

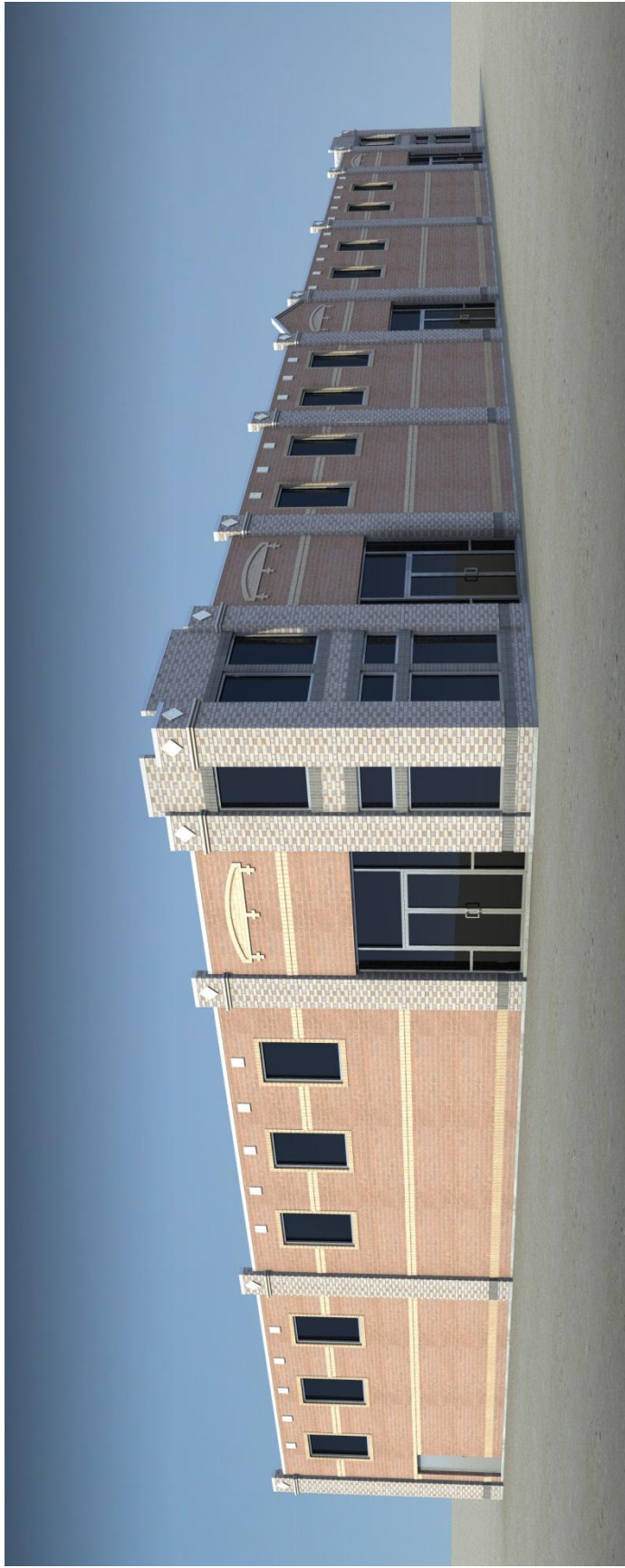


**FIREWORKS**  
U TURN AT CLEVELAND-GIBBS



SOLD HERE

LARGEST FIREWORKS STAND IN THE AREA  
**NELSON'S FIREWORKS**



## How did Nelson's Fireworks get here?

In the spring of 1992, I, Roy Nelson, along with my brother Rex, decided to open a fireworks stand. For several years prior to that, many friends and family would descend on my parent's farm outside of Caddo Mills every July 4<sup>th</sup> to shoot fireworks. We figured why not open a stand and sell fireworks; after all, we could shoot off what we didn't sell.

So we put \$3000 worth of fireworks on a credit card and built a 24' wood stand at the front of my parent's farm. The plan was a success. With each passing year we would attempt to add a new location and grow the business. In the summer of 2000 we opened one of the first buildings in Texas to retail fireworks (adjacent to my parent's farm). That was also the first year we sold fireworks at a location on the corner of Hwy 114 and Mesa Butte Court.

Two years later, in the spring of 2002, we built on that Hwy 114 location what was then the largest fireworks store in the state at just under 12,000 square feet. After spending several years improving the building and spending time at this store, my wife and I decided to purchase our dream home and settle in Roanoke. We had lived at the same house in Watauga for 30 years and I strongly suspect our house in Roanoke will be our last.

