

STATE OF NEW HAMPSHIRE
NH LIQUOR COMMISSION
RFP 2012-14
Warehouse Services for Spirits & Wine Product,
Equipment & Supplies

Proposal Offer

The undersigned hereby offers to provide to the New Hampshire State Liquor Commission the services indicated in this Proposal at the pricing quoted herein in complete accordance with all conditions of the Commission's Request For Proposal.

Name: Distributech, LLC

Address: c/o Rath, Young and Pignatelli, P.C.
One Capital Plaza, Second Floor
Concord, NH 03302-1500

Telephone: 603-496-0689

By: Michael Goclowski 
Manager
Type or print name and title

THIS PROPOSAL OFFER IS NOT VALID UNLESS SIGNED BY A PERSON AUTHORIZED TO LEGALLY BIND THE VENDOR.

This Proposal offer must be executed by the Vendor and attached to the front of its submission.

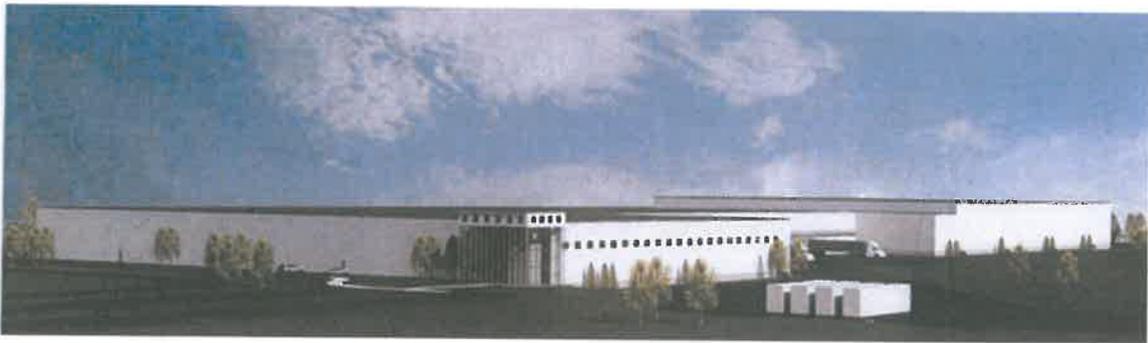
This Proposal is to remain valid for a period of 210 days from the Proposal due date.

Execution of Proposal Offer form signifies agreement to enter into a contract with the NHSLC which contains the General Provisions described in APPENDIX E

Proposal
for
Warehouse Services for Wine and Spirits
and Related Products

Dated: June 7, 2012

In Response to RFP 2012-14



New 334,000 sq. ft. Facility

Submitted by:

Distributech, LLC

One Capital Plaza

Concord, NH 03302-1500

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Section I

Executive Summary

Section I - Executive Summary:

Distributech, LLC (“Distributech”) is pleased to propose a technically modern and operationally efficient approach to serving all of the bonded warehousing needs of the New Hampshire State Liquor Commission (the “NHSLC”) for the next twenty (20) years. We propose a New Hampshire-based partner – responsible, focused, and dedicated to working with the SLC to grow the State’s liquor business. Our proposal includes detailed financial, staffing and operational plans that address each of the requirements of the NHSLC’s March 28, 2012 Request for Proposal 2012-14 (the “RFP”). Distributech’s proposal will demonstrate and provide NHSLC with the confidence and assurances it needs to select a business partner for the next 20 years who offers:

- A team of seasoned, knowledgeable, dedicated industry veterans;
- A thorough understanding of the liquor and warehouse businesses;
- A new state of the art facility specifically designed for New Hampshire’s needs;
- Secured financing;
- Predictable prices and costs; and
- Complete transparency.

Why Distributech? Distributech has been formed and funded for the specific purpose of addressing all of the NHSLC’s warehousing objectives. Distributech’s experts are an experienced team of warehousing professionals who completely understand the unique business rules and aggressive profitability goals of the NHSLC. Distributech will successfully unify and control the supply-side of bailment warehousing within a transparent and highly efficient business model.

Distributech’s founding purpose, qualifications, plans and financing will provide the NHSLC with a

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number of significant and sustainable benefits:

(1) Detailed and Customized Planning: Distributech has a clear plan to perform a smooth migration of inventories and services. Our site has a completed development schedule, a fully engineered building plan, a completed site plan, a completely engineered automation system, and a practical development and transition schedule that is set to begin immediately upon the award.

(2) NH Specialists and Warehousing Experts: Distributech is composed of (i) experienced executives with knowledge of the NHSLC's rules, policies, processes (including computer programs) and expectations; and (ii) experts in liquor warehousing and distribution. As a result, we believe our team is uniquely qualified to provide a seamless transition of both technical and logistical services without business interruption. Distributech occupies a flexible and agile position --where its new facility, technologies and people are modeled to match New Hampshire's own business model needs.

(3) Simpler Warehouse Financial-Business Model and Clear Costs/Rates: Distributech offers an economical and equitable billing system for warehousing services --ultimately leading to a means of demystifying the true cost of conducting the wine and spirits warehousing business in New Hampshire. Our Alternative Price Proposal (Appendix D-2) will provide the NHSLC with a powerful tool in managing this key component.

(4) Transparency and Unification into NHSLC Operations: Distributech is committed to making the warehouse billing system transparent to the NHSLC. We propose a simple and direct means for the NHSLC to directly take over, present and collect the billings for the bailment warehousing system;

(5) Live and Integrated Inventory Reporting Systems: Distributech will fund the entire costs of modernizing information exchanges and reporting between the proposed warehouse and the NHSLC.

This will permit the NHSLC to receive our warehouse data and host all inventory and warehouse

activity reporting services on the Commission’s web servers live and direct. Thus, we eliminate the need for separate or extra “warehouse ERP” technology contracts.

(6) Warehousing Automation with Very Studied Attention to NH’s Actual Liquor Business:

Distributech’s multi-million dollar investment into automating the warehouse operations for the NHSLC is the byproduct of a well-thought-out and diligent analysis by our team and two of our prime contractors (The Stahlman Group and W&H Systems, Inc. – national leaders in the wine & spirits distribution industry). As a result, we are building a technologically progressive system that capitalizes on best practices from the beverage distribution industry nationally -- resulting in an optimally automated solution for the NHSLC.

(7) Coordinated Integration of State Employees: We are open to contracting with the NHSLC for the services of the full-time employees at the Storrs Street warehouse. Together with our staff, they will team up to perform: the Concord warehouse inventory migration; the old warehouse migration; the management of State store schedules and performing picking operations.

(8) Elastic Storage Capacities and Flexible Service Capabilities: Our facility has been custom-designed for the NHSLC. Our building design, internal racking-conveyor systems, man-power build-out, and automation designs are all geared for many years of consecutive compounded growth.

(9) Partnership-Service Exclusive Focus: Distributech is the one company that is formed and will be operated exclusively to meet the present and future needs of the NHSLC. We are from NH and are custom-shaped to be the proud and compliant fiduciary warehousing agent of our State.

(10) Strategic Proximity to the Liquor Commission Building and Central Location: Our Concord-area site has new high-bay 334,000 square foot facility that includes a designed capacity of almost 13.8 million cubic feet with a peak storage capacity of 1,240,000 cases. We have **(a)** a 5 to 9 year plan to

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re-invest and expand automation to adjust alongside NHSLC sales; **(b)** immediately implementable designs for additional racking systems for large-scale product selection expansion; **(c)** designs that can adjust for “unlimited bottle-picking expansion” in pick-able SKUs and volume to meet future NHSLC retail orders of mixed cases to State stores, or shipped directly by FedEx and UPS; and **(d)** a site ideally suited to host the potential construction of new offices for the NHSLC and or local brokers.

(11) Strong Financing: Finally and importantly, Distributech has \$40,000,000 of financial backing from an extremely well-known and respected firm, W.P. Carey. W.P. Carey has issued a letter of intent to Distributech that sets out its commitment to fund \$40 million for the acquisition and development of the warehouse site and 334,000 sq. ft. facility, the equipping and automation of the facility, as well all of the initial working capital in order to launch the contract in a timely manner. Distributech is very pleased to have W.P. Carey on board for this undertaking.

OUR SENIOR TEAM MEMBERS:

Mike Goclowski, JD – CEO, Manager of Distributech

John Goclowski, Jr. MS, CPL –Director and Adviser of Warehouse Logistics

Richard Nordt –Vice President of Warehouse Operations

Steve McSweeney –Warehouse Manager

Fred Fairneny –Warehouse Manager of Mixed Case Operations

Marta Greenberg –Business and Technical Operations Manager

Bill Wagner – Director and Finance Adviser

Tom Bullock –Director and Warehousing Adviser

Paul Laman –Director and Chief of Warehouse Automation Systems

Richard Smalto –Director and Chief Financial Adviser

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Our directorship is paid based upon the throughput of the warehouse. With the high value of their combined experience, they are the formal group of advisors that will objectively guide and support Distributech's mission.

Ex-Officio Directorship: We propose that the NHSLC maintain an ex officio seat on Distributech's Board of Directors. They will help provide guidance and counseling for the warehousing operations. The direct connection between the NHSLC and Distributech leadership would also guarantee that all operations are transparent.

Broker Steering Committee: Given New Hampshire brokers' critical role and understanding of the industry, we see benefit in providing recognition of their role and recognizing their vested stake in the process. We would propose the creation of a five-member Broker Steering Committee with the goal of promoting cooperative communications, marketing initiatives, improved customer service and sales growth.

WHAT WE ARE DOING --A NEW SITE AND 340,000 SQ. FT. FACILITY:

Distributech engaged the services of the Stahlman Group, the premier facility design, engineering and construction management group in the beverage and food industry. They have over 30 years of national-level experience for companies like Centrex Distributors, United Distributors, Empire Distributors, Origlio Distributors, Monarch Beverage, Demoulas Supermarkets, Stonyfield Farm, Coca Cola, Peps-Cola, Kraft and an extensive listing of many other distribution centers that each have required customized solutions and build-outs. The Stahlman Group has completed Distributech's site plans, internal processing and handling plans and construction designs.

WHAT WE ARE DOING --THE INTERNAL WORKINGS OF THE NEW FACILITY

The Stahlman Group also introduced us to their strategic business partner --W&H Systems, Inc. These two companies created a team with us to study the NHSLC's business data for more than a year. The study included a detailed analysis of the velocity profiles and volumetrics of the product SKUs, namely, the averages, peaks and seasonality of the full cases and individual bottles shipped as well as the overall inventory. They also studied the required shipping volumes and order profiles including the unique distinctions of the deliveries to the State stores, chains and restaurants. Understanding the business profiles and details was critical to developing an innovative process and technology solution.

W&H Systems is one of the most highly recognized designers and integrators of automation and software for case picking, handling and inventory systems in the United States. Their portfolio of clients is literally a who's who list of the wine & spirits industry, including Southern Wine & Spirits, Johnson Brothers, Horizon Beverage, Winebow, Wirtz Beverage, Empire Merchants, Charmer-Sunbelt and dozens of the largest regional wine & spirits distribution centers nationally.

Distributech carefully incorporated NHSLC data into its business model and strategy: The Distributech team began by studying the historic data of the NHSLC from both existing warehouses. All logistics have been matched against the NHSLC's rules and its specific business processes. All designs and internal operations are structured to anticipate the needs and meet the requirements of the NHSLC.

Distributech designed a more efficient and larger single site that can more economically integrate all products together and be poised for continuous growth. With new layouts and specialized hybrid staffing and automation, Distributech's designs and business plans are geared toward significant

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expansion of the NHSLC's business. By design, the current facility configuration can easily host 50% spikes or continued growth beyond the expected 5 million case level of FY2013. We have designed with the goal of optimizing the operation so that it can respond to seasonal fluctuations in demand, as well as grow significantly throughout the length of this contract.

CHANGE IN BUSINESS APPROACH AND PHILOSOPHY:

Over the last decade, and even earlier, the NHSLC has successfully grown its retail operations. The on-premise and off-premise sectors also have become very important drivers within the NHSLC's wholesale business enterprise that seeks, by its own directive, to maximize profits. On the supply side, wine & spirits suppliers and their in-state brokerage companies have all evolved into active partners of the NHSLC. The NHSLC, its suppliers and the brokers have demonstrated a powerful collective ability to launch new products, improve merchandising, create aggressive marketing campaigns and operate at least as capably and profitably as the private sector.

We will invest and reinvest in new services to support the NHSLC's business objectives and the goals of the broader community of suppliers and brokers. Because all product movement into and around New Hampshire is critically dependent upon the efficiency, services and costs associated with the NH state-controlled "bailment warehouse" system, every member of the supply-chain – all the way down to the consumer - can benefit from an enhanced and improved warehouse operation. By partnering with W&H Systems to build out Distributech's facility, the NHSLC and Distributech will be able to meet or exceed the operation/standards of the most efficient and customized distribution centers in the United States.

DISTRIBUTECH'S PROPOSAL MEETS THE GOALS AND OBJECTIVES OF THE RFP:

(1) Our team, its experience, its approach and its ability to execute the plan are all credible. We are

experienced and well regarded in the industry. We know what needs to be done, and we have the proven ability to accomplish the tasks, while reducing risks to the NHSLC.

(2) Our plan involves the participation of all interested parties in a continuous effort to maximize the efficiency and profitability of NHSLC’s distribution system to the point of national recognition.

(3) Distributech is starting with the most modernized systems available. Without the business risks and delays associated with upgrades or the transitioning of legacy systems, we have the unique opportunity to customize all physical, technical and businesses processes and systems to meet the current and future needs of the NHSLC business.

(4) Our pricing system is customized to be in the best interests of the NHSLC as well as simple, predictable and economical for the suppliers. From the start, our alternative price proposal will annually produce significant and sustainable benefits:

-
- a. Over \$400,000 annual savings in the NHSLC’s Concord warehouse labor costs
 - b. Over \$1,500,000 annual savings in complex miscellaneous assessorial fees
 - c. Over \$150,000 annual savings in the NHSLC’s annual physical inventory charges
 - d. Over \$300,000 annual savings in managing broker/supplier reporting systems
 - e. Over \$200,000 annual savings in labeling/relabeling charges to the vendors
 - f. Over \$1,200,000 annual savings in long-term storage fees (“Comatose” stock)
 - g. Over \$150,000 greater profits from lower mixed case bottle picking fees
 - h. Cost-free, indefinite storage of 35,000 cases of NHSLC-owned stock
-

(5) Suppliers will have predictable distribution costs that will enable them to become more aggressive in lowering their cost to the NHSLC. Predictability yields savings. Predictability will enable suppliers to more fairly price existing and new products through the life of the contract.

(6) For the first time, the NHSLC will have transparent access to the entire warehousing and distribution business. The NHSLC will truly be a partner with Distributech, and together we will

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develop the best system available to meet the needs of the NHSLC, its business partners, and its customers.

(7) Distributech proposes to establish and bear the entire costs of modernizing information exchanges and reporting between the proposed warehouse and the NHSLC. We propose to do this without added cost or the need for separate or extra NHSLC technology contracts. Distributech is a new company formed for the exclusive purpose of becoming a 20-year partner with the NHSLC.

(8) Distributech will work with the NHSLC to meet aggressive deadlines and discuss required adjustments. In order for this project to be completed on time, it is imperative that the NHSLC select and negotiate with the successful bidder as soon as possible. Distributech stands ready to move forward immediately. The balance of our response will provide the Commission with the exciting details of our proposal. We propose the opportunity to deliver a controlled, creative, transparent, customer-focused and profit driven partnership.

Thank you for your consideration.

End of Executive Summary

Section II

Glossary

Section II – Glossary of Terms and Abbreviations

GLOSSARY OF TERMS AND ABBREVIATIONS

The terms used in this Proposal have the meanings set forth below:

- “Alternative Price Proposal” means Distributech’s alternative price proposal submitted as Appendix D-2.
- “Cubiscan” means the hardware and software used to measure, weigh, scan and record all unknown barcodes and photograph product; data from this enters the WMS and WCS.
- “Distributech” means Distributech, LLC
- “Early Wave Cases” means cases that have been picked and need to wait for the next wave of orders.
- “FRS” means functional requirement specifications; the document that defines and specifies the warehouse handling systems.
- “FTP” means file transfer protocol.
- “High Volume Area”, as defined on Page 53 of Proposal
- “Highjump WMS” means the warehouse management system software that controls and tracks all warehouse activity.
- “HMI Podium” means a touch screen control center for troubleshooting and auditing operations.
- “Hospital area” or “Hospital Lane,” means an automated conveyor to isolate Mis-Picked Cases.
- “Hub”, as defined on Page 53 of Proposal
- “Jackpot area” or “Jackpot Lane,” means an automated conveyor to isolate unscannable labels.
- “Late Wave Cases” means add-on cases of Product.
- “Medium/Low Volume Area”, means the warehouse zone where slower moving items are stored.
- “Mis-Picked Cases” means items that were not on the customer order but were mistakenly picked.
- “Mixed Cases,” means manually created partial cases of multiple items.
- “NH Code” means the New Hampshire product identification number.
- “No-Reads” means cases of Product with labels that could not be scanned.
- “Order Lanes”, means mechanized conveyors with capability to segregate customer orders.
- “Pick to Pallet” means direct picking during order processing onto shipping pallets.
- “Picked Ok Cases” means cases that are confirmed to match the ordered item.
- “Pickers”, are warehouse employees that select items to fulfill orders.
- “PTV” means Pick to Voice System, as defined on Page 54 of Proposal
- “Quality Control Picker” means a staff member dedicated to quality assurance, ensuring post-pick accuracy.
- “Re-circulation Lane”, as defined on Page of Proposal
- “Refrigerated High-Valve Area”, as defined on Page 62 of Proposal
- “RFP” Request for Proposal.
- “SKU” means a separately kept unit individual item.
- “Vendor”, as defined in Section 1 of RFP
- “W&H” means W&H Systems, the subcontractor providing the warehouse automation control system.
- “Waves”, as defined on Page 57 of Proposal
- “WCS” means Warehouse Control System, as defined on Page 54 of Proposal
- “WCS Merge Computer” means the server for the WCS.
- “WMS” means Warehouse Management System, as defined on Page 54 of Proposal

Section III

Response to RFP Sections

Section III – Response to RFP Sections

Section III – A

General Responses to RFP Sections

A. GENERAL RESPONSES TO RFP SECTIONS

Section of RFP	Response
1.0 Definition of Terms	Understood
1.1 Purpose	Understood (See detailed proposal below)
1.2 Schedule of Events	Understood
1.3 Issuing Office	Understood
1.4 Vendors' Conference	Understood
1.4.1 Alteration of RFP	Understood
1.5 Terms of Submission	Understood
1.5.1 Nature of Proposal	Understood
1.5.2 Proposal Offer	Understood (See executed Proposal Offer attached)
1.5.3 Amendments to this RFP	Understood
1.5.4 Assignment Provision	Understood
1.5.5 NHSLC's Options	Understood
1.5.6 Public Information	Understood
1.5.7 Liability	Understood
1.5.8 Inspection of Records	Understood; exception requested as to audited financial statements as Vendor is a newly formed entity for which financial statements have never been prepared
1.6 Proposal Submission	Understood; Vendor has submitted three (3) hard-copy originals, eight (8) identical copies and one (1) electronic copy on CD-ROM in MS Word

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1.7 Preparation of Submission	Understood
1.7.1 Minimum Response	Understood
1.7.2 Mandatory Requirements	Understood
1.7.3 Innovation	Understood (See detailed proposal below)
1.7.4 Financing	Understood (See Section III D below)
1.8 The Americans with Disabilities and USA Patriot Acts	Understood
1.9 Contract Performance Bond	Understood (See evidence that surety can be furnished attached as Exhibit A hereto)
1.10.1 Duration of Contract	Understood
1.10.2 Exclusive Contract	Understood
1.10.3 Rates	Understood (See Appendices D, D-1 and D-2 Alternative Price Proposal)
1.10.4 Rate Changes	Understood
1.11 Monthly Billing Summary	Understood
1.12 Supportive Materials	Understood (See detailed proposal below for proposed differences in operations)
1.13 Property of NHSLC	Understood
1.14 Disclosure of Proposal	Understood; no information designated as Vendor Confidential Information
1.15 News Releases	Understood
1.16 Use of Electronic Versions of This RFP	Understood
1.17 Proposal Format	Understood (See Section IV for attached documents)
1.18 Confidentiality/Sensitive Information	Understood

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1.19 Form of Contract	Understood
1.20 State Funding	Understood
1.21 Subcontractor	Understood (See subsection III C below)
1.21.1 Conflict of Interest	See subsection E below
1.22 Proposal Guaranty	Understood (submission includes \$50,000 certified check)
1.23 Venue – Merrimack County	Understood
1.24 RFP Protest Process	Understood
1.25. Contract Transition Period	Understood
2.1 Introduction	Understood (See detailed proposal below)
2.2 Factors Affecting the NHSLC's Operation	Understood
2.2.1 Transportation and Access	Understood (See detailed proposal below)
2.2.2 Operation	Understood (See detailed proposal below)
2.2.3 Interface	Understood (See detailed proposal below)
2.2.4 Relationship with NHSLC Suppliers	Understood (See detailed proposal below)
3.0.1 A Single Warehouse	See subsection III F below
3.0.2 Location of Product	See subsection III F below
3.0.3 Conducting Business with the NHSLC	See subsection III F below
3.0.4 Warehouse General Requirements	See subsection III F below
3.0.4.1 Audit	See subsection III F below
3.0.5 Transportation Access	See subsection III F below

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3.0.5.1 Road: Incoming and Outgoing Requirements	See subsection III F below
3.0.5.2 Access	See subsection III F below
3.0.5.3 Dock and Approach	See subsection III F below
3.0.6 Floor Capacity and Storage Strategy	See subsection III F below
3.0.7 Floor Movement Capacity	See subsection III F below
3.0.8 Product Distribution	See subsection III F below
3.0.9 Additional Services	See subsection III F below
3.0.10 Computer Linkage with the NHSLC	See subsection III F below
3.0.11 Transition from the Current Contract	See subsection III F below
3.0.12 Warehouse Charges and Rates	See subsection III F below
3.0.13 Security	See subsection III F below
3.0.14 Fire	See subsection III F below
3.0.15 Insurance, Bond and Registration	See subsection III F below
3.0.16 Business Continuity	See subsection III F below
3.1 APPENDIX A	Understood (See Section IV below for related documents)

3.2 APPENDIX B	Understood (See executed Proposal Offer and Appendices D, D-1 and D-2 attached hereto; see also Alternative Price Proposal in Appendix D-1)
3.3 APPENDIX C	Understood (See Executive Summary, detailed proposal below and Section IV for related documents); exception requested as to audited financial statements as Vendor is a newly formed entity for which financial statements have never been prepared; exception requested as to requirement that Vendor be currently engaged in the warehousing of goods, as Vendor is a newly formed entity without prior experience
3.4 APPENDIX D	See Appendix D in separate envelope
APPENDIX D-1	See Appendix D-1 in separate envelope
APPENDIX D-2	See Appendix D-2 in separate envelope
3.5 APPENDIX E as amended by Exhibit C	Understood
3.6 APPENDIX F	Understood
3.7 APPENDIX G	Understood
3.8 APPENDIX H	Understood
3.9 APPENDIX I	Understood
3.10 APPENDIX J	Understood

Distributech, LLC Proposal – NHSLC RFP 2012-14

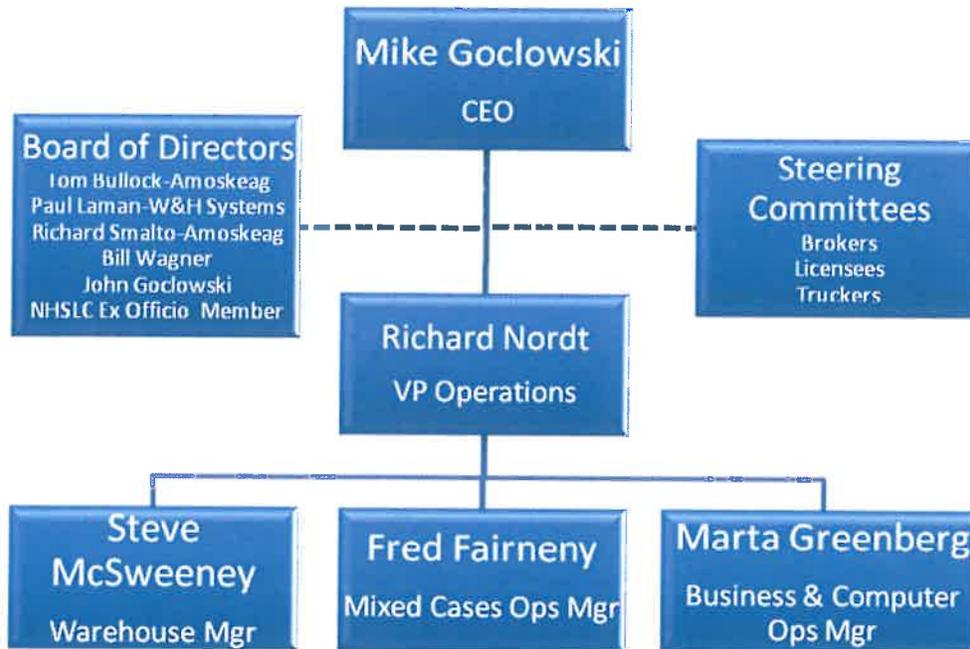
3.11 APPENDIX K	Understood (See Vendor’s detailed proposal below)
3.12 APPENDIX L	Understood (See Vendor’s price proposals)
3.13 APPENDIX M	Understood
3.14 APPENDIX N	Understood
3.15 APPENDIX O	Understood
3.16 APPENDIX P	Understood
3.17 APPENDIX Q	Understood
4.1 General	Understood
4.2 EC Review	Understood; exception requested as to availability of premises and operations for tour by EC, as Vendor is a newly formed entity without existing facilities
4.3 The evaluation shall be conducted in two phases:	Understood
4.4 Phase I - Initial Analysis Review And Ranking	Understood (See detailed proposal below)
4.5 Phase II Oral Interviews And Documentation Review	Understood
4.6 NHSLC Evaluation And Approval	Understood
4.6.1 Contract Negotiation	Understood
4.7 Best and Final Offers	Understood
4.8 Contract Execution	Understood

Section III – B

Personnel

B. PERSONNEL:

Organizational Chart



Our Senior Team

Mike Goclowski, JD –CEO, Manager of Distributech (founder and former CEO of Atlantic Trade Group, Inc. NH –wine importer/warehouse/broker/supplier for 12 years; advanced services consultant to Law Warehouses for 11 years; consultant to Martignetti Companies in Maine warehouse operations, WebWEI contract manager to the NHSLC on warehouse Internet ordering systems)

John Goclowski, Jr. CPL –Director and warehouse logistics adviser (former Director, Advanced Systems –Dynamics Research Corp.; former-Chairman, Support Systems -National Security Industrial Association; former Technical Director, Society of Logistics Engineering; former Co-Chairman,

Distributech, LLC Proposal – NHSLC RFP 2012-14

Education and Training, The DoD Computer-Aided Logistics Support (CALs) Industry Steering Group.
Certified Professional Logistician)

Richard Nordt –Vice President, Warehouse Operations (former Vice President of Operations Pepsi Cola and National Brands Beverages for 20 years managing distribution center operations -- specializing in Warehouse Management, P & L Analysis, Forecasting, KPI, Logistics, Engineering, Procurement, Fleet Management, Human Resources, Finance, Quality Assurance and Restructuring)

Bill Wagner – Director and Finance Adviser (former CEO and founder of Port City, a Beverage Distributor of beer and soft drinks, founder of ServPro NH, past president of NH Beer Wholesale Association, multi-term Portsmouth city councilor, Board member/ President of Chamber of Commerce)

Steve McSweeney –Warehouse Manager (Supply-chain manager for Fastenal, Inc. – all aspects of supply chain operations, purchase orders, advance shipping notices, and providing supplier support (for over 1500 suppliers and over 100K SKUs)

Fred Fairney –Warehouse Manager of Mixed Case Operations (Over 25 years of diverse warehousing and dispatching experience --seven years of experience with the McLane distribution company)

Marta Greenberg –Business and Technical Operations Manager (Co-founder of MV Communications –NH's first internet service provider company; Hughes Aircraft and Bell Labs; MIT –BS and MS in computer sciences and electrical engineering)

Tom Bullock –Director, and warehousing adviser (Business leader -President of Amoskeag Beverages the fastest growing and largest beer distributor in NH)

Paul Laman –Director, and chief of warehouse automation systems (VP of W&H Systems, Inc.

Distributech, LLC Proposal – NHSLC RFP 2012-14

Innovative process and technology solutions, warehouse automation systems experts and key sub-contractor in creating the custom-designed warehouse solution for the NHSLC)

Richard Smalto –Director and strategic financial adviser (CFO, Amoskeag Beverages; expert cost accountant; former President of Control Power Systems, one of NH’s largest holding companies in manufacturing components for companies like GE and the military)

Rath, Young and Pignatelli, P.C. – Legal and government relations adviser to Distributech in connection with the RFP Proposal.

Section III – C

Subcontractors

C. SUBCONTRACTORS

1. Vendor Responsibility

Distributech agrees that it shall accept complete responsibility for all services, including those services that Distributech will delegate to subcontractors.

2. Identity of Subcontractors

a. The Stahlman Group

See Exhibit E for description of The Stahlman Group.

b. W&H Systems

See Exhibit F for description of W&H Systems.

3. Conflicts of Interest

See section E below and Exhibits E and F.

Section III – D

Project Financing

D. PROJECT FINANCING (SECTION 1.7.4):

One of the most important parts of the response to the RFP is demonstration of the Vendor's financial capabilities to build the facility, expand it in the future and effectively operate it for 20 years or more. Since we are a new firm, organized specifically for this project, it was imperative for us to find a significant and well respected investment partner who believed in our capabilities and plans and who was willing to make a long-term investment.

W.P. Carey will provide permanent financing. They understood the strengths of the NHSLC contract, invested the time to study our data, and provided Distributech with a term sheet for financing that met the needs of all parties.

Distributech has secured a strong financial partner who understands the opportunity and is committed to its financing. Once agreement with the NHSLC is reached through good faith negotiations, the transaction will close within 30 days, enabling Distributech to break ground before the end of the 3rd quarter of this year.

Our plan, and the strength of our management team, enabled Distributech to secure the financial support of WP Carey & Co (WPC), a world renowned investment management company. WPC will finance the building of our proposed warehouse and distribution facility along with its equipment and operating systems. WPC supplies quality companies with capital to run their businesses. Their trademarked philosophy is "Investing for the Long Run". In addition, WPC will make a minimum of \$2 million dollars available for start-up costs, hiring of key individuals and training prior to commencement.

Distributech, LLC Proposal – NHSLC RFP 2012-14

Brief description of WPC. More information available at wpcarey.com

WPC is an investment management company that provides long-term sale-leaseback and build-to-suit (see fact sheet following this section) financing for companies worldwide and manages a global investment portfolio of approximately \$12 billion. Publicly traded on the New York Stock Exchange, WPC and its CPA® series of income-generating, non-traded REITs help companies and private equity firms release capital tied up in real estate assets. WPC's investments are broadly diversified, comprising contractual agreements with more than 284 long-term corporate obligors spanning 28 industries and 18 countries. (See W.P. Carey Prospectus, attached as Exhibit M.)

Distributech has negotiated reasonable terms with WPC (see following Letter of Intent) which forms the basis for negotiations, should Distributech win the RFP. Once our Alternative Price Proposal (Appendix D-1) is selected, we plan to have the NHSLC, Distributech, and WPC meet to finalize all of the terms so that the agreement is transparent and acceptable to all. The final good faith agreement will enable Distributech to fulfill its mission and obtain financing at the lowest possible cost.

The key conditions for the financing are:

1. The NHSLC is the customer of Distributech. As such, the NHSLC is an integral part of the distribution process. Distributech's services are treated as a part of the cost of goods purchased as enunciated in the NHSLC policies. Thus, WPC is assured of a revenue stream that will pay down the debt as scheduled.
2. CPI increases – All parties (NHSLC, Distributech, and WPC) will negotiate a mutually agreeable formula that will result in pricing changes every 30 months. This condition assures that Distributech will be able to meet future operational costs while investing in new processes and equipment as the NHSLC's needs arise over the next 20 years.

Distributech, LLC Proposal – NHSLC RFP 2012-14

3. Default/Remedies- WPC needs to protect its revenue stream should Distributech default on its contract. In that event, WPC would replace Distributech with a qualified replacement operating out of the same premises. Thus, the same services would be supplied without disruption to the NHSLC, in the unlikely event that Distributech did not fulfill its commitment.
4. WPC will continue to be our financial partner for future expansion throughout the term of our agreement with the NHSLC.
5. WPC has provided for allowing mutually agreeable contract extensions beyond the 20-year term. In fact, if the initial term is 25 years, a reduction in lease financing rates can occur that could translate into a rare reduction to the NHSLC.
6. The financials used to finance the project are based upon our Alternate Price Proposal (Appendix D-2).
7. WPC will allow us to “carve out” part of the property for possible NHSLC offices should the State so desire. The NHSLC could either purchase the site and build out its complex, or Distributech/WPC could build out the complex and long term lease the facility with no out of pocket expense to the NHSLC. The same could apply should brokers desire similar space.

Revenue Sharing:

Distributech proposes and recommends an Alternate Price Proposal (Appendix D-2) for a new revenue stream for the NHSLC, as part of our response to Section 1.7.3. Distributech recommends a seamless, transparent billing and payment system, which will then become a new revenue stream for the NHSLC through markups on Distributech’s services. Beyond the obvious advantages of providing first-time ever transparency between the contractor warehouse and the NHSLC, this process

Distributech, LLC Proposal – NHSLC RFP 2012-14

preserves the highest-obtainable warehouse credit ratings throughout the life of the contract and reduces overall investment and system costs for everyone.

A Billing and Payment System for Warehouse Services: Distributech will develop and maintain an integrated bailment billing system that will be made part of the existing NHSLC-Bailment Warehouse computer network. The new warehouse will provide the NHSLC with all bailment invoice line item information --for each State supplier and all SKUs so that simple pass-through or marked-up invoicing can be accomplished by the NHSLC. The integrated bailment billing system will also be capable of adding in or calculating NHSLC surcharges, if so directed by the NHSLC. The system will be developed by Distributech and approved by the NHSLC prior to the start-up of the warehouse operation.

Each month Distributech will identify all charges incurred by the NHSLC and its designated vendors for the prior month (can be reported if made available "Live" and accumulated for periodic invoicing). All charges will be separated by approved NHSLC accounts (the NHSLC and its approved vendors). All proper documentation as specified in the system will be produced digitally within the files/layouts designed by the NHSLC and be capable of being reproduced as "paper-invoices" or "digital-invoices" upon demand without significant reformatting.

Billing and Payment Advantages to the NHSLC:

- Transparency in the process to ensure all vendors are treated fairly and consistently
- Creation of additional revenue sources -surcharge for performing the task
- Cash control and disbursements – vendor debit and credit system

Advantages to Distributech:

- Credit enhancement for financing of 40 million+ project, since the NHSLC is the client, not the various vendors

- Enhanced abilities to address issues.



2011 Annual Report
Corporate Property Associates 17 – Global

Financial Highlights

FOR THE YEARS ENDED DECEMBER 31,

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)	2008	2009	2010	2011
Operating Data				
Revenues ¹	\$9,684	\$50,346	\$99,463	\$196,536
Net (loss) Income Attributable to CPA [®] :17 – Global Shareholders ²	(1,247)	(7,701)	30,454	49,655
Net Cash (used in) Provided by Operating Activities	4,443	35,348	69,518	101,515
Cash Distributions Paid	5,196	27,193	60,937	102,503
Per Share Data				
Distributions Declared	.56	.63	.64	.65
Balance Sheet Data				
Total Assets	\$479,072	\$1,067,872	\$1,988,255	\$3,045,812
Long-Term Obligations ³	137,181	308,830	687,297	1,117,002

¹ Certain prior year amounts have been reclassified from continuing operations to discontinued operations.

² Net loss attributable to CPA[®]:17 – Global shareholders in 2009 reflected certain impairment charges. See Note 12 to the Consolidated Financial Statements.

³ Represents mortgage obligations and deferred acquisition fee installments. This Annual Report contain references to non-GAAP financial measures, including MFFO, and Adjusted Cash Flow from Operating Activities. • EBITDA – Represents earnings before interest, taxes, depreciation and amortization. • MFFO – Represents funds from operations as defined by the National Association of Real Estate Investment Trusts adjusted to include the impact of certain non-cash charges to net income. • Adjusted Cash Flow from Operating Activities – Represents GAAP cash flow from operations adjusted primarily to reflect certain timing differences, cash distributions received from unconsolidated joint ventures in excess of our equity investment in the joint ventures, and cash distributions we make to our noncontrolling partners in joint ventures that we consolidate. • We believe that these non-GAAP financial measures are useful supplemental measures that assist investors to better understand the underlying performance of our business segments. These non-GAAP financial measures do not represent net income or cash flow from operating activities that are computed in accordance with GAAP and should not be considered an alternative to net income or cash flow from operating activities as an indicator of our financial performance. These non-GAAP financial measures may not be comparable to similarly titled measures of other companies. Please reference the Form 8-K, which was filed on March 22, 2012, and is available on our Web site at www.cpa17global.com, for a reconciliation of these non-GAAP financial measures to our consolidated financial statements.



W. P. Carey & Co. LLC (NYSE: WPC) provides long-term sale-leaseback and build-to-suit financing for companies worldwide and manages a global investment portfolio of approximately \$11.5 billion. Through build-to-suit financing, we provide the funding for the expansion of a growing company's existing facility or the construction of a new facility in a different location. W. P. Carey sources, arranges, structures and closes the build-to-suit transaction. This provides a win-win situation for the tenant, who leases the finished facility, allowing them full operational control of a facility tailored to their needs and for the developer, who receives construction and permanent financing to fund the project.

