



INFORMATION SHEET

FOR NEW RETAIL LIQUOR LOCATIONS

The Commission will consider proposals for retail liquor locations to be operated as exclusive or non-exclusive in Benton, Lane and Linn counties. These locations may be:

- Exclusive - Traditional retail liquor locations selling only distilled spirits and authorized related items (i.e. mixers, tobacco, glassware)
- Non-Exclusive - Distilled spirits are sold in conjunction with another business which may include beer, wine and growlers

Keep in mind:

- There are limitations on who can be appointed a retail sales agent. Please review the document "Acknowledgement of Eligibility" in the application packet for further information.
- It may take years to build the business.
- Sales vary within seasons and economic conditions.
- An exclusive liquor store can only sell authorized related items. (This may be limited by leasing restrictions).
- Licensees (i.e. restaurants, bars) are able to purchase distilled spirits at any retail liquor location within the state.
- A separate Off-Premises Sales license must be obtained to sell beer, wine, cider and some vermouths. Sales of beer, wine, cider and vermouth to licensees is prohibited.
- Agents will pay all expenses to operate the liquor store from monthly compensation.
- The state provides the distilled spirit inventory. Retail sales agents do not purchase or own the distilled spirits inventory.
- Cities and counties may require other license types or permits to operate in their jurisdiction.

SALES AND COMPENSATION

Sales will vary based on the location and the number of products available for sale.

Compensation calculated based on store type		
Exclusive Liquor Store		Non-Exclusive Liquor Store
Compensation for an exclusive agent operating this type of store is a fixed monthly base rate based on liquor sales ranging from 14.25% of the first \$10,000 of monthly distilled spirit sales to \$2,700, plus two variable rates. Currently, the variable rate for consumer sales is 8.15% and for licensee sales is 6.36%. Variable rates are periodically adjusted during a biennium to meet Legislative mandates.	OR	Compensation for a non-exclusive agent is 14.25% of the first \$10,000 of monthly distilled spirit sales, plus two variable rates. Currently, the variable rate for consumer sales is 8.15% and for licensee sales is 6.36%. Variable rates are periodically adjusted during a biennium to meet Legislative mandates.
Please see Compensation for Retail Sales Agents document.		

CONDITIONS OF APPOINTMENT

- A. Hours of operation to sell distilled spirits: No earlier than 7 a.m. or no later than 10 p.m. any day of the week; required minimum of 8 hours per day Monday-Saturday which must include the hours between 12 noon and 6 p.m.
- B. Present a Statement of Funding Sources and supporting documentation showing adequate finances for:
 1. Start-up costs, operating expenses (rent, payroll, etc.), store improvements, fixtures and equipment, etc.
 2. Purchase a point-of-sale cash register computer system or reconfigure an existing computer system to meet reporting requirements to OLCC. The system must transmit daily liquor sales and daily liquor inventory to OLCC beginning on the opening date. The required daily inventory information will also be posted to OregonLiquorSearch.com. The bank card processing system must be separate from any other computer system and comply with Payment Card Industry Data Security Standards from the opening date.
 3. Meet the operating expenses of the liquor location for two months before receiving compensation.
Note: If applying for more than one location financial documents must show sufficient funds for all locations.

- C. Account for State Revenue - All state revenue must be accounted for in a specific manner. Deposits of cash and checks must be (in most cases) deposited daily into a state treasury account and bank cards must be processed at the close of business each night into a state treasury account. Revenue from the sale of the state's product cannot be co-mingled with other non-liquor business revenue.

Required Data Transmissions - OLCC requires certain data to be transmitted in a specific format. Contact Retail Services for the required specifications that are currently in place or to obtain a list of POS computer system vendors with enhanced sales, inventory and ordering capabilities that are currently being used in liquor stores.

- D. The retail location must have high speed internet and a store specific e-mail account.
- E. Individual applicants must qualify for a fidelity bond.

OLCC RECOMMENDATIONS FOR THE RETAIL LIQUOR LOCATION

- A. Recommended Hours: Monday-Saturday 10 a.m. to 9 p.m.
Sunday 10 a.m. to 8 p.m.
(OLCC recommends retail liquor locations be open on Sunday and holidays to meet consumer convenience and demand.)
Maximum hours: Sunday-Saturday 7 a.m. to 10 p.m.
- B. OLCC recommends:
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| Recommended Minimum Fixtures and Equipment: | 84" high, 22-24" deep heavy duty metal shelving (wall units)
84" high, 14-16" deep heavy duty metal shelving (wall units)
42" or 48" high, 19-22" deep heavy duty metal gondola shelving (sales floor)
Install sales floor shelving along perimeter walls
Racking for stockroom
Modern checkout counter
Highly visible illuminated exterior sign and a neon open sign
Modern wall color and flooring
Creative decor and category signs |
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APPLICATION PROCESS

- A. Applicants may apply as an individual or one legal entity only. Applicants are required to complete the appropriate application for appointment type. If an incomplete application is submitted, the application will not be considered.
- B. If applying for more than one retail liquor location, submit a separate application for each.
- C. To be considered, a completed application packet including a detailed business plan must be received at OLCC's main office in Portland by 5 p.m. Friday, October 14, 2016.

Main Office: OLCC, 9079 SE McLoughlin Blvd., Portland, OR 97222-7355
Mailing Address: OLCC, P.O. Box 22297, Milwaukie, OR 97269-2297
Attention: Retail Services Division

- D. Applicants with questions regarding the process may contact:

Retail Services
503-872-5020
OLCC.RetailServices@oregon.gov

SELECTION PROCESS

- A. A staff screening committee will evaluate and rank all applications.
- B. Highest ranking applicants will be selected for a personal interview at OLCC's main office in Portland, Oregon.
- C. Finalists will be invited to a future public commission meeting to present the detailed business plan that was submitted with the application to the Board of Commissioners.
- D. Selection and appointment of a finalist will be made by the Board of Commissioners after all finalists have presented.

(RE 07/16)