



CITY OF WAUKESHA
 DEPARTMENT OF COMMUNITY DEVELOPMENT
 City Hall, 201 Delafield Street, Room 200
 Waukesha, WI 53188
 Phone (262) 524-3750 Fax (262) 524-3751

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 MAR 22 2016
 CITY PLAN COMMISSION

CONDITIONAL USE PERMIT APPLICATION

This application must accompany a Plan Commission Application along with the required fee.
 The Plan Commission may not make a decision on this request if the property owner is not present at the meeting.

DATE: 3/22/2016

NEW APPLICATION AMENDMENT TO EXISTING CONDITIONAL USE PERMIT

NAME OF PROJECT OR BUSINESS: JOHN THEMME ENTERPRISES, LLC.

LOCATION OF USE: 525 PROGRESS AVE, WAUKESHA, WI 53186

TYPE OF USE: INTERNET BASED RETAIL AUTO SALES / WAREHOUSING

Is this a NEW use or is this use being relocated from somewhere else? NEW

If you are relocating a use, where are you relocating it from? _____

Do you operate a use in other locations? ? (Circle one) YES NO

If yes, please explain: _____

Will the use be occupying an existing building or will you be building a new building? EXISTING NEW

Hours and days of operation: 9:00AM - 5:00PM MONDAY - SATURDAY

Number of Employees: 2

Number of on-site parking stalls available: 30

Length of permit requested (6 month, 1 year, 2 year, permanent): PERMANENT

Current zoning: M-1

Is a License required to operate this use? (Circle one) YES NO If yes, please attach a copy.

Name of licensing authority: STATE OF WISCONSIN DEPT OF MOTOR VEHICLES

Will any hazardous materials be used? NO

The following information must be attached to process the permit:

- A site map showing the location of the proposed site.
- A site plan showing the location of building(s), parking, landscaping, etc.
- A floor plan of the building showing how it will be used for the proposed use.
- If an existing building, a photo of the building.
- If new, complete development plans must be submitted per the development guidelines.
- If facade changes are proposed, plans must be submitted showing changes.
- A business plan if there is one; otherwise answer the questions on the back.

Please Note: If approved, this permit will be issued to the applicant only and will not be transferrable. This application will become null and void if required fees and materials are not submitted at time of application. Any physical changes made to the building may require the installation of additional fire protection systems. Please contact the Fire Marshal for further discussion.

Please attach a copy of your Business Plan if you have one. — SEE BUSINESS PLAN

If you do not have written Business Plan or choose not to share it, please answer the following questions:

1. What business will you be in? _____

2. Explain your business' daily operations. _____

3. How will business be managed on a daily basis? _____

4. What are your products or services? _____

5. Will your employees need additional parking? _____
6. Are employees required to have any certification(s)? _____
7. Who is the owner of the building or premises where your business will be conducted?

8. If you are not owner of the building or premises where your business will be conducted, do you have a lease agreement with the owner? _____
9. Are there any insurance requirements for your business? _____
10. Will you have property insurance? _____
11. Are there any noise considerations/concerns with your business operations? _____



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CONFIDENTIAL

House of Horsepower

Specializing in American Muscle Cars & Hot Rods

Business Plan
Prepared March 2016

Contact Information

John Themmes

jthemmes@ameritech.net

414-333-0686

www.house-of-horsepower.com

525 Progress Avenue

Waukesha, WI 53186, USA

Executive Summary

Opportunity

Problem

The collector car market is booming and causing prices of collector cars to sky-rocket. The huge demand has driven collector car dealers to spend exorbitant amounts of money on large and fancy facilities in expensive "destination" locations around the country to draw people to visit and buy from them. The high facilities costs involved with this type of marketing strategy coupled with the increased demand for collector cars is driving prices out of reach for a large percentage of enthusiasts that would otherwise participate in the hobby.

Solution

Our marketing strategy takes the focus away from spending lots of money on a "brick and mortar" facility and focuses on finding and selling quality, collector cars and passing along the savings to the consumer. Because we are utilizing internet based marketing, we are not limited to prospective buyers that are living in or visiting our local market. We can effectively and efficiently market and sell to a global audience. Coupling the owner's knowledge and skill in professional photography, we can provide our customers high definition photographs to present our products in excellent detail and provide them the ability to feel comfortable about their purchase whether they live around the corner or across the globe.

Market

Our primary market is upper-middle class car enthusiasts around the globe. This group mainly consists of males, ages 35-70 earning \$75,000 or more per year. These people will own more than one vehicle and in many cases, more than one collector car. Many folks in this demographic will buy, sell and trade many collector vehicles in their lifetime which creates an excellent opportunity for repeat business.