Investment Criteria

Property Types

- Office
- Industrial & Manufacturing
- Warehouse/Distribution
- Retail
- Hospitality
- Other (schools, laboratories)

Occupancy

- Single-tenant

Investment Funding

- \$5 to \$500 million

Locations

- North America, Europe, Asia, South America, others on a case-by-case basis

Due Diligence Process

- Analysis of corporate credit
- Strategic analysis of real estate
- Traditional real estate appraisal/analysis

Unique Capabilities

- Underwriting of emerging, leveraged and turnaround credits as well as specialty real estate, including laboratories and other hi-tech facilities
- Immediate access to investment funds
- Expeditious underwriting and closing process

Build-to-Suit Advantages

- 100% financing of land, construction and development costs
- Expansion to fit growing needs
- Potential to keep transaction off balance sheet
- Continued operational control of facilities
- Increased Return on Assets (ROA)
- Increased Return on Invested Capital (ROIC)
- Increased borrowing capacity through strengthened balance sheet

Innovative Financing For

- Constructing new facilities
- Debt reduction
- Mergers & Acquisitions
- Leveraged/management buyouts
- Corporate restructuring/exit financing
- Acquiring additional facilities, technology and equipment to grow the business
- Transition out of a synthetic lease, mortgage or other binding debt instrument
- Matching long-term assets with long-term liabilities

Following : Our Executed Letter of Intent

W. P. Carey & Co. – Distributech



Corporate Property Associates 17 - Global Incorporated

May 25, 2012

Michael Gocłowski, Manager
Distributech, LLC
c/o Rath Young & Pignatelli, P. C.
One Capital Plaza
Concord, NH 03302-1500

Re: Build-to-Suit of Commercial Warehouse Facility in Concord, NH leased to Distributech, LLC.

Dear Mike:

We are pleased to advise you that Corporate Property Associates 17-Global Incorporated and/or one of its affiliates or assigns ("CPA:17" or "Lessor") is prepared to purchase a parcel of land ("Land Parcel"), fund the build to suit of the above referenced facility ("Facility"), and lease

The Transaction: CPA:17 will purchase the Land Parcel and fund the construction of the Facility. The Facility is generally described below:

<u>Location</u>	<u>Square Footage</u>
Concord, NH	330,700

Purchase Price/
Expansion Cost:

The estimated cost of the Facility is \$40,000,000. In addition to the above amount, W. P. Carey & Co. LLC will be paid an acquisition fee by CPA:17 in connection with the Transaction, which will be added to the above amount to constitute the Total Purchase Price. The acquisition fee will not affect the rent paid by Distributech.

Lessee: Distributech, LLC.

Lease Terms: The Facility will be leased to Distributech based upon an absolutely net lease in normal financeable form and otherwise mutually acceptable to the parties. Distributech will be responsible for all costs related to maintenance, insurance, taxes and all other property-related expenses of whatever description. The lease term will be either twenty (20) years or twenty-five (25) years with Distributech having two, ten-year renewal options at the end of the initial lease term. The Lease will

Mr. Michael Gocłowski
Distributech, LLC
Page 2

automatically renew for each renewal period unless Distributech, at least eighteen (18) months before the end of the current term, gives Lessor notice of its intention to terminate the Lease.

Lease Rate:

Rent during the construction period of the Facility shall be accrued and included in the costs of the Renovation, and shall be proportionate to the funds advanced. Construction Rent shall be payable at a rate equal to 7.0%.

The initial annual rent for the Facility will be based on a 7.75% cap rate if Distributech signs a 20 year lease and 7.30% if Distributech signs a 25 year lease. Rent will be adjusted every 30-months or such other period for rate adjustment that is set forth in the agreement between Distributech and the Commission and will be calculated on the same basis.

Lease/Financing Terms:

The terms of the lease of the Facility and the financing documents shall contain a provision that, in the event of a default under the terms of the lease and financing documents, authorizes CPA: 17 to assume control of the Facility and, in consultation with the Commission, to obtain a successor to Distributech with the expertise and financial resources necessary to operate Distributech's business in compliance with the laws of the State of New Hampshire and with the approval of the Commission.

**Appraisal/
Environmental Report:**

It is understood that CPA:17 will receive an environmental assessment of the Facility in a form satisfactory to it. CPA:17 shall also receive an appraisal acceptable to CPA:17, which will contain an appraised value of the Facility of not less than the Total Purchase Price. CPA:17 will also engage a value architect/engineer to assist in the initial plans and specifications review and construction monitoring process.

Fees, Expenses, Etc:

Upon execution of this letter, Distributech be responsible to reimburse CPA:17 for all fees and expenses related to the Transaction including, but not limited to, the costs of environmental and condition assessments and reports, engineering assessment costs, zoning reports, appraisal and survey costs, transfer taxes, recording fees and charges, title insurance charges and premiums (including endorsements), UCC and related searches, mortgage application charges, commitment fees and points, if any, updated report costs, reliance letter charges, and CPA:17's and mortgagee's reasonable attorney fees and expenses; provided, however that CPA:17 shall minimize the incurrence of fees until the award by the Commission of the warehouse contract to Distributech.

Mr. Michael Gocłowski
Distributech, LLC
Page 3

This letter represents our mutual intention to move forward on the Transaction in good faith and with all deliberate speed. Consummation of the Transaction is conditional upon the completion of satisfactory due diligence, Investment Committee approval, and the execution and delivery of definitive agreements satisfactory to all parties and their respective counsel. For a period of ninety days after executing this letter, Distributech agrees and shall cause its officers, employees, agents, trustees, etc., not to solicit or encourage, directly or indirectly, in any manner other offers for the Transaction, or negotiate for or otherwise pursue, any transaction similar to the Transaction, including a mortgage on the property, other than with Corporate Property Associates 17-Global Incorporated and/or one of its affiliates and or assigns.

We would be delighted to be of service in connection with the Transaction and hope that we will have the opportunity to work together with you on this project. This letter shall expire unless executed by all parties no later than May 30, 2012.

Sincerely,



Gino Sabatini
Managing Director



Chad F. Edmonson
Executive Director

Accepted this 29th day of May, 2012

Distributech, LLC.

By: Michael Gocłowski

Title: MANAGER

Section III – E

Conflicts of Interest

E. CONFLICTS OF INTEREST (Section 1.21.1)

1. Vendor

The Vendor does not currently have any contracts with the State of New Hampshire, and the Vendor does not have a contract with any other entity that presents a conflict of interest. Although we do not believe they present any conflicts, Mike Goclowski, Manager of Vendor, has served in various roles for entities providing services to the NHSLC. We have described these roles below:

- From 1996 until 2009, Mike Goclowski was an independent consultant to the NHSLC's current warehouse contractor, Law Warehouses, for "advanced services". His role was to manage Internet-based projects.
- From 1996 until 2009, Mike Goclowski also was engaged in various smaller consulting projects for a number of wine & spirits brokers operating in New Hampshire.
- In 2011, the NHSLC awarded a 5-year contract to WebWEI, LLC to transition, host, manage and enhance the NHSLC's own On-Line Ordering Services for the New Hampshire's licensees. Mike Goclowski was assigned the role as "project manager" for this project. Online orders from the NHSLC's system, which is managed by WebWEI, LLC, will be processed by Distributech.

2. Subcontractors

a. The Stahlman Group

The Stahlman Group does not have any contracts that present a conflict of interest (See Exhibit E).

b. W&H Systems

W&H Systems does not have any contracts that present a conflict of interest (See Exhibit F).

Section III – F

**Technical Specs/
Requirements**

F. RESPONSE TO PART 3 TECHNICAL SPECIFICATIONS AND REQUIREMENTS

3.0.1 A Single Warehouse

A SINGLE Warehouse complex is required and will be referred to as the "Warehouse." A "complex" is defined as any building or group of buildings located on one or more sites. The Vendor may propose a solution that utilizes warehouse facilities that are on different sites, provided that the suppliers and the transportation contractor have the same single point to ship to and receive deliveries.

3.0.2 Location of Product

NHSLC may designate which Product will be stored at Vendor Warehouse. The criteria for selection shall be to minimize billings and costs to the NHSLC, and to optimize the NHSLC's entire operation. For example, the NHSLC may minimize its own bailment and handling charges by retaining product at the Concord warehouse.

3.0.3 Conducting Business with the NHSLC

An integral portion of this bid, and attached hereto, is "SPECIFICATIONS FOR WAREHOUSES" (SFW); published by the NHSLC. This document describes the general activities of the NHSLC, and established protocols used by the NHSLC to conduct business with private Warehouses.

The vendor shall provide data-transfer capability according to NHSLC specifications at all times (day, night, weekends, holidays).

Vendors are hereby notified that the nature and magnitude of the NHSLC's business is constantly changing, and that in submitting a Proposal the vendor acknowledges both the ability and desire to accommodate such change. In particular, but not exclusively, periodic updates in the computerized tracking and control of Product, and with computerized communication between the NHSLC and the Warehouse, is anticipated during the duration of the contract to improve efficiency and cost. The successful Vendor shall be expected to

3.0.1 Understood by Distributech

We propose a single warehouse with 334,000 square feet containing high bay & high density storage upon our 57 acres.

We will be also zoned for commercial offices (suitable for State or broker headquarters).

3.0.2 Understood by Distributech

We propose our site as the central distribution center and we will support the NHSLC's operation if it seeks to use a Concord-area warehouse as its own "Buy-in" bulk storage facility. For those inventories, the NHSLC could economize by using our site as its cost-efficient "cross-dock".

3.0.3 Understood by Distributech

3.0.3 Understood by Distributech

We will host and manage a 24x7 accessible system with live processing, live and historic reporting and 24x7 connectivity to the NHSLC.

3.0.3 Understood by Distributech

We not only acknowledge that we are responsible for any computerization changes/requests by the NHSLC in the future, we actually welcome and can help to advance new improvements and efficiencies and capabilities.

fully support all transitions, business and/or automation protocols defined and/or selected by the NHSLC as required to support its operations.

3.0.4 Warehouse General Requirements

All activities and facilities on the Warehouse premises shall comply with relevant federal, state and local regulations.

Selected Warehouse facilities shall at all times be kept at a temperature range suitable for the long-term storage of alcoholic beverage, without spoilage. Generally, the minimum temperature of any Product shall be 45 degrees Fahrenheit and the maximum temperature of any Product 85 degrees Fahrenheit. The NHSLC and/or the Product Supplier may require a different storage temperature range for any specific Product. Product awaiting delivery, i.e. Product under the control of the Warehouse vendor, shall not be stored in unhoused trailers for a period sufficient to allow an unsuitable storage temperature to develop.

Vendor shall provide an area of approximately 5,000 square feet to be temperature controlled at about 55 degrees. This area must be flexible through the life of the contract to accommodate the demands of the business. Vendor may charge a premium for storage in this area.

Except when directed to the contrary by a bailment customer or the NHSLC, Product shall be distributed on a “First in / First out” basis to prevent improper aging.

To ensure security and minimize freezing during the winter, the Warehouse shall at all times have sufficient shipping, receiving, docking and storage capacities to promptly unload incoming road traffic typically within two (2) hours after physical arrival on the Warehouse premises during normal business hours.

Most Product will arrive on 48” x 40” 4-way hardwood pallets or slip-sheets. 1750 ml Product usually arrives 6 bottles to a case, and each pallet is stacked 12-block by 5 high. 750 ml Product usually arrives 12 bottles to a case, and each pallet is stacked 14-block by 5 high. There are many packaging variations and Product sizes. The Vendor shall effectively handle Product arriving in industry-standard packaging.

3.0.3 Understood by

3.04 Understood by Distributech

See our section:

Facility Specifications

Our facility is custom designed by liquor and wine industry experts using state of the industry standards.

3.04 Understood by Distributech

See our section:

Facility Specifications

3.04 Understood by Distributech

We operate on a FIFO basis, unless special order directives apply to the transaction.

3.04 Understood by Distributech

We have 18 loading docks, excess staging areas, sufficient staff, equipment and rapid receiving technology to expedite receiving for peak demands.

3.04 Understood by Distributech

The NHSLC will provide a yearly timetable of holidays, but may require Warehouse-services outside the usual Warehouse hours. **The Vendor is encouraged to propose alternatives**, such as night picking, that will reduce the time necessary to fill an order once it has been received. The Vendor shall submit a schedule listing hours of operation. During peak periods, the Vendor shall agree to a reasonable expansion of hours, at the discretion of the NHSLC, to accommodate the receipt or shipping of Product.

The Proposal shall describe the Vendor’s plan to maintain and upgrade the Warehouse, Warehouse management system and computer systems, including electronic data exchange to ensure high quality service throughout the term of the contract.

3.0.4.1 Audit

Any charges for auditing shall be clearly disclosed in APPENDIX D and APPENDIX D-1.

All reporting and auditing functions shall coincide with the NHSLC's Fiscal Periods, with Fiscal Year ending on June 30th at midnight.

The selected Warehouse will be required to conduct a full annual physical inventory at a time of the NHSLC's choosing (currently, at the end of April), and to provide an accurate book inventory (data files and reports) coinciding with the State's Fiscal Year end. The Vendor should provide a schedule outlining any anticipated downtime or disruption in service that may result from performing the annual inventory. In addition, the Warehouse shall reconcile differences with the NHSLC on a continuing basis and submit to random audits of Product by the NHSLC's Auditors, or the NHSLC.

The Warehouse is required to comply with the audit requirements of the NHSLC's Auditors to ensure tight control of Product and to assure the financial condition of the vendor. These are industry standards, but do change slightly year by year.

There shall be a cycle inventory of a Product whenever the Product is depleted, or apparently “short”, or as deemed necessary by the NHSLC.

3.04 Understood by Distributech

See our section: Operations and Processes. As a fundamental change and “time reducer” we will introduce NH to multi-order “wave picking”, computer-conveyor controlled sorting, and live perpetual inventory and live order tracking.

3.04 Understood by Distributech

We will use a continuous improvement and investment approach. See our section Warehouse Management System

3.04.1 Understood by Distributech

See Appendices D & D1

3.0.4.1 Understood by Distributech

3.0.4.1 Understood by Distributech

We also intend to conduct constant cycle counting efforts on waves of products for all inventories with a goal of eliminating any need for annual shutdowns.

3.0.4.1 Understood by Distributech

3.0.4.1 Understood by Distributech

3.0.4.1 Understood by Distributech

We will have 2 Inventory Managers who will be charged with the duty of conducting continuous cycle counting, as matter of routine operations.

3.0.5 Transportation Access

3.0.5.1 Road: Incoming and Outgoing Requirements

3.0.5.2 Access

The majority of Product movement will be by tractor-trailer, but a wide variety of vehicles ranging from fixed-bed trucks to vans, and even private automobiles, need to be adequately accommodated to support the Licensee trade and small Suppliers.

Proposals shall demonstrate the ability to accommodate a substantial traffic flow to and from the Warehouse facility. The Warehouse facility distance from primary roads and ease of access to and from the premises is of major concern to the NHSLC and will be taken into account.

Access to all loading/unloading bays or truck docks shall be on a paved surface such as tar or an equivalent approved material of adequate load capacity, and in good repair. At no time, including the processes of docking and turning shall it be necessary for incoming or outgoing vehicles to leave the paved area.

All access roads to the proposed Warehouse are required to be paved and approved by NHSLC and local authorities to handle the volume and nature of anticipated traffic to and from the Warehouse.

3.0.5.3 Dock and Approach

It is anticipated, based on current experience, that the volume of deliveries (to and from the docks) by trailer will necessitate warehousing facilities having at least sixteen (16) docks, half of which should be roofed loading/unloading docks, with locking external doors so that an open trailer can be safely left at the dock during non-business hours. It is suggested that each of these docks must be raised with an adjustable height feature to safely accommodate different sized trailers of up to thirteen foot six inches (13'6") in height, fifty-three (53) feet long', and one-hundred-two inches (102") wide. Each dock should have a "level" floor and "level" approach, where "level" is defined as a gradient no greater than would be necessary for proper drainage. Each dock should have an approach area sufficiently large to allow a vehicle of size equal to the

3.0.5 Understood by Distributech

3.0.5 Understood by Distributech

See our [Site Plan](#)

3.0.5 Understood by Distributech

See our [Site Plan](#)

3.0.5.3 Understood by Distributech

See our section:
[Facility Specifications](#)

3.0.5.3 Understood by Distributech

See our section:
[Facility Specifications](#)

maximum capacity of the dock to maneuver safely and easily even though adjacent docks are in use.

To support the Licensee trade, at least two (2) additional loading/unloading docks suitable for light-truck / light-van / automobile traffic are desired. These docks should be at ground level and each should allow a vehicle of up to twelve feet (12') in height, thirty feet (30') long and ninety-six inches (96") wide to fully back into the Warehouse safely.

To accommodate trucking need and periods of heavy activity, additional paved surface suitable for the storage of at least twelve (12) trailers awaiting loading or dispatch, without interference to Warehouse or trucking operations, is considered necessary.

3.0.6 Floor Capacity and Storage Strategy

Product may arrive at the Warehouse in gift-wrap, or in nonstandard pack,. Product should be traceable by bin location, Product code, status code, and date of arrival and by vintage on selected Products.

Warehouse must maintain and possess a responsive and dynamic computer controlled location system capable of meeting DoIT requirements defined in APPENDIX K.

Vendors should specify plans for handling an increase in inventory over current levels.

The Warehouse shall provide adequate storage space, operational capacity and tracking ability to conduct any and all business and/or transactions which occur as a public Warehouse to the NHSLC. The Vendor shall, with a minimum of sixty (60) days' notice, make available to the NHSLC or Suppliers a customs bonded warehousing area.

The Warehouse shall provide adequate space and facility, at full capacity, to isolate Products in special statuses, such as, but not limited to:

1. Breakage and damage.
2. Unsalable status (permanent and/or temporary).

3.0.5.3 Understood by Distributech

See our section: Facility Specifications

3.0.6 Understood by Distributech

Tracking and tracing will be at the individual product receipt level, time-stamped and scan-based for all products and all scan-mapped at all warehouse locations.

3.0.6 Understood by Distributech

Our building design, racking systems and warehouse management system software can meet or exceed DoIT information requirements, tracking requirements.

We have designed our facility, systems, space and manpower to flexibly satisfy significant growth in inventory levels, growth or change of SKU-sets and growth in picking and order processing.

3.0.6 Understood by Distributech

3. Carrier returns.

Currently, the private Warehouse has a capacity of approximately seven hundred and fifty thousand (750,000) standard cases in static storage, with eight thousand (8,000) distinct bin locations, while maintaining full incoming and outgoing traffic. A bin location is a specific area in the Warehouse racking that accommodates one Product code. Typically, a bin location holds up to one pallet which could contain 50 - 70 cases.

The Concord Warehouse has a capacity of approximately 175,000 standard cases in static storage. Product is identifiable by the Warehouse’s locator mechanism.

Vendors should specify how they intend to receive, process, inventory, store and load this volume of Product. APPENDIX H contains data describing the case volume for the past years. The Vendor shall project case volume over the term of the contract and describe how it will handle the increase in case volume.

Product outflow (equal to inflow) for recent years are given in APPENDICES H and J. These figures are for guidance only, and are not a guarantee of the actual Product movement or volumes to be anticipated during the term of the contract.

The Warehouse capacity shall be determined on the basis of providing FIFO (First In/ First Out) distribution. The Warehouse shall have the capability and capacity to distribute Product according to a strategy other than FIFO as required by the NHSLC and/or the Supplier; typically, an alternate strategy is to hold existing Product which has some attribute not apparent on the case packaging, and ship from more recently arrived stock first, and/or,

Notice is hereby given that the NHSLC's Suppliers frequently adopt new merchandising strategies, particularly at periods of peak demand.

3.0.7 Floor Movement Capacity

Any inadequacy or interruption to the Warehouse's capability to handle incoming and outgoing Product on the Warehouse floor will cause disruption and financial loss to the NHSLC. A list of major loading/unloading equipment currently in use is

3.0.6 Understood by Distributech

See our Facility Specifications.

Distributech’s facility has an initial engineered capacity of 1,192,000 cases that is immediately reconfigurable to hold 1,240,000 cases.

3.0.6 Understood by Distributech

See our section [Operations and Processes](#)

3.0.6 Understood by Distributech

See our analysis within [Operations and Processes](#)

3.0.6 Understood by Distributech

We can provide FIFO, and hybrid FIFO for directives like Vintage picking, gift-pack picking, and specific receipt-lot picking and shipping.

3.0.6 Understood by Distributech

We can accommodate order specific and order-group specific instructions.

provided in this section to fix the scale of current distribution operations by “traditional” means, but the Vendor is encouraged to suggest alternatives and innovations. The Vendor shall include a list of major equipment, which shall be evaluated for adequacy and suitability. If an alternative is presented, it must be clearly presented as such, together with well-researched efficiency or cost saving claims. “Innovative” ideas will be considered, but may not necessarily be deemed superior.

Product distribution shall not be constrained by lack of capacity.

In evaluating current Warehousing operations, the following equipment is being used:

- a. Quantity eight: (8) 4000lb minimum capacity motorized fork-lift vehicles able to handle palletized loads.
- b. Quantity six (6) 3000lb minimum capacity motorized forklift vehicles able to handle palletized loads.
- c. Equipment to handle slip-sheets and barrels.
- d. Equipment suitable and sufficient for picking.

Sections c. and d. may involve push-pull (slip-sheet) machines and squeezer machines that can lift and separate layers in a pallet. Single bottle pick operations may be done manually or by machine.

3.0.8 Product Distribution

Proposals shall clearly and completely list any and all charges related to the storage and distribution of Product.

The selected Vendor will be required to label cases. The label size, format, color, quality, and position applied to the case shall be approved by the NHSLC. A sample label is provided as APPENDIX O. Most cases arriving at the Warehouses have appropriate New Hampshire labels affixed to each case. There are occasions, however, when cases arrive and must be labeled or relabeled. All outgoing cases from the Warehouse to NHSLC retail stores must be labeled with a label showing the store number and other relevant information. Complete pallets of the same Product leaving the Warehouse for delivery to one of the NHSLC retail stores receive one pallet

3.0.7 Understood by Distributech

We have analyzed the in-bound shipments for both warehouses, the frequency of each supplier's in-bound shipments, the size and SKU-mix, the average velocity of sales for all products, the average aging of standing stock, the volume-metrics of State store and small/large licensee ordering.

As a result of these studies, we have acquired matched-set automation designs, and know well the equipment that is need to handle the services for this contract.

See the section:
Inventory Handling Equipment

3.0.8 Understood by Distributech

See our narrative in the next section Distributech Services, Fees and Strategies and Appendices D and D1

3.0.8 Understood by Distributech

We meet and/or exceed. See the sub-section “Scan Tunnel” of our Warehouse Control System section, with unique capability to scan the 5 visible sides of all cases, then record and “learn” all relationships to the NH Product Code. Inbound cases that don't have a manufacturer's bar code will have a scannable tag manually applied. Each case that travels over the conveyor and sortation system will have a NH-compliant unique outbound label applied.

label showing the store number and other relevant information. Licensee shipments are required to have the name and address on every case shipped unless all the cases on the pallet are identical. In that case, only one label is required.

Proposals should demonstrate a capacity to ensure that outgoing Product is rigidly controlled. NHSLC Product may be comingled with Licensee Product. The selected Vendor shall issue the carrier such bills of lading as are required by law.

The NHSLC and Vendor shall mutually agree on the scheduling of outgoing Product, as is current practice - See APPENDIX I.

The possibility of trucks from several Warehouses arriving simultaneously at an NHSLC liquor store is to be avoided. The NHSLC needs to have personnel available to off-load Product at the time of arrival and will incur costs unless Product arrives at the specified time.

The selected Warehouse should have the capability to safely operate outside normal business hours. Vendors are encouraged to submit innovative methods of picking to reduce the time between order receipt and order filling. Proposals should include any rates or surcharges to both Suppliers and the NHSLC for conducting operations outside of normal operating hours, such as, premium shift and/or holiday and weekend rates.

Proposals shall specify all minimum charges, and minimum shift durations.

Licensees are required to schedule and arrange product pickup from the Warehouse. The NHSLC will allow the Warehouse to schedule pickup by Licensees directly from the Warehouse provided distribution to NHSLC stores is not adversely affected, but all schedules shall require the review and approval of the NHSLC which shall not be unreasonably withheld but may be rescinded.

The NHSLC will require the Vendor to have the Product loaded on a truck and ready for delivery to NHSLC stores within 8

3.0.8 Understood by Distributech

Built-in multi-mode shipping, multi-vendor storage order processing/picking and multi-mode truck/carrier capabilities.

Built-in Pick & Ship scheduling and customizable prioritization for specific orders, sets of orders as well as "chain store" orders.

3.0.8 Understood by Distributech

To the warehouse itself, this means orders shall be readied for pick-up by the trucker(s) in a timely manner.

3.0.8 Understood by Distributech

If the NHSLC point of sale system can poll mid-day plus end-of-day, and if your trucker can add in routine Saturday shipments, we can pick and ship 6 out of 7 days at no extra cost from us and IT can optimize distribution.

3.0.8 Understood by Distributech

Licensees can pick-up orders at any time --with no restrictions; we will also email them as soon their orders are ready for pick-up.

3.0.8 Understood by Distributech

hours of receipt of the picking information.

3.0.9 Additional Services

Proposals shall list (with costs/charges) all additional services available.

3.0.10 Computer Linkage with the NHSLC

The selected Vendor is required to interface with the NHSLC's computerized systems. Details are provided in APPENDIX K.

The successful Vendor will be expected to meet extensively with NHSLC computer and business systems personnel and conduct such tests as may be necessary, to ensure that the Vendor's warehouse management system software and other systems software are able to conduct business according to NHSLC requirements. Vendors are on notice that inability to meet computer requirements is grounds for contract termination.

3.0.11 Transition from the Current Contract

This section is written broadly and in general terms. It is intended to be neutral. The current contract will end on October 31, 2013. At that time there will be a transition to a new contract. The current Vendor may be the successful Vendor.

TRANSITION CRITERIA: before transition can begin, the Vendor must meet all the specifications of this RFP in actuality and/or demonstrate the ability, using dummy transactions provided by the NHSLC, to interface with the NHSLC's computer and business systems on a magnitude consistent with actual conditions.

All reasonable costs associated with the transfer of Product and control from the existing Warehouse (s) ("old") to the Warehouse of the successful Vendor ("new"), including handling and incurred within 150 days from the effective date of the contract shall be borne by the NHSLC at its discretion. In an effort to avoid charging the NHSLC or Suppliers duplicate

3.0.9 Understood by Distributech

See Appendices D and D1 and D2 our Alternative Price Proposal

3.0.10 Understood by Distributech

We have many years of experience with the NHSLC IT department's "CORE File" specifications, as well as the file formats, field definitions and the methods/schedules of information exchange between the NHSLC and the warehouse.

3.0.11 Understood by Distributech

We propose that beyond all "dummy transactions" that a completely parallel processing environment be developed by Distributech to demonstrate total functionality.

This only requires that the NHSLC FTP server provide access to Distributech to the current data as soon as the contract is awarded.

3.0.11 Understood by Distributech

3.0.11 Understood by Distributech

We will not duplicate any storage fees.

storage fees, storage charges for transferred Product shall not accrue until the first day of the month following the end of the transfer.

The NHSLC, in conjunction with both “old” and “new” Warehouses, shall establish a deadline for the transfer of all Product to the “new” Warehouse. The NHSLC will, if possible, select a period during a time of slow sales (such as January-March) and schedule as short a period, as is practical for the transfer of all Product from the “old” to the “new” Warehouse. Notification will be given within a reasonable period, to be arranged with the Vendor and existing Warehouses at award.

The NHSLC shall determine when Product is to be transferred. As Product is depleted or transferred from the “old” Warehouse, Product overs and shorts shall be reconciled to determine a net financial obligation between the NHSLC, the “old” Warehouse and the “new” Warehouse. The NHSLC shall observe and audit the transfer proceedings. Overages will be transferred to the “new” Warehouse as normal inventory or to the Product Vendor if the code is no longer a bailment item. Shortages shall be resolved between the Warehouse and the Product Vendor, or NHSLC if the Product is owned by the NHSLC.

3.0.12 Warehouse Charges and Rates

The Warehouse rates to Suppliers will affect the profitability of the NHSLC because costs to the Supplier for Warehouse service ultimately affect the cost of Product to the NHSLC. Direct charges to the NHSLC may also be incurred. The relationship of the Supplier to the Warehouse will affect the business relationship between the Supplier and the NHSLC.

Proposals shall list separately all charges which could be incurred by the NHSLC and all charges which could be incurred by the Suppliers in the operation of the Warehouse.

In listing charges in APPENDICES D and D-1, the Proposals shall include all charges which may reasonably accrue to Suppliers and all charges which may reasonably accrue to the NHSLC as

3.0.11 Understood by Distributech

3.0.11 Understood by Distributech

For the TRANSITION, we propose that responsible broker personnel also observe and inspect old stock especially, and that we scan, time-stamp receiving data and video all in-bound transition loads. Enforcement and the NHSLC will have copies of everything and is encouraged to observe and audit all activity.

3.0.11 Understood by Distributech

3.0.12 Understood by Distributech

See our section [Services, Fees Strategies](#), which outlines our proposed new approach to fee visibility, and collection method. We also have an Alternative Price Proposal.

3.0.12 Understood by Distributech

See appendices D and D1 and our Alternative Price Proposal.

3.0.12 Understood by Distributech

<p>a consequence of conducting a large operation, such as, but not limited to: the evaluation and consolidation of breakage and the reconciliation of mis-shipments and losses on a continuing basis:</p> <p>A. conducting an audited annual physical inventory and the reconciliation of discrepancies</p> <p>B. destruction of unsalable Product (under the supervision of an NHSLC officer)</p> <p>The NHSLC has established procedures for the destruction of damaged Product. When Product is identified as not suitable for sale and needs to be destroyed, the Warehouse vendor will contact the NHSLC Division of Enforcement & Licensing. The Division of Enforcement & Licensing will provide guidance, and will, on the day the Product is destroyed, provide sworn personnel to witness the destruction. The Warehouse personnel involved in the destruction are not required to save any portion of the bottles to be destroyed.</p> <p>c. placing Product in a special status and/or special handling</p> <p>d. administration</p> <p>e. labeling</p> <p>In the event the Proposal provides an hourly rate to describe any charge, a clear and accurate estimate of the person-hours needed to typically execute the function is required. In providing such an estimate, the nature and magnitude of the function shall be defined.</p> <p>The template in APPENDICES D and D-1 should be used to provide core financial information related to charges accruing to Suppliers (APPENDIX D) and the NHSLC (APPENDIX D-1).</p> <p>The Vendor should attach securely to APPENDIX D and</p>	<div data-bbox="943 247 1401 359" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech No charge – no surcharge</p> </div> <div data-bbox="932 407 1401 617" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech No charge – no surcharge. There is no charge to anyone for the annual physical inventory.</p> </div> <div data-bbox="938 680 1398 936" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech Enforcement will establish all guidelines and audit all activities. We will document and execute “best practices” and procedures.</p> </div> <div data-bbox="927 995 1385 1119" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech No charge – no surcharge.</p> </div> <div data-bbox="927 1142 1385 1266" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech No charge - no surcharge.</p> </div> <div data-bbox="915 1272 1417 1430" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech No surcharge for labeling if we are assisted by responsible broker personnel</p> </div> <div data-bbox="915 1465 1382 1745" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech All core services are “included” No surcharges anticipated; See Appendices D and D1 for rates when/if “special request” labor is deemed necessary.</p> </div> <div data-bbox="922 1829 1378 1906" style="border: 1px solid black; padding: 5px;"> <p>3.0.12 Understood by Distributech</p> </div>
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APPENDIX D-1 any other charges which could apply to the Suppliers or the NHSLC respectively.

3.0.13 Security

Security of the bailment inventory is of primary concern. It is expected that the selected Warehouse will have adequate equipment and mechanisms to ensure that all doors and windows and other potential means of access to the Warehouse contents, records of transactions between the Warehouse and the NHSLC and/or Suppliers, and administrative control areas are secure and connected to an adequate alarm system. Motion detectors and/or photo-electric beams and/or other acceptable mechanisms are expected to protect against intruders entering by other means.

Secure access and egress to/from, the Warehouse should be maintained and monitored by a competent authority at all times. Secure access is having control over the building relative to access to where NHSLC Product is stored so that unauthorized people don't have access to that area. At all times a vendor needs to use a security system, electronic or otherwise, to make sure the building is secure.

If the selected Vendor's Warehouse is used for other purposes in addition to the storage of spirits/Wine, a security wall or fence must segregate the spirits/Wine portion of the operation from other operations. Traffic and/or personnel shall not pass freely between spirits/Wine and non-spirits/Wine areas.

3.0.14 Fire

The Warehouse shall be in full compliance with all State and local fire codes.

The Product storage area shall be protected by an automatic sprinkler system which, when triggered, will immediately notify the Fire/Police department and the central security authority.

3.0.13 Understood by Distributech

Since we are the "bailor" for \$millions in inventory and distribution activity, one of our highest priorities is in monitoring, tracking, auditing surveillance and the ability to minimize risks and losses.

3.0.13 Understood by Distributech

See our section entitled Distributech Security which covers facility security, "people" security and data security.

3.0.13 Understood by Distributech

At this point we envision additional wine accessories like wine glasses, non-alcoholic wines, etc. and can physically segregate them if it is required.

3.0.14 Understood by Distributech

Our new facility will meet all State and local fire and building codes.

3.0.14 Understood by Distributech

Sprinkler and burglary protections systems will be properly implemented.

Proposals shall detail and shall include current certification for the fire protection systems.

The Vendor shall possess or shall obtain all applicable State and Local permits for the storage of:

- a. up to and above eight hundred thousand (800,000) cases representing about six-hundred thousand (600, 000) US gallons of flammable liquid on the premises, As the volume of cases increases over time, vendor must adjust accordingly.
- b. with mean concentration of the Product taken as 80 proof (40% ethyl alcohol), but with
- c. the potential for storage of ethyl-alcohol/water mixtures of up to 200 proof (100% ethyl alcohol), in
- d. containers which are usually made of glass or plastic, mainly in 750ml and 1750ml sizes, but
- e. with the possibility of plastic containers up to 55 US gallons in capacity, and
- f. with most Product stored in corrugated cardboard boxes containing six (6) or twelve (12) bottles.

The Vendor shall securely attach copies of permits to the Proposal.

3.0.15 Insurance, Bond and Registration

The operating Warehouse shall be fully bonded and registered with and licensed by the State of New Hampshire as a public Warehouse. A copy of such registration shall be provided to the NHSLC on demand.

The operating Warehouse shall have and maintain an all risks insurance policy to provide 100% coverage of the acquisition cost of all Product owned by the NHSLC. A certificate of insurance shall be provided to the NHSLC. The carrier shall be required to provide 30 days notice to the NHSLC prior to any cancellation, suspension or surrender of Contractor's insurance policies.

3.0.14 a-f Understood by Distributech

3.0.14 Understood by Distributech

We are in the process of preparing for, submitting and obtaining all necessary permits from each of the relevant municipal departments and from each State agency.

3.0.15 Understood by Distributech

3.0.15 Understood by Distributech

The operating Warehouse shall also have comprehensive general liability insurance against all claims of bodily injury, death or property damage in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence.

In addition, the operating Warehouse shall have fire and extended coverage insurance covering all Product owned by the NHSLC in an amount not less than 100% of the acquisition cost of the Product.

The state shall be named as a loss payee on all insurance. The carrier shall be required to provide 30 days notice to the NHSLC prior to any cancellation, suspension or surrender of Vendor's insurance policies.

The operating Warehouse shall offer insurance for Supplier owned stock as required by RSA 348:4.

3.0.16 Business Continuity

The Warehouse Vendor shall provide and maintain a business continuity plan identifying Backup Capacity in the event of the interruption of services including natural or man made disasters or catastrophic events. This plan shall include but not be limited to redundancy for all IT operations as well as an alternative location(s) and emergency transportation plan for all Product. It is expected that the vendor will test this plan periodically to insure it operates as designed and report to the NHSLC annually as to the status of this plan and test results.

3.0.15 Understood by Distributech

3.0.15 Understood by Distributech

3.0.15 Understood by Distributech

3.0.16 Understood by Distributech
See our Business Continuity response within the section [Distributech Security](#).

Section III – G

Fees Paid by the NHSLC

G. FEES PAID BY THE NHSLC:

Distributech Services, Fees and Strategies

See Appendices D, D-1 and D-2 for rates and costs.

Section III – H

Warehouse Operation Build-Out

H. WAREHOUSE OPERATION BUILD-OUT:

We have hired the Stahlman Group and W&H Systems to design and build our \$40 million distribution center with its attendant operational capabilities. With over a year of analysis of the NHLSC's current and historic data, our combined teams of experts have designed a practical solution that can be built and tested within 18 months of the contract award; an optimized solution that follows state of industry practices and an ever-improving solution that is flexible and enhances itself through re-investment and further expansion.

The Stahlman Group is a national-level design, engineering and construction management company that specializes in beverage and distribution center industries. With its eastern seaboard office conveniently located virtually next door to the NH Liquor Enforcement Division and nearby the Distributech site, the Stahlman Group will be able to expedite and manage the build-out schedules. Working in concert, these specialists will provide highly efficient facility solution and customized warehouse processes that meet and exceed the needs of the NHSLC.

In the wine and spirits industry, when it comes to calculating space requirements, distribution center needs, capabilities, automation and efficiency engineering, W&H Systems, Inc. has some of the deepest knowledge and experience in the United States. This is also the same company that has implemented both of the Southern Wine & Spirits distribution centers in California, and 5 automated warehouses in New York and Horizon Beverage's brand new facility in Norton, MA.

Additionally, W&H has implemented systems for the State of Mississippi (Mississippi State Tax Commission) and for National Wine & Spirits in Michigan.

