

Stella's Fish Café and Prestige Oyster Bar Business Plan

Overview:

Our objective is to convert the existing Tonic restaurant into Parasole's newest concept, Stella's Fish Café and Prestige Oyster Bar. We believe that this new concept, which offers primarily dinner only service and a focus on seafood, fits the demographics of the Uptown area very well. This new concept is designed to resemble a local neighborhood restaurant and reflect the look and feel of the surrounding neighborhood. The restaurant is a full service, mid scale casual restaurant with full bar service. The concept is designed to attract young singles, families and business entertainment.

Concept:

Stella's Fish Café and Prestige Oyster Bar is designed with a retro look that makes the restaurant immediately understandable and comfortable. The décor and menu are designed to appeal to a target age of 18 to 55. With a target average check of \$30 including approximately 30% alcohol, this concept can appeal to both those on a budget as well as those enjoying a special occasion. The menu will have a wide range of seafood selections from fresh seafood on the grill to raw oysters to fish and chips. Although the concept is designed to target adults, the menu will also include selections for children or those who do not care for seafood, such as fried chicken, burgers and steak. The wine list will be mid-priced, predominantly white wines. In addition to a restaurant with approximately 300 seats, this location will also include a separate banquet facility with seating up to approximately 150.

Timeline:

We plan to generate construction documents by approximately March 18. Steven Roberts of Steven Harris Architects in New York City is responsible for designing the restaurant. Shea Architects in Minneapolis will develop the construction documents. Permitting is expected to be completed by April 1. Construction is anticipated to start on approximately April 1 and be completed by approximately May 15. Training and pre-opening parties will be completed from May 16 through May 26. We have tentatively targeted an opening date of the end of May or early June. We anticipate that the restaurant will be closed for approximately eight weeks during construction and training. The current budget for construction costs and training costs is in excess of \$1 million.

Operations:

We anticipate that the restaurant will be open primarily from 5:00 p.m. to 2:00 a.m. seven days a week, with the full menu available at all times. However, we will adjust these hours, particularly the closing time, dependent upon the traffic patterns of our guests. Our menu will be seafood focused, with a sample of typical menu items listed below:

Appetizers:

Raw Oysters
Beer Batter Fried Fish Sampler
Shrimp Cocktail
Crab Cakes
Clam Chowder
Fried Cheese
Hush Puppies
Crabmeat Cocktail

Entrees:

Fish and Chips
Grilled Swordfish
Shrimp Scampi
Coconut Shrimp
Seafood Gumbo
Fried Chicken
Lobster
Steak

Sandwiches:

New England Lobster Roll
Oyster Po' Boys
Burgers
Grilled Chicken Sandwich

Salads:

Chopped Salad
Mixed Green Salad
Caesar Salad
Shrimp Salad

Desserts:

Key Lime Pie
Cheesecake
Chocolate Caramel Brownie
Cookies
Chocolate Cake

Our prices are expected to range from \$4 to \$12 for appetizers, \$9 to \$29 for entrees, \$6 to \$12 for sandwiches, \$6 to \$12 for salads and \$4 to \$9 for desserts. We anticipate that we will eventually achieve a liquor mix of less than 40%, although we believe that due to the current reputation of the restaurant, that we will need a period of up to six months to achieve the targeted liquor mix. Our banquets will allow for any of our standard menu items as well as a menu specific to a particular occasion. We plan to offer our entire menu "To Go".

All of our servers will attend alcohol awareness training seminars on an annual basis. It is our policy to terminate any employee who fails a "sting" operation regarding the service of alcohol.

Our banquet facility will be available for events booked in advance, with a contract provided for all large events greater than 20 people. The only music and or dancing available other than background music will be in the banquet facility for pre-planned functions. On busy nights when there are no banquets booked, the banquet facility will be available for regular dinner seating, although no dancing or music, other than background music, will be available for these non-banquet events. No entertainment will be allowed in the restaurant other than entertainment booked in advance for pre-planned banquets. This type of entertainment will be directed at the guests invited to the pre-planned banquet, typically expected to be adults over the age of 21.

We anticipate that there will be no video or mechanical amusement devices, pool tables or dart games. We also anticipate that we will not sponsor softball, broomball, soccer, rugby, football, or any other competitive sports teams. We have no plans to have charitable gambling activities.

The rooftop patio is expected to be open from approximately May 1 through October 31, during the same hours of operation as the restaurant, weather permitting. We plan to offer grilled sandwiches, skewers, clam and lobster bakes and other light menu items on the rooftop patio.

Management:

Idein, the restaurant-consulting arm of Parasole Restaurant Holdings, will manage Stella's Fish Café and Prestige Oyster Bar. At Parasole, we currently own and operate six restaurants, Figlio, Chino Latino, Muffuletta, Manny's and two Good Earth restaurants. These six restaurants have over 100 years of operating history in the Twin Cities! Idein will have complete operational control of the restaurant, including menu, hours of operation, hiring, firing, training, etc. We have selected Len Ghilani to supervise the restaurant. Len has extensive supervisory experience at Buca, Einsteins and Chi – Chi's. Len will be supported by the entire Parasole organization. With our corporate offices literally across the street, we will ensure that this restaurant receives the supervision and support that it needs.