Competition

There are very few competitors in our local market, but many competitors globally. The main component that will set us apart from our competition is our focus on offering excellent product quality at reasonable prices due to our low facility overhead costs and internet based marketing strategies.

Why Us?

Our founder is a life-long "car guy" who has shown his passion for cars for as long as anyone can remember. He has built, restored and modified many of his own vehicles through the years. Over his adult life, he has bought, sold, traded and located countless vehicles for the local and global market having sold as far away as Sweden and the UK. He chose to pursue a lucrative career in the IT customer service space for the last 18 years to allow him to provide for his family and also be able to participate in the car hobby. Those professional experiences have allowed him to develop excellent customer service skills and the ability to anticipate customer demand and meet or exceed it. He is also an accomplished professional photographer who has had his work published in several magazines, calendars, corporate publications and marketing materials. While he is extremely proud of all of his personal and professional accomplishments to date, he has always had a dream of owning and operating a classic car dealership. Building on our founder's experiences, beliefs and passions, we have built House of Horsepower to partner with you on your journey with the classic car hobby. Whether you are just entering it, have been in it for years, or are moving on to the next phase of your life, we are your source to help you buy, sell, trade or locate the classic of your dreams.

Expectations

Forecast

We had sales of approximately \$80,000 in 2015 with a running profit margin of 21%, those sales were done while operating on a very part time basis. Using this data, we are projecting \$400,000 in total sales in year one with a similar profit margin. That assumes we sell 2-3 moderately priced vehicles per month for the first year. The owner will take a minimum salary for the first year to cover personal expenses to allow reinvestment of as much of the profits as possible. Year two would look to increase sales to the \$600-700,000 range while maintaining a 20% profit rate. We will also supplement income by selling merchandise and photography products.

Financial Highlights (Year one)



Financing Needed

I am beginning my company funding on my own with the liquidation of my current automotive assets. This should total approximately \$30,000 start-up capital. There are no current needs or expenses for the business at this point outside of some licensing and possibly local zoning application fees of approximately \$500.00 total. The only other business costs are \$600.00 a month for rent on the facility which may increase if I require more space.

Opportunity

Problem & Solution

Problem Worth Solving

The collector car market is booming and causing prices of collector cars to sky-rocket. The huge demand has driven collector car dealers to spend exorbitant amounts of money on large and fancy facilities in expensive "destination" locations around the country to draw people to visit and buy from them. The high facilities costs involved with this type of marketing strategy coupled with the increased demand for collector cars is driving prices out of reach for a large percentage of enthusiasts that would otherwise participate in the hobby.

Our Solution

Our marketing strategy takes the focus away from spending lots of money on a "brick and mortar" facility and focuses on finding and selling quality, collector cars and passing along the savings to the consumer. Because we are utilizing internet based marketing, we are not limited to prospective buyers that are living in or visiting our local market. We can effectively and efficiently market and sell to a global audience. Coupling the owner's knowledge and skill in professional photography, we can provide our customers high definition photographs to present our products in excellent detail and provide them the ability to feel comfortable about their purchase whether they live around the corner or across the globe.

Target Market

Our primary market is upper-middle class car enthusiasts around the globe. This group mainly consists of males, ages 35-70 earning \$75,000 or more per year. These people will own more than one vehicle and in many cases, more than one collector car. Many folks in this demographic will buy, sell and trade many collector vehicles in their lifetime which creates an excellent opportunity for repeat business.

Competition

Current Alternatives

There are many classic car dealers in the global market. Because there are many different subsets of the overall market, not all of these dealers will be directly competing in the Muscle Car and Hot Rod space. In our local market, there are fewer dedicated Muscle Car and Hot Rod dealers as a result of the local weather patterns and limited available time that customers utilize their classic cars. Most of the traditional "brick and mortar" dealers invest great deals of money into their facilities because they rely heavily on foot traffic for sales.

Our Advantages

Our focus on global, internet based marketing not only allows us to reduce the amount of money spent on our overhead, but also allows us the ability to market to a much larger customer base. Our focus on quality products along with quality media based marketing provides our customers the details they need to feel comfortable purchasing from us whether they live down the block or across the world. We can also pass along savings to our customers and provide them quality classic car offerings for a fraction of the price our competitors charge.