A major advantage in building a customized warehousing service for the NHSLC is that Distributech will deploy state-of-the-industry tools, with no ties to legacy technical business systems. We are

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focused on automation, scanning technologies, computerized and mechanized conveyors, sorters and mergers to facilitate high-volume throughput, with picking orchestrated in successive optimized waves (instead of old-school “batches”), computerized sorting and shipping that is organized and loaded for delivery company routes.

Within the Distributech facility itself, we are deploying progressive high-bay storage to completely extend and maximize inventory handling capabilities and capacities. All of the daily statewide needs for all NHSLC products will be stored in our single-site distribution center.

FOUR CRITICAL ADVANTAGES:

ADVANTAGE 1: To store more inventory than the current capabilities of the two existing warehouses

- Our initial floor stock/inventory capacity is approximately 1.2M cases.
- Building Case Inventory Capacity: Initial Capacity is 1,192,000 cases. This is projected to accommodate inventory peak demands through 2026.
- Replacing some floor stacking with racks will increase total inventory to 1,240,000 cases. Rack expansion replacing present bulk floor stacking in the high bay building will increase inventory to projected levels required in 2027.

NOTE: We expect that the present building is expected to accommodate shipping requirements through 2026. Inventory capacity will still be adequate, but additional storage space will be required to reach 2032 requirements.

ADVANTAGE 2: To grow and increase warehouse throughput daily and annually –standard and peak responses to receiving and picking

- Distributech can receive loads, handle warehouse activities and pick orders more efficiently --through a hybrid solution that optimizes manual operations and

automates the less efficient activities. Working these two components together with scanning at all core functions will maximize our productivity, accuracy and speed.

- When operational, our designed capacity is 6.6M cases/year --a growth of 32% beyond the approximate current 5M cases handled by both warehouses combined .
- We are designing and staffing our operation to handle orders that average 25,000 cases per day and meet peak demands of 40,000 cases per day

Daily Picking and Shipping Capacities

Average Day 2013 – 20,700 cases/day	Average Day in 2021 – 26,200 cases/day
Peak Day 2013 – 42,400 cases/day	Peak Day in 2021 (building design capacity) – 53,700 cases/day

ADVANTAGE 3: To offer storage and handling capabilities that can flexibly change to meet demand

- Our facility will accommodate all fast moving items conveniently at floor levels near our staging areas, contain backup inventory, conveyors, sortation, high bay racking for the slower items, excess space for significant additional racking, as well as significant 55 degree refrigerated space.

Full Case picking will be from 917 high volume forward pick slots. These SKUs will be picked from pallet floor spots and comprise 75% of all shipped full cases. All remaining SKUs will be batch picked from storage in waves and be inducted and sorted by conveyors into a set of 50 mechanized lanes that are part of the scan and verify carton sortation system. This system will sort all cartons needed to complete an order down to an order sortation lane for palletization.

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Bottles will be picked in a 2-level bottle room and will be released sequentially into the sortation system. All “mixed cases” for an order will be sorted down an order lane by order and palletized with the associated full cases for that order.

ADVANTAGE 4: We are able to immediately execute our pre-planned calendar for building and launching the new warehouse.

Assuming that the contract is approved on schedule, we will be immediately ready to begin construction in September 2012, and be within a proper calendar to construct the facility, then rack, map and automate it and initiate transition activities by September 2013.

- **Launch:** All necessary financing through WPC is secured, all facility designs and associated staffing plans are already completed by Distributech. We are “ready to go”.
- **Transition:** The transition itself will take significant coordination between the NHSLC, Distributech, the brokers and suppliers. Strategic discussions will need to begin as soon as the contract is awarded. (See our section: **Transition Plan**)
- **Production Mode:** The contract begin date is November 1, 2013, and assuming the contract is approved on time we will be prepared to meet the November 1st date.

Section III – I

Distributech Operations and Processes

I. DISTRIBUTECH OPERATIONS AND PROCESSES

Distributech's warehouse will be divided into the following five areas:

- i. The Hub area is the center of the warehouse and will be where the receiving, bulk overflow floor storage, conveyor and sortation system, stretch wrapping, and outbound staging will occur.
- ii. The High Volume area on the north side of the warehouse will house the top 900+ SKUs. Here goods are stored in 3-high pallets. In front of the storage pallets will be an accessible single pick pallet of the same SKU. Overflow inventory for these top items will be stored in the central bulk storage area of the facility.
- iii. The Medium/Low Volume area on the south side of the warehouse will house the remaining SKUs in high density pallet racking. Cases of these SKUs will be picked and stored in their entirety from these rack storage locations
- iv. The Mixed Case –Bottle Storage and Picking (a.k.a split case) area will be housed in a centralized 2-Level Split Case zone. The top moving bottle SKUs will be located on the floor level of the split case pick module in flow-rack lanes. (About 15 cases per lane.) The slower moving bottle SKUs will be located on the second level platform of the module in static shelving. (1- 2 Cases per position.)
- v. The Refrigerated High-Value area will be highly insulated, temperature controlled to the required 55 degree requirement, with high density racking that can properly store approximately 1,652 different items, with a total capacity of approximately 24,700 cases.

1. DESCRIPTION OF THE AUTOMATED SYSTEM ARCHITECTURE

Our implementation of technology to receive, store, pick and ship cases and bottles of wine and spirits is in reality a tightly integrated set of specialized sub systems:

- i. The Warehouse Management System (WMS), performs all importation of NHSLC data, all scanned-in data, all receiving, returns, credits and put away assignments etc.
- ii. The Warehouse Control System (WCS) performs Wave Creation (order processing logic, groupings and SKU sortation, label printing, and then “wave control” for scanning, merging and sorting, “Jackpot” processing, and as well as interfacing to bottle room voice picking. (Customized by W&H Systems)
- iii. The Pick to Voice System (PTV) is a subsystem of the WCS, directing all voice picking activity for the High Volume Pick to Pallet area, Medium/Low Volume area and the Bottle Room, including, cartonization of Split/Mixed Case contents, printing of carton labels for split cases, picking and auditing of splits and reporting of split case barcode labels to WCS; and
- iv. The W&H system interfaces at the mechanized merge and sortation operation to properly manage waves and order processing. (Customized by W&H Systems).

2. DESCRIPTION OF DATA FLOW BETWEEN COMPUTER SYSTEMS:

Orders are assigned to Routes and Stops by the WMS [SQL-based HighJump Software].

Routed Orders are sent from the WMS to the WCS. Multiple files can be loaded at any time.

Fields include: Route, Stop, Order, SKU (or Split Case Barcodes), Quantity.

WMS maintains inventory locations and quantities. WMS sends this information into WCS.

Picking Locations are governed by the WMS and shared with the WCS.

Fields include: SKU, Pick Location, Product Type, (Bottle or Full Case or Pallet)

3. OVERVIEW OF THE ORDER-PICKING PROCESS

WMS maintains SKU and vendor barcode information for WCS to use as part of Vendor Barcode validation at the Shipping Sorter Scan Tunnel. WMS share this information with the WCS.

Key Fields Include: SKU, Vendor Barcodes, Picking Locations, Quantities

- i. The WCS receives the requirements of full case picks and bottle picks for each Route, Order, etc. from the WMS.
- ii. The WCS allows a user to decide if any large quantity of any SKU should be picked as a Full or mostly Full Pallet Pick.
- iii. The WCS determines which Oddballs and full cases are to be picked directly to an outbound pallet and do not require additional picks from split cases or the other full case areas, and which Oddballs, split cases and high volume full cases are to be combined on a pallet.
- iv. The WCS sends to the PTV system all of the High Volume picks for order picking.
- v. The PTV system creates picking instructions and Pallet Labels for High Volume Picks, including information on the Pallet Label to advise if the pallet needs additional product from the Oddball and/or Split Case sorter.
- vi. The WCS creates waves of Oddball picks for batch picking multiple orders that will be sorted, some of which are matched to High Volume pallets, and some of which are palletized at the after-sort lane to pallets.
- vii. The WCS creates bar-coded labels and prints the labels by picker and by wave.
- viii. Pickers pick to label onto Oddball pallets.
- ix. When picking for a Wave is completed, the *Pickers* continue to the next wave, etc.

- x. Cartons from Oddball and cartons from split case picking are merged prior to the sorter. As each carton is scanned at each merge scanner, the WCS determines when the wave is completely released from the merge, and sends a message to the WMS, indicating that the wave is finished in picking.
- xi. The WMS can then "move" the wave's product from the forward picking locations to an "in transit" status. Note that shortages in picking will not be reported to the host until reconciliation occurs at the Jackpot and Hospital lanes of the sorter.
- xii. The WCS advises the PTV system of the Lane Number, etc. for each Pallet to be completed at a Sorter Lane.
- xiii. Instructions from the PTV system will advise the picker if a pallet needs to have Oddball or Split Cases consolidated onto the pallet.
- xiv. The WCS advises the PTV system when an order is ready at an after-sort lane.
 - The precise inventory in Pick Locations is not maintained by WCS; it is maintained by the WMS. This is warehousing software supplied by HighJump Software and integrated into the Warehouse Control. System supplied by W&H Systems.

a. Wave Picking and Sortation:

The entire Distributech warehouse is mapped and every bay, flowrack lane and bin location will be barcoded. The high bay racking system aisles will have RF wire-guided man-lifts and forklifts, scanners and voice-picking sets; all medium-volume pickers have voice-directed systems and scanners; the refrigeration zone and the bottle-picking zones are similarly mapped for scanning and verification. There are 50 mechanized sort and divert lanes, each capable of processing separate waves of orders.

“Waves” are large groups of customer orders for hundreds of various products and quantities that are picked simultaneously within each of the 5 major zones and manned sub-zones. Entire batches of product quantities are picked within all of the warehouse’s zones by *Pickers* who are independently assigned to geographically efficient man-zones. With the completion of each wave, a sortation method is deployed and all of the components of each order are merged together and grouped by route.

- **For instances of pallets of Mixed SKUs**, these will be picked in a Batch for multiple orders: A group of orders will be waved together. Pickers in each aisle will pick by label to pallet, placing a bar-coded label on each carton as it is picked. This label indicates the SKU of the product, and the Order that the SKU is assigned to in the Wave as well as the required customer information. These “batch pick” pallets will then be dropped off at the staging area adjacent to the Bottle Room –and then be placed onto the sortation feed conveyor line in proper wave sequence.
- The WCS will assign each order to a sortation lane on the sorter. All of the pallets for the wave from the Oddball area will be placed onto the conveyor and then scanned, and sorted. Smaller partial orders will be sorted to one of the 40 shorter sortation lanes. Larger orders will be sorted to one of the 10 longer sortation lanes.
- **Frequently**, partial pallets from the High Volume area will be driven to the appropriate after-sort lane of the sorter directed by the voice system to where the balance of the order’s cases have been sorted and are waiting to be married with the pallet order. A Picker will remove the Medium Low and Split Cases from the aftersort lane, and place them upon the order’s pallet as directed by the voice system.

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- As the cases are removed, the Pickers tell the system which cases and how many he is placing on the order pallet to confirm that the cases are on the pallet. If an expected case at the sorter is missing, the Picker is informed and will be directed regarding the resolution. Labels which cannot be read, product error or late wave cases are directed to the jackpot line for reconciliation.

b. Full case picking

Picking in the High Volume area will be picked-to-pallet or be a full pallet pick. The picking will be done utilizing a pick to voice system with headsets. Each Order Pallet will have a label or paperwork for its identification. If required individual cases will be labeled for pallets containing more than one order.

The following pallet picking scenarios will be picked from the High Volume area, and be delivered to stretch wrapping and staging for shipping.

Full (or mostly) full pallets of a single SKU: If a SKU requires a full pallet (or a mostly) full pallet, the pallet should be picked as a full pallet. For a less than pallet quantity, the Picker will offload cases from the pallet to select the required number of cases for the order.

Mixed SKUs: Mixed SKU pallets will be picked to pallet by driving the pallet through one or more pick aisles on a walkie-rider powered pallet jack as *Pickers* hand stack the cases onto order pallets. Then the pallets are either finished and ready for stretch wrapping and staging, or ready to be completed with the cases from the Medium Low / Split Case Sorter. The *Picker* will be instructed by the voice system whether to stretch wrap the pallet, or bring it to the sorter. The powered walkie-rider will have extended forks, which will allow the picker to have 2 order pallets at a time with him as he rides through the High Volume product area.

Picking in the Medium/Low Volume area can occur for a number of different pallet order scenarios. Picking of Full Cases in the Medium/Low Volume area will be either Pick to Pallet all for one order or Pick to Pallet in batch for multiple partial orders grouped within a wave. When picking to a single order the cases will be voice picked. When picking in batches for sortation the cases, they also will be picked-to-label in order to identify the associated order

and wave for the cases.

The several picking scenarios in the Medium/Low Volume area are:

Full or partial single SKU Pallet Picks: if a SKU requires a full or most of a full pallet, the pallet can be picked as a full/partial pallet (this is not very likely in the high bay rack area, because the SKUs in this area are inherently slower movers).

A full pallet of Mixed SKUs: Using the voice directed system, the *Picker* will visit all required racked SKU storage positions to complete the wave and place the cases on the collection pallet. The pallet will be brought to the staging area to be inducted with the other associated wave pallets when the wave is ready for induction.

c. Bottle picking (for Mixed Cases):

This is a 2-story operation: Open cases of high and medium-volume items are housed in carton-flow rack lanes on the 1st level, and slower moving items in static shelves on the 2nd level. The bottle-pickers at the beginning of the splits/mixed case pick module place empty cartons on the conveyor, labels it and proceeds to pick using the voice directed system.

The first level gravity conveyor extends along the front of open bottle cases in carton-flow racks. This provides a rolling surface for bottle-pickers to move cartons along the conveyor as they pick bottles within their assigned zone. Completed cartons within a zone are passed along to the next picker/zone. The voice-picking system directs each *Picker* which bottles to select for each order. About 80% of all bottles will be picked from the bottle zone's flow-racks and rollers.

Orders leaving the bottle room carton-flow-rack lanes travel up to the second level past the shelving positions and accumulate to a Quality Control Checker station for scan-verification.

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Bottles in the shelving area are added to the order as directed by the PTV pick to voice system (or can be batched-picked to a cart and brought to the Quality Control Checker).

After verification by the Quality Control Checker, the cartons are released on the conveyor for transport to the merge and sorter.

Bottle Picking Zone:	Distributech Bottle Picking Capacities:	
<p>Distributech Initial Capacity for 4,128 SKU locations; rapidly & significantly expandable</p> <p>2011 Bottle Picking: @900,000</p>	<p>2013 Initial Bottle Pick Capacity</p> <p>4,100 bottles/AVG Day</p> <p>8,400 bottles/PEAK DAY</p> <p>1,025,000 AVG Bottle Pick</p> <p>YR1</p> <p>2,100,000 PEAK Bottle Pick</p> <p>YR1</p>	<p>2031 Current Plan Capacity</p> <p>7,000 bottles/AVG Day</p> <p>13,300 bottles/PEAK day</p> <p>1,750,000 AVG Bottle Pick</p> <p>3,325,000 PEAK Bottle Pick</p>

d. Automated “Merge” and Sorter Operations

At the merge system, each of the two (variable speed) meter belts will have an overhead scanner which scans the labels. These scanners feed into the WCS Merge Computer. The merge will release cartons in wave sequence to the induction system from both split case line and the full case line. The scan tunnel system will perform a manufacturer barcode verification comparison against the applied label. Once scanned, the sort controller will determine the appropriate lane to divert the carton and perform the divert.

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The sorter system will have (40) “short” divert lanes – 20 upper and 20 lower. 20 order divert lanes at a time will be used per wave. The sorter will also have 10 “long” diverts –5 odd and 5 even. 5 order divert lanes at a time will be used per wave. If a full lane condition exists for any sort lane, the induction will be stopped.

The sorter has four categories of sorts lanes (aftersorts):

- (1)** “Order Lanes” Picked OK Cases are diverted to the order lanes. [50 LANES]
- (2)** “Hospital Lane” for Mis-picked Cases and any other “problem” cartons. [1 LANE]
- (3)** “Jackpot Lane” for “No Reads” and Late Wave Cases. There will be a dedicated computer in the Hospital / Jackpot area to resolve issues. [1 LANE]
- (4)** “Re-circulation Lane” is a special conveyor for Early Wave Case and mis-tracked cases on the sorter. These cases go back around and are re-introduced to the sorter. [1 LANE]

e. Scan Tunnel & Vendor Barcode Comparison

Since each “Wave” of orders is a large group customer orders for hundreds of various products and quantities, a sortation method is deployed:

At the sorter induction system, a series of belts will provide sufficient gap for the scan tunnel to scan barcodes properly on all the cases. The conveyor is either started from a push button on the control cabinet, or through a HMI Podium. Once scanned, the sort controller will determine the appropriate lane for each carton and perform the divert.

The scan tunnel is set up to scan for and transmit multiple barcode symbologies on each case. Two types of barcoded are scanned: (1) in-house barcode labels are used for Picking through Shipping and a vendor barcode printed on the case (like UPC, SCC, I2of5, code 128). A valid relationship between the labels can either be shared from e WMS, or can be “learned” by the WCS system. In the Learn

mode, each time a label barcode and a Vendor barcode is scanned, the database determines if the Vendor barcode is a match for the SKU-labeled barcode.

Failures --If no match exists (i.e. the case label cannot be read OR is incorrectly labeled) then the case will be diverted down the Hospital Lane or Jackpot Lane for resolution and correction. At the Jackpot lane, the operator can confirm or reject the relationship. Once a relationship is validated, cases will be sorted normally to dock doors, unless a non-approved relationship is scanned again.

f. After-sort Operation

Once diverted, the cartons will travel down the after-sort conveyor lines, where they will be manually removed from the conveyor and hand palletized to the order pallets. Once a pallet of picks is complete, it is driven to the automatic stretch wrappers. Here they are accumulated, wrapped, discharged and accumulated for pick up and staging on the dock for shipment.

g. Our Material Handling System for Wine and Spirits

The entire conveyor system from picking through loading has been designed for optimal product handling. Some features to accomplish this are:

- The accumulation conveyors for the entire system are “zero pressure” with rollers on 2” centers. The accumulation conveyor also utilizes photo eyes rather than mechanical sensors.
- In non-rate sensitive areas accumulation conveyors operate at slower speeds and in singulation mode.
- The acceleration / deceleration rate at which the brake-meter belts are to be set are well proven as a result of many installations.
- All incline and decline belt conveyors are at 18 degrees or less to minimize tipping.

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- Belt carry rollers are on 6” centers to reduce potential for taller heavy cases to tip over; and Pick line conveyors will be supported on 5’ centers to minimize conveyor sagging.

h. W&H Functional Requirement Specification

Each system built by W&H comes with a Functional Requirement Specification (FRS).

The FRS is a document that fully describes the functionality of the material handling system supplied and designed by W&H. It also describes the system operation from the user’s perspective. The FRS is intended to ensure that both W&H and Distributech are in agreement as to exactly the performance and features, which will be provided with the system. This document also includes any project details that were not resolved in the proposal stage.

The NHSLC is capable of reviewing and commenting on the capabilities and capacities of this design specification, before the system is finalized.

4. HIGHJUMP WMS -DISTRIBUTECH’S MANAGEMENT SYSTEM

Distributech’s initiative is to control and drive efficiencies in the NHSLC’s wine and spirits sales and distribution operation. New products and market trends mean that everyone is faced with increasing numbers of SKUs, more variations in seasonal products and changing supplier and retailer requirements. By the time this contract is executed NHSLC will top 5 million cases annually and continue to grow. We have chosen HighJump WMS as the best software tool to manage the NHSLC’s complexity and all associated costs.

The flexibility and adaptability of the HighJump WMS will improve production times and accuracy for receiving, put-away, picking, truck loading and shipping. With real-time communications throughout the processes, and integration with W&H’s automation hardware/software, as well RF and voice-enabled capabilities, we will seek to maximize the efficiency of the total warehouse operation.

5. MORE ABOUT THE WAREHOUSE MANAGEMENT SYSTEM

HighJump Software

Supplier to Store Shelf Traceability

 Key Functionality for the Wine and Spirits Industry

<ol style="list-style-type: none">1) Advanced warehouse automation integration capabilities2) Real-time order and delivery applications3) Extensive options for setting up product deals and discounts4) Support for multiple brands and vintages5) Vintage/barrel/batch tracking6) Complex promotions7) Seasonal products8) Bonded warehousing9) Cage inventory10) Shelf space management11) Temperature and humidity guidelines	<ol style="list-style-type: none">12) Adaptability Tools –to Customize13) Inventory reporting to suppliers14) Shipping and depletion allowance reporting to suppliers15) State reporting requirements16) Compliance with state-specific reporting requirements for alcohol beverages17) Compliance with supplier and retailer initiatives18) Forecasting and inventory management at warehouse/store/SKU level19) Forecast for replenishment lead time20) Paperless settlement transactions
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6. RECEIVING IN-BOUND SHIPMENTS FROM SUPPLIERS

Distributech is going to perform “Live Receiving” As the pallets are unloaded from trucks, we will be able to scan-in each item and make it immediately available for the NHSLC ordering systems.

How Warehouse Product Identification Currently Works in New Hampshire: New Hampshire has its own unique product/brand code identification system. As products become “Listed” in our state, the NHSLC assigns the product its own case code number; and the NHSLC manually keys-in and tracks the bottle UPC code if it is going to be sold in the State Stores. From the end of Prohibition until today, the NH system has relied at all stages of warehouse receiving, storage, shipping, and then retail

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distribution upon human visual product identification and verification against the State's product code.

How Distributech Proposes to Enhance Product Identification and Handling: Without requiring the NHSLC to change its "coding system(s)", Distributech proposes that we can act as the NHSLC translator. Imagine when national brands like Kahlua can be shipped to NH without applying special NH Code tags to all NHSLC shipments; and the thousands of wines that emerge on the market and become listed in New Hampshire do not have to be pre-labeled manually by the vineyards or supply-warehouses. Hundreds of thousands of dollars will be saved by suppliers, brokers and suppliers, and they will also have no slow-downs or extra costs to manually label and re-label non-conforming inventories either.

What does it mean when we say Distributech acts as the NHSLC translator? Our business model deploys a UPS-like scanning operation where all packages coming into the warehouse already are either scan capable or labeled with scan tags. Our SQL databases will import and mirror the NHSLC's own core data files like brands, sizes, prices and customers. We will merge the NHSLC's data with actual data that we collect from our own receiving operation. For all new items or items that fail to scan, our receiving operation will use Cubiscan scanning stations to measure, weigh, scan every existing bar code and photograph samples of every case/product we receive. We will also open each case and do the same for the bottles/subpacks inside.

During the transition period, this approach will record the "vital signs" of each SKU and will provide huge dividends to all business groups, including: (1) audit-quality Transition for Liquor Enforcement; (2) quality-assurance for inventory transfers from the old warehouse; (3) creation of business-critical, extra product information—like uniform photos for every single product; (4) creation reliable UPC

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database for all bottles; and (5) for the first time ever, a very reliable cross-reference database of NH Code, Supplier Code, UPC Code. After the transition, any new item will merely need a one-time “Cubiscan” and a quick product verification by the local broker of the proper NH Code. (Periodically, we will Cubiscan items on a rotational basis to re-validate items). The net result is that the in-bound shipments to New Hampshire will not need to be specially labeled with the NH Code. Labeling and re-labeling fees will be eliminated. Delays in receiving will be eliminated; and as soon as pallets are pulled off trucks and scanned the inventories are immediately available for sale.

When we merge the NHSLC product information with the extra information that we collect at receiving, the WMS system will use product rankings (shipping volume statistics) to determine the optimal storage locations in our warehouse. Voice guided systems will direct our warehouse people where to move each pallet. They will scan the “mapped destination location coordinate” and record where every item is stored.

The data that we collect will provide all the vital numbers that we can then use (and the NHSLC can use) to track, put-away, store, move, pick, sort, ship, and even receive at State Stores accurately for all wine & spirits.

If the NHSLC retains its unique numbering system, we will have a natural and reliable cross-reference database that the State can rely upon at all levels. When suppliers want reporting from the NHSLC, on all warehouse activity, Distributech can actually provide it real-time in the suppliers’ own currency –using their own product IDs.

How Distributech’s WMS will Provide Real-time Operations: The few minutes that it takes to scientifically maintain the data (measure/weigh/scan/photograph) provides superior accuracy, saves hours of error correction, eliminates hours of manual procedures, and replaces the need for human

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eye labels with full bore scan capable tracking. The massive enhancement of long-term throughput capabilities can be valued in the millions.

We are integrating RF/Wireless technologies and data integration between several software systems upon a SQL Server platform. We will tie together: Cubiscan → WMS → W&H Warehouse Control System → WMS ← NHSLC Core Files .

Live Order Processing and Reporting By Distributech: As a mission-critical advantage, our SQL server will be capable of being integrated with the NHSLC's SQL Web Server.

3 Biggest Technical Advantages to the NHSLC: (1) With a VPN connection between both ends, and SQL servers at both ends, the complex process of processing warehouse orders can be immensely simplified, have high-level availability and stability, and be optimized to handle multi-threaded orders; (2) Since we have an industry advantage in knowing how to integrate NHSLC business rules, file structures and schedules, we can fast-track the development of the Distributech interfaces as soon as the contract is awarded; and (3) Distributech will develop a testing/acceptance environment, as well as the desired and required modern SQL Reporting Services for the NHSLC and the Suppliers.

7. INVENTORY HANDLING EQUIPMENT

Our analysis shows the following equipment will be necessary. The estimates are based upon 2013 peak needs; and we will follow up with a mini-table of what we expect to need over longer-term growth.

Distributech
Distribution Center Design Analysis



Estimated Forktruck Equipment Requirements May 24, 2012

Forktrucks	2013				Totals	
	Reach	Pallet	Sit	Order		
	Truck	Jacks (1)	Downs	Pickers		
Day	4.0	0.0	6.9	5.6		
Night	2.5	18.9	0.0	26.5		
Max	4	19	7	27		
Estimated Capital per Vehicle	\$ 46,000	\$ 17,000	\$ 36,000	\$ 35,300		
Total by Vehicle Type	\$ 184,000	\$ 323,000	\$ 252,000	\$ 600,100	\$ 1,359,100	
Estimated Annual Lease Cost @ 20.4%	each	\$ 9,380	\$ 3,470	\$ 7,340	\$ 7,200	
Total by Vehicle Type	\$ 87,520	\$ 65,930	\$ 51,380	\$ 272,800	\$ 277,230	
Forktrucks	2011				Totals	
	Reach	Pallet	Sit	Order		
	Truck	Jacks	Downs	Pickers		
Day	8.0	0.0	11.0	9.5		
Night	2.5	32.2	0.0	28.1		
Max	8	33	11	29		
Estimated Capital per Vehicle	\$ 46,000	\$ 17,000	\$ 36,000	\$ 35,300		
Total by Vehicle Type	\$ 368,000	\$ 561,000	\$ 396,000	\$ 1,023,700	\$ 2,348,700	
Estimated Annual Lease Cost @ 20.4%	each	\$ 9,380	\$ 3,470	\$ 7,340	\$ 7,200	
Total by Vehicle Type	\$ 75,040	\$ 114,510	\$ 80,740	\$ 208,800	\$ 479,090	

NOTE: Fork truck requirements are based upon Peak requirements and an allowance of 1 battery per truck.

NOTE: Charging stations should not be needed with Opportunity Charging System.

NOTE: Pallet Jacks are double pallet powered pallet jacks.

Estimated Wire Guidance System		2013		
8,860	Lineal Feet of Wire x	\$ 5.00	/lineal foot	\$ 44,300
	3 drivers x	\$ 3,500	=	\$ 10,500
\$ 6,000	/machine x	17	Order Pickers =	\$ 102,000
				\$ 156,800

Estimated "KX" Equipment		2013		
			Software =	\$ 15,000
			Site Survey =	\$ 3,000
One transceiver for every 125,000 sqft	920,000 sqft/	\$ 25,000	3 x	\$ 7,000
Truck Mounts or handhelds	\$ 7,000 per truck x	28	trucks =	\$ 196,000
				\$ 207,000
Slip Sheet and Clamp Attachments for Sit Down Counter Balanced Lift Trucks				
2	Slip Sheet attachments x	\$ 11,000	=	\$ 22,000
2	Clamp attachments x	\$ 11,000	=	\$ 22,000
				\$ 44,000
				\$ 1,796,900

NOTE: The cost of wire assumes wire on both sides of Narrow Aisles. This may not be needed.

Without wire guidance in Narrow Aisles, wire requirements are estimated to be reduced by 66%.

Section III – J

Two Warehouses Alternative Proposal

J. TWO WAREHOUSES ALTERNATIVE PROPOSAL

The RFP also asks us to contemplate a two-warehouse scenario, within which the NHSLC keeps the Storrs Street facility operational. Although the thrust of Distributech’s proposal is to construct a single centralized facility that has built-in capacity to host all of the NHSLC’s operations, we can also profitably support an efficient NHSLC operation if it decides to keep the Concord warehouse. As a part of Disaster Recovery planning and some of the NHSLC-owned inventory operations, we can share the utility of having a smaller 50,000 sq.ft. facility nearby.

1. OVERVIEW: PROS AND CONS OF TWO WAREHOUSES

A. The negatives of two warehouse operations: Today, the NHSLC has two uncoordinated, non-integrated warehouses –and they do not provide distribution advantages to anyone. They do have one joint-purpose that is being met; they make separate profits for the two separate operations. However, this current system creates a significant hidden cost of possibly millions of dollars annually in system costs inefficiencies.

To explore inefficiency for a moment, think about how these hidden business factors compose the current warehousing system:

1. State Stores buy products that are stored in both warehouses;
2. Separate segments of the “Top Selling” products are stored separately in each warehouse;
3. The Storrs Street warehouse holds some slower moving items, but it warehouses a few hundred liquor items that are predominantly in high-demand, fast-moving (this is a key factor later);
4. There is a policy that all On-premise and Off-premise licensees only obtain their wine & spirits deliveries from the current Nashua warehouse;

Distributech, LLC Proposal – NHSLC RFP 2012-14

5. Each On- and Off-premise segment hires and pays a trucking company to obtain delivery of their wine or spirits orders;
6. State Store order fulfillment: daily needs at State Stores stem from daily sales, yet to complete an order for any State Store from two warehouses, two orders, two trucks and two deliveries must be used; for smaller State Stores two separate warehouse orders need to be combined onto a single truck in Concord;
7. On-Premise licensee (all restaurants) order fulfillment: To complete or consolidate any order for On-Premise licensees (all restaurants), trans-shipped inventories have to be handled at least twice to pick and ship them from the current Nashua warehouse;
8. Off-Premise licensee (all grocers) order fulfillment: is the only segment not impacted by separate warehouses, because they cannot order spirits items;
9. The Nashua warehouse holds almost half of the “Top Moving” items and most of the thousands of slower moving SKUs.

Distributech proposes a different scenario. Combining all NHSLC items into one facility will enable Distributech to service the State Stores with single truck deliveries that contain all the items for an entire order. Our proposal removes the unavoidable current system of two trucks and two deliveries. In our proposal, each truck could have slightly lower quantities of all high-priority items on-board every time, and each truck delivery could be topped-off with the smaller quantities of slower moving items –every time. The same two scheduled truck deliveries could actually hold complete orders regardless of the order. During *peak times* of the year, our proposal will benefit all by reducing occurrences of huge deliveries of only a few SKUs on daily delivery trucks. Our proposal will help address space-shortages in the back of the State stores or of temporary product shortages while

waiting for “the right truck”. Licensee ordering, trans-shipping, extra handling costs for the current Nashua warehouse would be eliminated.

If the operation of two warehouses continues into the future, we should look at “re-purposing” their independent functions. Separate profit motives should have a lower priority to exploring a means to tie two sites together for maximum efficiency. Tight inventory and data integration will yield a much better balance of stock.

B. Advantages. While the NHSLC may give up some internal profit advantages as a mini-bailment operation on the existing SKU sets in Concord, it actually might be more valuable to the larger system and retail operational efficiency if we “re-Purpose” the Storrs Street site.

The Storrs Street warehouse might be used more profitably as a “bulk storage” facility for overflow stock of the top movers; and/or a long-term storage site generating separate fees for comatose stock and close-out stock; and as a working back-up site in the event of a catastrophe at the main warehouse. Each of these purposes is more viable when the small 50K sq. ft. Storrs Street site is low-cost, low-labor intensive and is within quick shuttle distance to the main distribution center.

Another possibility would be to use Storrs Street as the NHSLC’s own local warehouse to become more active in making periodic/seasonal or strategic “buy-ins” of certain inventories. While the NHSLC can always do this from within Distributech’s facility, the NHSLC itself may become the “vendor of record” or “buy-in” other vendor inventories for which there is an unusually large discount. As such, Storrs Street could receive and store containers of product that have high profits attributed to them.

2. WHAT DISTRIBUTECH PROPOSES FOR TWO WAREHOUSES:

If the Storrs Street Warehouse continues operation as a part of the NHSLC operation, Distributech proposes that at our local facility 35,000 cases of standing NHSLC-owned product be maintained as immediately-shippable working inventory (with free storage at our site and a handling rate that is fairly negotiated and off-set from all bailment revenue from the suppliers/brokers).

Meanwhile, at the NHSLC warehouse, the inventories at Storrs Street are built up or utilized as a type of “bulk storage” from NHSLC container-deals, direct imports, private label items and any other NHSLC-owned inventory that might exceed “current sales and inventory needs”. On a simple weekly or as-needed basis, we can transfer stock across town in Concord to our facility to fulfill short and intermediate order processing by all State Stores and all licensees.

As a complete offset to the possible reduction of State staff needs at the Storrs Street warehouse, (because of a less intense operation there), we are open to contracting with the NHSLC for the services of all of the full-time employees. Both warehouses will benefit from cross training in experience and knowledge. Both warehouses can then be optimized in their separate roles, while also maximizing daily average and peak-time order processing/shipping. Trans-shipping or transfer costs can be minimized by deploying a very simple cross-town strategic plan and timed so that the State employees can continue to work full-time --in both warehouses.

Section III – K

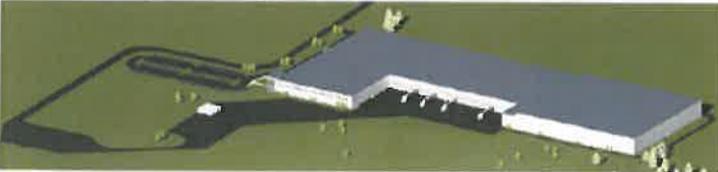
Facility Specifications

K. FACILITY SPECIFICATIONS

Distributech engaged the Stahlman Group to perform all of the Engineering Design and Construction Management Services. The project plan began its initial launch phases at the beginning of 2012, so that we could begin the land acquisition, site engineering, permit applications and actual construction project engineering. With the significant costs associated with developing the proposed site, Distributech has already invested large sums of capital in anticipation of gaining the award of this NHSLC contract. This at-risk capital was necessary in order to provide a truly viable warehousing option to the NHSLC and be within the very tight calendar that is required to transfer all warehousing services on time. Because we have developed this comprehensive plan at considerable expense, we welcome the opportunity to begin discussions with the NHSLC, DoIT and RFP panel members as soon as possible, so that we can share ideas in further detail.

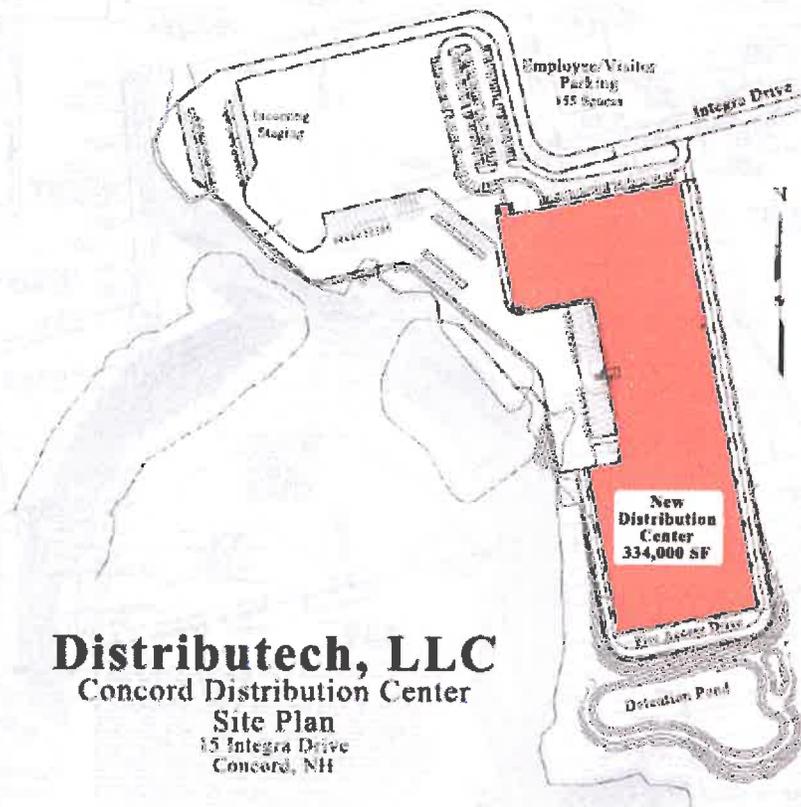
By accelerating early consideration of the proposal and obtaining early feed-back, we will also conserve the maximum amount of time possible for serious site development, fine-tuning and internal process discussions with the NHSLC.

The next few pages are reduced renderings of the Distributech facility, the Site Location, the Site Plan, the Automated Conveyor Plan and the Floor Plan. Large scale drawings are also being submitted as a part of this proposal. Detailed files of the engineering design, construction details and schedule details are all available for review when the NHSLC is ready for our presentation.



Distributech, LLC
Concord Distribution Center
334,000 Square Feet
15 Integra Drive
Concord, NH





Distributech’s ultimate location objective is to move wine and spirits distribution 40+ miles north from its present location in Nashua so that we can operate conveniently in closer proximity to the NHSLC’s headquarters, closer to all NH broker offices and down the road from the State’s Storrs Street warehouse.

