons and residents of the various subdivisions located in and around Wolf Creek Resort.

HOURS OF OPERATION

The DABC allows Type 1 Package Agencies to operate from 10:00 a.m. until 12:00 midnight, Monday through Saturday. The actual operating hours may be less at the discretion of the Package Agent with approval from the DABC.

Outpost Spirits will likely operate during the same or similar hours as the "North Fork Table & Tavern" which will be located in the same building.

SALES REVENUE & PROFIT

The packaged liquor portion of Outpost Spirits' business will not generate any profit whatsoever. As mandated by the DABC, Outpost Spirits must sell packaged liquor at the exact same price Outpost Spirits paid at either the DABC Warehouse or a State Liquor Store. As such, the packaged liquor portion of Outpost Spirits' business will be provided merely as a convenience to Powder Mountain Ski Resort patrons and members of the general public.

Outpost Spirits expects that revenue and profits from the sale of miscellaneous non-alcohol items will vary with the seasonal influx of vacationers, but anticipates a fairly steady base of local customers for such miscellaneous items even during the “off season”.