Execution

Marketing & Sales

Marketing Plan

To build some initial business capital we have been partnering with local automotive businesses to get the word out about our impending launch of the business. The next phase will be to establish Facebook, Twitter and Instagram accounts. Those accounts will be used to announce and market the business. We will also establish an eBay Marketplace that we will use to market our cars, parts and merchandise. As a requirement of the state of Wisconsin, we will have signage on our building and at the entrance to the facility, but we will not have inventory accessible to the general public for browsing and will have business hours by appointment only.

At the start of spring, we will be attending local and regional classic car events to get the word out about the dealership as well as showcasing vehicles we have for sale. We will continue to do this throughout the time of the year that weather permits these events to occur. As we sell more volume and build a larger customer base, we will expand our travel to events outside the region.

We will continue to reach out to local and regional businesses in the automotive field to expand our name recognition.

Sales Plan

We will be selling to the public as a state of Wisconsin licensed Retail Automotive business. We will sell on a cash basis and will utilize PayPal for transactions on our eBay Marketplace. At some point, if it is financially feasible, we may take credit card transactions in the future. At this point we are not considering the option of in-house financing.

Operations

Locations & Facilities

We will utilize indoor storage for all of our inventory at the 525 Progress Ave building in Waukesha, WI. We will not allow customers to browse our inventory without an appointment and will not have any inventory stored outdoors. In order to meet the state of Wisconsin's retail dealer license requirements we will require two business signs on the property. One will be on the exterior of the door to enter the area of the building we occupy. The second sign will be at the entrance drive to the west parking lot. All signs will be in accordance with the city of Waukesha requirements and will clearly state office hours are by appointment only.

The facility has access for auto transport trucks to enter the parking area and not have to load or unload vehicles on the street. There is already semi-truck traffic within the parking area due to the adjacent businesses and this will not change or negatively affect any traffic patterns in the area. There are also two performance automotive service related businesses in the same building. Those business' clientele are prospective customers of House of Horsepower.

Technology

We will use internet based marketing, digital photography and social media for advertising and keeping in touch with past, present and future customers. We will utilize QuickBooks and other Microsoft Office based applications for tracking of inventory and developing marketing fliers, mailers and incentive coupons.

Equipment & Tools

We have been able to procure a good number of hand and air tools as well as a professional grade air compressor from an estate sale having invested only about \$1200.00 total. We own a truck and single place, open car trailer that will be utilized for the business. We will be upgrading to a multiple place trailer at some point and will also purchase an enclosed trailer to allow secure transport during inclement weather and the winter months. We will also be procuring a hydraulic automotive lift in the near future for approximately \$3000.00.

Milestones & Metrics

Milestones Table

Milestone	Due Date	Who's Responsible	Details
Work with Waukesha for Zoning approval - Retail License	April 30, 2016	John	Develop and provide business plan and any additional details. Submit request paperwork as required.
Submit paperwork to State for Retail license	May 1, 2016	John	Contingent on Waukesha approval
Update website	February 08, 2016	John	
Complete state licensing process - Wholesale	February 29, 2016	John	Procure signage and setup office for inspection
Develop company web presence	May 30, 2016	John	Build Facebook page, establish eBay marketplace

Key Metrics

Our focus right now is on metrics regarding revenue, inventory and facilities cost, profit margin and sales volume. As sales increase to a point where we feel we need to add employees, we will increase the metrics we are tracking.

Company

Overview

House of Horsepower is a DBA subsidiary of John Themmes Enterprises, LLC. It is solely owned and controlled by John R Themmes.

Team

Management Team

Our business is owned and operated by John Themmes. John is a life-long "car guy" who has shown his passion for cars for as long as anyone can remember. He has built, restored and modified many of his own vehicles through the years. Over his adult life, he has bought, sold, traded and located countless vehicles for the local and global market having sold as far away as Sweden and the UK. He chose to pursue a lucrative career in the IT customer service space for the last 18 years to allow him to provide for his family and also be able to participate in the car hobby. Those professional experiences have allowed him to develop excellent customer service skills and the ability to anticipate customer demand and meet or exceed it. He is also an accomplished professional photographer who has had his work published in several magazines, calendars, corporate publications and marketing materials. While he is extremely proud of all of his personal and professional accomplishments to date, he has always had a dream of owning and operating a classic car dealership. He is leveraging his knowledge of the car world with the business acumen he has developed in his professional career to make that dream a reality.



Progress Avenue

Progressive Development LLC

Storage

House of Horsepower

West Parking Lot

East Parking Lot

*GARAGE
MAINTENANCE
DOOR*

525 Progress Avenue Building, Business Layout

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*Not drawn to scale