We believe that being physically closer to the administration side of the NHSLC and brokerage businesses will improve warehousing management operations as well. Being within minutes of one another, we will have a much greater opportunity to work together, with more visibility and more transparency than currently.

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With regard to transportation access, we submit that the Concord Area is at least as efficient as Nashua and possibly superior. As a central location, the Concord Area is an excellent distribution location to all points in New Hampshire via Routes 93, 89, 9/202, 4 and 101.

Beyond the pure economics of this new relationship with the NHSLC, it is obvious that Distributech's goal is to provide for a very smooth transition as well as a much closer relationship between the NHSLC and the warehouse. Our operation with the NHSLC promises to be run as a transparent partnership. Our data, services and rates are all major components of what we intend to integrate into the NHSLC system so that warehousing has maximum efficiency.

Section III – L

Security Procedures, Disaster Recovery and Business Continuity

L. SECURITY PROCEDURES, DISASTER RECOVERY AND BUSINESS CONTINUITY

At the outset of our contract with the NHSLC, we will undergo a risk management assessment of our facility for physical and data-related risks.

IT Failures and Disasters: In the event of an IT disaster such as system failure, data corruption, flood, fire, etc., it is critical to operations that the data backups and recovery be as accessible and reliable as daily operations. Accordingly, for redundancy, backup and hot spare recovery, Distributech will maintain a VMware server, spare firewall and switching inventory that is located off-site in a data center. The extra value with this approach is that by using virtual hardware, our physical hardware can be freely replaced if it fails.

Distributech will reduce risks of business interruption even further by running more than one virtual machine. For weekly and monthly testing of our backup data we can test and mock failures, and validate data restoration in our own “sandbox” with exactly the same environment as our production servers.

To lower risks with pending software upgrades, virtual machines will pre-test the results and continued functionality of our WMS, WCS and other business-critical software before we deploy live updates, patches or version changes.

IT Security: We will deploy firewalls, VPNs and internal security policies-measures that safeguard access to our data and the NHSLC’s data. We will undergo risk assessment review also with DoIT.

Physical Failures and Security Risks: [Fire and Security] Our facility will be alarmed and wired to the local police and fire departments; our sprinkler systems will be designed to code; our points of access will be alarmed and have local and remote access camera surveillance and recording. All access points will have RFID key card access and time-stamped access recording. The building perimeter,

roof and all access points will also have video surveillance, as well as the internal loading dock areas and the inventory storage zones. Temperature recorders will also track fluctuations and histories of the storage zones.

We also intend to record instances of product damage for auditing purposes –whether it received in damaged condition, it becomes damaged under our care, or a carrier claims that we might have released a damaged load.

Our facility design includes a perimeter security fence and a gate to close off access when and if the facility is ever “idle”. We are also employing a security guard in order to monitor all activities and the facility.

Catastrophic Event: Finding true replacement space for over 800 tractor trailers of wine & spirits is the highest form of catastrophe. This could occur if the roof collapses during the winter, a tornado tear up the building or a fire destroys the facility. In this event, we would clone out a new instance of our systems from our VMware server and /or make the decision to receive and process orders from the remote data center, and then bring in “just-in-time” levels of inventory to another local warehouse site.

Our software could continue processing warehouse transactions for a “Proxy Warehouse” in disaster mode at a new emergency location. The lag time in getting emergency replacement loads of wine & spirits into NH would represent the highest factor of delay.

By the time this new contract is executed, NH’s total weekly volume will be 5,000,000 annual cases – which equates to approximately 96,000 cases per week. The Top 200 SKUs for the NHSLC represent about 2.1 million cases of that 5 million cases. Therefore, within reason we might expect to rapidly receive a 2 ½ week supply of emergency stock of the Top 200 items into the Storrs Street warehouse.

Distributech, LLC Proposal – NHSLC RFP 2012-14

Distributech also has an agreement that in the event of serious emergency, we could use an equal or greater amount of space within Amoskeag Beverages' 210,000 sq. ft. facility –1 mile from the Storrs Street facility.

The key to this type of planning is for the NHSLC and Distributech to establish several priorities (product sales priorities, SKU selection priorities, product replenishment priorities) and then co-create actual contingency plans that continue core services in the NH wine & spirits business. We need a dialog that weighs each priority and then a short-term/long-term business plan that can be executed if disaster were to strike.

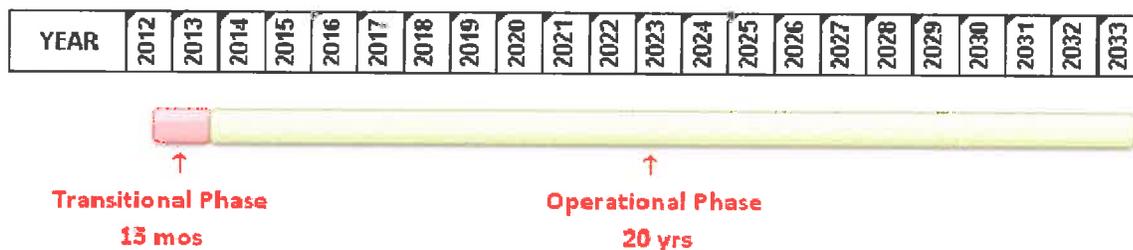
Section III – M

**Transition Into
Production**

M. TRANSITION INTO PRODUCTION

November and December are the two busiest months of the year for liquor sales. While the stated “begin date” of the contract is November 1, 2013, we will begin our facility build-out as soon as the contract is executed in the August 2012 time-frame and expect that our warehouse building will be usable by August 2013.

Also, immediately upon execution of the contract with the NHSLC, we intend to use the 12+ months to initiate IT planning meetings with the NHSLC, obtain “sandbox” data and begin immediately to integrate the warehouse WMS into the NHSLC Core data system. By the time the physical facility is ready, we will have been testing all operational systems with the NHSLC to gain acceptance-level results in warehouse transactional processing.



For the Transition, our approach will be to take advantage of as much lead-time as possible to perform the many facets of the transition. Even without a warehouse in place, we want to test our product rank data, while testing our WMS logic in cubing the warehouse. Once the warehouse is built and secure but still being set up, we propose to begin transferring specific segments of inventories. This is so that we can bench-test the Cubiscan system –for collecting all of the “vital statistics” on each in-bound SKU .

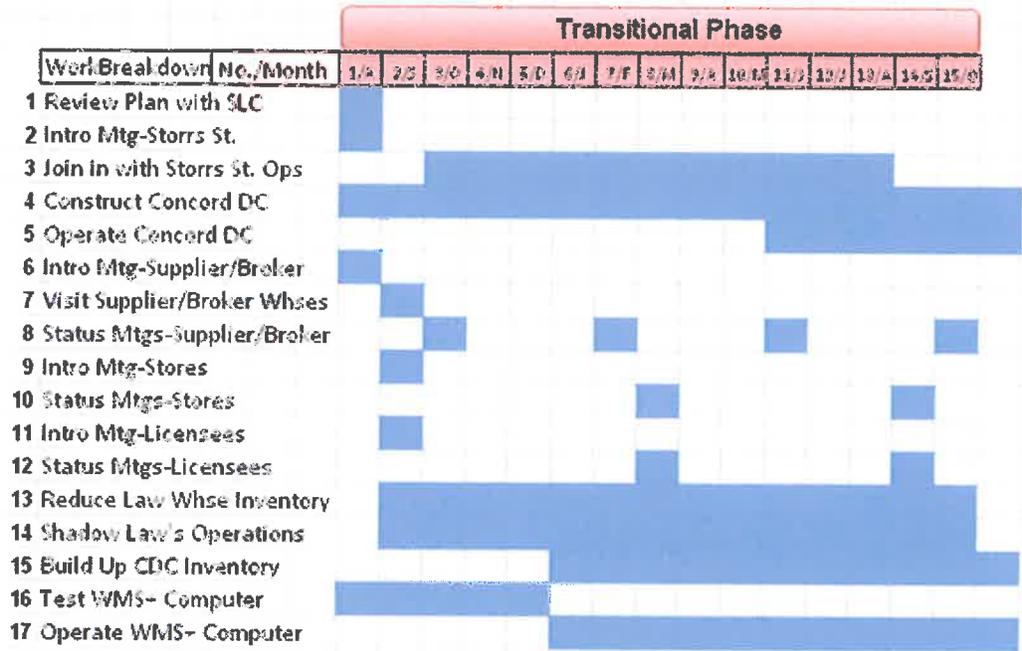
As we begin, every single SKU being received will be new, and be subjected to this intensive “Cubiscan” and data recording. With maximum accuracy and auditing capabilities, we want to

Distributech, LLC Proposal – NHSLC RFP 2012-14

“Phase-In” initial receiving operations. We will begin with a small cluster of key employees for technical training, then create a small series of test transfers from the Storrs Street warehouse first. The first stock coming into Distributech at this step will be the few thousand cases of “semi-comatose” stock that are not in demand and not a part of daily production. Our goal is to pilot-program a receiving operation, scanning operation, direct put-away into computer-guided locations, NHSLC warehouse activity reporting and other mock handling situations. We will also pre-test Order Processing, inventory commitment, picking/packing and staging for delivery operations with these beginning inventories.

As soon as we have NHSLC-Distributech operational confidence with these non-production inventories, we will begin a ramped-up operation with more staff, more training and begin planning and identification of “over-stock” items. The Nashua warehouse has more than 60,000 cases of “non-moving” stock – representing 50+ tractor trailer trucks of very low risk inventory that we can use as a large transfer test.

Once all of the non-production inventories are received into Distributech and the necessary adjustments to technical, procedural and logistical operations are made, we will be ready to begin the phase where the inventories in Nashua can begin to be “drained down” toward Just In Time levels for that facility’s last phase of production-level warehousing.



Our extensive experience tells us that it may be prudent for the NHSLC to give some further consideration to a target start date which is outside of the NHSLC’s peak retail season. The actual details of transitioning into the new contract will only be derived from the collaborative efforts of every party that is involved. We ought to begin as soon as possible, begin to develop group-approach and then a strategy to implement a calendar of detailed tasks as soon as possible.

Thank you for your review of our detailed proposal. We are extremely confident that we have the “dream team” of people to accomplish all of NHSLC’s goals. We also have the energy and enthusiasm to help lead the way to make this a game-changer – an opportunity to deliver a controlled, creative, transparent, customer-focused and profit driven partnership.

We welcome the opportunity to discuss our proposals with the NHSLC. Again, thank you for your consideration.

Section IV

**Appendicies/Attachments/
Documents
Exhibits A – O**

Section IV – Documents

The following is a list of the related documents attached hereto as Exhibits to Distributech’s Proposal, pursuant to the requirements of the RFP:

Exhibit A – Letter from Philip Latvis, Jr., Insurance Agency Manager for Mascoma Savings Bank, indicating that he will be able to secure all necessary insurance for Distributech upon award of the contract

Exhibit B – Certificate of Good Standing from the New Hampshire Secretary of State for Distributech, LLC and Certificate of Good Standing from the New Hampshire Secretary of State for 15 Integra Drive, LLC

Exhibit C – Cover letter from Rath, Young and Pignatelli, P.C. regarding Michael Goclowksi’s status as manager and Certificate of Authority/Existence for Distributech, LLC, signed by Michael Goclowski as manager

Exhibit D – Completed and Signed Warehouse License Applications

Exhibit E – Background information, conflict statement and proof of liability and worker’s compensation insurance for The Stahlman Group

Exhibit F – Background information, conflict statement and proof of liability and worker’s compensation insurance for W&H Systems

Exhibit G – Statement of Distributech that it will comply with all applicable laws and regulations

Exhibit H – Three written references for Michael Goclowski

Exhibit I – Resumes for Distributech, LLC management team

Exhibit J – W-9 for Distributech, LLC

Exhibit K – W-9 for The Stahlman Group

Distributech, LLC Proposal – NHSLC RFP 2012-14

Exhibit L – W-9 for W&H Systems

Exhibit M – W.P. Carey Prospectus

Exhibit N – W&H Systems design materials

Exhibit O – Appendices D, D-1 and D-2 (in separate envelope)



MASCOMA SAVINGS BANK

Incorporated in and mutually owned since 1899.

June 4, 2012

Michael Goclowski, Manager
Distributech, LLC
One Capitol Plaza
Concord, NH 03301

Dear Mr. Goclowski:

Please be advised that we have reviewed the insurance requirements set forth in the Request For Proposal (RFP) for a Vendor to operate a Warehouse for the purpose of storing wine and spirits on behalf of the State of New Hampshire (State), New Hampshire State Liquor Commission (NHSLC). Based upon the overview provided by you with regard to the experience of the management team and the experience and financial resources of the ownership group, we would be pleased to work with you in securing the required insurance policies. With our Insurance Company appointments and Insurance brokerage relationships, within a reasonable period of time from the awarding of a contract, we will be able to secure the following:

- License, Performance and Surety bonds.
- All perils Property Insurance providing 100% coverage of the acquisition cost of the products owned by the NHSLC while in the care, custody and control of Distributech, LLC, up to \$2,000,000, listing the State and NHSLC as additional insured and loss payee, and providing industry standard 30 days written notice (60 days if required) prior to cancellation, suspension, or surrender of coverage, including fire and extended coverage insurance covering all products owned by the NHSLC in an amount not less than 100% of the acquisition cost of the product.
- General Liability insurance with at least \$250,000 per claim and \$2,000,000 per occurrence, with the carrier providing 30 days written notice prior to cancellation, suspension, or surrender of coverage.
- Worker's Compensation insurance with limits equal to the statutory requirements of the State.
- "Key Person" life insurance on the executives and key personnel of Distributech, LLC to provide the financial resources necessary for locating and attracting competent replacement personnel.

In securing the above referenced policies, we will utilize both our direct insurance company appointments and our brokerage relationships. Our direct appointments include such

Page 2
June 4, 2012

companies as Travelers, Safeco, Kemper, CNA, and National Grange Mutual. With our brokerage relationships we have access to a wide array of top-rated industry leading carriers. Through this approach we will seek to provide the most competitive pricing and coverage options. As always, the individual carriers determine the ultimate eligibility for, and pricing of, the coverage they provide.

I wish you well in your quest and look forward to working closely with you upon news of your successful bid.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip Latvis Jr.", written in a cursive style.

Philip Latvis Jr.
Insurance Agency Manager
P.O. Box 4399, White River Jct., VT 05001
802-280-4951
philip.latvis@mascomabank.com

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Distributech, LLC is a New Hampshire limited liability company formed on April 12, 2012. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law; and that a certificate of cancellation has not been filed.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of June, A.D. 2012

A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that 15 Integra Drive, LLC is a New Hampshire limited liability company formed on November 30, 2011. I further certify that it is in good standing as far as this office is concerned, having paid the fees required by law; and that a certificate of cancellation has not been filed.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of June, A.D. 2012

A handwritten signature in black ink, appearing to read "William M. Gardner", written in a cursive style.

William M. Gardner
Secretary of State

RATH YOUNG PIGNATELLI

Steven J. Lauwers
Attorney at Law
sjl@rathlaw.com
Please reply to: Concord Office

June 4, 2012

New Hampshire State Liquor Commission
P.O. Box 503
Concord, NH 03302-0503

Re: Request for Proposal 2012-14, Warehouse Services for Wine and Spirits and Related Products, March 28, 2012 ("RFP")

To Whom It May Concern:

We have served as legal counsel to Distributech, LLC ("Distributech") in connection with its formation, as well as with respect to the preparation and submission of its proposal in response to the RFP.

Distributech is a New Hampshire manager-managed limited liability company that does not yet have members.

As of this date, Michael Goclowksi is the sole manager of Distributech, and the sole person who has authority under the New Hampshire LLC Laws to legally commit or sign on behalf of Distributech. For this reason, Mr. Goclowksi has executed the attached Certificate of Authority/Existence in his capacity as sole manager of Distributech.

Very truly yours,



Steven J. Lauwers

SJL/tmp

Exhibit C, Page 1

National Impact. Uniquely New Hampshire.

Rath, Young and Pignatelli, P.C.
www.rathlaw.com

One Capital Plaza
Concord, NH 03302-1500
T (603) 226-2600
F (603) 226-2700

20 Trafalgar Square
Nashua, NH 03063
T (603) 889-9952
F (603) 595-7489

54 Canal Street
Boston, MA 02114
T (617) 523-8080
F (617) 523-8855

Distributech, LLC
c/o Rath Young and Pignatelli, P.C.
One Capital Plaza, Second Floor
P. O. Box 1500
Concord, New Hampshire 03302-1500

June 4, 2012

Certificate of Authority/Existence

This Certificate of Authority/Existence hereby confirms that Michael Goclowski is the Manager of Distributech, LLC ("the Company"), and the signature of Michael Goclowski, as Manager of the Company affixed to the proposal shall bind the Company to its terms and conditions.

The foregoing signature authority has not been revoked, annulled or amended in any manner whatsoever, and remains in full force and effect as of the date of the Proposal.

Distributech, LLC

By: Michael Goclowski, MANAGER
Michael Goclowski, Manager

STATE OF NEW HAMPSHIRE
COUNTY OF MERRIMACK

The foregoing Certificate was acknowledged before me this 4 day of June, 2012, by Michael Goclowski, Manager of Distributech, LLC, a New Hampshire Limited Liability Company, duly authorized on behalf of the Company.

Toni M. Pierce
Notary Public
My Commission Expires:



STATE LIQUOR COMMISSION

STATE OF NEW HAMPSHIRE

P.O. BOX 1795

CONCORD, NH 03302-1795

Phone: (603)271-3521

REQUEST FOR APPLICATION FOR LICENSE

TYPE OF APPLICATION: LIQUOR, WINE, BEVERAGE WAREHOUSE

Non refundable processing fee to be mailed with this request: \$25 for LW REP sales person (Retail Tobacco only - no application fee) \$100 for all other application types.

CORP/LLC/LLP NAME: Distributech LLC Date formed: 4/12/12

Applicant Name: Last: Goclowski First: Michael Date of Birth: 04/13/57

HOME ADDRESS: 7 Cemetery Road

City: Hopkinton State: NH Zip: 03229

TRADE NAME: Distributech LLC

LICENSE LOCATION: 15 Integra Drive County: Merrimack

City: Concord State: NH Zip: 03301

MAILING ADDRESS: 139 Gould Hill Road

City: Hopkinton State: NH Zip: 03229

AN ACCURATE MAILING ADDRESS ENSURES YOU RECEIVING CRITICAL CORRESPONDENCE AND RENEWAL APPLICATIONS IN A TIMELY MANNER

TYPE OF BUSINESS:

- A Single Prop
- Partnership
- Corporation
- LLP
- LLC

IF non-NH company, what state chartered in:

APPLICANT:

- OWNS
- LEASES
- RENTS

RECEIVED
MAY 30 2012

Business Phone: 603-496-0689 Home Phone: 603-496-0689

E-Mail Address: mike@webwei.com EIN# 45-5186915

Has applicant previous owned/had interest in any other liquor license:

REQUEST FOR APPLICATION FOR LICENSE -Part Two

(Complete required form for each member, Corporate Officer or Owner)

Applicant Name:

Name-Last: GOCLOWSKI First: MICHAEL Mr/Mrs.: _____

Maiden Name: _____ Title(Pres,Mgr etc.): MANAGER

Home Address: 7 NEW CEMETERY RD NH 03229
City: HOPKINTON State: _____ Zip: _____

Home Phone: _____ Social Security#/Alien Reg.#: 028 42 5628

Sex:

Male Female

Race: CAUCASIAN Date of Birth: 4/13/57

Place of Birth: ALBUQUERQUE, NEW MEXICO, US
State/Province: _____ Country: _____

Drivers's Lic#: 04 GIM 57131 Hgt: 6'1" Wght: 190 Eye: BLUE Hair: BROWN

Mother's Name: Last GOCLOWSKI First: DOROTHY Maiden: MATUSZKO

Father's Name: Last GOCLOWSKI First: JOHN

STATE LIQUOR COMMISSION

STATE OF NEW HAMPSHIRE

P.O. BOX 1795

CONCORD, NH 03302-1795

Phone: (603)271-3521

REQUEST FOR APPLICATION FOR LICENSE

TYPE OF APPLICATION: LIQUOR, WINE, BEVERAGE WAREHOUSE ▾

Non refundable processing fee to be mailed with this request: \$25 for LW REP sales person (Retail Tobacco only - no application fee) \$100 for all other application types.

CORP/LLC/LLP NAME: Distributech LLC Date formed: 4/12/12

Applicant Name: Last: Goclowski First: John Date of Birth: 03/30/34

HOME ADDRESS: 139 Gould Hill Road
City: Hopkinton State: NH Zip: 03229

TRADE NAME: Distributech LLC

LICENSE LOCATION: 15 Integra Drive County: Merrimack

City: Concord State: NH Zip: 03301

MAILING ADDRESS: 139 Gould Hill Road
City: Hopkinton State: NH Zip: 03229

AN ACCURATE MAILING ADDRESS ENSURES YOU RECEIVING CRITICAL CORRESPONDENCE AND RENEWAL APPLICATIONS IN A TIMELY MANNER

TYPE OF BUSINESS:
 A Single Prop Partnership Corporation LLP LLC

IF non-NH company, what state chartered in: _____

APPLICANT:
 OWNS LEASES RENTS

RECEIVED
MAY 30 2012

Business Phone: 603-746-5668 Home Phone: 603-746-5668

E-Mail Address: jgoclowski@comcast.net EIN#: 45-5186915

Has applicant previous owned/had interest in any other liquor license:

REQUEST FOR APPLICATION FOR LICENSE -Part Two

(Complete required form for each member, Corporate Officer or Owner)

Applicant Name:

Name-Last: GOCCLOWSKI First: JOHN Mr/Mrs.: MR.

Maiden Name: _____ Title(Pres,Mgr etc.): MEMBER

Home Address: 139 GOULD HILL ROAD
City: HOPKINTON State: NH Zip: 03229

Home Phone: 603-746-5668 Social Security#/Alien Reg.#: 034-24-1713

Sex:

Male Female

Race: WHITE Date of Birth: 3/30/34

Place of Birth:

State/Province: MA Country: USA

Drivers's Lic#: 03GIT34301 Hgt: 6'2" Wght: 200 Eye: BLUE Hair: GRAY

Mother's Name: Last: GOCCLOWSKI First: ANN Maiden: DYMERSKI

Father's Name: Last: GOCCLOWSKI First: JOHN

Print Completed Form

Reset Form

New Blank Form



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/16/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Huntleigh McGehee 8235 Forsyth Boulevard Suite 1200 Clayton, MO 63105 1-314-746-4700	CONTACT NAME: PHONE (A/C, No, Ext): E-MAIL ADDRESS: PRODUCER CUSTOMER ID #:	FAX (A/C, No):
INSURED Stahlman Holding, Inc. 8020 Forsyth Blvd. St. Louis, MO 63105	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Liberty Surplus Insurance Corporation INSURER B: Sentry Insurance a Mutual Company INSURER C: American Guarantee and Liability INSURER D: Endurance American Specialty Insurance INSURER E: INSURER F:	NAIC #

COVERAGES

CERTIFICATE NUMBER: 26640922

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC			1000006508-04	04/01/12	04/01/13	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ Excluded PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			90-14848-03	04/01/12	04/01/13	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 0			AUC-5919381-06	04/01/12	04/01/13	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below <input type="checkbox"/> Y/N <input checked="" type="checkbox"/> N/A			90-14848-01	04/01/12	04/01/13	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D	Professional Liability			PPL10003080901 (PL)	04/01/12	04/01/13	Per Loss/Aggregate 5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

See attached list of Named Insured. Professional Liability policy is claims made form.

Blanket Additional Insured with respect to the General Liability coverage where required by written contract.

CERTIFICATE HOLDER
 Stahlman Group
 5 Chenell Drive, Box 3
 Concord, NH 03301

USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Michael F. Shenahan Jr

**Named Insured List
Barry-Wehmiller Group, Inc.
April 1, 2012 to April 1, 2013**

Barry-Wehmiller Group, Inc.
Accraply, Inc.
Accraply Canada, Inc.
Angelus Machine Corporation International
Angelus Sanitary Can Machine Company
Angelus Service Group Corporation
Arol USA, Inc.
Arol S.p.A.
Aspen Glow Real Estate Development, LLC.
Barry-Wehmiller Companies, Inc.
Barry-Wehmiller Corporate Services
Barry-Wehmiller Design Group, Inc
Barry-Wehmiller Equipment, Inc.
Barry-Wehmiller International Resources
aka barry-wehmiller.com llc
Barry-Wehmiller International Resources Private Ltd.
Barry-Wehmiller Puerto Rico, Inc.
BWC, Inc., dba Barry-Wehmiller Company
B-W Marquip Holdings, Inc.
Central Bottling International Fleetwood Limited
Delphey/Gerdes Engineering, Inc.
FCE Holdings, Inc.
FCE Holdings International, Inc.
FleetwoodGoldcoWyard, Inc.
F.L. Smithe Machine Co., Inc.
Four Seasons Community Development Corporation
Hayssen Europe Limited
Hayssen, Inc.

Hayssen, Inc. dba Machinery Support Company
The Hudson-Sharp Machine Company
Magyar United (PVGA)
Marquip International, Inc.
Marquip, LLC
Marquip, LLC dba Barry-Wehmiller Company
Marquip, LLC dba MarquipWardUnited
Marquip Properties, LLC
MarquipWardUnited, Inc.
Northern Engraving and Machine Co.
Paper Converting Machine Company
Paper Converting Machine Co., Ltd.
PCMC Italia, S.p.A.
Pneumatic Scale Corporation
PneumaticScaleAngelus – Canada, Inc
PneumaticScaleAngelus – Clearwater, Inc
Sanger Works Factory, Inc.
Stahlman Group, Inc.
Stahlman Holding Corp.
Stahlman Consulting, LLC
The Ward Machinery Company dba MarquipWardUnited
Thiele Technologies, Inc.
United Container Acquisition Corporation
VortX-United, Inc.
Ward, Inc.
WKC Corporation

**Professional Liability Named Insured List
Barry-Wehmiller Group Inc
April 1, 2012 to April 1, 2013**

Barry-Wehmiller Group, Inc.
Barry-Wehmiller Companies, Inc.
Barry-Wehmiller Design Group, Inc.
Delphey/Gerdes Engineering, Inc.
FleetwoodGoldcoWyard, Inc.

Stahlman Group, Inc.
Stahlman Holding Corp.
Stahlman Consulting, LLC

June 4, 2012

Distributech, LLC
139 Gould Hill Road
Hopkinton, NH 03229

ATTN: Mr. Mike Gocłowski

**RE: New Distribution Center
Project No. 12196**

Dear Mike:

This is to inform you that Stahlman Group has no conflict of interest in providing the facility design and construction management services for the proposed New Distribution Center to Distributech, LLC for the New Hampshire Liquor Board project.

Respectfully,

STAHLMAN GROUP, INC.



Chris Hansen
Department Manager, Planning

ACH/bjt

Encl: Standard Pricing and Payment Terms, 1 Pages, dated April 26, 2012
Hourly Fee Schedule, 1 Pages, Effective October 2011
Standard Terms and Conditions, 2 Pages, dated April 26, 2012

cc:

Via: Email Only (mike@webwei.com)

J:_2012 Proj\12196-Distributech-Concord, NH New Distribution Facility\Owner\Correspondence\Conflict of interest statement-6-4-12.docx



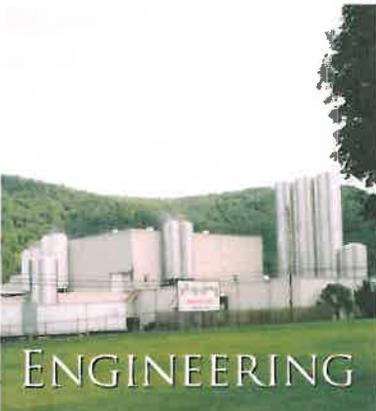
STAHLMAN GROUP

A BARRY-WEHMILLER DESIGN GROUP COMPANY

Atlanta • Chicago • Concord • Dallas • Denver • Greenville • Indianapolis • Los Angeles • Philadelphia • Raleigh • Sacramento • San Francisco • San Juan • St. Louis



Stahlman Group is a professional engineering and construction management firm specializing in the food, beverage and consumer products industries. Based in Concord, NH with regional offices throughout the country, for over 30 years we have successfully implemented projects for a clientele that spans small businesses to Fortune 500 corporations. Stahlman Group offers owners a comprehensive range of facility services with all design responsibilities handled in-house, including site evaluation, permitting, civil, architectural, structural, refrigeration, mechanical and electrical design. Services also include feasibility and distribution studies, master planning, materials handling, inspection, construction administration and construction management.



Stahlman Group is a division of Barry-Wehmiller Design Group, the packaging integration division of Barry-Wehmiller Company and leading consulting engineering company in the packaging industry. Barry-Wehmiller Company is one of the largest packaging automation companies in North America with over one hundred years experience as a worldwide provider of equipment and services.

Barry-Wehmiller Design Group, combined with Stahlman Group, currently has a staff of over 500 engineers and project managers that are dedicated to the integration of packaging lines and facilities. Stahlman Group, combined with the Design Group, offers our clients the opportunity to utilize a single source firm for all their packaging and facility expansion plans.



5 Chenell Drive, Box 3
Concord, NH 03301
Phone: 603.225.0010
Fax: 603.225.0761

Web Site: www.stahlmangroup.com
E-mail: robert.redman@stahlmangroup.com



BEVERAGE PROJECT EXPERIENCE

Andrews Distributors of North Texas

Dallas, TX

Bayside Distributing, Inc.

Epping, NH

Bellavance Beverage Company, Inc.

Nashua, NH

Better Beverages, Ltd.

Hallettsville, TX

Better Brands, Inc.

Atlanta, GA

Birmingham Beverage Company

Birmingham, AL

**Central Coca-Cola Bottling Company,
Inc.**Richmond, VA; Winchester, VA;
Harrisonburg, VA; Williamsport, PA;
Hagerstown, MD**Centrex Distributors, Inc.**

W. Greenwich, RI

Cherokee Distributing Co.

Knoxville, TN

**Coca-Cola Bottling Company United,
Inc.**Baton Rouge, LA; Waynesville, GA; Gulfport,
MS; Birmingham, AL; Lafayette, LA; Lake
Charles, LA**Coca-Cola Bottling Company of
Northern New England, Inc.**Bedford, NH; Londonderry, NH; Lowell, MA;
Colchester, VT; South Portland, ME; Malone,
NY; Lewiston, ME; Waterford, CT**Coca-Cola North America**

Atlanta, GA

Coca-Cola Enterprises, Inc.(formerly Coca-Cola Bottling Company of
Chicago)Niles, IL; Alsip, IL; St. Charles, IL; Lake
County, IL**Coca-Cola Enterprises, Inc.**(formerly The Coca-Cola Bottling Company of
Wisconsin)

Milwaukee, WI; Green Bay, WI

Coca-Cola Enterprises, Inc.(formerly The Coca-Cola Bottling Company of
New York, Inc.)Elmsford, NY; E. Hartford, CT; Maspeth, NY;
Elmsford, NY; Utica, NY; Carlstadt, NJ;
Albany, NY**Coca-Cola Enterprises, Inc.**(formerly Coca-Cola Bottling Company of the
Southwest)

San Antonio, TX

Coca-Cola Enterprises, Inc.(formerly Coca-Cola Bottling Co. of
Indianapolis)

Speedway, IN; Richmond, IN; South Bend, IN

Coca-Cola Enterprises, Inc.(formerly Southwest Coca-Cola Bottling
Company, Inc.)

Lubbock, TX

Coors Distributing Company

Denver, CO; Boise, ID; Anaheim, CA

Cott Beverages USATampa, FL; Dallas, TX; Fort Worth, TX;
Sikeston, MO; Wyomissing, PA; Concordville,
PA Cleveland, OH; Random Lake, WI**Crescent Crown Distributing, LLC**

New Orleans, LA

DeCrescente Distributing Company, Inc.
Mechanicville, NY

Giglio Distributing Co., Inc.
Beaumont, TX

Golden Distributing Co.
Plano, TX

Green Mountain Beverage
Middlebury, VT

Halo Distributing Company
San Antonio, TX

Harris Wholesale, Inc.
Raleigh, NC

Houston Distributing Company, Inc.
Houston, TX

Jefferson City Coca-Cola
Jefferson City, MO

Kraft Foods, Inc.
(formerly Veryfine Products, Inc.)
Westford MA; Littleton, MA; Ayer, MA

Kramer Beverage Co.
Atlantic City, NJ

MillerCoors, LLC
Eden, NC

Miller Distributing of Fort Worth, Inc.
Fort Worth, TX

Monarch Beverage Co., Inc.
Indianapolis, IN

The Odom Corporation
Bellevue, WA; Anchorage, AK; Post Falls, ID

Odwalla Samantha, Inc.
(Formerly Fresh Samantha, Inc.)
Saco, ME

Onondaga Beverage Corp.
Syracuse, NY

Origlio Beverage
Philadelphia, PA

Pepsi Bottling Ventures LLC
Garner, NC; Raleigh, NC

Pepsi-Cola Bottling Company of New York, Inc.

Bronx, NY; New Castle, DE; College Point, NY; Mount Vernon, NY

Pepsi Beverages Company
Somers, NY; Las Vegas, NV; Denver, CO; Philadelphia, PA; Orlando, FL

Pepsi-Cola & National Brand Beverages, Ltd.

(formerly Canada Dry Delaware Valley Bottling Company)
Pennsauken, NJ; New Castle, DE; Atlantic City, NJ

PepsiAmericas
Rolling Meadows, IL; Des Moines, IA; Cleveland, OH; Kenosha, WI; Oshkosh, WI; Chicago, IL

Pine State Trading Co.
Gardiner, ME

Polar Beverages
Worcester, MA

Senecal Beverage, Inc.
Merrimack, NH

Swire Coca-Cola, USA
Draper, UT; Salt Lake City, UT; Reno, NV

United Beverages of NC, LLC
Salisbury, NC

United Distributors, Inc.
Savannah, GA

**DAVID S. WITTLIFF, P.E.
PARTNER**



EDUCATION

PLYMOUTH STATE COLLEGE
Master of Business Administration

CLARKSON UNIVERSITY
B.S. in Civil and Environmental Engineering

CANTON COLLEGE OF TECHNOLOGY
Civil Technology

**PROFESSIONAL
EXPERIENCE**

STAHLMAN GROUP, INC.
– PRESENT

David's role as Partner involves him in working on a daily basis with clients on planning the execution of projects in the perishable distribution, processing, meat, dairy, beverage, seafood and consumer goods industry. He is highly knowledgeable in the specialized business and facilities requirements of carbonated and non-carbonated drinks where he has managed over 90 building projects in the last 20 years, ranging from sales center renovation and new construction to several of the largest production center projects constructed. David has worked on planning and construction assignments in the food and beverage industry on a national and international basis.

KEY PROJECTS

GONNELLA FROZEN PRODUCTS, LLC.

- New Frozen Dough Plant, Hazelton, PA
- Expansion of Frozen Dough Plant, Schaumburg, IL

COCA-COLA BOTTLING COMPANY UNITED, INC., BATON ROUGE, LA

- New 800,000 sq ft Production and Sales Distribution Center

**COCA-COLA BOTTLING COMPANY UNITED, INC. OF NORTHERN NEW ENGLAND,
BEDFORD, NH**

- Londonderry Production Center, New Construction and Additions
- South Portland, Lewiston-Auburn, Bangor, Seabrook, Claremont, Lowell, Manchester Sales Center Renovation Projects
- Colchester and Malone Sales Center New Construction

COCA-COLA ENTERPRISES, INC., INC., MILWAUKEE, WI

- Sales Distribution and Production Center, New Construction

COCA-COLA BOTTLING COMPANY UNITED, INC. OF CHICAGO

- Niles, IL Hot Fill Project and Facility Renovations
- Alsip Sales and Production Center, Renovations
- St. Charles, Lake County, Niles, IL and Chicago Sales Center Renovations

COCA-COLA ENTERPRISES OF INDIANAPOLIS, SPEEDWAY, IN

- Production and Sales Center Additions and Renovations
- Richmond and South Bend, IN New Sales Centers

COCA-COLA ENTERPRISES, INC. PITTSTON, PA

- Greensburgh and Reading New Sales Centers
- Pittston and Mt. Pocono Sales Center Renovations

SWIRE COCA-COLA, USA, SALT LAKE CITY, UT

- Draper, UT Sales Center, Corporate Office and Vending Service Center
- Reno, NV Sales Center New Construction

SUNNY DELIGHT BEVERAGES CO., LITTLETON, MA

- Distribution Warehouse

WEGMANS FOOD MARKETS, INC., POTTSTOWN, PA

- New Perishable Distribution Center

CENTREX DISTRIBUTORS, INC., WAVERLY, RI

- New Office and Distribution Warehouse

FOOD LION, LLC SALISBURY, NC

- Dunn, Salisbury and Disputanta Warehouse Rack Resets

SYSCO CORPORATION, HOUSTON, TX

- Westbrook and Albany Distribution Centers

GRAFTON VILLAGE CHEESE, BRATTLEBORO, VT

- NEW CHEESE PLANT

PINELAND FARMS NEW GLOUCESTER, ME

- New Cheese Plant

AGRI-MARK/CABOT CREAMERY COOPERATIVE, INC., CABOT, VT

- New Cutting Plant and Holding Cooler
- New Cottage Cheese Production Expansion
- Middlebury, VT Aging Cooler Expansion and Whey Dryer Addition
- Montpelier, VT Distribution Warehouse

HP HOOD LLC, BOSTON, MA

- Master Plan and Renovations at Six Facilities

LEPRINO FOODS, WAVERLY, NY

- New Evaporator, Dryer and Warehouse Addition

GARELICK FARMS, FRANKLIN, MA

- Manufacturing and Cooler Projects for over 20-Years

GARELICK FARMS (FORMERLY WEST LYNN CREAMERY), LYNN, MA

- Manufacturing and Cooler Projects for over 20-Years

SORRENTO LACTALIS, INC. NAMPA, ID

- New Evaporator, Dryer and Warehouse Addition

DAVID S. WITTLIFF, P.E.
PARTNER



MILKCO, INC., ASHEVILLE, NC

- Cooler and Production Renovation Projects for over 15 Years

**PROFESSIONAL
ASSOCIATIONS**

Licensed Professional Engineer in AR, CT, FL, IA, IL, IN, KS, KY, LA, MA, MD, ME, MN,
NC, NH, NJ, NY, OH, PA, SC, TN, TX, VA, VT, WI and WV
General Contractors License: FL

CHRIS HANSEN
DEPARTMENT MANAGER, PLANNING



EDUCATION **NEW HAMPSHIRE TECHNICAL INSTITUTE**
Mechanical Engineering

PROFESSIONAL EXPERIENCE **STAHLMAN GROUP, INC.**
– PRESENT

Chris has over 30 years of experience, with Stahlman, in numerous aspects of design and planning. His current primary responsibility is overseeing the Preliminary Facility Design Phase, which includes total facility planning, facility consolidation studies, materials handling studies, production/process lines space requirements, facility support areas and construction budget costing. Past roles in the company have involved a number of responsibilities ranging from Design Leader to Project Management.

