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SMALL BUSINESS ASSISTANCE GRANT APPLICATION



Kanawha County Commission

407 Virginia Street East
Charleston, WV 25301

For more information call 304-357-0101

I. APPLICANT INFORMATION

Applicant:

Name: JEFF ARTHUR

Address: 2091 TERRY ROAD

City: SOUTH CHARLESTON State: WV Zip Code: 25309

Phone: 304-989-9260 Email: distillwv@gmail.com

Individual Business Entity Non-profit

Business Information:

Name: RRG, LLC DBA MOUNTAIN STATE DISTILLERY

Address: 800 KANAWHA BLVD E, CHARLESTON, WV 25301

Type of Ownership:

Sole Proprietor Corporation LLC Nonprofit

Type of Business:

Retail Business Service Restaurant Manufacturing

Other: DISTILLERY

Is your business registered with SAM.gov? Yes No

Provide a brief description of the business that is starting or expanding. Your attached business plan can more fully explain your products or services, so please be brief but informative.

Mountain State Distillery is a small distillery that makes award winning bourbon and moonshine. We have recently launched Charleston's first legally distilled rum to the market. The distillery is open for free tastings of our products as well as a retail store that includes full bottles of our bourbon, moonshine, rum, and other merchandise. Visitors into the distillery can see the production area which includes fermenters, stills, and bottling station.

1. How many employees does your small business employ? 2
2. In what industry is your small business? Retail / Manufacturing
3. Has your small business incurred costs for COVID-19 mitigation and prevention measures? If so, describe the costs, mitigation, and prevention measures:

Increased cost of cleaning supplies to wipe down surfaces, masks, lost work, lost production and product.

4. How will you use the funds received from the Small Business Assistance program? (e.g., Will you hire new workers, provide on-the-job training, obtain technical assistance, support payroll, benefits, rent, utilities, or other operating costs?)

We desperately need to hire at least 1-2 new employees for retail and production support. We are currently still trying to dig out of the hole COVID left us in, and we have had absolute minimal financial support from the SBA, the PPP or any other COVID relief. These funds will be used directly to offset that, including rent, operating costs inventory, and increased production.

5. Has your small business faced periods of closure as a result of the COVID-19 pandemic? If so, please describe.

During the pandemic, we were allowed to remain open due to the federal government classifying alcohol as "essential". However, we remained opened only to produce hand sanitizer during the shortage. We converted our entire inventory of White Lightning Moonshine into hand sanitizer and donated it to first responders, elderly care, Charleston Police and many other organizations. We also made limited quantities of hand sanitizer available to the public free of charge when other businesses were price gouging. This was extremely costly to us simply as a result of the lost sales, but something we felt was important and a way we could help.

6. Has your small business experienced loss of revenue or financial hardship as a result of the result of the COVID-19 pandemic? If so, please describe.

YES. While every business around us was closed, we remained opened but had no customers due to the stay home order from the Governor. We converted thousands of dollars of our White Lightning into hand sanitizer and donated it to first responders when they could not get any. Our rent and utilities fell behind, and even though businesses are back open, we are still trying to dig out from the hole the pandemic put us in. Overall, in 2020, we saw a decrease in sales over 2019 by approximately 63%.

6. Do you intend to use your small business assistance funds for capital expenditures? If so, what capital expenditures do you intend to make and what is your time for completion of capital expenditures?

Yes, we need to increase our production as our market expands. We have just been picked up by Walgreens on Bridge Road, the liquor retailer that supplies most of the bars and restaurants in Downtown Charleston. We have commitments from 6 of the downtown establishments to carry our products as soon as they are on the Walgreens shelf. This is an incredibly huge step for our sales. We need increased fermentation and distilling capacities. We also need to look long term to get more Bourbon inventory into the aging process.

7. Are you requesting funds to open a startup business? If yes, did you lose expected startup capital or face other difficulties, cost increases, or delays due to the COVID-19 pandemic? Please describe fully.

NO, our business opened almost one year to the day prior to the pandemic.

II. FINANCING NEEDS

Total Amount of Investment: \$27,100

Total Amount of ARP Funding Request: \$25,000

III. SOURCES AND USES OF FUNDING

Sources of Funding

Source	Amounts	Terms	Is Funding Committed Yes/Pending
From Monthly Revenue	\$4000		
Square Loan	\$3,700	18 Months	Yes

Use of Funds

Item and Description	Budget Amount	ARP Funds Needed	
		Yes	No
larger fermenter	\$640.01	X	
Bourbon Inventory	\$5,000	X	
Supplies (bottles)	\$2,639.12	X	
4 Plate Copper Still Head	\$2,700	X	
1-2 new employees	\$3,456 - \$6,912	X	
Operating Expenses	\$8,440	X	

IV. NUMBER AND TYPE OF JOBS CREATED

Year One: 1-2

Type(s): laborer, retail employee

Year Two (projected): 2-3

Type(s): retail employee, laborer, administrative assistant

This application is being submitted with the information that is correct and complete, to the best understanding of the applicant.


Applicant Signature

8-1-22
Date

Printed Name and Title: Jeff Arthur, owner Mountain State Distillery

ATTACHMENT: Your business plan MUST contain the following information:

- Description of the business and its goods and/or services
- Demand for proposed for goods or services
- Target market and marketing approaches
- Amount of funding required to capitalize the business and operate with adequate cash flow
- How the ARP funds will be used including a description of the work done or equipment purchased
- Three year operating pro forma

The ARP program requires the following information:

- Personal financial statement
- Personal or business tax return
- Building lease if applicable

HOW DO I SUBMIT MY APPLICATION?

Email the completed application to: kimmallory@Kanawha.us

Mail the completed application to:

Kanawha County Commission
Attention: Kim Mallory
PO Box 3627, Charleston, WV 25336

Submitted applications will be made publicly available and will be posted on the County's website.