

# Liquor Agency Application



**DEPARTMENT OF LIQUOR AND LOTTERY  
DIVISION OF LIQUOR CONTROL**

13 Green Mountain Drive  
Montpelier, VT 05602  
(802) 828-2345  
802Spirits.com  
[Liquorcontrol.vermont.gov](http://Liquorcontrol.vermont.gov)

# Introduction

## *Liquor Agency Application*

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

Please return the original Agency Application and attachments in a sealed envelope to Director of Licensing, Vermont Department of Liquor & Lottery, 13 Green Mountain Drive, Montpelier, Vermont 05602. Agency Applications submitted in any other form (i.e. fax will not be accepted.)

# 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

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”) based upon a formula determined by the DLC. 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 coverages 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 before an employee may be involved with the sale of spirits.

## Requirements

The applicant must provide the minimum space and equipment advertised. The applicant must also ensure that the following criteria are met; broadband DSL 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

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 have available daily reports for spirituous liquor sales and other essential data.
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 Board of Liquor & Lottery that has the discretion to select the Agent.
3. If two or more otherwise qualified applicants receive an identical number of evaluation points, both applications will be provided to the Commissioner of the Vermont Department of Liquor & Lottery for his/her consideration.

# General Information

Agents may qualify for a Liquor Agency Contract, an example of which is attached to the application for information purposes.

Any questions can be directed to DLC, Director of Licensing at (802) 828-2348

## Section A – Personal/Business Information

### *Applicant(s)*

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.

Attached

## **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.

Attached

3. Where is the proposed receiving area? Explain in detail location of receiving area, size, security and how deliveries will be received.

4. Applicant must provide shelving for the display of spirituous liquor. Please enclose a store layout diagram with an exact drawing of the proposed liquor shelving display.

Attached

5. Applicant must provide a minimum amount of square feet of floor space or end caps to allow for seasonal or new product promotional displays. Show the proposed floor display area(s) on a store layout diagram with exact measurements of each area.

Attached

6. Applicant must provide a minimum amount of square feet of storage for the reserve liquor inventory. Where in the store will the spirituous liquor be stored? How secure is the storage area? Does the store have a night security system?

7. Licensee customers will place and pick-up orders during regular Business hours. How and where will the business service the licensee customers?

## **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.

Attached

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

Attached

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 Vermont Department of Liquor & Lottery, Division 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 DLC 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.
4. Disclose any bankruptcy or pending bankruptcy, receivership or other insolvency proceeding filed by or against the applicant.
5. Disclose whether applicant is currently a defendant in any pending lawsuit in which monetary damages are being sought or whether applicant currently has any outstanding debts more than 45 days overdue. If so, provide explanation on a separate sheet of paper with full documentation.

I/We certify that I/We have read the Agency Application and Agency Contract. I/We agree to comply with all provisions of these documents upon award of the Contract. Further, I/We certify that all the information provided in the application submitted for this site is complete and accurate to the best of my/our knowledge.

I/We understand that providing materially false or misleading information will result in the immediate disqualification of the application or the termination of the Agency Contract awarded pursuant to such an application.

---

*Applicant's Name (Please Print)*

---

*Applicant's Signature*

---

*Applicant's Title*