KEY PROJECTS **PEPSI-COLA BOTTLING COMPANY OF NEW YORK, INC., MOUNT VERNON, NY**

- Sales Center Renovations

JOHNSONVILLE SAUSAGE, LLC, MOMENCE, IL

- Master Plan & Blast Freezing Study

CENTREX DISTRIBUTORS, INC., GREENWICH, RI

- Material Handling Study

CUMBERLAND FARMS, INC., WESTBOROUGH, MA

- New Cooler, Freezer and Truck Dock Additions

POLAR BEVERAGES, WORCESTER, MA

- Materials Handling Study, Master Planning

GARELICK FARMS, FRANKLIN, MA

- New Milk Cooler and Shipping Dock

DEAN FOODS COMPANY

- Studies and Expansions at Various Facilities

DEMOULAS SUPERMARKETS, INC., TEWKSBURY, MA

- Miscellaneous Materials Handling Projects

STONYFIELD FARM, INC., LONDONDERRY, NH

- Miscellaneous Projects

BOZZUTO'S, INC., CHESHIRE, CT

- Full Service Perishable Distribution Center

SCHROEDER MILK CO., INC., MAPLEWOOD, MN

- 60,000 sq ft ESL Addition

ORIGLIO BEVERAGE, PHILADELPHIA, PA

- New Distribution Warehouse and Offices

SUNNY DELIGHT BEVERAGES Co., LITTLETON, MA

- Warehouse & Executive Office Building

KRAFT PIZZA COMPANY, MEDFORD, WI

- Plant Renovations

KRAFT PIZZA COMPANY, SUSSEX, WI

- Plant Renovations

KRAFT PIZZA COMPANY, LITTLE CHUTE, WI

- Facility Planning

AMERICAN SALES Co., INC., LANCASTER, NY

- Regional Distribution Center

GARELICK FARMS – LYNN, LYNN, MA

- Miscellaneous Projects

SWIRE COCA-COLA, USA, SALT LAKE CITY, UT

- New Production/Distribution Complex

COCA-COLA BOTTLING COMPANY OF NORTHERN NEW ENGLAND, INC., LONDONDERRY, NH

- New Production Center

COCA-COLA ENTERPRISES, INC. LAKESHORE DIVISION (FORMERLY COCA-COLA BOTTLING COMPANY OF WISCONSIN)

- Milwaukee Plant

H. P. HOOD, INC., ICE CREAM DIVISION, SUFFIELD, CT

- Materials Handling System



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/30/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Capacity Coverage Company of New Jersey, Inc.
One International Blvd.
3rd Floor
Mahwah NJ 07495

CONTACT NAME: Debbie St. John
PHONE (A/C, Hb, Ext): (201) 661-2000 FAX (A/C, Hb): (201) 661-2499
E-MAIL ADDRESS:
INSURER(S) AFFORDING COVERAGE NAIC #
INSURER A: Crum & Forster Insurance Co.
INSURER B: American Guarantee and 26247
INSURER C: Houston Casualty Co
INSURER D: Travelers Property Casualty Co 25674
INSURER E:
INSURER F:

INSURED
W & H Systems, Inc.
120 Asia Place
Carlstadt NJ 07072

COVERAGES CERTIFICATE NUMBER: CL1193040273 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY		506868973-2	10/1/2011	10/1/2012	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY					DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR					MED EXP (Any one person) \$ 5,000
						PERSONAL & ADV INJURY \$ 1,000,000
	GENL AGGREGATE LIMIT APPLIES PER:					GENERAL AGGREGATE \$ 4,000,000
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC					PRODUCTS - COMP/OP AGG \$ 2,000,000
A	AUTOMOBILE LIABILITY		506868973-2	10/1/2011	10/1/2012	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	<input checked="" type="checkbox"/> ANY AUTO					BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				PROPERTY DAMAGE (Per accident) \$
						PIP-Base \$ Statutory
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR		AUC-9318932-00	10/1/2011	10/1/2012	EACH OCCURRENCE \$ 14,000,000
	<input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$ 14,000,000
	<input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000					
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY		408702995-1	10/1/2011	10/1/2012	WC STAT/TORY LIMITS OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	<input type="checkbox"/> Y/N				E.L. EACH ACCIDENT \$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				E.L. DISEASE - EA EMPLOYEE \$ 1,000,000
						E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Professional Liability		RCC161328	10/1/2011	10/1/2012	Each occ/agg 1,000,000
D	Leased/rental Equipment		66042738944	10/1/2011	10/1/2012	limit per form/special form 50,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

S A M P L E

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Carl Gerson/DEBBIE

From: "Laman, Paul" <PLaman@whsystems.com>

Date: Jun 4, 2012 10:23 AM

Subject: FW: Lawyer docs needed for Bid

To: <mike@webwei.com>

Mike,

Please find attached at W-9 for W&H Systems.

W&H Systems has no conflict of interest in providing a material handling and warehouse controls system to Distributech for the New Hampshire Liquor Board project.

Regards,

Paul W. Laman, VP

W&H Systems, Inc.

120 Asia Pl, Carlstadt, NJ 07072

Office Direct: (201) 635-3450

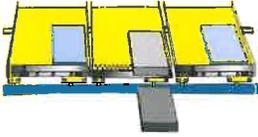
Office: (201) 933-7840 x3450

Cell: (201) 888-7808



COMPANY INFORMATION

Established in 1964, W&H Systems is a material handling logistics solution supplier, providing equipment and services to clients worldwide. Headquartered in Carlstadt, New Jersey, we currently employ over 140 experienced professionals, including one of the strongest and most qualified engineering staffs in the distribution logistics field.



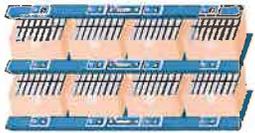
We provide our clients with turn-key material handling capabilities including system analysis, system design, simulation, engineering, controls and software, installation, commissioning and post-sales support.

Our wide range of equipment features high-speed carton sortation and unit sortation, garment sortation, pick/pack systems, commodity equipment (such as conveyor, merges, loaders/unloaders, rack and shelving) as well as specially designed equipment that provides unique features which complement our material handling designs. This equipment along with our state-of-the-art controls and software can be integrated to meet your particular system requirements.



W&H Systems has vast experience throughout the warehousing and distribution industry and specializes in material handling systems for the following market segments:

- Apparel
- E-Commerce/Catalog
- Department Stores
- Third Party Logistics
- Entertainment, Products, Books, Videos
- Liquor/Wines
- Sporting Goods
- Manufacturing



Regional offices are strategically located throughout the United States that have a full range of capabilities including sales, design, engineering and controls. This allows us to better serve our Customers on local projects and leverage our Corporate purchasing power for extremely competitive pricing.



We have an extensive track record of creative and innovative ideas that have provided bottom-line savings to our clients.

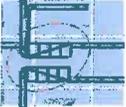


120 Asia Place, Carlstadt, NJ 07072 • T (201) 933-7840 • F (201) 933-2144
2500 North Military Trail, Suite 235, Boca Raton, FL 33431 • T (561) 994-6618 • F (561) 994-8894



SYSTEMS INTEGRATION

Our integrated material handling systems are based on working closely with our clients and applying our skills and expertise to their individual logistic requirements. As a result, every one of our system designs is unique - designed to meet a client's specific objectives in the most efficient and economical way. Our expertise also enables us to deliver an operational system in a short time frame for those customers that require "speed to market". Unlike component manufacturers or distributors, W&H Systems provides our clients with a **total system solution**. In order to provide these solutions, W&H Systems utilizes the following in-house capabilities:



System Analysis – We analyze our client's existing operations and provide feasibility studies for future requirements. Drawing on our vast experience to generate realistic conceptual solutions and reliable information, we also furnish our clients with detailed cost breakdowns for budgetary purposes.



System Design – Our intelligent system designs reflect the individual needs of our diverse client base. This includes development of material handling systems for both new facilities and for modifying or expanding existing facilities. Our design philosophy incorporates utilization of the best equipment available in the market for the specific function within the system. When appropriate, we include our own specially designed proprietary products as well as commodity products such as conveyor. The end result is the best possible system design at the lowest possible cost.



Simulation – Computer simulation techniques are used when necessary to model all or part of a conceptual system design. Specific information about system throughput, as well as other data about the behavior of the system can be analyzed before a system is physically installed.



Engineering – Our Mechanical and Electrical Engineering groups provide detailed layouts of the entire system and its components including specially developed proprietary products that complement commodity components produced by other conveyor manufacturers.



Controls and Software – We provide the most advanced control and software solutions in the material handling industry. We utilize standard proven software modules that are developed by our internal Software Development Group, but also provide new or customized software when necessary.



Installation – W&H Systems assigns a full-time project manager to every project to ensure that the client's needs are constantly met. In conjunction with a dedicated Field Installation Group and experienced Field Supervisors, this team strives to provide a quality on-time installation.



Commissioning – Experienced mechanical, electrical, controls and software engineers, in conjunction with our Field Installation Group, provide on-site training and start-up service for all projects. Acceptance tests are conducted to verify that the system performs as required.



Post Sales Support – W&H Systems is dedicated to total customer service and support. Our Customer Service Group provides fast and efficient service and is always prepared to help our clients. We work closely with our clients not only throughout the project, but also for years to come. This is a part of the W&H Systems commitment to total customer satisfaction.



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Project Reference List — Wine & Spirits Market

Paul Laman (201) 635-3450 — plaman@whsystems.com

LIPMAN BROTHERS
Nashville, TN

EMPIRE MERCHANTS NORTH
Coxsackie, NY

PREMIER BEVERAGE (CHARMER/SUNBELT)
Tampa, FL

COLUMBIA DISTRIBUTING
Kent, WA

THE ODOM CORPORATION
Portland, OR

BADGER LIQUORS
Eau Claire, WI

NATIONAL WINE & SPIRITS OF MICHIGAN
Grand Rapids, MI

HORIZON WINE & SPIRITS
Nashville, TN

EMPIRE MERCHANTS
New York City, NY

CAPITAL WINE & BEVERAGE DIST / RNDC
West Columbia, SC

WINEBOW
Pine Brook, NJ

THE COUNTRY VINTNER
Richmond, VA

NATIONAL WINE & SPIRITS OF MICHIGAN
Brownstown, MI

SOUTHERN WINE & SPIRITS OF KENTUCKY
Louisville, KY

NATIONAL WINE & SPIRITS
Indianapolis, IN

COLONY LIQUOR & WINE DISTRIBUTORS
Lyons, NY

SOUTHERN WINE & SPIRITS OF NEW JERSEY
Monroe Township, NJ

BADGER LIQUORS
Fond Du Lac, WI

BRESCOME BARTON
North Haven, CT

MAJOR BRANDS
Kansas City, MO

SOUTHERN WINE & SPIRITS OF SOUTHERN CA
Santa Fe Springs, CA

SERVICE-UNIVERSAL DISTRIBUTORS
Albany, NY

COLUMBIA DISTRIBUTING COMPANY
Renton, WA

COMMONWEALTH WINES & SPIRITS
Mansfield, MA

SOUTHERN WINE & SPIRITS OF NEW YORK
Syosset, NY

PEERLESS IMPORTERS
Brooklyn, NY

JOHNSON BROTHERS/FAMOUS BRANDS
Sioux Falls, SD

JOHNSON BROTHERS OF IOWA
Des Moines, IA

MAJOR BRANDS
St. Louis, MO

SOUTHERN WINE & SPIRITS OF SOUTHERN FL
Miami, FL

SOUTHERN WINE & SPIRITS OF SOUTHERN CA
Cerritos, CA

**MISSISSIPPI STATE TAX COMMISSION ALCOHOLIC
BEVERAGE CONTROL**
Madison, MS

BEN ARNOLD-SUNBELT BEVERAGE COMPANY
Ridgeway, SC

SOUTHERN WINE & SPIRITS OF NORTHERN FL
Pensacola, FL

JOHNSON BROTHERS LIQUOR COMPANY
Woodridge, IL

PIEDMONT BEVERAGE
Greenville, SC

WESTERN CARRIERS
North Bergen, NJ

WINEBOW
Ho-Ho-Kus, NJ

SOUTHERN WINE & SPIRITS OF COLORADO
Denver, CO

AMERICAN PREMIUM BEVERAGE COMPANY
High Point, NC

JOHNSON BROTHERS LIQUOR COMPANY
St. Paul, MN

SOUTHERN WINE & SPIRITS OF NORTHERN CA
Union City, CA

PREMIER WINE & SPIRITS
Syosset, NY

OPICI WINES/AMERICAN B.D. COMPANY
Glen Rock, NJ

NATIONAL WINE & SPIRITS OF MICHIGAN
Detroit, MI

THE JAYDOR CORPORATION
Millburn, NJ

Key Project Personnel

Donald P. Betman _____

Don Betman, President, uses his keen organizational, communication, motivational and interpersonal skills to effectively manage the day-to-day operations at W&H Systems.

Don joined W&H in 1993 where he created the Customer Service Department, worked as Operations Coordinator and Vice President of Sales and Marketing.

Don is a member of the Warehouse Education & Research Council, as well as a member in good standing with The Council of Logistics Management and the National Retail Federation.

Don attended the University of Maryland concentrating in Business Administration & Marketing.

Paul Laman _____

Paul Laman, Vice President of W&H Systems, heads up the Wholesale Wine & Spirits Group. Paul is responsible for all revenue acquisition as well as all of the design application to the fastest growing segment of W&H's business.

Paul joined W&H in 1989 after holding various sales positions in the finance and insurance industries. For W&H Paul held positions of Mechanical Engineer, Systems Engineer, Project Manager and Systems Manager.

Paul is a graduate of New Jersey Institute of Technology with a Bachelors Degree of Science in Mechanical Engineering. He belonged to various Honor Societies throughout his academic career.

Paul's knowledge of distribution for the Wholesale Wine & Spirits Industry is foremost in this country. Some regard Paul as the authority in this viable niche market.

Allen Sisk _____

Allen Sisk, Manager in the W&H Systems Design/Build Division, manages Analysis and Design projects for the Company. He applies his extensive expertise in process analysis and systems design to produce the most cost effective distribution solutions for W&H clients.

Allen joined W&H in 2000 after many years as a supply chain consultant for two "Big Five" consulting firms, Deloitte & Touche (Garr Consulting) and KPMG Consulting.

Before consulting he worked as Manager of Industrial Engineering for a third party logistics company, CSI, American Airlines and two manufacturing firms. His main focus has been the design and implementation of specialized material handling systems. He has a broad base of experience in many industries, and has designed, sized and installed many physical distribution systems/facilities for both large and small business clients.

Allen is a graduate of the University of Missouri-Columbia with a Bachelor's Degree in Industrial Engineering. He has also completed the IIE Material Handling Management Course and is a member of several distribution industry specific focus groups.

William M. O'Boyle _____

William (Bill) O'Boyle, is a Senior Project Manager of W&H Systems, integrates the desirability of total systems responsibility with his knowledge of overall systems planning and project implementation for retail & wholesale distribution and freight consolidation. Bill focuses on managing the project team by properly integrating material handling equipment with computer controls.

Bill joined W&H Systems in 1996 and became a Senior Project Manager in 2000. Since joining W&H Systems, he has expanded his expertise into physical distribution for wholesale Wine & Spirits facilities.

Prior to his association with W&H Systems, he served 10 years as the Systems Manager for Mathews Conveyor Company where he assumed systems responsibility and attained his expertise in systems planning for high rate case conveyor and sortation facilities.

Bill is a graduate of Farleigh Dickinson University with a Bachelor of Science degree in Mechanical Engineering.

Frank Schlögl _____

Frank Schlögl, Director of System Design and Integration, has been with W&H Systems since 1993. Prior to coming to W&H, Frank served as an Engineering Manager at a plastics extrusion OEM for 7 years.

Since joining W&H, Frank has served as a Project Engineer, Project Manager, System Analyst and Department Manager. Frank has focused on projects that have significant software and controls components, and on projects that have complex material handling challenges. Frank is a key architect in the design and implementation of major software and controls systems for clients in multiple industries, including major retailers, specialty retailers, wine & spirits distributors, manufacturers, direct to consumer, and 3 PLs.



Frank is a graduate of Rutgers University with a Bachelor of Science Degree in Mechanical Engineering.

Grant Kaminski _____

Grant Kaminski, Controls Manager, has been with W&H Systems since 1992.

Since joining W&H, Grant has served as a Controls Engineer, Controls Department Coordinator and most recently, Controls Manager. He has a department of 12 full time engineers, and also manages multiple electrical subcontractors. Grant manages all aspects of projects for controls, including electrical engineering, panel manufacturing, PLC programming, wiring, start up, commissioning and training.

Grant is also responsible for developing schedules with the project managers, assists in design efforts for proposals, and manages all customer service related questions for controls. Grant has extensive knowledge of database design, as it relates to the controls requirements of W&H's complex projects.

Grant holds a strategic position in the implementation of major controls systems major retailers, specialty retailers, wine & spirits distributors, manufacturers, direct to consumer, and 3 PLs.

Grant holds a Bachelor of Science Degree in Electrical Engineering Technology.

Jim Huston _____

Jim Huston, Manager of Systems Engineering, has been with W&H Systems since 1993.

Since joining W&H, Jim has served as a senior project engineer, estimator, and systems analyst. Jim has had strong involvement in complex projects over a wide range of material handling applications. Jim's key responsibilities involve the design and overseeing estimating of systems for clients in multiple industries, including major retailers, specialty retailers, wine & spirits distributors, manufactures, direct to consumer, and 3 PLs.

Jim is a graduate of the University of Southern California with a Bachelor of Science Degree in Mechanical Engineering.

Dave Laman _____

Dave Laman, Senior Project Engineer has been with W&H Systems since 1991. Dave started at W&H while in college. Dave has worked in various levels of the Project Engineering Department and progressed into a lead Senior Project Engineer

Dave has designed and ordered large, complicated multi-million dollar projects. Dave's expertise is in evaluating and focusing on the global project, coordinating with the customer, architect/builder and other material handling vendors to deliver the best system for the end user.

Dave has successfully engineered many Wine & Spirits system projects. All of the high rate liquor systems W&H has installed have been mechanically engineered and ordered by Dave.

Dave is a graduate of New Jersey Institute of Technology with a Bachelors Degree of Science in Mechanical Engineering.

David Sweitzer _____

David Sweitzer, Project Manager, has been with W&H Systems since 2002. Prior to coming to W&H, David served as a Project Manager at American Tissue Corp. for 10 years. Thus, providing David with over 15 years of Project Management experience in the material handling and distribution industry.

Since joining W&H, David has handled many of our largest multi-million dollar projects. David always maintains clear and timely communications with his customers to ensure a successful implementation of each project.

David is a graduate of Rensselaer Polytechnic Institute with a Bachelor of Science Degree in Industrial Engineer.

Vito Kabala _____

Vito Kabala, Project Manager, joined W&H Systems in 2007. Since then, Vito has successfully implemented multiple projects that range the entire spectrum of both retail and wholesale industries. Vito continues to manage large and complicated projects, such as the recently completed fully automated FedEx SmartPost Regional Distribution Hub in Atlanta, GA.

Prior to joining W&H Systems, Vito served for two years as Lead Engineer for the Northrop Grumman Postal Automation Division as a part of the System Development Team dedicated to the Flats Sequencing System (FSS) for the United States Postal Service.

Vito has been a part of the Materials Handling Systems Integration Industry for over 25 years. Throughout his professional career, Vito designed, integrated, and implemented many successful material handling systems in both manufacturing and distribution environments.

Vito successfully combines his many years of experience in both Engineering and Project Management by focusing on the best engineering solutions, timely implementation and cost effectiveness.

Vito is a graduate of Rutgers University with a Master of Science degree in Engineering.

John Bloom _____

John Bloom, Senior Field Supervisor has been with W&H Systems since 1995. Prior to coming to W&H Systems, John worked with The Buschman Company for 5 years. Before that John had his own business in Conveyor Installation, providing him with an overall of 30 years experience in the field.

Since joining W&H, John manages to oversee many of our field installers while working alongside them on our most intricate projects. John has successfully completed large scale installations on projects for Southern Wine & Spirits and other major wine and spirits distributors, making him one of our most valued and respected Senior Field Supervisors.

John also worked for Pennsylvania Power and Light where he received extensive training in Electrical Engineering while employed there. He has also had extensive Mechanical Engineering training thus providing him with the expertise needed to handle multi-million dollar projects.

He received his certification for welding and rigging from the University of Pittsburgh. John has also served in the Armed Forces.

Distributech, LLC
c/o Rath Young and Pignatelli, P.C.
One Capital Plaza, Second Floor
P. O. Box 1500
Concord, New Hampshire 03302-1500

June 4, 2012

New Hampshire State Liquor Commission
PO Box 503
Concord, NH 03302-0503

Re: Request for Proposal 2012-14, Warehouse Services for Wine and Spirits and Related Products, March 28, 2012 (“RFP”)

To Whom it May Concern:

In connection with its proposal submission in response to the RFP, Distributech, LLC (“Vendor”) hereby states as follows:

- Vendor agrees that it shall comply with all Federal and State laws regarding fair employment practice, the Patriot Act and nondiscrimination, as applicable;
- Vendor agrees that it shall fully comply with all applicable laws and regulations including but not limited to those set forth in APPENDIX M; and
- Vendor agrees that it shall not divulge or release any information provided to it by the New Hampshire State Liquor Commission prior to the office release date.

Very truly yours,



Michael Goclowski, Manager, Distributech, LLC

LinkedIn Recommendations

david campbell has endorsed your work as at .

Dear Mike,

I've written this recommendation of your work to share with other LinkedIn users.

Details of the Recommendation: "Mike started and operated an alcohol distribution and warehouse operation which was innovative, energy efficient and cost effective for its time. His personal knowledge of wines, their production and distribution were very helpful to me when I started my company in 1992. I have every confidence that Mike would improve any existing operation, or new, with his deep understanding, knowledge, energy, resourcefulness and creativity."

Service Category: Business Consultant

Year first hired: 1992

Top Qualities: Expert, High Integrity, Creative

David Campbell

Owner [Ceres Street Wine Merchants](#)

65 Ceres Street Portsmouth, NH 03801

603-431-2640



Common Man—Lincoln, NH
603-746-3483

Common Man—Ashland, NH
603-968-7330

Common Man—Claremont, NH
603-542-6571

Common Man—Concord, NH
603-226-DINE

Common Man—Portsmouth
603-334-6225

Common Man—Merrimack, NH
603-429-DINE

Common Man—Winchendon, NH
603-893-0086

Foster's Boiler Room—Plymouth, NH
603-536-2764

Malley Fishhouse—Plymouth, NH
603-536-4536

Lago—Merrimack, NH
603-279-2253

Lakehouse—Meredith, NH
603-279-5221

Camp—Meredith, NH
603-279-3553

Town Dock—Meredith, NH
603-279-3445

The 50¢ Diner—New Hampton, NH
744-0120

Taf's Diner—Milton, NH
603-283-2264

Airport Diner—Manchester, NH
603-523-5046

Common Man Inn & Spa
Plymouth, NH
603-536-2209

Common Man Inn—Claremont, NH
603-542-0647

Common Man Company Store
Ashland, NH
603-968-3559

Common Man Express—Ashland, NH
603-968-2EAT

Flying Monkey Movie House
Plymouth, NH
603-536-2551

June 1, 2012

To Whom It May Concern:

It is an absolute pleasure to recommend Mike Goclowski in his attempt to open a liquor warehouse in New Hampshire.

I have known Mike since 1986. In business Mike is professional, efficient and effective. Our company has had an extremely workable business relationship with him. It is without any hesitation that I support Mike's current endeavor.

I would be more than happy to elaborate on our business relationship or answer any questions you may have concerning this. I can be reached at 603-398-2594 should you need to contact me.

Sincerely,

Diane Downing, Vice President
The Common Man Family of Restaurants

The Common Man Family - P.O. Box 581 - Ashland, NH 03217 - Phone 603-968-9330 - Fax 603-968-2123
1-800-649-7031 theCman.com

Scupp, Ken <KScupp@kobrand.com>
To: Mike G <mike@webwei.com>

Fri, Jun 1, 2012 at 7:36 AM

To the NHSLC

I have been asked to provide a reference for Mike Goclowski regarding his RFP relating to the warehouse contract. I have known Mike for many years dating back to his ownership of Atlantic Trade Group during my tenure as director of marketing of the NHSLC. Mike has always been an entrepreneur, founding Atlantic, approximately, in 1986 and owning it through 1995. At that time, he was the first to institute a private warehouse and delivery company. Therefore, he knows the supplier side of the business. In addition, I dealt with Mike in his position at Law warehouse, when he was employed there as a consultant from 1996 through 2007. He also did some computer work for my broker, Horizon, during that time. This also puts him in good stead to understand the intricacy of the warehousing business and the all-important computer/data information side of the operation.

Mike also contacted me during the formulation stages of the new program working with the brokers to place in-state and out-of state orders on the new SLC web site. He seems to always be looking for new and inventive ways to do things differently and better.

Mike also has had recent experience working with Maine involving their warehousing systems, to further broaden his perspective in this field. He, therefore, is in an advantageous position, based on past experience, to be qualified to bid for this contract.

Although, I am not familiar with the real estate nor the financial part of this proposal, based on experience, I hope that you will consider his application.

Ken Scupp
State Manager,
Maine, New Hampshire, Vermont

Kobrand Corporation
16 Poor Richards Drive
Bow, New Hampshire 03304
Cell: 603-496-2213
Tel: 603-228-8753 Fax: 603-228-8825
kscupp@kobrand.com
www.kobrandwineandspirits.com



Richard J. Nordt

REFERENCES

Paul Gold
President / Owner
Transportation Consultants, Inc.
8302 Dunwoody Place
Atlanta, GA 30350
770.331.2436

Leonard Iannia
Plant Manager
Ce De Candy, Inc.
1091 Lousons Road
Union, NJ 07083
908.964.0660

William F. Vasquez
Regional Vice President
Dean Foods Company
124 Grove Street,
Franklin, MA 02038
508.528.9000. 5821

Louis F. Stephens
Private Investigator
L.F. Stephens, Inc.
854 Mountainside Avenue
Mountainside, NJ 07092
908.654.7974

Judith L. Mondre
President / Owner
Mondre Energy
1880 John F. Kennedy Blvd. Suite 1705
Philadelphia, PA 19103
215.988.0577

Peter J. LaRoche
Food & Beverage Sales Manager
Rehrig Pacific Company
13 Center Street
Raymond, NH 03077
603.770.4172

Clifford P. Chaiet
Partner / Attorney
Naness, Chaiet & Naness, LLC.
375 North Broadway,
Jericho, NY 11753
516.827.4300

Robert Brockway
President / COO
Pepsi-Cola & National Brands Beverages
8191 N. Crescent Ave
Pennsauken, NJ 08110
856.665.4848

Each of these three references has been contacted by Mike Goclowski and has expressed an interest in being interviewed versus writing a reference. If called upon, they can be interviewed and can provide satisfactory relevant information regarding his background.

Dean Williams, VP
Martignetti Companies
34 Fir Manchester, NH 03101
deanw@martignetti.com
603-339-1068 Dean

Alan Cox, VP
MS Walker
29 River Road Bow, NH 03304
acox@mwalker.com
Tel: 603-493-8406

Melanie McKay, Chain Buyer's Assistant
Jim Lacourse, Chain Buyer
Market Basket Distribution Center
875 East Street, Tewksbury, MA
mmmckay@demoulasmarketbasket.com
JimLacourse@demoulasmarketbasket.com

Michael J. Goclowski
Hopkinton, NH 03229
mike@webwei.com

Business Background: Specializes in web-based warehouse information management systems in the wine & spirits industry. Also specializes in web-based ordering systems for wine & spirits.

Technical project management, inter-company technical business relations, business process design, architectural and process designs for warehouse inventory reporting and ordering systems, business rules and business logic development and management, troubleshooting, training and finished web-systems management.

- Architect of Business Performance Enhancement Tools -strategic planning, business intelligence tools, supply-chain tools, and heterogeneous database reporting systems.
- Develops and manages multi-team and multi-company efforts to design, develop, manage and operate large-scale, complex web-based business process/services.
- Leads and co-leads large collaborative efforts from design to implementation to management of technical business solutions.
- Acts as a “buffer” between executives and technical personnel; writing technical business proposals on all topics –especially business efficiency and automation.

Experience:

2004 - Present: Consultant through Worldcom Exchange, Inc. (www.wei.com)

Currently, Project Manager for NHSLC On-line Ordering Systems contract; Project Co-lead for Operating Company Maine Beverage Company –Warehousing/ Distribution; (Bureau of Alcoholic Beverages and Lottery Operations (Maine)); and Consultant to Massachusetts Food Association on corporate web site development, hosting and data controls.

- Past-Consultant to Martignetti Companies, Horizon Beverage Company on Internet-based reporting, in-house management of data from the NH Liquor Commission for internal company operations.

- 1996 - 2009: Consultant --to Law Warehouses, Inc. for areas related to “Advanced Services”. Acted as one of the primary points of contact between the warehouse and the NH Liquor Commission. Also responsible for all warehouse inventory management reporting systems to the suppliers, Liquor Commission and NABCA. Also responsible for warehouse Internet ordering systems for On-Premise and Off-Premise licensees. Acted as the technical liaison between the warehouse and the NH brokers, NHLRA members and NH Grocers Association members.

- Web master for www.NHliquor.com, first responsible for the process design, then the supervision of programmer development and implementation of all web-based systems in NH. [Received “Best of controlled state web sites” award in 2006 from the National Alcohol Beverage Control Association -- through a poll of brokers and suppliers];

- Responsible for the coordination and daily availability of all data flow: between Law Warehouse's 100+ wine & spirits suppliers, management at the NH State Liquor Commission, the NH brokers, and On-Premise and Off-Premise licensees;
- 2003 Co-author Martignetti Companies' winning bid (warehouse business management section) to manage Maine's warehousing and distribution. [Resulted in 10 year sub-contract to co-manage this project];
- 1997 authored for Law Warehouses the winning technical proposal to the NH State Liquor Commission for Law Warehouse's RFP response regarding warehousing/ distribution and technology services.
 - Team-member negotiator to determine the terms of the NH Liquor Commission – Law Warehouse service-level agreement for a 5-year contract, with two successful 5-year renewals (15 year total).
 - Hired as a consultant to design/build/manage the technical warehouse services.

1997 Member of the New Hampshire Attorney General's Task Force on Warehousing and Distribution (Atty. Gen. Merrill).

1982 - 1995: Founder/President: Atlantic Trade Group, Inc.

- During 3rd year in law school 1983, **established and then operated the only Federally- licensed, distribution/warehouse of wine in NH for 13 years.** The company was licensed to import and wholesale fine wine to the State Liquor Commission and then ship directly to restaurants/grocers (400 products and 400 clients).
- Between 1982 and 1986, initiated and participated in the development of **NH State Liquor Commission's pilot program for liquor regulations-computer standards (now called CORE)**, which established telecommunications capabilities between warehouses in New Hampshire and the State Liquor Commission.

1979 - 1981: Research Associate, Coopers & Lybrand [Management Consulting Division, Washington, DC]

Research Associate, technical writer, assistant editor and co-author of economic feasibility and market studies, organizational planning and evaluation, competition analysis and technology assessments: Management Consulting Studies:

1. "Analysis: U.S. Dept. of Justice Investigation of Market Penetration in the Credit Card Industry"
2. "Analysis of Alternative Delivery Services-Telecommunications for the U.S. Postal Service"
3. "Development of Alternative Data Processing Plans to Support the Selective Service System"
4. "Financial Feasibility Study of a Proposed Gypsum Mining and Manufacturing Facility in Utah"
5. "Preliminary Documentation of Technology Diversification for Lane County, Oregon"
6. "Management Study of the 1979 Rock Island Railway Strike for the ICC"

EDUCATION:

1983 Franklin Pierce Law Center, JD

1979 Amherst College, BA Cum Laude

Honors Thesis: "Bridging the Military's Manpower/Technology Gap"

1975 Andover Phillips Academy 1975

(Speaks some Spanish, understands it better)

RICHARD J. NORDT

145 Back Creek Road
Woolwich, NJ 08085

(732) 803-3932
rjnordt@comcast.net

VICE PRESIDENT, OPERATIONS – FOOD & BEVERAGE

Senior Operations Executive with over 20 years of proven performance increasing manufacturing capacity, sales volume and margins while reducing costs within the rapidly changing, highly competitive Dairy, Food & Beverage Industries. Strong leadership and mentoring skills combined with strategic analysis and planning ability with expertise in LEAN Manufacturing/Six Sigma. Union/Non-Union.

CORE COMPETENCIES: P & L Analysis, Forecasting, KPI, Logistics, Engineering, Procurement, Fleet Management, Human Resources, Finance, Quality Assurance, Restructuring, Six Sigma/LEAN, ISO 9000, ISO 14000/Environmental Standards, AS400, Garmin, Road Show, Infinium, Cognos, Vocollect, WMS, Red Prairie, Mainsaver, MS Office & Project, ERP, JD Edwards One World, WWTP, Dossier, OSHA, DEP, EPA, BOH, FDA, AIB, MUA, EEOC, DOL, Spanish

PROFESSIONAL EXPERIENCE

PEPSI-COLA & NATIONAL BRANDS BEVERAGES, LTD; BEVERAGE DISTRIBUTION CENTER, INC.; BEVERAGE CAPITAL CORPORATION; ELIZABETH BEVERAGE CO.

Vice President Operations – Central & Southern Division

2007 – 2010

Reporting to the Senior Vice President Operations & COO to lead multiple business entities within the Central & Southern Divisions, including bottling, packaging and distribution centers with 25 locations employing 2,300 associates. Annual sales of \$625M with annual operating & capital budgets of \$225M.

- **Achieved efficiency improvement of 25% (additional 56 cases per hour per employee. Inventory accuracy improved to 1.5 % from 3% monthly. Increased manufactured and purchased SKUs 30% to 850. Enabled the location to service as far as Baltimore. Project ROI was reduced from 3.6 to 2.3 years:** Carefully selected WMS software supplier, custom tailored the software at a cost of \$3MM, implemented a full employee training program and oversaw installation & go-live process.
- **Improved annual performance by \$3.5MM to budget in the Southern Division. Was able to close one manufacturing location and reduce future annual budgeted operating expenses by \$11MM:** Developed a sales volume vs. manufacturing capacity by geographic location matrix to identify any and all potential options or solutions. With minimal capital investment, quickly shifted volume to the lower cost producer locations.
- **Reduced false Worker Compensation claims by 12%. Implemented an incentive program that saved \$1.3MM over the first 18 months. These programs were expanded to better DOT Compliance and Fleet Safety:** Reviewed OSHA logs and hired an EHS Director. Implemented a more stringent reporting and incident investigative process. Contracted with an outside investigative & surveillance organization to monitor employees and claims. Initiated an Employee Safety Committee and an Accident Review Board.

- **Was able to bargain a "no increase" two year extension to the existing CBA. Result no labor or health & welfare cost increases saving \$956K. Allowed for a financial edge in a highly competitive, low margin market:** Negotiated with IBT & employee representatives to explain the state of the beverage business, the profitability picture and current economic conditions.

PEPSI-COLA (continued)

- **Entered into contract to redesign the systems holding capacity and the methodology of effluent treatment to bring effluent discharge into compliance eliminating fines and penalties of \$175K annually:** Statistically reviewed effluent results over a 3-month period in conjunction with typed & time product manufacturing and found that the system being used for treatment was insufficient to handle the waste stream. Worked with an engineering firm to design a system that would meet both current needs and allow for future growth.
- **Developed a comprehensive equipment maintenance and sanitation process to better maintain processing and packaging equipment, while increasing sanitation reliability. Installed a computerized system for maintenance, sanitation and equipment inventory. Started the introduction of the AIB auditing and facility scoring process: Equipment efficiencies improved by 20% and a \$48K reduction in monthly expenses. Received the Pepsi-Cola North America Caleb Bradham Gold Award and the highest honor of The President's Award for product quality and packaging.**

DEAN FOODS COMPANY

1995 – 2007

Vice President Operations – Northeast Region

Reported to the Eastern Regional Vice President & COO providing leadership to multiple processing, packaging and distribution locations employing 1,800 associates. With annual regional sales of \$850M, and annual operating and capital budgets of \$300M.

- **Put in place a plan was to show divesting a portion of the service area, manufacturing locations & customer base to address DOJ concerns regarding merging Suiza Foods with another major dairy organization, Dean Foods. Developed a matrix to show the locations that were not viable after the merger: DOJ approved the final merger and reorganization plan and the organizations merged under the Dean Foods name with the Suiza Foods logo becoming the largest dairy foods supplier in the US. Both organizations traded on the NYSE under the DF symbol.**
- **Worked with corporate Human Resources to identify new and revised job titles, functional responsibilities and salary structures. Then reviewed personnel at each location, identified those that were capable, those that needed mentoring to improve and those requiring replacement: Entire management structure began to function more efficiently and locations showed improved profitability by 6-13%. Each location achieved their financial plan based on AOP budgets. Customer service performance improved from 79% to 96%.**
- **Put together a study to review the entire operation including manufacturing capacity by location, sales volume, customer locations & service areas and a viable manufacturing distribution plan to service these customers with fewer more cost effective manufacturing and distribution locations:**

Moved volume, distribution and service areas closing the largest, oldest and most cost prohibitive location saving \$20MM annually. Increased market share by 8% and margins by 3%.

- **Developed a new process of Shared Services and identified Best Practices among individual locations to create a standardized and consistent operational baseline: Had immediate improvement in operating line efficiencies by 8%. Product quality and sanitation results began to improve allowing for more stable shelf life allowing approval by NJBOH to increase product shelf life from 12 to 14 days. Procurement had a 30% improvement in raw materials acquisition costs.**

TUSCAN/LEHIGH DAIRIES, INC., Union, NJ

1983 - 1995

Director of Operations

Reported to the General Manager & Vice President of Manufacturing responsible for all plant operations including scheduling, production, quality assurance, maintenance & engineering, fleet maintenance, transportation & distribution with the management of 600 employees, 8 department managers and 9 supervisors in a 24/7 operating environment.

- **Reviewed all actual costs and expenses for prior year and current YTD and developed the location's first true budget. Put in place a process to review capital spending to justify all future capital expenditure requests to make sure they had reasonable ROI results: First full fiscal year after this process, came in 2% better than plan on all costs & operating expenses. Capital spending was reduced by 13% or \$350K.**
- **Mentored the procurement team and became closely involved in all negotiations. Developed a long and short term agreement strategy based on goods and pricing with vendors: First year results saw an improvement of \$100K in raw materials. Began to enter into longer term agreements with select vendors that provided vendor supplied manufacturing equipment at very low cost lease terms. This allowed an upgrade of packaging equipment and reduced capital spending.**
- **Previously Plant & Engineering Manager for JOHANNA FARMS division.**

EDUCATION

BS, Mechanical Engineering Technology

STEVENS INSTITUTE OF TECHNOLOGY

BA, Business Management

FARLEIGH DICKINSON UNIVERSITY

AFFILIATIONS

- American Beverage Association
- International Dairy Foods Association
- New York Division of Weights and Measures
- New Jersey Food Council
- New Jersey Counter-Terrorism Task Force for Food Safety and Bio-Terrorism
- Consulting Member of New Jersey State Police Bio-Terrorism Unit

Steven P. McSweeney
Bow, New Hampshire
spmcsweeney@gmail.com

Manage supply-chain operations for a large-scale distribution center.

Five years of experience in a warehouse setting dealing with logistics and supply chain operations, purchase orders, advance ship notices, and providing supplier support (for over 1500 suppliers and >100K SKUs)

An unwavering commitment to supplier and customer service, with the ability to build productive relationships, resolve complex issues and win team loyalty.

Strategic-relationship/partnership-building skills - listening attentively, solving problems creatively, and using tact and diplomacy to find common ground and achieve win-win outcomes.

Professional Experience

Fastenal Company, Winona, MN

2006 to Present General Manager: Manage daily warehouse operations, follow up on purchase orders; manage buying and selling of goods, orchestrate logistics and supply chain; communicate business statistics and progress toward goals to motivate the performance of others; manage account collections for all accounts; orchestrate business to business selling on a daily basis; develop and train others to achieve optimal business results as well as personal goals; demonstrate ability to lead others.

Wellpoint, Indianapolis, IN

2004 to 2006 Research Analyst: Served as main contact for billing issues in the Enrollment and Billing Department while also supporting the Sales Department and Call Center. Analyze, review, and reconcile health insurance billing accounts. Prepare correspondence to clients to communicate billing discrepancies. Research reports to correct issues with invoices and billing cycles.

United Healthcare, Minneapolis, MN

2003 to 2004 Operations Specialist: Performed retrospective review of provider/member claims, and correspondence, and reversed and reprocessed claims to ensure correct payment. Adjudicated any pending/suspended claims as appropriate. Also, ensured customer satisfaction through handling and resolving member/provider telephone inquiries in an accurate, timely, and customer oriented manner.

United Healthcare, Minneapolis, MN

2000 to 2003 Resolution Analyst: Responsible for ensuring timely and accurate resolution of claim issues generated by service representatives or through member and provider correspondence via online service requests. Analyzed, processed and audited health insurance claims according to benefits and corporate policy while adhering to strict quality guidelines.

United Healthcare, Minneapolis, MN

1997 to 2000 Member Services Associate: Managed health coverage for members, documented procedural authorizations and monitored claims processing while focusing on providing the best quality service possible.

Putnam Investments, Boston, MA

1997 Customer Service Associate: Fulfilled requests for inquiring shareholders, incorporated problem solving techniques and processed financial transactions where quality was monitored daily.

Piche's Ski and Sports Shop, Gilford, NH

1994 to 1996 Store Manager: Managed store operations, inventory control and technical supervisor. Responsible for all tasks involving employees and clients.

United States Army Corps of Engineers, Springfield, VT

1993 Park Ranger: Administered management programs, performed inspections, and reported misuse of property and assisted visitors in regards to recreation areas.

Education:

BS in Physical Education, minor in Business Management
Keene State College, Keene, NH

Skills: Excellent communication, analytical and organizational skills, knowledge of warehouse industry, strong teamwork skills, extensive sales experience, working knowledge of personal computers, ability to perform analytical tasks in a thorough and precise manner and teach to colleagues.

Interests: Running, Hiking, Bicycling, Baseball, Music, Coaching, Cub Scouts, Church Activities

FRED S. FAIRNENY

Contoocook, New Hampshire

OBJECTIVE

To join a dynamic team within a warehousing another warehousing and distribution company, and apply my experience, proven skills, and expertise to a management position within the central warehouse operations.

HIGHLIGHTS Over 25 years of diverse warehouse, office, coordinating and dispatching experience in a variety of key industries (air force, education, laboratory, medical and warehouse).

2003-Present McLane Company –Contoocook, NH Extensive experience in various capacities of daily warehouse operations-- stocker, team leader, supervisor. Responsible for the efficiency and accuracy of the "floor" in McLane Company. (As a stocker, Selection Output rose from 4000 to 8000 pieces daily). Responsible for directing teammates to ensure daily shipping needs; second in command in department; Provide Supervisor duties when required; responsible for performing daily balancing requirements; picking operations; repacking operations; close daily inventory controls, coordinating new items, increasing selection needs, and monitoring product FIFO rotations and expiration dates.

Also have extensive experience in dispatching and coordinating. Reliable with excellent work ethics, flexibility, confidentiality and capacity to take on great initiative while working under minimum supervision and within a team environment. Good knowledge and experience with Mac and PC computer environments and software.

2002-2003 Dartmouth Hitchcock Hospital (Dispatcher, DHART Team)

Responsible for dispatching two helicopter medical teams, and three ambulances. Coordinated with doctors from many hospitals involving patient transport. Assisted in setting record of 101 patients transported by helicopter in a month.

1995–2002 Manchester School District (Warehouse Manager)

Responsible for the coordination of orders and distribution of all supplies to maintain 22 schools, and responsible for a \$5M budget.

Transportation Coordinator Responsible for the delivery, in a safe and timely manner, of over 15,000 students to 22 schools, and responsible for a \$2.5M budget. Designed bus routes for multiple fleets. Coordinated door-to-door transportation for over 850 special needs students.

1993–1995 Atlantic Testing Laboratory (Construction Materials Inspector/Technician)

Responsible for insuring that all construction materials met the OSHA requirements.

1988–1992 US Air Force (Squadron Section Commander) Second in Command of 600 plus persons, responsible for maintaining and launching different types of aircraft. Received recognition from Base

Commander for initiatives started. Responsible for continued recruitment and discharge of personnel. Provided support for communication process via in-house lectures, training classes and memos.

1985–1988 US Air Force (Executive Officer)

Headed a department of administrators. Inspected and ensured that all programs met and exceeded all requirements. Achieved highest on-time record for Personnel Performance Reports on base. Based on performance, selected by Wing Commander to inspect, prepare, and assist other administrative offices.

EDUCATION

1979–1983 BS -- Business/Aviation Management

Daniel Webster College

1985 Graduated Officers Training School, USAF

Marta Greenberg

Litchfield, NH

mgreenberg@pophyn.org

Profile

Organizational planner and QA developer for start-up businesses; office systems-processes developer --quality testing/control developer and manager; company office-works developer and manager, with experience managing employees and handling administrative functions. Also an accomplished software engineer with experience in design, implementation, debugging, program evolution, and maintenance and a record of meeting company and customer goals, needs, and deadlines while allowing easy modification and extension of applications.

Technical Skills

- Unix, Linux, BSD Unix OS: admin, OS, and user levels; Windows and Mac OS user level
 - C, SQL, HTML, AWK, Unix shell scripting, Bison/Yacc, Lex
 - Management and administrative experience
 - Familiar with PHP, Python, Perl
 - DNS management
 - Technical writer
-

Professional Experience

2011-present G4 Communications - Manchester, NH (Consultant. Manager of software development)

- Manager of internal software development. One of the major efforts is furthering development of the system to handle many of the functions needed for a telecom company. Functions include needs analysis and planning for the long term development along with some database design and coding.
- Primary point person for coordinating development of a team that includes both internal staff and a group from an overseas business consulting company.

1991-2011 MV Communications, Inc. -Manchester, NH (Co-founder of New Hampshire's first ISP)

Oversaw and handled administrative, managerial, and technical functions. Managed both technical and administrative areas, including profit and loss responsibility, customer support, and general operations of MV Communications.

- Supervised accounting and customer support groups; acted as office manager and handled HR functions. Perform ongoing customer support for legacy clients.
- Wrote and updated part of the in house billing accounting system and also developed or maintained numerous small tools used by customer support staff.

- Managed DNS records for clients MV domains, network-related services, websites and mailboxes.

1981-2011 Software Innovations, Inc., Nashua, NH (Vice President)

Software consulting firm specializing in Unix systems and software migration.

- Migrate clients from legacy platforms to Unix and other new systems, often by creating compiler tools to move and enhance current client software plus data and other supporting features, resulting in substantial client savings in software and retraining costs.
- Work with clients to determine cost-effective methods to improve productivity and creativity through technology, including such enhancements as adding SQL functionality to older programs.
- Follow-on work for clients has resulted in design and implementation of new features and new technologies.
- Most projects require software design, development, testing, and complete documentation of tools used to achieve both conversions/modifications and enhancements made to client packages.

MIPS Magazine/Professional Workstation Magazine -Nashua, NH (Contributing Editor)

- Researched and wrote several articles about Unix operating systems and Unix based software packages.
- Contributed and critiqued article suggestions

Hughes Aircraft Company -Fullerton, CA

- Design, implementation, and system integration for the flight plans component of a multi-site air defense system (security clearance required).
- Responsibilities also included QA test plans and evaluation of testing, plus documentation of components to be used by engineers to maintain and expand the system after installation.
- Worked with a multinational staff.

Computer Corporation of America -Cambridge, MA (Member of Sponsored Research Division)

- Wrote technical proposals and papers after conducting preliminary design research for projects including a facility for product demonstration, transfer, implementation and development support; a voice message system; and the design and specification of a combat readiness evaluation system.
 - Clients consisted of the Department of Defense, other government organizations, and private businesses.
-

Education

Massachusetts Institute of Technology -Cambridge, MA

Bachelor of Science, Mathematics

Bachelor of Science, Computer Science and Engineering

Masters of Science, Electrical Engineering and Computer Science

Included three intern assignments at **Bell Laboratories** in Holmdel, NJ.

Thomas Bullock
Manchester, NH
TBullock@AmoskeagBeverages.com

President, Amoskeag Beverages LLC:

Amoskeag Beverages is a local Bow-Concord, NH company that was established in the 1940s; yet had not passed the 300K case/year threshold until Tom Bullock became involved with it in the late 1970s. Now it is the single largest, non-allied and independent distributor of beer in New Hampshire. (Each of the other beer distributors focuses purely upon their own local region). Unique in this regard, the entire State of New Hampshire is Amoskeag's region.

In 1978, Tom acquired a 50% interest in Amoskeag Beverages, Inc. when annual case volume was 250,000 cases. During the 80s, Tom began growing his company without mergers or acquisitions. With several sales and customer-service oriented partners, Amoskeag grew by its own bootstraps –without mergers and acquisitions. Since then, Amoskeag Beverages has grown to almost 6 million cases annually. With an expanded product line, Amoskeag Beverages LLC is now the largest beer distributor in New Hampshire with 235 employees, \$110M in annual sales and 5.8M cases sold per year.

In the last couple of years Amoskeag Beverages completed the buy-out of Capital Distributors, plus took over the 210,000 sq. ft. warehousing complex on Hall Street

Tom serves on the Miller Brewing Distributer Council. He also sits on the Miller Brewing Store Advisory Board and the Miller Brewing Marketing Board. He has served as President of the Beer Distributors of New Hampshire Association for 8 years and is on the Board of Directors of the National Beer Association.

As a long-time sports enthusiast, Tom has coached hockey for 30 years at the college, high school and youth levels. He is currently President of the Hawk Hockey Booster organization.

Tom received his BS degree from St. Anselm College in 1974.

. During that time Mike's company became the SLC's guinea pig for designing and testing out the first ever computer files and file exchanges for SLC wine orders, approvals and shipping reporting. Mike's company also pioneered the first-ever "mixed case" sales operation to all grocers and restaurants. His close association with the Grocers' Association and what was then called the NH Hospitality Association flourished as his warehousing and distribution operations grew in step to meet their members' needs.

During the 90s, the bailment operations at Law Warehouses had grown from moderate overflow warehousing for the SLC Storrs Street warehouse, into a significantly depended-upon site with related services plus trucking for the Liquor Commission operations. At this time Tom was growing Amoskeag Beverages even more, and began surrounding himself with key seasoned business advisors and cost accounting experts like Richard Smalto who had been the CEO of his own holding company that was once on the Inc 500 list (Richard is on our team here too and is still strategizing and advising us).

At the mid-point of the 90s, the Attorney General's office and the SLC created a "Warehousing and Distribution Task Force". Its assigned mission was to determine whether NH should allow an expansion of private warehousing in NH, or whether Law Warehouse's services in warehousing and trucking should become a contracted service. Mike was a member of the AG-SLC's task force, as well as Brian Law, and several members representing the SLC itself, and several brokers, suppliers, grocers and restaurants. The consensus and the direction of the panel was that 2 RFPs in 1995 would be issued for warehousing plus transportation. Law Warehouse's historical service offering was "put out for bid". After 12 years, soon Mike sold his company's import, distribution and marketing rights to United Liquors in Massachusetts and the other half of Mike's services simply folded.

Mike was hired by Brian Law as a consultant and handed the task of setting up mixed-case operations for Law, and writing up the technology pieces for the SLC RFP for the contracts that are now expiring in 2012. What was supposed to be 6 month consulting engagement with Law, then turned into Mike's next 12 years of designing, building and managing Law's web-based system of "Broker reports" and NHliquor.com's Internet Ordering System (approx. \$100 million in licensee orders annually).

Tom continued to grow his through the 90s and in the last couple of years completed the buy-out of Capital Distributors, plus took over the 210,000 sq. ft. complex on Hall Street that is now the Amoskeag.

Paul W. Laman
Bloomingtondale, NJ
laman.paul@gmail.com

PROFESSIONAL EXPERIENCE:

1989 to Present **W&H Systems, Inc.**, Carlstadt, NJ –Vice President

Paul heads up the Beverage Distribution Group. Paul is responsible for all revenue acquisition as well as the design application to the fastest growing segment of W&H's business. Paul's knowledge of distribution for the Wholesale Wine & Spirits Industry in unmatched in this country. He is widely regarded as the authority in this viable niche market.

W&H has received front cover recognition several times for progress in the Wine & Spirits Industry.

While at W&H Paul has held positions of Mechanical Engineer, Systems Engineer and Project Manager. At W&H he has engaged in:

- Distribution and Logistic Industry Services
- Implementation of Material Handling and Sortation Systems
- National and International, Multi-Million Dollar Contracts

Primerica Financial Services, Totowa, NJ

Regional Manager

1987 to 1989 Licensed Insurance Producer, Licensed Principal of Securities

Other 1985 to 1988

Engineering Internships at Mobay Chemical and Allied Signal

District Manager for the Paterson / Herald News

PUBLIC SERVICE EXPERIENCE:

2006-2009 Borough of Bloomingtondale, NJ Affordable Housing Board (Chairman, 2007-2009)

1993 to 1996 Borough of Prospect Park, NJ *Councilman* Finance Committee, Chairman, Ordinance Committee, Chairman, Upgraded all Municipal Departments to Computer Systems, Board of Adjustment, 1993

EDUCATION:

New Jersey Institute of Technology, Newark, NJ – 1984 to 1988

Bachelor of Science - Mechanical Engineering, with Honors

Paul was a member of various Honor Societies throughout his academic career.

MISCELANEOUS: Ambassador– Word & Deed Ministries – Humanitarian Relief Organization , Foster Parent – 1998 till Current

Richard L Smalto

Manchester NH

RLSmalto@aol.com

1961-1966 Atlantic Research- Contract Administrator

1966-1967 Grumman Aircraft –Systems Analyst

1967-1970 Dynamics Corp of America-Operations Auditor

1970-1975 US Textile –Controller

1975-1985 Control Power Systems-President

1985-1988 Self-Employed-Financial Consultant

1988-2005 Amoskeag Beverages-Controller

2005-Present Amoskeag Beverages-Assistant to the President

Summary-50 years of operational and financial experience in private and public Corporations

Education: Georgetown University

1958-1961 BS Degree with a major in Economics

William V. Wagner
Portsmouth, NH 03801
wagnerbdandc@earthlink.net

Education: BA, Yale College

Family: Married with Five children

William V. Wagner has been an active leader in the business, non-profit, and political life of the City of Portsmouth, and the State of New Hampshire. All of the experiences help make Bill a positive member of the team.

PUBLIC EXPERIENCE:

Bill was an eight term Portsmouth City Councilor, and was twice elected Assistant Mayor by the voters of Portsmouth. Bill was an original member of the Pease Redevelopment Commission in 1990, and later served on the Pease Development Authority. Bill helped establish the foundation for the development at the Pease International Tradeport, which has blossomed into the driving economic force for the Seacoast and the State of New Hampshire. In the mid-80's, Bill was instrumental in helping the City acquire the Portsmouth Hospital complex and turn it into the current municipal facility which also houses non-profit agencies at a reduced rent. The purchase and redevelopment of the complex produced a positive cash flow from the beginning, through the innovative sales of public buildings and receipt of money from the Foundation for Seacoast Health for rent to non-profits who were housed in the complex.

In the late 90's Bill chaired a committee charged with building a new high school on the same site as the old high school. He negotiated construction contracts, State Education Funding, and the bonding of the project. The project was completed on time and on budget.

PRIVATE EXPERIENCE:

Bill was CEO of Port City Beverage, Inc., a beer and soda distributor in the Seacoast area of New Hampshire. Bill was responsible for sales, marketing, administration, and warehousing for the operation from 1967 to 1978. Bill was also President of the NH Beer Wholesale Association and implemented the Association's policies concerning relations with the brewers, State Liquor Commission, and the NH Legislature.

Bill started Servpro of the Seacoast in 1978. Servpro is a franchise that concentrates on restoration and reconstruction of structure and contents of buildings and homes after fires, floods, and other natural disasters. Bill purchased Servpro of Dover/Rochester in 1980, and added the master franchise for the state of New Hampshire at the same time. Bill increased the number of franchises in New Hampshire from 3 to its current 13. The master franchise business plans and mentors the New Hampshire franchises for a percentage of the royalties paid by the franchises.

In 1993, Bill was also the founding partner in Insurcomm Construction, Inc., which specializes in restoration and reconstruction of property, both residential and commercial, which has been affected by natural disasters such as fires, floods, and wind. Insurcomm's main marketing area is New Hampshire, northern Massachusetts, and southeastern Maine. The company continues to thrive and grow.

Bill is the managing partner of Wagner Business Development and Consulting, LLC. The firm specializes in consulting with small businesses, by providing:

- Business Skill Training
- Financial Management Control
- Production Training Systems
- Marketing and Sales Organization
- Office Management
- Commercial Development and Permitting Processes to expand their business
- Business Planning for Short and Long Range Goals

Wagner Business Development, LLC, has also established a Consortium of experts in the areas of: financial consulting; real estate development; and the funding of real estate based capital projects. As such, we have the capacity to assist our clients in: determining the optimal financing model for their particular situation; the preparation of their funding application; the development of their project; and the securing of a funding source to finance their projects.

COMMUNITY INVOLVEMENT:

Bill has been active for many years in several non-profit organizations. He was President of the Seacoast Mental Health Center from 1974-1982. The mental health center grew from 30 employees to over 85 during this period, and the programs grew from 5 to over 15. The center also was able to purchase its own building in 1980. Bill was on the RSVP Advisory Board for over 10 years. RSVP consists of senior citizen volunteers who offer services throughout the community. Bill was on the Chamber of Commerce Board of Directors from 1975-1985 and served as president from 1983-85. The Chamber grew from 175 members to over 1200 and built a building on Nobles Island in Portsmouth. Bill also helped many non-profits in fundraising and program building. Bill was honored as Citizen of the Year in 1987.

John Goclowski
139 Gould Hill Road
Hopkinton, NH 03229
[igoclowski\(@\)comcast.net](mailto:igoclowski(@)comcast.net)

Professional Experience:

37 years experience in engineering, logistics and information management on defense contracts. Dynamics Research Corporation 27 years, Director, Advanced Systems:

- Under contract to the "Star Wars" (Strategic Defense Initiative) Program, performed logistics support analysis (LSA) using state-of-the-art techniques.
- Developed and operated computer simulations for the Air Force that assess impact of procurement, distribution, and repair decisions on aircraft readiness.
- Developed computer software to allow logisticians to evaluate reliability and maintainability parameters during the aircraft design phase.
- Performed as program manager on several major projects to develop and operate a worldwide maintenance and operational information system.

Professional Associations

1988-1992: Co-Chairman, Education and Training
Department of Defense Computer-Aided Logistics Support (CALs) Industry Steering Group

1983-1992: Technical Director
Society of Logistics Engineering (SOLE)

1982-1988: Chairman, Support Systems Engineering
National Security Industrial Association

Technical Papers

1988: "A System Engineering Environment for System-Level LSA"
International Logistics Congress, Luxembourg

1983: "A Methodology for Applying Products of Logistics R&D to System Design"
Society Of Logistical Engineers Symposium

1982: "Front-End Support Analysis"
Society Of Logistical Engineers Symposium

Education

1985: Certified Professional Logistician (CPL)
1965: M.S. Electrical Engineering, Northeastern University
1955: B.S. Electrical Engineering, University of Massachusetts

Dana Brown
PO Box 107
Weare, NH 03281
(603) 391-7816
danascottbrown@gmail.com

Summary of experience

August 2009 - Present: Contractor, DEKA Research & Development

Developed and implemented a disaster recovery platform that enabled DEKA to recover from a system failure with minimal data loss. This was done through image backups to a SAN in 15 minute intervals.

Redesigned data center using APC racking with Hot/Cold Aisle industry standard. Reduced cooling costs by 45%.

Designed and deployed Cisco Catalyst 4506-E edge switched network dual homed with 10Gbps to HSRP paired Cisco Nexus 7010 core offering full redundancy to dual homed 35 1gb servers.

Using VMware 4.1 reduced physical servers from 53 count to 35 by virtualization of low utilized systems to 3 IBM x3650 servers.

Installed Cisco Aironet 1242 WiFi Network with 12 access points in VLAN to central controller permitting 100% coverage over 3 mill buildings.

July 2006 – August 2009: Proprietor Yankee CIO, Yankee Marketplace, LLC
Yankee CIO, Provide contracting services to Liquor Distributors, Outsourced IT Maintenance to 50-2000 user organizations. Deployed and supported 6 server Exchange 2007 cluster on VMWare platform supporting 3000+ users. Expert in Exchange, SQL, Active Directory, Firewall and IIS.

YankeeMarketplace.com; Own and operate ecommerce platform focused on cottage industry products from New England

January 2001 - July 2006 : Segway LLC — Network Engineer

Responsible for design, deployment and management of state of the art data/voice local and wide area wired and wireless networks, as well as vendor negotiation and management.

I started my career in IT at Sanders Associates in 1984 as a VAX cluster operator and earned my way to a field service technician servicing countermeasure equipment for the

Navy. In 1987 I moved on to Wang Laboratories to provide 2nd level support Novell's Netware line for Wang's customers. In 1989 I started as a Network technician at Office Information Systems and became Service Manager in 1990. 1990 to 1994 I was Operations Manager for 1st New England Mortgage. In 1994 to 1998 I operated my own IT service company targeting the mortgage industry. In the latter part of 1991 I joined Computer Medics in Nashua, NH—designing, building and managing data/voice communication networks, services and web hosting systems. I successfully managed 4 Technicians.

- **Telecommunications**

- Voice Systems**

- Competent with the installation and maintenance of Telrad, Lucent ACS, Legend and Comdial DXP Key Systems. Installation and support for 200+ station telephone switches. Install campus wide systems using high capacity cables and fiber optics. Certified in 3Com NBX PBX Voice over IP. Well versed in Partner Mail VS, Comdial's XTS Mail and several others. Configure systems to support digital functions of DINS, ANI and LCR.

- Voice/Data Integration**

- Install and configure Fractured T1 circuits to integrate Voice services and Data on same circuit. Work in conjunction with Verizon, PaeTec Communications & Lightship Telecom to integrate LAN with CPE Voice Equipment. Install and support Motorola FT Series, Adtran DSU/CSUs, Adtran FT750 series Voice/Data Channel Banks.

- **Network Design / Implementation**

- Wide Area**

- Designed and Implemented Multi-state backbone using multiple Point to Point T1s, Frame Relay, Dial-up equipment, multiple Servers to maximize throughput and redundancy. Implemented SNMP to manage and monitor components on a 24/7 basis.

- Local Area/Campus**

- Designed and built out networks using switched gigabit backbone to 400+ Workstations, Servers & Peripherals. Installed and supported voice data lightning protection equipment. Redesigned existing networks to maximize throughput and redundancy.

- Premise Wiring**

- Installation of Customer Premise Wiring including, USOC, 568A, 568B and Single and Multi mode Fiber. Racks, raceways, 100 pair riser cables, electrical protection. Familiar with Lucent, Hubbell and AMP product lines.

- **Sales / Consultation**

- Prospected businesses, developed proposals, presentations, created and managed project schedules. I am good at honestly countering competitor's proposals and conducting myself with a high degree of professionalism and integrity.

- Able to determine resources required to complete a project on time and maintain its profitability.

- **WAN Hardware/Software**

- **Bay AN Series Routers**

- Installed & Configured WAN to support both public and private traffic. Setup NAT, Port and IP Filtering to Protect internal systems.

- **Cisco IOS 12.3T > on 1600, 170x & 2500 Series Routers**

- Utilized for Frame Relay Backbones and Customer Premises.

- **Cisco PIX, Sonicwall, Netgear VPN/Firewall**

- Utilized to Protect Internal Infrastructures. Setup on customer sites for VPN and NAT.

- **Computer Hardware**

- **Fully competent with Intel based Systems.**

- Compaq ACT Certified, Configuration of Server Class Machines with multiple Processors, Pwr Supplies, RAID Drive Arrays, NIC. Desktops using Win95, WinNT, 2K, XP W/S.

- **Installed & Troubleshoot Peripherals**

- HP Printers, Scanners, DVD, R/W CDROM, etc.

- **Software**

- Operating Systems - Win9x, WinNT, Netware 4.01, Server 2000, Server 2003, XP, 2008 R2, Windows 7

- Proficient in Exchange 5.5, 2000, 2003, 2007

- **Database – SQL 2005, Access VBA, Clipper, Paradox**

- Developed Custom Mortgage Processing Software, Paper Traffic Applications

- Proficient in Dreamweaver CS2, Visual Studio 2005, Intermec BRI

- **Internet Software – IIS, MSDNS, Post.Office, MS Exchange, Bind**

- Installed and configured ISP class system to support multiple clients on the same platform.

- Applications – Word, Excel, Access, Powerpoint, Etc.

Education:

2009 - Microsoft MCSE+I, Cisco CCNA, Network+

1987- BS Computer Science, Daniel Webster College

References available upon request

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return) Distributech, LLC	
	Business name/disregarded entity name, if different from above	
	Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input checked="" type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input checked="" type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ _____ <input type="checkbox"/> Other (see instructions) ▶ _____	
	<input type="checkbox"/> Exempt payee	
Address (number, street, and apt. or suite no.) c/o Rath, Young and Pignatelli, One Capital Plaza, 2nd Floor, P.O. Box 1500		Requester's name and address (optional) New Hampshire State Liquor Commission
City, state, and ZIP code Concord, NH 03302-1500		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)																																					
Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see <i>How to get a TIN</i> on page 3. Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="9" style="text-align: center;">Social security number</th> </tr> <tr> <td style="width: 20px; height: 20px;"> </td> </tr> </table> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="9" style="text-align: center;">Employer identification number</th> </tr> <tr> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">5</td> <td style="width: 20px; height: 20px;">-</td> <td style="width: 20px; height: 20px;">5</td> <td style="width: 20px; height: 20px;">1</td> <td style="width: 20px; height: 20px;">8</td> <td style="width: 20px; height: 20px;">6</td> <td style="width: 20px; height: 20px;">9</td> <td style="width: 20px; height: 20px;">15</td> </tr> </table>	Social security number																		Employer identification number									4	5	-	5	1	8	6	9	15
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4	5	-	5	1	8	6	9	15																													

Part II Certification	
Under penalties of perjury, I certify that:	
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and 2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and 3. I am a U.S. citizen or other U.S. person (defined below).	
Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.	

Sign Here	Signature of U.S. person ▶ <i>Michael DeLond, MANAGER</i>	Date ▶ <i>6/4/12</i>
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General Instructions
 Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form
 A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

**Request for Taxpayer
 Identification Number and Certification**

Give form to the
 requester. Do not
 send to the IRS.

Print or type
 See Specific Instructions on page 2

Name (as shown on your income tax return)
Stahlman Group, Inc.

Business name, if different from above

Check appropriate box: Individual/sole proprietor Corporation Partnership
 Limited liability company. Enter the tax classification (D-disregarded entity, C-corporation, P-partnership) ▶ Exempt payee
 Other (see instructions) ▶

Address (number, street, and apt. or suite no.)
5 Chenell Drive, Box 3

City, state, and ZIP code
Concord, NH 03301

List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number	
OR	
Employer identification number	02 0499080

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here Signature of U.S. person ▶ *[Signature]* Date ▶ **1-18-12**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
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- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

Stahlman Group, Inc.

5 Chenell Dr. Box 3 Phone: (603) 225-0010
Concord, NH 03301 Fax: (603) 225-0761
Federal ID#: 02-0499080
AR@StahlmanGroup.com www.stahlmangroup.com



Invoice payment information:

Remit To :

Wire Instructions
JP Morgan Chase & Company
Chicago, IL
ABA # 021000021
Account # 885930420
Account Name: Barry-Wehmiller Companies, Inc.
Ref: Stahlman Group, Inc.

ACH Instructions
JP Morgan Chase & Company
Chicago, IL
ABA # 071000013
Account # 885930420
Account Name: Barry-Wehmiller Companies, Inc.
Ref: Stahlman Group, Inc.

Payment Via Check
Stahlman Group, Inc.
25243 Network Place
Chicago, IL 60673-1252
USA

Request for Taxpayer Identification Number and Certification

**Give Form to the
 requester. Do not
 send to the IRS.**

Print or type
 See Specific instructions on page 2.

Name (as shown on your Income tax return) W & H Systems Inc	
Business name/disregarded entity name, if different from above	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input checked="" type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ <input type="checkbox"/> Other (see instructions) ▶	
<input type="checkbox"/> Exempt payee	
Address (number, street, and apt. or suite no.) 120 Asia Place	Requester's name and address (optional)
City, state, and ZIP code Carlstadt, NJ 07072	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Employer identification number								
1	3	-	1	9	9	6	4	9

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶ 11 7 2011
------------------	----------------------------	----------------------

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

Exhibit M

**See attached
W.P. Carey Prospectus**

Exhibit N

**W&H Sytems
Design Materials**

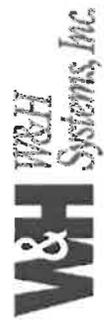
Distributech -NHSLC Distribution Facility

Concord, New Hampshire

Shipping and Inventory System Design and Estimated Space Requirements

April 11, 2012

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Estimated Space Requirements	22



Distributech -NHSLC Distribution Facility

Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

Month	2010		2010		2010		Shipping Days/Month	Average Cases/ Day
	Full Cases	Bottles as % of Bottles	"Split" Bottle Cases	Total Cs as % of Total Cs	Total Cases (2)	Days/Month		
July 2010	463,004	9.8%	10,528	9.7%	473,532	21	22,549	
August	440,166	9.2%	9,891	9.2%	450,057	22	20,457	
September	406,861	9.0%	9,646	8.5%	416,507	21	19,834	
October	404,321	8.3%	8,901	8.4%	413,223	22	18,783	
November	441,870	8.1%	8,744	9.2%	450,614	19	23,717	
December	501,878	12.2%	13,117	10.5%	514,995	20	25,750	
January 2011	294,096	7.0%	7,496	6.2%	301,593	20	15,080	
February	279,392	6.6%	7,122	5.9%	286,513	19	15,080	
March	360,977	7.7%	8,248	7.5%	369,225	23	16,053	
April	350,139	6.9%	7,455	7.3%	357,593	21	17,028	
May	367,590	6.7%	7,240	7.7%	374,830	21	17,849	
June	472,709	8.5%	9,088	9.9%	481,797	22	21,900	
Sub-Total	4,783,003	100.0%	107,476	100.0%	4,890,479	251	19,484	
Average Month	398,584		8,956		407,540		19,507	
Peak Month	501,878		13,117		514,995		25,750	
Peak to Average Month	1.26		1.46		1.26		1.32	

The current peak shipping day is assume to be:
Peak to average day: 2.05

(1) Assumes 9.0 bottles per split case

(2) Fiscal year 2011 (ending in June 2011) total cases shipped was used as the base year. Monthly distributions were based upon previous 2010 data. Bottles were distributed per month as in 2010 and full cases were derived by subtracting bottle cases from total cases.

2 Growth Projections - Cases Shipped

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Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Full Cases Shipped	6,058,965	6,240,734	6,427,956	6,620,795	6,819,418	7,024,001	7,234,721	7,451,763
<u>Annual Growth</u>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Split Cases Shipped	136,148	140,232	144,439	148,772	153,235	157,832	162,567	167,444
<u>Annual Growth</u>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Delivery and Split Cases Shipped	6,195,112	6,380,966	6,572,395	6,769,567	6,972,654	7,181,833	7,397,288	7,619,207
<u>Annual Growth</u>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
<u>Cumulative Growth</u>	27%	30%	34%	38%	43%	47%	51%	56%
<u>Growth factor</u>	1.27	1.30	1.34	1.38	1.43	1.47	1.51	1.56
Cases Shipped per day (Full and Split Cases)								
Average Day	24,139	24,863	25,609	26,378	27,169	27,984	28,824	29,688
Bottle Cases	542	559	575	593	610	629	648	667
1.26 Peak Month to Avg Month Factor	24,682	25,422	26,185	26,970	27,779	28,613	29,471	30,355
Avg Day, Peak Month	30,504	31,419	32,362	33,333	34,333	35,363	36,423	37,516
Bottle Cases	685	706	727	749	771	795	818	843
2.05 Peak Day to Avg Day Factor	31,190	32,125	33,089	34,082	35,104	36,157	37,242	38,359
10.0 Processing Hours	49,557	51,044	52,575	54,153	55,777	57,450	59,174	60,949
Peak cases per hour	5,067	5,219	5,376	5,537	5,703	5,874	6,050	6,232
Bottle Cases	1,114	1,147	1,181	1,217	1,253	1,291	1,330	1,370
(1) Assumes 251 shipping days/year	50,671	52,191	53,757	55,369	57,030	58,741	60,504	62,319
2 Growth Projections - Cases Shipped (cont.)								

(1) Assumes 251 shipping days/year (cont.)

2027 2028 2029 2030 2031

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Parameters and Assumptions

April 11, 2012

Annual Growth	7,675,316	7,905,575	8,142,742	8,387,025	8,638,635
<u>Annual Growth</u>	3.0%	3.0%	3.0%	3.0%	3.0%
Annual Growth	0.0%	172,468	177,642	182,971	194,114
<u>Annual Growth</u>	3.0%	3.0%	3.0%	3.0%	3.0%
Delivery and Split Cases Shipped	7,847,783	8,083,217	8,325,713	8,575,485	8,832,749
Annual Growth	3.0%	3.0%	3.0%	3.0%	3.0%
<u>Cumulative Growth</u>	60%	65%	70%	75%	81%
<u>Growth factor</u>	1.60	1.65	1.70	1.75	1.81
Cases Shipped per day (Full and Split Cases)					
Average Day	30,579	31,496	32,441	33,414	34,417
Bottle Cases	687	708	729	751	773
1.26 Peak Month to Avg Month Factor	31,266	32,204	33,170	34,165	35,190
Avg Day, Peak Month	38,642	39,801	40,995	42,225	43,492
Bottle Cases	868	894	921	949	977
2.05 Peak Day to Avg Day Factor	39,510	40,695	41,916	43,174	44,469
10.0 Processing Hours	62,778	64,661	66,601	68,599	70,657
Peak cases per hour	1,411	1,453	1,497	1,541	1,588
	64,188	66,114	68,097	70,140	72,244
	6,419	6,611	6,810	7,014	7,224

(1) Assumes 251 shipping days/year

3 System Design Parameters

	Base Period		
	2011	2021	2026
Delivery and Split Cases Shipped per Year	4,890,479	6,572,395	7,619,207
8,832,749			

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Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

Average Day	Full Cases	19,056	25,609	29,688	34,417
	Bottle Cases (Splits)	428	575	667	773
		19,484	26,185	30,355	35,190
1.26 Peak Month to Avg Month Factor					
Avg Day, Peak Month	Full Cases	24,080	32,362	37,516	43,492
	Bottle Cases (Splits)	541	727	843	977
		24,621	33,089	38,359	44,469
7.0 Processing Hours					
Peak cases per hour		3,517	4,727	5,480	6,353
<u>Peak Day</u>					
2.05 Peak Day in Peak Month Factor					
	Full Cases	39,121	52,575	60,949	70,657
	Bottle Cases	879	1,181	1,370	1,588
		40,000	53,757	62,319	72,244
10.0 Processing Hours					
System Design Rate, Cases per Hour		4,000	5,376	6,232	7,224

Shipping lanes, if fully conveyORIZED

	Cs/Hr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
100% Palletized	250	16.0	21.5	24.9	28.9					
	400	10.0	13.4	15.6	18.1					
100% Floorloaded	450	8.9	11.9	13.8	16.1					
	600	6.7	9.0	10.4	12.0					

4 Receiving

Nashua Warehouse Cases Received

Jan 2009	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
239,377	263,304	205,851	315,142	257,495	317,781	374,940	335,465	361,217	341,786	244,732	293,937	3,551,027

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Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

Average 295,919 cases per month
 Peak 374,940 peak cases per month
 Peak to Avg 1.27

It is assumed that the volume shipped in the base year July 2010 to June 2011 is also the volume received.

Full Cases 4,783,003 98.3%
 Bottles in 12 packs 80,607 1.7%
 4,863,610 100.0% Cases received per base year

Using the Nashua Warehouse receiving profile for this period and applying it to the base year provides the following average and peak months

Cases Received/Year 4,863,610 cases per year
 Average 405,301 cases per month
 Peak to Avg 1.27
 Peak 513,531 peak cases per month

Receiving Days/Year 250 days

Average per day 19,454 average cases received per day

Average Cases per Receipt

35 pallets unloaded per manhour or 1,960 cs/hour

Average cases per truck = 1,275 cases

Average trucks received per day = 15.3 trucks

Percentage of Receipts received on pallets or slipsheets = 100% of cases

Peak Receiving hours per day = 8 hours

Average cases per inbound pallet = 56 cases/pallet

Product staging time on dock = 1.5 hour(s)

5 Inventory

Assume 6 inventory turns per year or

2 months on hand

Average 810,602 cases per month

Peak 870,625 peak cases per month

Peak to Avg 1.07

10,048 SKUs in database

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Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

6,652 Maximum SKUs shipped in December 2009

6 Shipping

Percentage of outbound cases palletized = 100%
 Staging time on dock = 1.5 hours
 Truck loading rate = 35 pallets/hour
 Cases per outbound Pallet = 45 cases/pallet

Orders

July 1, 09 to June 30, 10

Cs Picks	Bottle Picks	Deliverys	Cases/ Delivery	Bottles/ Delivery
4,605,273	1,005,122	37,799	121.8	26.6

Base Year Daily Averages

Customers	Avg Orders	Avg Cs	Avg SKUs	Cs/Order
Grocery & Restaurants	144	6,651	4,783	46.2
State Stores	51	15,268	9,958	299.4

Customer Profile

Small Customers
 Major Grocery Stores, Walmart
 State Stores

Full Cases Shipped	Picks	SKUs Picked	Cs/Pick	Cs/SKU
364,361	272,029	210,430	1.3	1.7
1,029,237	730,821	417,187	1.4	2.5
<u>3,018,352</u>	<u>1,904,068</u>	<u>825,000</u>	<u>1.6</u>	<u>3.7</u>
4,411,950	2,906,918	1,452,617	1.5	3.0

7 Forward Pick Slot Assignment Criteria

Parameters used to slot each SKU in a forward pick slot
 Slotting is based upon the average shipping day in the peak month of December 2009. It is derived by taking the total cases shipped for the month, then dividing by 20 shipping days in the month for daily shipping

Cases per pallet stored are assumed to be: 56 case/pallet

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Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

2	B Items, Floor Picked	> or =	6	596	596	5,710	22.8%
	<u>Outside Picks</u>			924	924	19,566	78.1%
3	C Items, Rack Picked	> or =	2.1 to 6	911	911	3,226	12.9%
4	Oddball in Pallet Rack	<	2.1	4,817	4,817	2,251	9.0%
	Active SKUs			6,652	6,652	25,043	100.0%
	Bottle Room		Peak Day			Bottles Shipped	% Bottles
	<u>Bottles Lanes in Flowrack</u>			<u>SKUs</u>	<u>Positions</u>		
5	12.5 Inft deep	> or =	3.0	288	288	4,928	77%
	<u>Bottle Lanes in Bin Shelving</u>						
6	Total Bottle Slots	<	3.0	3,012	3,012	1,431	23%
				3,300	3,300	6,359	100%

(1) Peak case and bottle shipments were in December 2010.

9 Future Planned Dedicated Forward Pick Slotting 2021

Full Case Slot Type #	4 Deep Pallet Lanes	Cases Shipped/Day	Projected	
			Cs Shipped/ Avg Day (1) Peak Month	% Cases Shipped as Cases
1	A items, Floor Picked	>	2010 SKUs	2010 SKUs
2	B Items, Floor Picked	> or =	Lanes	Lanes
			328	328
			596	596
			18,621	18,621
			7,673	7,673
			55.3%	55.3%
			22.8%	22.8%

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Exhibit N, Page 10

Distributech -NHSLC Distribution Facility

Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

	924	924	26,294	78.1%
<u>Outside Picks</u>				
3 C Items, Rack Picked > or = 2.1 to 6	1,205	1,205	5,051	15.0%
4 Oddball in Pallet Rack < 2.1	4,523	4,523	2,310	6.9%
Active SKUs	6,652	6,652	33,655	100.0%
Bottle Room December 2010				
<u>Bottles Lanes in Flowrack</u>	<u>Positions</u>		<u>Bottles Shipped</u>	<u>% Bottles</u>
5 12.5 Inft deep > or = 3.0	400	400	7,015	82%
<u>Bottle Lanes in Bin Shelving</u>				
6 Total Bottle Slots < 3.0	2,900	2,900	1,531	18%
	3,300	3,300	8,546	100%

(1) Peak case and bottle shipments were in December 2010.

9 Future Planned Dedicated Forward Pick Slotting 2026

Full Case Slot Type #	4 Deep Pallet Lanes	Cases Shipped/Day	Projected	
			Cs Shipped/ Avg Day (1) Peak Month	% Cases Shipped as Cases
1 A items, Floor Picked >	328	328	21,587	55.3%
2 B Items, Floor Picked > or = 6	596	596	8,896	22.8%
	924	924	30,483	78.1%

Distributech -NHSLC Distribution Facility

Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

<u>Outside Picks</u>							
3	C Items, Rack Picked	> or =	2.1 to 6	1,328	1,328	6,137	15.7%
4	Oddball in Pallet Rack	<	2.1	4,400	4,400	2,397	6.1%
	Active SKUs			6,652	6,652	39,017	100.0%
<u>Bottle Room</u>						<u>Bottles Shipped</u>	
	December 2010						<u>% Bottles</u>
	<u>Bottles Lanes in Flowrack</u>			<u>Positions</u>			
5	12.5 Inft deep	> or =	3.0	471	471	8,365	84%
	<u>Bottle Lanes in Bin Shelving</u>						
6	Total Bottle Slots	<	3.0	2,829	2,829	1,542	16%
				3,300	3,300	9,907	100%

(1) Peak case and bottle shipments were in December 2010.

9 Future Planned Dedicated Forward Pick Slotting

2031 Full Build Out Year

Full Case Slot	Type #	4 Deep Pallet Lanes	Cases Shipped/Day	2031		Projected	
				Lanes	SKUs	Cs Shipped/ Avg Day (1) Peak Month	% Cases Shipped as Cases
1	A items, Floor Picked	>	6	328	328	25,025	55.3%
2	B items, Floor Picked	> or =	6	596	596	10,312	22.8%
				924	924	35,337	78.1%

Outside Picks

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Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

3	C Items, Rack Picked	> or =	2.1 to 6	1,480	1,480	7,462	16.5%
4	Oddball in Pallet Rack	<	2.1	4,248	4,248	2,432	5.4%
	Active SKUs			6,652	6,652	45,231	100.0%
	Bottle Room						
	December 2010						
	<u>Bottles Lanes in Flowrack</u>			<u>Positions</u>		<u>Bottles Shipped</u>	<u>% Bottles</u>
5	12.5 lnft deep	> or =	3.0	535	535	9,905	86%
6	<u>Bottle Lanes in Bin Shelving</u>	<	3.0	2,765	2,765	1,581	14%
	Total Bottle Slots			3,300	3,300	11,486	100%

(1) Peak case and bottle shipments were in December 2010.

10 SKU Inventory Slotting

Pallets 48 inches x 40 inches x 60 inches high 2,200 pounds/pallet

Storage Assignment Criteria

Case Flowrack and Outside Pick SKUs will be stored in Pallet Rack using the following criteria

60 inch Pallets will be stored 4 high in NA rack and 6 high NA rack

Narrow Aisle Rack

Access aisles

9.67 Lnft Pallet to Pallet

Distributech -NHSLC Distribution Facility

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Parameters and Assumptions

April 11, 2012

Storage	Number of pallet storage levels	14 Lnft	cross aisles
Width	Pallet storage width per pallet	5	
		4.13 Lnft	
Depth	Width from center line of aisle to center line of rack flu =	9.08 Lnft	
>	0.5 pallet		Pallet Rack Locations
< or =	0.5 pallet	> .25 pallets	Half Pallet Rack
< or =	0.25 pallet	> .125 pallets	Hand Stack Shelving, 2 SKUs per 8 ft bay
< or =	0.125 pallet	> .0625 pallets	Hand Stack Shelving, 4 SKUs per 8 ft bay
< or =	0.0625 pallet		Hand Stack Shelving, 8 SKUs per 8 ft bay

<u>Utilization</u>	85%
	75%
	65%
	50%
	50%

Locations/Pallet Bay	Full	Half	Quarter	0.125	0.0625
24 Foot Clear, 4 Pallets High	Pallet Rack	Pallet Rack	Pallet Hand Stack	Pallet Hand Stack	Pallet Hand Stack
38 Foot Clear, 6 Pallets High	8	12	20	40	80
	12	18	30	60	120

Bulk Stacking 12 foot access aisles 14 foot cross aisles
75% lane utilization

11 Storage Requirements

Assignment by Storage Type 870,625 Case inventory 2011 Base Year

Lane and Position Assignment	Conventional Bulk Stack			4 Pallets High		
6	5	4	3	2	2	2
Deep Lanes	Deep Lanes	Deep Lanes	Deep Lanes	Deep Lanes	Deep Lanes	Deep Lanes
507	65	102	225	289	5,749	866
2011	982	982	982	982	1,010	4,171

Distributech -NHSLC Distribution Facility

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Parameters and Assumptions

April 11, 2012

Utilization	85%	75%	65%	50%	50%
Bays Net	968	114	81	53	81
Full Pallet Bays	968	114	81	53	81
Half Pallet Bays					
Handstack Bays					
6 pallets high	645	75	54	35	53
					142
					862
Pallet Locations	6,580	1,018	1,608	1,043	4,252
		Wire Mesh	1,045	522	801
					2,367

11 Storage Requirements

Lane and Position Assignment Summary

	Conventional Bulk Stack						Quarter Pallet Hand Stack Positions	0.125 Pallet Hand Stack Positions	0.0625 Pallet Hand Stack Positions
	6	5	4	3	2	2			
	Deep Lanes	Deep Lanes	Deep Lanes	Deep Lanes	Deep Lanes	Deep Lanes	Positions	Positions	Positions
2011	507	65	102	225	289	866	982	1,010	4,171
2021	763	89	153	268	314	914	1,055	1,022	3,669
2026	941	108	167	292	310	972	1,060	1,034	3,420
2031	1,157	123	184	322	302	1,018	1,045	1,043	3,203

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Design Analysis - Distribution Center Concept



Parameters and Assumptions

April 11, 2012

(1) Hand Stack locations may be reduced if low volume SKUs can be eliminated.

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System Design Criteria April 11, 2012

<u>Daily Shipping Volumes</u>	<u>Average Day</u> 2011	<u>Average Day</u> 2021	<u>Average Day</u> 2026	<u>Average Day</u> 2031
Shipped Cases	19,484	26,185	30,355	35,190
<u>Hourly Shipping Volumes</u> 7 hours/average day	2,783	3,741	4,336	5,027
Shipped Cases per Hour				

<u>Average Day</u>	<u>Peak Month</u>	<u>Cases Shipped/Hour</u>	<u>Average Day</u> Peak Month	<u>Average Day</u> Peak Month
2011	2021	2026	2031	
24,621	33,089	38,359	44,469	
3,517	4,727	5,480	6,353	

Top selling SKUs picked to pallet from floor locations and the remainder picked to conveyor and sortation.

Batch picked full case percentage picked for sortation	21.9%	21.9%	21.9%	21.9%
Shipped Cs/Hr	752	1,011	1,172	1,359
Bottle Cases on System	77	104	120	140
Total	830	1,115	1,293	1,499

<u>Peak Day in Peak Month, Cases Shipped per Hour</u>	<u>Peak Day</u> 2011	<u>Peak Day</u> 2021	<u>Peak Day</u> 2026	<u>Peak Day</u> 2031
10.0 hours processing	40,000	53,757	62,319	72,244
10.0 hours/peak day, peak month				
Shipped Cases	4,000	5,376	6,232	7,224

Top selling SKUs picked to pallet from floor locations and the remainder picked to conveyor and sortation.

Full Case percentage picked on conveyor system	21.9%	21.9%	21.9%	21.9%
Shipped Cs/Hr	856	1,150	1,333	1,546
Bottle Cases on System	88	118	137	159
Total	944	1,268	1,470	1,705

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System Design Criteria April 11, 2012

Material Handling Equipment Projected Requirements

Bottle Room	2011	2021	2026	2031
<u>Carton flow rack</u>				
Lanes at 12 Inft/lane	288	400	471	535
Bays at 8.25 Inft/bay 24 lanes/bay	12	17	20	23
Linear Footage of Bay facings	99	140	165	190
Module Length with pallet flowlanes on both sides	Inft 50	Inft 70	Inft 83	Inft 95
<u>Bottles in Shelving</u>				
Bottle Slots	3,012	2,900	2,829	2,765
Number of Bays 60 slots/bay 8.25 Inft/bay	51	49	48	47
4 Inft deep/bay 3 Inft/aisle				
Number of row ends at 4 bays deep/row	13	13	12	12
Linear Footage across bin shelving	Inft 91	Inft 91	Inft 84	Inft 84
<u>Total Bottle Pick Module</u>				
<u>Inft in Length</u>				
Carton flow rack 100	0.5	0.7	0.8	0.9
Shelving 100	0.9	0.9	0.8	0.8
	1.4	1.6	1.7	1.8

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Distribution Center Estimated Space Calculations April 11, 2012

Summary	DC Requirement	Estimated Square Feet by Year					
		2011		2021		2031	
		One Level	W/Mez (1)	One Level	W/Mez (1)	One Level	W/Mez (1)
8	Inbound Conveyor to Sortation-Bottle Cas	1,500	-	1,900	-	2,300	-
9	Stretch Wrapping	5,700	5,700	8,500	8,500	8,500	8,500
10	Shipping Staging Palletized 100%	5,300	5,300	6,700	6,700	7,400	7,400
	Operational Space Requirement =	245,800	240,800	309,000	302,400	346,400	389,900
	<u>Area Support</u>						
11	Maintenance and forkltruck charging	1,200	1,200	1,200	1,200	1,200	1,200
12	Cold storage	1,000	1,000	1,000	1,000	1,000	1,000
13	Breakage	2,000	2,000	2,000	2,000	2,000	2,000
14	POS materials	3,900	3,900	3,900	3,900	3,900	3,900
15	Accounting records, fixtures	1,200	1,200	1,200	1,200	1,200	1,200
16	Box building, vendor boxes	1,000	1,000	1,000	1,000	1,000	1,000
17	General offices required	3,900	3,900	3,900	3,900	3,900	3,900
	Total Footprint SqFt, One Level	260,000	255,000	323,200	316,600	360,600	404,100
	Total Footprint SqFt, w/ Mezzanines					360,600	352,800
	Annual Cases Shipped	4,890,479		6,572,395		7,619,207	8,832,749
	Peak Case Inventory	870,625		1,009,293		1,170,047	1,356,405
	Minimum Receiving Doors		4		5		6
	Minimum Shipping Doors		4		4		5
	(1) 2 Level Mezzanine						
	Extra Space storing 4 Pallet High	14,900		15,000		15,200	15,300
	Revised Total	274,900		338,200		375,800	419,400

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Distribution Center Estimated Space Calculations April 11, 2012

1 Receiving - Floorloads		2031	
4,863,610 cases received/year/ 19,454 cases received/day x 24,649 cases/peak day x 44,520 cases/peak day x	250 days/year 1.27 peak to average 1.81 growth factor 0% floorloaded	=	19,454 cases/day 24,649 cases/peak day 44,520 cases/peak day -
- cases/peak day /	1,275 cases/ receipt	=	- receipts/day
1,275 cases/receipt/	1,960 cases unloaded/hour	=	0.7 manhours/receipt
0.7 hours/receipt x - door hours/peak day /	- receipts/day 8.0 hours receiving/day	=	0.0 hours/day - doors required peak day
1 Receiving - Pallet Loads		2031	
44,520 cases/peak day x 44,520 cases/peak day /	100% palletized 56 cases/pallet	=	44,520 cases/peak day 795 pallets/peak day
44,520 cases/peak day / 795 pallets received/peak day/	1,275 cases/ receipt 34.9 receipts/day	=	34.9 receipts/day 22.8 pallets/receipt
23.0 pallets/receipt/	35 pallets unloaded/manhour/ Truck staging time	=	0.7 manhours/receipt 0.5 manhours/receipt
			1.2 manhours/receipt

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Distribution Center Estimated Space Calculations April 11, 2012

1 Receiving -		2031	
<u>Combined</u>			
Pallet loads			
1.2 hours/receipt x		34.9 receipts/day	= 40.4 hours/day
Floorloads			
0.7 hours/receipt x		- receipts/day	= - hours/day
			40.4 hours/day
40.4 door hours/peak day /		8.0 hours receiving/day	= 6.0 doors required peak day
6.0 door +		1.0 changeover door	= 7.0 doors required peak day
Truck Door Space			
Width per door			
Depth			
10.0 pallets deep x			
50% of outside cross aisle			
		Total	= 12.5 Inft
		Front cross aisle	= 15.0 Inft
		4.25 Inft/ pallet	= 42.5 Inft
		14 Inft / aisle	= 7.0 Inft
		Total	= 64.5 Inft
Area			
12.5 Inft x		64.5 Inft / deep	= 806 Sqft
		10% Contingency	= .81 Sqft
		Total	= 887 Sqft/truck door
887 Sqft x		7.0 doors occupied	= 6,208 Sqft
1 Receiving - Pallet Staging		2031	

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Distribution Center Estimated Space Calculations April 11, 2012

44,520 received peak day/ 795 pallets staged x 1,192 pallet hours/	=	56 ctns/pallet 1.5 hours staging 8 hours/day	=	795 pallets 1,192 pallet hours 149 pallets staged
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Pallet Staging

Width				
149 pallets / 15.0 lanes x 3.0 access lanes between pallets x 50% of outside cross aisle 50% of outside cross aisle	=	10 pallets deep in lane 4 Inft / lane 4 Inft/access lane 14 Inft / aisle 14 Inft / aisle Total	=	14.9 lanes 60 Inft 12 Inft 7 Inft 7 Inft 86 Inft

Depth				
10 pallets deep x 100% of inside cross aisle 50% of outside cross aisle	=	4.25 Inft 15 Inft / aisle 14 Inft / aisle Total	=	42.5 Inft 15.0 Inft 7.0 Inft 64.5 Inft

Area				
86.0 Inft x	=	64.5 Inft / pallet 10% Contingency Total	=	5,547 Sqft 555 Sqft 6,102 Sqft

The greater o Truck door space requirement
or
Pallet staging requirement

6,102 sqft/ 94.6 Inft wide/	=	94.6 Inft deep = 12.5 Inft/door =	=	8 doors wide
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2 Forward Pick Slots

2031

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Design Analysis - Distribution Center Concept



Distribution Center Estimated Space Calculations April 11, 2012

Summary	Area				
	Floor picking			81,634	Sqft
	Sorter for Slow Selling SKUs			10,771	Sqft
	Bottles in Flowrack			6,224	Sqft
	Bottles in Bin Shelving			7,919	Sqft
	Total			<u>106,549</u>	Sqft
2 Forward Pick Slots	2031				
	<u>Pick from Pallets on Floor</u>				
	328 lanes +	596 2nd tier SKUs		924	lanes
	924 lanes x	6.5 pallets/lane		6,006	Pallets in Lanes
	6,006 pallet in lanes x	56 cases/pallet		336,336	cases
Width					
	50% picking aisle x	12 Inft		6.0	Inft
	3 pallets deep x	4 Inft/pallet +	6 inches	12.5	Inft
	3 pallets deep x	4 Inft/pallet +	6 inches	12.5	Inft
	50% picking aisle x	12 Inft		<u>6.0</u>	Inft
	Total			37.0	Inft
Length					
	924 lanes/	82.0 lanes/aisle on two sides		11.3	aisles
	924 pallet lanes/	2 sides/	11.3 aisles	41.0	lanes/aisle
	41 lanes/side x	4.00 Inft/lane		164	Lnft/pick aisle
	1 aisles x	14 crossaisles		<u>14.0</u>	Inft
	100%			178.0	Inft
	Total				
Area					
	37.0 Inft wide x	178.0 Inft long		6,586	Sqft/pick aisle
	6,586.0 sqft/pick aisle x	11.3 pick aisles		74,213	Sqft
		10.0% Contingency		<u>7,421</u>	Sqft
	Total			81,634	Sqft

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Distribution Center Estimated Space Calculations April 11, 2012

3 Sorter for Slow Selling SKUs	2031				
<u>Full Case Carton Sorter for the Slowest Selling SKUs</u>					
66 Lanes/		2 levels on sorter		33 lanes	
Depth					
		Inbound conveyor from rack		2.50 Inft	
		Inbound conveyor from bottle toom		2.50 Inft	
		Sorter one		2.50 Inft	
		Sorter two		2.50 Inft	
		flowrack depth		17.00 Inft	
100% palletizing aisle	3.0 Inft			3.00 Inft	
		pallet		4.00 Inft	
100% takeaway aisle	14.0 Inft			14.00 Inft	
		Total		48.00 Inft	
1 sides x	48.00 Lnft			48.00 Inft	
Width					
100% of access aisle x	14 Inft			14.0 Inft	
33 lanes x	4.50 Inft/bay			148.5 Inft	
	no read lane			4.0 Inft	
	space			3.0 Inft	
	sorter line			2.5 Inft	
	space			3.0 Inft	
	jackpot lane			2.5 Inft	
	space			2.0 Inft	
	inbound conveyor			2.5 Inft	
	space and stairs			8.0 Inft	
100% of access aisle x	14 Inft			14.0 Inft	
	Total			204.0 Inft	
Area					
48.0 Lnft depth x	204.0 Lnft Width			9,792 Sqft	
	10.0% Contingency			979 Sqft	
	Total			10,771 Sqft	

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Distribution Center Estimated Space Calculations

April 11, 2012

4 Staging of Slow Selling SKUs on Pallets to be Thrown on Sorter 2031

Slow selling SKU Staging for Sortation

9,894 cases/peak day /	45 cases/pallet	=	220 pallets staged
220 pallets/day /	7.0 running hours/day	=	31.4 pallets/hour
31.4 pallets/hour x	1 hour staged in pick module	=	31 pallets staged
31 pallets staged /	1 pallets deep in lane	=	31.4 pallet staging lanes
32 lanes x	5 Inft / lane	=	160 Inft
100% of outside cross aisle	14 Inft / aisle	=	14 Inft
	Total	=	174 Inft
Depth	4.3 Inft	=	4.3 Inft
1 pallets deep x	Picking aisle	=	3.00 Inft
50% of takeaway conveyor x	1.5 Inft	=	0.75 Inft
	Total	=	8.00 Inft
Area	8.0 Inft	=	1,392 Sqft
174.0 Inft x	10% Contingency	=	139 Sqft
	Total	=	1,531 Sqft

5 Forward Pick for Bottles 2031

<u>Type 6</u>	<u>Bottles in Flowrack</u>	=	23 bays
535 flowrack lanes/	24.0 SKUs lanes/average bay	=	23 bays
23 bays x	24 SKUs lanes/bay	=	7,728 cases
	14 cases/Lane x		

Depth

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Distribution Center Estimated Space Calculations

April 11, 2012

50% of access aisle x	14 Inft	7.00 Inft	=
	flowrack depth	17.00 Inft	=
50% of picking aisle	4.0 Inft	1.50 Inft	=
	Total	2.00 Inft	=
1 sides x	27.50 Lnft	27.50 Inft	=
23 bays/	1 sides =	23.0 bays/side	=
23 lanes x	8.25 Inft/bay	190 Lnft	=
	allowance for stairs or conveyor	16 Lnft	=
	Total	206 Lnft	=
Area	205.8 Lnft Width	5,658 Sqft	=
	10.0% Contingency	566 Sqft	=
	Total	6,224 Sqft	=

6 Forward Pick for Bottles 2031

Type 7	Bottles in Bin Shelving		
2,765	Slots required/	15.0 SKUs slots/ bin	=
185	bins/	4.0 bins/ bay	=
185	bins x	15 SKUs /bay	=
47	bays/	4 bays deep per aisle	=
50% of access aisle x	14 Inft	7.00 Inft	=
	Takeaway conveyor	2.00 Inft	=
	Aisle	5.00 Inft	=
4 bays deep per aisle x	8.25 Inft/bay	33.00 Inft	=
	Aisle	5.00 Inft	=
	Takeaway conveyor	1.50 Inft	=

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Distribution Center Estimated Space Calculations April 11, 2012

50% of access aisle x	14 Inft	=	7.00 Inft
1 sides x	Total	=	60.50 Inft
Width	60.50 Lnft	=	60.50 Inft
Section	depth per bay	=	4.0 Inft
100% picking aisle x	3 Inft	=	3.0 Lnft
	Total per section and aisle	=	7.0 Lnft
12 sections x	7.0 Inft per section	=	84.0 Lnft
	extra access aisle	=	5.0 Lnft
	allowance for stairs or conveyor	=	16.0 Lnft
100% of access aisles x	14 Inft outside cross aisles	=	14.00 Inft
	Total	=	119.0 Lnft
Area	119.0 Lnft Width	=	7,200 Sqft
60.5 Lnft depth x	10.0% Contingency	=	720 Sqft
	Total	=	7,919 Sqft
7 Reserve Storage	2031		
6 <u>Deep Bulk Stacking Lanes</u>	Peak	=	336,336 cases
336,336 cases/	56 cs/pallet /		
8,008 pallets in pick slots/	75% utilization	=	8,008 Equivalent pallets in pick slots
1,157 lanes -	18 pallets/lane	=	445 storage lane equivalents in forward pick slots
712 lanes x	445 lanes	=	712 lanes
2,848 Inft /	4 Inft / lane wide	=	2,848 Inft
Depth	120 Inft / aisle	=	30 lanes/aisle
			23.7 aisle sides

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Distribution Center Estimated Space Calculations April 11, 2012

50% x	Lnft / aisle side	=	120.0 Lnft
	14 Lnft Outside cross aisle - Rear or Front	=	7.0 Lnft
	Total	=	134.0 Lnft
4.1 aisle sides x	Lnft/ aisle side	=	549.4 Lnft
26.8 Lnft depth x	Lnft Width	=	14,742 Sqft
	10.0% Contingency	=	1,474 Sqft
	Total	=	16,216 Sqft

7 Reserve Storage 2031

4 <u>Deep Bulk Stacking Lanes</u>	Peak	
184 lanes x	4 lnft / lane wide	= 736 lnft
736 lnft /	120 lnft / aisle	= 30 lanes
50% x	12 lnft Access aisle	= 6 Lnft
50 inches/pallet deep x	4 pallets deep	= 16.7 Lnft
	Total per aisle side	= 22.7 Lnft
50% x	14 Lnft Outside cross aisles	= 7.0 Lnft
	Lnft / aisle side	= 120.0 Lnft
50% x	14 Lnft Outside cross aisle - Rear or Front	= 7.0 Lnft
	Total	= 134.0 Lnft
6.1 aisle sides x	Lnft/ aisle side	= 821.9 Lnft
22.7 Lnft depth x	Lnft Width	= 18,629 Sqft
	10.0% Contingency	= 1,863 Sqft
	Total	= 20,492 Sqft

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Distribution Center Estimated Space Calculations April 11, 2012

7 Reserve Storage	2031		
3 <u>Deep Bulk Stacking Lanes</u>	Peak		
322 lanes x	4 Lnft / lane wide	=	1,288 Lnft
1,288 Lnft /	120 Lnft / aisle	=	10.7 aisle sides
Depth	12 Lnft Access aisle	=	6 Lnft
50% x	3 pallets deep	=	12.5 Lnft
50 inches/pallet deep x	Total per aisle side	=	18.5 Lnft
Width	14 Lnft Outside cross aisles	=	7.0 Lnft
50% x	Lnft / aisle side	=	120.0 Lnft
50% x	14 Lnft Outside cross aisle - Rear or Front	=	7.0 Lnft
10.7 aisle sides x	Total	=	134.0 Lnft
18.5 Lnft depth x	134.00 lnft/ aisle side	=	1,438.3 Lnft
	1,438.3 Lnft Width	=	26,608 Sqft
	10.0% Contingency	=	2,661 Sqft
	Total	=	29,269 Sqft

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Distribution Center Estimated Space Calculations April 11, 2012

7 Reserve Storage				2031	
	<u>2 Deep Bulk Stacking Lanes</u>				Peak
	302 lanes x	4 lnft / lane wide			
	1,208 lnft /	120 lnft / aisle	30 lanes		1,208 lnft
Depth	50% x	12 lnft Access aisle			10.1 aisle sides
	50 inches/pallet deep x	2 pallets deep			6 lnft
					8.3 lnft
Width	50% x	Total per aisle side			14.3 lnft
	50% x	14 lnft Outside cross aisles			7.0 lnft
		lnft / aisle side			120.0 lnft
		14 lnft Outside cross aisle - Rear or Front			7.0 lnft
Area	10.1 aisle sides x	Total			134.0 lnft
	14.3 lnft depth x	134.00 lnft/ aisle side			1,348.9 lnft
		1,348.9 lnft Width			19,335 Sqft
		10.0% Contingency			1,933 Sqft
		Total			21,268 Sqft

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Distribution Center Estimated Space Calculations April 11, 2012

	2031		
	<u>2011</u>	<u>2021</u>	<u>2026</u>
7 Reserve Storage			
4 Full Pallets High			
Single Deep Rack	57,500	62,300	64,600
Half Pallet Rack	9,100	9,600	10,200
.25 Pallet Hand Stack	7,200	7,700	7,700
.125 Pallet Hand Stack	4,800	4,900	4,900
.0625 Pallet Hand Stack	<u>9,900</u>	<u>8,700</u>	<u>8,100</u>
Total	88,500	93,200	96,500
			<u>2031</u>
			65,800
			10,600
			7,600
			5,000
			<u>7,600</u>

Full Pallet Rack **24 foot clear**

Forward Pick Cases to be subtracted from Rack Storage:

6,580 pallet locations /			
5,593 pallet spots in reserve/	85% utilization	=	5,593 pallet spots in reserve
	8 pallets/bay	=	699 bays

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Distribution Center Estimated Space Calculations April 11, 2012

50% x	=	7.0 Lnft
50% x	=	7.0 Lnft
	=	<u>113.0 Lnft</u>
Width		
4.4 aisle sides x	=	40.1 Lnft
Area		
113.0 Lnft length x	=	4,533 Sqft
	=	<u>453 Sqft</u>
	=	<u>4,987 Sqft</u>

7 Reserve Storage

2031

<u>.0625</u> Pallet Hand Stack		24 foot clear
3,203 pallet locations /	=	6,406 pallet spots in reserve
6,406 pallet spots in reserve /	=	80.1 bays
81 bays x	=	668 lnft
668 lnft /	=	12 bays
Depth		
50% x	=	99.0 Lnft
50% x	=	7.0 Lnft
	=	<u>7.0 Lnft</u>
	=	<u>113.0 Lnft</u>

Width		
6.8 aisle sides x	=	61.3 Lnft
Area		
113.0 Lnft length x	=	6,928 Sqft
	=	<u>693 Sqft</u>
	=	<u>7,621 Sqft</u>

7 Reserve Storage

2031

38 Foot Clear

Pallet Rack Requirement

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Distribution Center Estimated Space Calculations April 11, 2012

	<u>2011</u>	<u>2021</u>	<u>2026</u>	<u>2031</u>
6 Full Pallets High				
Single Deep Rack	53,000	57,500	59,600	60,700
Half Pallet Rack	6,000	6,400	6,800	7,100
.25 Pallet Hand Stack	4,800	5,200	5,200	5,100
.125 Pallet Hand Stack	3,200	3,300	3,300	3,300
.0625 Pallet Hand Stack	6,600	5,800	5,400	5,100
Total	73,600	78,200	80,300	81,300

7 Reserve Storage

Full Pallet Rack **38 foot clear** **2031**

Forward Pick Cases to be subtracted from Rack Storage:

6,580 pallet locations /	85% utilization	=	7,741 pallet spots in reserve
7,741 pallet spots in reserve/	12 pallets/bay	=	645 bays
645 bays x	8.25 lnft / bay	=	5,322 lnft
5,322 lnft /	99 lnft / aisle	=	53.8 aisle sides
Depth	12 bays	=	53.8 aisle sides
50% x	Lnft / aisle side	=	99.0 Lnft
50% x	14 Lnft Outside cross aisles	=	7.0 Lnft
	14 Lnft Outside cross aisle - Rear or Front	=	7.0 Lnft
	Total	=	113.0 Lnft
Width		=	
53.8 aisle sides x	9.08 Lnft / aisle side	=	488.3 Lnft
Area		=	
113.0 Lnft length x	488.3 Lnft Width	=	55,178 Sqft
	10.0% Contingency	=	5,518 Sqft
	Total	=	60,696 Sqft

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Distribution Center Estimated Space Calculations April 11, 2012

7 Reserve Storage	2031				
<u>Half Pallet Rack</u>	38 foot clear				
1,018 pallet locations /		75% utilization	=	1,357	pallet spots in reserve
1,357 pallet spots in reserve/		18 pallets/bay	=	75	bays
75 bays x		8.25 lnft / bay	=	622	lnft
622 lnft /		99 lnft / aisle	=	12	bays
Depth		Lnft / aisle side	=	99.0	Lnft
50% x		14 Lnft Outside cross aisles	=	7.0	Lnft
50% x		14 Lnft Outside cross aisle - Rear or Front	=	7.0	Lnft
		Total	=	113.0	Lnft
Width			=	57.1	Lnft
6.3 aisle sides x			=	6,450	Sqft
113.0 Lnft length x			=	645	Sqft
Area			=	7,095	Sqft
			=		
7 Reserve Storage	2031				
<u>Quarter Pallet Hand Stack</u>	38 foot clear				
1,045 pallet locations /		65% utilization	=	1,608	pallet spots in reserve
1,608 pallet spots in reserve/		30 locations/bay	=	53.6	bays
54 bays x		8.25 lnft / bay	=	446	lnft
446 lnft /		99 lnft / aisle	=	12	bays
Depth		Lnft / aisle side	=	99.0	Lnft
50% x		14 Lnft Outside cross aisles	=	7.0	Lnft
50% x		14 Lnft Outside cross aisle - Rear or Front	=	7.0	Lnft
		Total	=	113.0	Lnft

Distributech -NHSLC Distribution Facility

Design Analysis - Distribution Center Concept



Distribution Center Estimated Space Calculations April 11, 2012

Width	4.5 aisle sides x	9.08 Lnft / aisle side	=	40.9 Lnft
Area	113.0 Lnft length x	40.9 Lnft Width	=	4,619 Sqft
		10.0% Contingency	=	<u>462</u> Sqft
		Total	=	5,081 Sqft
7 Reserve Storage	2031			
	<u>.125 Pallet Hand Stack</u>	38 foot clear		
	1,043 pallet locations /	50% utilization	=	2,086 pallet spots in reserve
	2,086 pallet spots in reserve/	60 locations/bay	=	34.8 bays
	35.0 bays x	8.25 lnft / bay	=	289 lnft
	289 lnft /	99 lnft / aisle	=	12 bays
Depth				2.9 aisle sides
	50% x	Lnft / aisle side	=	99.0 Lnft
	50% x	14 Lnft Outside cross aisles	=	7.0 Lnft
		14 Lnft Outside cross aisle - Rear or Front	=	<u>7.0</u> Lnft
		Total	=	113.0 Lnft
Width	2.9 aisle sides x	9.08 Lnft / aisle side	=	26.5 Lnft
Area	113.0 Lnft length x	26.5 Lnft Width	=	2,994 Sqft
		10.0% Contingency	=	<u>299</u> Sqft
		Total	=	3,293 Sqft

Distributech -NHSLC Distribution Facility

Design Analysis - Distribution Center Concept



Distribution Center Estimated Space Calculations April 11, 2012

428 cases sorted/avg day	2010 x	1.81 growth factor	=	773 cases/avg day
773 cases/avg day x		2.05 peak factor	=	1,588 cases/avg day
1,588 cases/avg day /		7.0 sorting/running hours/day	=	227 cases/hour avg day
227 cases/hour x		2.1 hours on accumulation lines	=	476 cases on lines
476 cases on line x		1.25 Inft/case	=	595 Inft accumulation lines

Length = accumulation conveyor = 595 Inft

Width = Conveyor = 2.0 Inft

= Space on either side of conveyor = 2.0 Inft

= Total = 4.0 Inft

Area = 4 wide = 2,382 sqft

= 10% Contingency = 238 Sqft

= Total = 2,620 Sqft

9 Stretch Wrapping 2031

4,890,479 Cases shipped / base year /	50 Weeks	=	97,810 case/avg week
97,810 case/avg week /	5 days/week	=	19,562 cases/avg day
19,562 case/avg day x	1.26 peak to avg	=	24,720 case/peak day
24,720 cases/peak day x	1.81 growth factor	=	44,647 case/peak day
44,647 cases/peak day x	100% cases palletized	=	44,647 cases palletized
44,647 cases palletized/	45 cases/pallet	=	992 pallets staged
992 pallets/day /	8.0 running hours/day	=	124 pallets/hour
124 pallets/hour x	1 minutes/pallet	=	165 minutes/hour
165 minutes/hour/	60 minutes/hour	=	3.0 units

Distributech -NHSLC Distribution Facility

Design Analysis - Distribution Center Concept



Distribution Center Estimated Space Calculations April 11, 2012

<u>Stretchwrap Machine Space</u>			
Width		Outside space	= 10 Inft
		Width of machine	= 12.0 Inft
		outside space	= 10 Inft
		Total	= 32 Inft
Depth			
100% of outside cross aisle	14 Inft / aisle	Machine Length	= 14.0 Inft
100% of outside cross aisle	14 Inft / aisle	Total	= 52.0 Inft
			= 14.0 Inft
			= 80.0 Inft
Area			
32.0 Inft x	80.0 Inft / pallet		= 2,560 Sqft
	10% Contingency		= 256 Sqft
	Total		= 2,816 Sqft
3.0 units x	2,816 sqft/unit		= 8,448 Sqft
10 Shipping Staging	2031		
<u>Shipping Area</u>			
<u>Pallet Staging</u>			
Width			
992 pallets staged x	1.5 hours/day		= 1,489 pallets hours
1,489 pallet hours/	8.0 hours/day		= 186 pallets staged
186 pallets staged /	6 pallets deep in lane		= 31.0 pallet staging lanes
32 lanes x	4 Inft / lane width		= 128 Inft

Distributech -NHSLC Distribution Facility

Design Analysis - Distribution Center Concept



Distribution Center Estimated Space Calculations April 11, 2012

100% of outside cross aisle	14 Inft / aisle	=	14 Inft
50% of inside cross aisle	14 Inft / aisle	=	7 Inft
	Total	=	149 Inft
Depth			
6 pallets deep x	5.0 Inft	=	30.0 Inft
100% of inside cross aisle	15 Inft / aisle	=	15.0 Inft
50% of outside cross aisle	14 Inft / aisle	=	7.0 Inft
	Total	=	52.0 Inft
Area			
149.0 Inft x	52.0 Inft / pallet	=	7,748 Sqft
	10% Contingency	=	775 Sqft
	Total	=	8,523 Sqft
Shipping Doors			
992 pallets staged /	35 pallets/hour	=	28.3 door hours/day
28.3 door hours/day/	8 hours/day	=	4 doors
	changeover door	=	1 changeover door
	Total Doors	=	5

New Hampshire Liquor Distribution

Concord, New Hampshire

Shipping and Inventory System Design and Estimated Space Requirements

May 5, 2012

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New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions May 5, 2012

Month	2010		2010		2010		2010		2010		Average Cases/Day
	Full Cases	Bottles as % of Bottles	"Split" Bottle Cases	Total Cs as % of Total Cs	Total Cases (2)	Shipping Days/Month	Total Cases (2)	Shipping Days/Month			
July 2010	463,004	9.8%	10,528	9.7%	473,532	21	473,532	21	22,549		
August	440,166	9.2%	9,891	9.2%	450,057	22	450,057	22	20,457		
September	406,861	9.0%	9,646	8.5%	416,507	21	416,507	21	19,834		
October	404,321	8.3%	8,901	8.4%	413,223	22	413,223	22	18,783		
November	441,870	8.1%	8,744	9.2%	450,614	19	450,614	19	23,717		
December	501,878	12.2%	13,117	10.5%	514,995	20	514,995	20	25,750		
January 2011	294,096	7.0%	7,498	6.2%	301,593	20	301,593	20	15,080		
February	279,392	6.6%	7,122	5.9%	286,513	19	286,513	19	15,080		
March	360,977	7.7%	8,248	7.5%	369,225	23	369,225	23	16,053		
April	350,139	6.9%	7,455	7.3%	357,593	21	357,593	21	17,028		
May	367,590	6.7%	7,240	7.7%	374,830	21	374,830	21	17,849		
June	472,709	8.5%	9,088	9.9%	481,797	22	481,797	22	21,900		
Sub-Total	4,783,003	100.0%	107,476	100.0%	4,890,479	251	4,890,479	251	19,484		
Average Month	398,584		8,956		407,540		407,540		19,507		
Peak Month	501,878		13,117		514,995		514,995		25,750		
Peak to Average Month	1.26		1.46		1.26		1.26		1.32		

The current peak shipping day is assume to be: 40,000
Peak to average day: 2.05

(1) Assumes 9.0 bottles per split case
(2) Fiscal year 2011 (ending in June 2011) total cases shipped was used as the base year. Monthly distributions were based upon previous 2010 data. Bottles were distributed per month as in 2010 and full cases were derived by subtracting bottle cases from total cases.

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

	Base Period									
	2011	2012	2013	2014	2015	2016	2017	2018		
2 Growth Projections - Cases Shipped										
Full Cases Shipped	4,783,003	4,926,493	5,074,288	5,226,516	5,383,312	5,544,811	5,711,156	5,882,490		
<u>Annual Growth</u>		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		
Split Cases Shipped	107,476	110,700	114,021	117,442	120,965	124,594	128,332	132,182		
<u>Annual Growth</u>		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		
Delivery and Split Cases Shipped	4,890,479	5,037,193	5,188,309	5,343,958	5,504,277	5,669,406	5,839,488	6,014,672		
<u>Annual Growth</u>		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%		
<u>Cumulative Growth</u>		3%	6%	9%	13%	16%	19%	23%		
<u>Growth factor</u>		1.03	1.06	1.09	1.13	1.16	1.19	1.23		
Cases Shipped per day (Full and Split Cases)										
Average Day	19,056	19,627	20,216	20,823	21,447	22,091	22,754	23,436		
Bottle Cases	428	441	454	468	482	496	511	527		
	19,484	20,068	20,671	21,291	21,929	22,587	23,265	23,963		
1.26 Peak Month to Avg Month Factor										
Avg Day, Peak Month	24,080	24,803	25,547	26,313	27,102	27,916	28,753	29,616		
Bottle Cases	541	557	574	591	609	627	646	665		
	24,621	25,360	26,121	26,904	27,711	28,543	29,399	30,281		
2.05 Peak Day to Avg Day Factor										
Full Cases	39,121	40,295	41,503	42,749	44,031	45,352	46,712	48,114		
Bottle Cases	879	905	933	961	989	1,019	1,050	1,081		
	40,000	41,200	42,436	43,709	45,020	46,371	47,762	49,195		
10.0 Processing Hours										
Peak cases per hour	4,000	4,120	4,244	4,371	4,502	4,637	4,776	4,919		
(1) Assumes	251	shipping days/year								

**New Hampshire Liquor Distribution
Design Analysis - Distribution Center Concept**



**Parameters and Assumptions
May 5, 2012**

2 Growth Projections - Cases Shipped (cont.)		2019	2020	2021	2022	2023	2024	2025	2026
Full Cases Shipped		6,058,965	6,240,734	6,427,956	6,620,795	6,819,418	7,024,001	7,234,721	7,451,763
<u>Annual Growth</u>		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Split Cases Shipped	2.2%	136,148	140,232	144,439	148,772	153,235	157,832	162,567	167,444
<u>Annual Growth</u>		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Delivery and Split Cases Shipped		6,195,112	6,380,966	6,572,395	6,769,567	6,972,654	7,181,833	7,397,288	7,619,207
<u>Annual Growth</u>		3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
<u>Cumulative Growth</u>		27%	30%	34%	38%	43%	47%	51%	56%
<u>Growth factor</u>		1.27	1.30	1.34	1.38	1.43	1.47	1.51	1.56
Cases Shipped per day (Full and Split Cases)									
Average Day		24,139	24,863	25,609	26,378	27,169	27,984	28,824	29,688
Bottle Cases		542	559	575	593	610	629	648	667
1.26 Peak Month to Avg Month Factor		24,682	25,422	26,185	26,970	27,779	28,613	29,471	30,355
Avg Day, Peak Month		30,504	31,419	32,362	33,333	34,333	35,363	36,423	37,516
Bottle Cases		685	706	727	749	771	795	818	843
2.05 Peak Day to Avg Day Factor		31,190	32,125	33,089	34,082	35,104	36,157	37,242	38,359
Full Cases		49,557	51,044	52,575	54,153	55,777	57,450	59,174	60,949
Bottle Cases		1,114	1,147	1,181	1,217	1,253	1,291	1,330	1,370
10.0 Processing Hours		50,671	52,191	53,757	55,369	57,030	58,741	60,504	62,319
Peak cases per hour		5,067	5,219	5,376	5,537	5,703	5,874	6,050	6,232
(1) Assumes	251 shipping days/year								

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

2 Growth Projections - Cases Shipped (cont.)

	2027	2028	2029	2030	2031
Annual Growth	7,675,316	7,905,575	8,142,742	8,387,025	8,638,635
<u>Annual Growth</u>	3.0%	3.0%	3.0%	3.0%	3.0%
Annual Growth	172,468	177,642	182,971	188,460	194,114
<u>Annual Growth</u>	3.0%	3.0%	3.0%	3.0%	3.0%
Delivery and Split Cases Shipped	7,847,783	8,083,217	8,325,713	8,575,485	8,832,749
Annual Growth	3.0%	3.0%	3.0%	3.0%	3.0%
<u>Cumulative Growth</u>	60%	65%	70%	75%	81%
<u>Growth factor</u>	1.60	1.65	1.70	1.75	1.81

Cases Shipped per day (Full and Split Cases)

Average Day	Full Cases	30,579	31,496	32,441	33,414	34,417
	Bottle Cases	687	708	729	751	773
		31,266	32,204	33,170	34,165	35,190
1.26 Peak Month to Avg Month Factor						
Avg Day, Peak Month	Full Cases	38,642	39,801	40,995	42,225	43,492
	Bottle Cases	868	894	921	949	977
		39,510	40,695	41,916	43,174	44,469
2.05 Peak Day to Avg Day Factor						
	Full Cases	62,778	64,661	66,601	68,599	70,657
	Bottle Cases	1,411	1,453	1,497	1,541	1,588
		64,188	66,114	68,097	70,140	72,244
10.0 Processing Hours						
Peak cases per hour		6,419	6,611	6,810	7,014	7,224

(1) Assumes 251 shipping days/year

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

3 System Design Parameters

	Base Period			
	<u>2011</u>	<u>2021</u>	<u>2026</u>	<u>2031</u>
Delivery and Split Cases Shipped per Year	4,890,479	6,572,395	7,619,207	8,832,749
Average Day	19,056	25,609	29,688	34,417
Full Cases	428	575	667	773
Bottle Cases (Splits)	19,484	26,185	30,355	35,190
1.26 Peak Month to Avg Month Factor				
Avg Day, Peak Month	24,080	32,362	37,516	43,492
Full Cases	541	727	843	977
Bottle Cases (Splits)	24,621	33,089	38,359	44,469
7.0 Processing Hours				
Peak cases per hour	3,517	4,727	5,480	6,353
<u>Peak Day</u>				
2.05 Peak Day in Peak Month Factor				
Full Cases	39,121	52,575	60,949	70,657
Bottle Cases	879	1,181	1,370	1,588
	40,000	53,757	62,319	72,244
10.0 Processing Hours				
System Design Rate, Cases per Hour	4,000	5,376	6,232	7,224
Shipping lanes, if fully conveyORIZED				
	<u>Cs/Hr</u>			
100% Palletized	250	21.5	24.9	28.9
Manual	400	13.4	15.6	18.1
Enhanced				
100% Floorloaded	450	11.9	13.8	16.1
One Person	600	9.0	10.4	12.0
Two People				

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

4 Receiving

Nashua Warehouse Cases Received		Jan 2009	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
		239,377	263,304	205,851	315,142	257,495	317,781	374,940	335,465	361,217	341,786	244,732	293,937	3,551,027

Average 285,919 cases per month
 Peak 374,940 peak cases per month
 Peak to Avg 1.27

It is assumed that the volume shipped in the base year July 2010 to June 2011 is also the volume received.

Full Cases	4,783,003	98.3%
Bottles in 12 packs	80,607	1.7%
	4,863,610	100.0% Cases received per base year

Using the Nashua Warehouse receiving profile for this period and applying it to the base year provides the following average and peak months

Cases Received/Year	4,863,610	cases per year
Average	405,301	cases per month
Peak to Avg	1.27	
Peak	513,531	peak cases per month

Receiving Days/Year 250 days
 Average per day 19,454 average cases received per day

Average Cases per Receipt

Average cases per truck =	1,275	cases	35	pallets unloaded per manhour or	1,960	cs/hour
Average trucks received per day =	15.3	trucks				
Percentage of Receipts received on pallets or slipsheets =	100%	of cases				
Peak Receiving hours per day =	8	hours				
Average cases per inbound pallet =	56	cases/pallet				
Product staging time on dock =	1.5	hour(s)				

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

5 Inventory Assume 6 inventory turns per year or 2 months on hand
 Average 810,602 cases per month
 Peak 870,625 peak cases per month
 Peak to Avg 1.07
 10,048 SKUs in database
 6,652 Maximum SKUs shipped in December 2009

6 Shipping
 Percentage of outbound cases palletized = 100%
 Staging time on dock = 1.5 hours
 Truck loading rate = 35 pallets/hour
 Cases per outbound Pallet = 45 cases/pallet

Orders

July 1, 09 to June 30, 10

Cs Picks	Bottle Picks	Deliverys	Cases/ Delivery	Bottles/ Delivery
4,605,273	1,005,122	37,799	121.8	26.6

Base Year Daily Averages

Customers	Avg Orders	Avg Cs	Avg SKUs	Cs/Order
Grocery & Restaurants	144	6,651	4,783	46.2
State Stores	51	15,268	9,958	299.4

Customer Profile

Customer	Full Cases Shipped	Picks	SKUs Picked	Cs/Pick	Cs/SKU
Small Customers	364,361	272,029	210,430	1.3	1.7
Major Grocery Stores, Walmart	1,029,237	730,821	417,187	1.4	2.5
State Stores	3,018,352	1,904,068	825,000	1.6	3.7
	4,411,950	2,906,918	1,452,617	1.5	3.0

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

7 Forward Pick Slot Assignment Criteria

Parameters used to slot each SKU in a forward pick slot Slotting is based upon the average shipping day in the peak month of December 2009. It is derived by taking the total cases shipped for the month, then dividing by 20 shipping days in the month for daily shipping

Cases per pallet stored are assumed to be: 56 case/pallet

Several scenarios will be reviewed by classifying SKUs by the number of cases shipped per average day in the peak month.

Full Cases

Classification	Case Shipped/Day		Forward Pick Type	Slot Size
	From	To		
1	Top Selling SKUs		Floor picking	Pick from pallet in aisle
2	> =	6.0	Floor picking	Pick from pallet in aisle
3	> =	2.1	6.0 Picked from Rack	1 operating hours staged
4	<	2.1	Odd Ball, Picked from Rack	1 operating hours staged

Bottles

Bottles Shipped/Day		Carton Flowrack	14 Cases/flowrack lane	24 lanes/bay
>	or =	3.0	2 Cases/hatch	15 Hatches (SKUs)/bin
<		3.0 Shelving		

Accumulation Lines

- 0.5 hour accumulation for full case lines prior to sortations
- 1.5 hours accumulation for bottle line prior to sortations

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions May 5, 2012

8 Planned Dedicated Forward Pick Slotting

2011 Base Year

Full Case Slot Type #	Cases Shipped/Day	2010 Lanes	2010 SKUs	Dec 10		
				Cs Shipped/ Avg Day (1) Peak Month	% Cases Shipped as Cases	
1 A Items, Floor Picked	>	328	328	13,856	55.3%	
2 B Items, Floor Picked	> or =	596	596	5,710	22.8%	
<u>Outside Picks</u>		924	924	19,566	78.1%	
3 C Items, Rack Picked	> or =	911	911	3,226	12.9%	
4 Oddball in Pallet Rack	<	4,817	4,817	2,251	9.0%	
Active SKUs		6,652	6,652	25,043	100.0%	
Bottle Room	December 2010	Peak Day	SKUs	Positions	Bottles Shipped	% Bottles
<u>Bottle Lanes in Flowrack</u>			288	288	4,928	77%
5 12.5 Inft deep	> or =	3.0	288	288		
<u>Bottle Lanes in Bin Shelving</u>			3,012	3,012	1,431	23%
6 Total Bottle Slots	<	3.0	3,300	3,300	6,359	100%

(1) Peak case and bottle shipments were in December 2010.

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

9 Future Planned Dedicated Forward Pick Slotting 2021

Full Case Slot Type #	4 Deep Pallet Lanes	Cases Shipped/Day	Lanes	2010 SKUs	Projected	
					Cs Shipped/ Avg Day (1) Peak Month	% Cases Shipped as Cases
1	A items, Floor Picked	>	328	328	18,621	55.3%
2	B items, Floor Picked	> or =	596	596	7,673	22.8%
			924	924	26,294	78.1%
<u>Outside Picks</u>						
3	C items, Rack Picked	> or =	1,205	1,205	5,051	15.0%
4	Oddball in Pallet Rack	<	4,523	4,523	2,310	6.9%
	Active SKUs		6,652	6,652	33,655	100.0%
<u>Bottle Room December 2010</u>						
	<u>Bottles Lanes in Flowrack</u>		<u>Positions</u>		<u>Bottles Shipped</u>	<u>% Bottles</u>
5	12.5 Inft deep	> or =	400	400	7,015	82%
	<u>Bottle Lanes in Bin Shelving</u>					
6	Total Bottle Slots	<	2,900	2,900	1,531	18%
			3,300	3,300	8,546	100%

(1) Peak case and bottle shipments were in December 2010.

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

9 Future Planned Dedicated Forward Pick Slotting 2026

Full Case Slot Type #	4 Deep Pallet Lanes	Cases Shipped/Day	Lanes	2026 SKUs	Projected Cs Shipped/ Avg Day (1) Peak Month	% Cases Shipped as Cases
1	A items, Floor Picked	>	328	328	21,587	55.3%
2	B items, Floor Picked	> or =	596	596	8,896	22.8%
	Outside Picks		924	924	30,483	78.1%
3	C items, Rack Picked	> or =	1,328	1,328	6,137	15.7%
4	Oddball in Pallet Rack	<	4,400	4,400	2,397	6.1%
	Active SKUs		6,652	6,652	39,017	100.0%
Bottle Room December 2010						
	<u>Bottles Lanes in Flowrack</u>		<u>Positions</u>		<u>Bottles Shipped</u>	<u>% Bottles</u>
5	12.5 Inft deep	> or =	471	471	8,365	84%
6	<u>Bottle Lanes in Bin Shelving</u>	<	2,829	2,829	1,542	16%
	Total Bottle Slots		3,300	3,300	9,907	100%

(1) Peak case and bottle shipments were in December 2010.

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

9 Future Planned Dedicated Forward Pick Slotting

2031 Full Build Out Year

Full Case Slot Type #	4 Deep Pallet Lanes	Cases Shipped/Day	Lanes	2031 SKUs	Projected Cs Shipped/ Avg Day (1) Peak Month	% Cases Shipped as Cases
1	A items, Floor Picked	>	328	328	25,025	55.3%
2	B items, Floor Picked	> or =	596	596	10,312	22.8%
	<u>Outside Picks</u>		924	924	35,337	78.1%
3	C items, Rack Picked	> or =	1,480	1,480	7,462	16.5%
4	Oddball in Pallet Rack	<	4,248	4,248	2,432	5.4%
	Active SKUs		6,652	6,652	45,231	100.0%
Bottle Room December 2010						
	<u>Bottles Lanes in Flowrack</u>		Positions		Bottles Shipped	% Bottles
5	12.5 Inft deep	> or =	535	535	9,905	86%
6	<u>Bottle Lanes in Bin Shelving</u>		2,765	2,765	1,581	14%
	Total Bottle Slots	<	3,300	3,300	11,486	100%

(1) Peak case and bottle shipments were in December 2010.

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

10 SKU Inventory Slotting

Pallets 48 inches x 40 inches x 60 inches high 2,200 pounds/pallet

Storage Assignment Criteria

Case Flowrack and Outside Pick SKUs will be stored in Pallet Rack using the following criteria

60 inch Pallets will be stored 4 high in NA rack and 6 high NA rack

Narrow Aisle Rack

Access aisles 9.67 Lnft Pallet to Pallet
14 Lnft cross aisles
Storage Number of pallet storage levels 5
Width Pallet storage width per pallet 4.13 Lnft

Depth Width from center line of aisle to center line of rack flu = 9.08 Lnft

Utilization

>	0.5 pallet	Pallet Rack Locations	85%
< or =	0.5 pallet	Half Pallet Rack	75%
< or =	0.25 pallet	Hand Stack Shelving, 2 SKUs per 8 ft bay	65%
< or =	0.125 pallet	Hand Stack Shelving, 4 SKUs per 8 ft bay	50%
< or =	0.0625 pallet	Hand Stack Shelving, 8 SKUs per 8 ft bay	50%

Locations/Pallet Bay

24 Foot Clear, 4 Pallets High	Full Pallet Rack	Half Pallet Rack	Quarter Pallet Hand Stack	0.125 Pallet Hand Stack	0.0625 Pallet Hand Stack
38 Foot Clear, 6 Pallets High	8 Positions	12 Positions	20 Positions	40 Positions	80 Positions
	12	18	30	60	120

Bulk Stacking

12 foot access aisles
14 foot cross aisles

75% lane utilization

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Assump

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

11 Storage Requirements

Assignment by Storage Type 1,009,293 Case inventory 2021 Base Year

Lane and Position Assignment	Conventional Bulk Stack			4 Pallets High			Full Pallet Rack Positions	Half Pallet Rack Positions	Quarter Pallet Hand Stack Positions	0.1 Pallet Hand Stack Positions	0.05 Pallet Hand Stack (1) Positions		
	6 Deep Lanes	5 Deep Lanes	4 Deep Lanes	3 Deep Lanes	2 Deep Lanes	314						268	153
2021							6,234	914	1,055	1,022	3,669		
Bays at							779.3	76.2	52.8	25.6	45.9		
Utilization							85%	75%	65%	50%	50%		
Bays Net							917	102	82	52	92		1,245
Full Pallet Bays							917	102					Total
Half Pallet Bays									82	52	92		226
Handstack Bays													
6 pallets high							611	68					Totals
									54	34	61		149
										Total Bays			828
Pallet Locations							6,234	914	1,623	1,022	1,835		4,480
								Wire Mesh	1,055	511	917		9,631

(1) Hand Stack locations may be reduced if low volume SKUs can be eliminated.

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



Parameters and Assumptions

May 5, 2012

11 Storage Requirements

Lane and Position Assignment Summary	Conventional Bulk Stack						Full			Half			Quarter			0.125			0.0625				
	5		4		3		2		Pallet			Rack			Pallet			Hand			Stack		
	Deep	Lanes	Deep	Lanes	Deep	Lanes	Deep	Lanes	Positions														
2011	507	65	102	225	289	5,749	866	982	1,010	4,171													
2021	763	89	153	268	314	6,234	914	1,055	1,022	3,669													
2026	941	108	167	292	310	6,464	972	1,060	1,034	3,420													
2031	1,157	123	184	322	302	6,580	1,018	1,045	1,043	3,203													

(1) Hand Stack locations may be reduced if low volume SKUs can be eliminated.

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



System Design Criteria

May 5, 2012

<u>Daily Shipping Volumes</u>	<u>Average Day</u>		<u>Average Day</u>	
	<u>2011</u>	<u>2021</u>	<u>2026</u>	<u>2031</u>
Shipped Cases	19,484	26,185	30,355	35,190
Hourly Shipping Volumes 7 hours/average day				
Shipped Cases per Hour	2,783	3,741	4,336	5,027

<u>Average Day, Peak Month Cases Shipped/Hour</u>	<u>Average Day</u>		<u>Average Day</u>	
	<u>Peak Month</u>	<u>2021</u>	<u>Peak Month</u>	<u>2031</u>
Shipped Cases 7 hours/avg day, peak month	24,621	33,089	38,359	44,469
Shipped Cases per Hour	3,517	4,727	5,480	6,353

Top selling SKUs picked to pallet from floor locations and the remainder picked to conveyor and sortation.

Batch picked full case percentage picked for sortation	21.9%	21.9%	21.9%	21.9%
Shipped Cs/Hr	752	1,011	1,172	1,359
Bottle Cases on System	77	104	120	140
Total	830	1,115	1,293	1,499

<u>Peak Day in Peak Month, Cases Shipped per Hour</u>	<u>Peak Day</u>		<u>Peak Day</u>	
	<u>2011</u>	<u>2021</u>	<u>2026</u>	<u>2031</u>
10.0 hours processing	40,000	53,757	62,319	72,244
10.0 hours/peak day, peak month				
Shipped Cases per Hour	4,000	5,376	6,232	7,224

Top selling SKUs picked to pallet from floor locations and the remainder picked to conveyor and sortation.

Full Case percentage picked on conveyor system	21.9%	21.9%	21.9%	21.9%
Shipped Cs/Hr	856	1,150	1,333	1,546
Bottle Cases on System	88	118	137	159
Total	944	1,268	1,470	1,705

New Hampshire Liquor Distribution Design Analysis - Distribution Center Concept



System Design Criteria May 5, 2012

Material Handling Equipment Projected Requirements

	2011	2021	2026	2031
Bottle Room				
<u>Carton flow rack</u>				
Lanes at 12 Inft/lane	288	400	471	535
Bays at 8.25 Inft/bay 24 lanes/bay	12	17	20	23
Linear Footage of Bay facings	99	140	165	190
Module Length with pallet flowlanes on both sides Inft	50	70	83	95
<u>Bottles in Shelving</u>				
Bottle Slots	3,012	2,900	2,829	2,765
Number of Bays 60 slots/bay 8.25 Inft/bay	51	49	48	47
4 Inft deep/bay 3 Inft/aisle				
Number of row ends at 4 bays deep/row	13	13	12	12
Linear Footage across bin shelving Inft	91	91	84	84
Total Bottle Pick Module				
<u>Inft in Length</u>				
Carton flow rack 100	0.5	0.7	0.8	0.9
Shelving 100	0.9	0.9	0.8	0.8
	1.4	1.6	1.7	1.8

New Hampshire Liquor Distribution
Design Analysis - Distribution Center Concept



Distribution Center Estimated Space Calculations

May 5, 2012

Summary Area	DC Requirement	Estimated Square Feet by Year							
		2011		2021		2026		2021	
		One Level	W/Mez (1)	One Level	W/Mez (1)	One Level	W/Mez (1)	One Level	W/Mez (1)
1 Receiving -		4,400	4,400	5,300	5,300	5,600	5,600	5,300	5,300
2 Forward Pick Slots									
Floor Picking Area		81,700	81,700	81,700	81,700	81,700	81,700	81,700	81,700
3 Sorter for Slow Selling SKUs		10,800	10,800	10,800	10,800	10,800	10,800	10,800	10,800
4 Staging of Slow Selling SKUs on Pallets to		900	900	1,200	1,200	1,400	1,400	1,200	1,200
5 Bottles in Flowrack		3,500	-	4,700	-	5,500	-	4,700	-
6 Bottles in Bin Shelving		8,400	8,400	8,400	8,400	8,000	8,000	8,400	8,400
Sub-total		105,300	101,800	106,800	102,100	107,400	101,900	106,800	102,100
7 Reserve Storage									
6 Deep Bulk Stacking Lanes		9,500		48,500		75,600		48,500	
5 Deep Bulk Stacking Lanes		8,600		11,700		14,200		11,700	
4 Deep Bulk Stacking Lanes		11,400		17,000		18,600		17,000	
3 Deep Bulk Stacking Lanes		20,500		24,400		26,500		24,400	
2 Deep Bulk Stacking Lanes		-		-		-		-	
38 feet Clear	6 pallets high NA Rack	50,000	50,000	101,600	101,600	134,900	134,900	101,600	101,600
Single Deep Rack		53,000		57,500		59,600		57,500	
Half Pallet Rack		6,000		6,400		6,800		6,400	
.25 Pallet Hand Stack		4,800		5,200		5,200		5,200	
.125 Pallet Hand Stack		3,200		3,300		3,300		3,300	
.0625 Pallet Hand Stack		6,600		5,800		5,400		5,800	
Sub-Total Storage		73,600	73,600	78,200	78,200	80,300	80,300	78,200	78,200
(1) 2 Level Mezzanine		123,600	123,600	179,800	179,800	215,200	215,200	179,800	179,800

**New Hampshire Liquor Distribution
Design Analysis - Distribution Center Concept**



**Distribution Center Estimated Space Calculations
May 5, 2012**

Summary	DC Requirement	Estimated Square Feet by Year					
		2011		2021		2026	
		One Level	W/Mez (1)	One Level	W/Mez (1)	One Level	W/Mez (1)
8	Inbound Conveyor to Sortation-Bottle Cas	1,500	-	1,900	-	2,300	-
9	Stretch Wrapping	5,700	5,700	8,500	8,500	8,500	8,500
10	Shipping Staging Palletized 100%	5,300	5,300	6,700	6,700	7,400	6,700
	Operational Space Requirement =	245,800	240,800	309,000	302,400	346,400	302,400
	<u>Area Support</u>						
11	Maintenance and forklift truck charging	6,000	6,000	8,100	8,100	9,400	10,900
12	Cold storage	1,000	1,000	1,000	1,000	1,000	1,000
13	Breakage	2,000	2,000	2,000	2,000	2,000	2,000
14	POS materials	3,900	3,900	3,900	3,900	3,900	3,900
15	Accounting records, fixtures	1,200	1,200	1,200	1,200	1,200	1,200
16	Box building, vendor boxes	1,000	1,000	1,000	1,000	1,000	1,000
17	General offices required	3,900	3,900	3,900	3,900	3,900	3,900
	Total Footprint SqFt, One Level	264,800	259,800	330,100	323,500	368,800	332,900
	Total Footprint SqFt, w/ Mezzanines					361,000	326,300
	Annual Cases Shipped	4,890,479		6,572,395		7,619,207	8,832,749
	Peak Case Inventory	870,625		1,009,293		1,170,047	1,356,405
	Minimum Receiving Doors		4		5		6
	Minimum Shipping Doors		4		4		5
	(1) 2 Level Mezzanine						4
	Extra Space storing 4 Pallet High	14,900		15,000		15,200	15,000
	Revised Total	279,700		345,100		384,000	347,900

New Hampshire Liquor Distribution Distribution Center Design Analysis



Estimated Labor Requirement - 2013

May 5, 2012

<u>Direct</u>	Receiving	20,216 Full Cases Shipped/Average Day	4,088 Bottles Shipped/Average Day	250 Shipping Days	Unload	Check-in	Putaway	Pallets	Oddballs	9.0%	Daily Volume	56 cs/pallet inbound	45 cs/pallet outbound	Prod.	Daily Hours	Average		Peak
																FTE's	Day	
											367 pallets			25	15	2.0	1.5	2.9
											20,557 cases			2,500	8	1.1		1.6
											335 pallets			18	19	2.5		3.7
											1,817 cases			90	20	2.7		4.0
																8.2		12.3
	Replenishment	75.0%			Pallets						271 pallets			15	18	2.4		3.6
		0.0%			Case Flow items						- Cs			80	-	0.0		0.0
					Bottle Room						341 Cs			45	8	1.0		1.5
																3.4		5.1
	Picking	55.3%			Full Case from Floor Pallets						11,185 Cs			200	56	7.5		11.2
		19.7%			Full Case from 2nd tier SKUs						3,977 Cs			170	23	3.1		4.7
	On Sorter	16.0%			Case pick Case Flow Items (1)						3,237 Cs			70	46	6.2		9.2
	On Sorter	9.0%			Case pick oddballs (1)						1,817 Cs			50	36	4.8		7.3
					Throw-on						5,054 Cs			350	14	1.9		2.9
	Bottle Picking	77.5%			Carton Flow						3,168 Bottles			275	12	1.5		2.3
		22.5%			Shelving & Checking						920 Bottles			150	6	0.8		1.2
					Box makeup and Checking											1.5		2.3
																27.4		41.0
	Shipping				Palletizing						5,508 Cs			250	22	2.9		4.4
					Loaders						459 pallets			30	15	2.0		3.1
					Picking - addons											1.0		1.5
					Drivers/Yard											2.0		3.0
					Total Direct											47.0		70.5
																		58.7
																		cs/mhr

(1) 50% of cases are assumed to be picked directly to store pallets and not sorted.
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Labor2013

New Hampshire Liquor Distribution Distribution Center Design Analysis



Estimated Labor Requirement - 2013 May 5, 2012

20,216 Full Cases Shipped/Average Day 56 cs/pallet inbound
 4,088 Bottles Shipped/Average Day 45 cs/pallet outbound
 250 Shipping Days

Average Day Peak
 FTE's FTE's

Daily Hours

Prod.

Indirect

Breakage	3
QC	1
Product	2
Inventory Control	2
Cleanup/Housekeeping	2
Maintenance	4
Office - Clerical	2
Routers	2
Traffic Control	3
Supervisors	1
Whse	1
Delivery	1
Security	1
Inventory	1
Maintenance	1
Returns	1
Management	1
Total Indirect	27

47.0	70.5
27	27
74.0	97.5

Direct
 Indirect
 Total DC

Estimated Forktruck Equipment Requirements

May 24, 2012

		2013				2031			
<u>Forktrucks</u>		Reach	Pallet	Sit	Order	Reach	Pallet	Sit	Order
		<u>Truck</u>	<u>Jacks (1)</u>	<u>Downs</u>	<u>Pickers</u>	<u>Truck</u>	<u>Jacks</u>	<u>Downs</u>	<u>Pickers</u>
Day		4.0	0.0	6.9	5.6	8.0	0.0	11.0	9.5
Night		1.5	18.9	0.0	16.5	1.5	32.2	0.0	28.1
Max		4	19	7	17	8	33	11	29
Estimated Capital per Vehicle		\$ 46,000	\$ 17,000	\$ 36,000	\$ 35,300	\$ 46,000	\$ 17,000	\$ 36,000	\$ 35,300
Total by Vehicle Type		\$ 184,000	\$ 323,000	\$ 252,000	\$ 600,100	\$ 368,000	\$ 561,000	\$ 396,000	\$ 1,023,700
Estimated Annual Lease Cost @ 20.4%	each	\$ 9,380	\$ 3,470	\$ 7,340	\$ 7,200	\$ 9,380	\$ 3,470	\$ 7,340	\$ 7,200
Total by Vehicle Type		\$ 37,520	\$ 65,930	\$ 51,380	\$ 122,400	\$ 75,040	\$ 114,510	\$ 80,740	\$ 208,800
		2013				2031			
Estimated Capital per Vehicle w/o Tax		\$ 46,000	\$ 17,000	\$ 36,000	\$ 35,300	\$ 46,000	\$ 17,000	\$ 36,000	\$ 35,300
Total by Vehicle Type		\$ 368,000	\$ 561,000	\$ 396,000	\$ 1,023,700	\$ 368,000	\$ 561,000	\$ 396,000	\$ 1,023,700
Estimated Annual Lease Cost @ 20.4%	each	\$ 9,380	\$ 3,470	\$ 7,340	\$ 7,200	\$ 9,380	\$ 3,470	\$ 7,340	\$ 7,200
Total by Vehicle Type		\$ 75,040	\$ 114,510	\$ 80,740	\$ 208,800	\$ 75,040	\$ 114,510	\$ 80,740	\$ 208,800
		Totals				Totals			
		\$ 1,359,100				\$ 2,348,700			

NOTE: Fork truck requirements are based upon Peak requirements and an allowance of 1 battery per truck.

NOTE: Charging stations should not be needed with Opportunity Charging System

NOTE: Pallet Jacks are double pallet powered pallet jacks.

Estimated Forktruck Equipment Requirements
 May 24, 2012

<u>Estimated Wire Guidance System</u>		2013	
8,860	Lineal Feet of Wire x	\$ 5.00	/lineal foot
	3 drivers x	\$ 3,500	=
\$ 6,000	/machine x	17 Order Pickers =	
			\$ 44,300
			\$ 10,500
			\$ 102,000
			\$ 156,800
<u>Estimated "RF" Equipment</u>		2013	
		Software =	\$ 15,000
		Site Survey =	\$ 5,000
<u>One transceiver for every 125,000 sqft</u>			
320,000	sqft/	\$ 7,000	3 x
	Truck Mounts or handhelds	\$ 7,000	per truck x
		28	trucks =
			\$ 21,000
			\$ 196,000
			\$ 237,000
Slip Sheet and Clamp Attachments for Sit Down Counter Balanced Lift Trucks			
2	Slip Sheet attachments x	\$ 11,000	=
2	Clamp attachments x	\$ 11,000	=
			\$ 22,000
			\$ 22,000
			Total Equipment Cost 2013 = \$ 1,796,900

NOTE: The Lfnt of wire assumes wire on both sides of Narrow Aisles. This may not be needed.
 Without wire guidance in Narrow Aisles, wire requirements are estimated to be reduced by 66%.

Exhibit O

**See Appendices D, D-1 and
D-2
(In separate envelope)**