In 2008, the roughly 5 acres our store sits on was annexed into the city of Roanoke. We were granted a two year window to continue operating our store through the 2010 July 4<sup>th</sup> selling season. We were then granted another two year window to continue operating the store through the 2012 July 4<sup>th</sup> selling season.

This document is an attempt to find a way forward that will prevent our store from being closed down. The following page lists advantages to not shutting down our business as well as a couple of disadvantages that would result from shutting down our business. Following that is detailed, specific information on each of those advantages and disadvantages.

## Advantages to not shutting down Nelson's Fireworks on Hwy 114

- Aesthetics
  - Building façade
  - Immediate upgrade to city code building standards: including “sprinkling” of the building and suitable parking/driveway surface for emergency vehicles
  - Roanoke entry sign
  - Certainty of what the location will look like long term
- Prevention of “Reverse Aesthetics”
  - Avoid of (at least) a doubling of the number of stands at Hwy 114 and Cleveland-Gibbs road.
- Employment
  - Over 60 people worked in the store at some point last year
  - Many teenagers who get their 1<sup>st</sup> ever work experience
- Keep a unique “destination” in Roanoke
  - It is not just the size of our store, it is the quality of our product and the experience of shopping at our store
  - We get an average of 5-6 stories in the media every year about our Hwy 114 location
- Avoid shutting down a business
  - This is not a common occurrence in the “American” way of doing things
  - A good many people identify with the notion of fireworks on the 4<sup>th</sup> of July

The following pages elaborate on each of these advantages in greater detail. If you would like any additional information or to discuss any of these issues, please feel free to contact me.

## Aesthetics

The first page of this packet is a rendering of our store with a façade. We are not committed to any particular look for our building. Rather, we are open to just about anything. Simply put, we want our building and property to look like whatever it would need to look like to keep our store from being shut down. To that end, we are happy to discuss *any* kind of façade to be added to our existing building.

In that same vein, we like the idea of erecting some kind of “Welcome to Roanoke” sign/effect on the northeast corner of our property. After entering Roanoke, the first structure drivers see on eastbound Hwy 114 is a concrete plant. The next structure is our store (assuming, that is, their eyes are not immediately drawn to the giant U-Haul truck 60 feet up in the air). If the city would like an entry effect on the main east/west corridor coming in from the west, we would like to make that happen. Again, we don’t have any particular look in mind for this sign. We favor whatever the city would favor.

And this extends to any type of aesthetic improvements to the property. We are happy with our property the way it is set up right now. It fits our purposes. We are more than willing to have the property landscaped (trees, bushes, flowers, etc.) to give it a more welcoming feel. Again, we have no particular “look” in mind. We favor whatever the city would favor.

Additionally, if our store is not shut down, we will do whatever is necessary to bring the building up to city code. Primarily, this encompasses installing a sprinkler system and upgrading the parking lot to facilitate any city emergency vehicles. If we have some certainty about the future of our Hwy 114 store, we can begin these improvements immediately.

We do not ask for any recompense from the city for these upgrades. All that we ask for is to not have our business shut down.

A final word on aesthetics concerns the future. If our business is closed down, we (my brother and I) do not anticipate selling this property anytime in the

foreseeable future. For a significant period of time (likely a good many years), there will be a vacant 12,000 square foot warehouse sitting at Hwy 114 and Mesa Butte court. It will say "Nelson's Fireworks" in 10 foot tall letters. It will look just as it does today. It will be a vacant warehouse.

## Prevention of Reverse Aesthetics

In the late 1990s (1999 to be exact), the city of Fort Worth expanded to the point where all the retail fireworks stands along Hwy 377 just outside of Keller were closed down. We had one of those locations and that is what, in part, led us to our Hwy 114 location. For the past 10+ years most people who used to get their fireworks from the stands outside of Keller now go further north up to Hwy 114. Furthermore, for most people living on the north side of the metroplex, as far east as parts of Plano, the nearest place to buy fireworks is along the Hwy 114 corridor.

When you add to the mix our 12,000 square foot store (and its accompanying experience—see “A unique place”) you get a very large volume of traffic of people wanting to get their 4<sup>th</sup> of July fireworks heading to the Hwy 114 corridor.

Whether our store is shut down by the city of Roanoke or not, many of these people are still going to head this way for fireworks. The vast majority of people that purchase fireworks do so only one time a year. Many don't even know the *name* of the place they go, they simply know *where* the place is that they go. Thus, though the volume of traffic going to the 114 corridor to purchase fireworks will drop, it will still be very high.

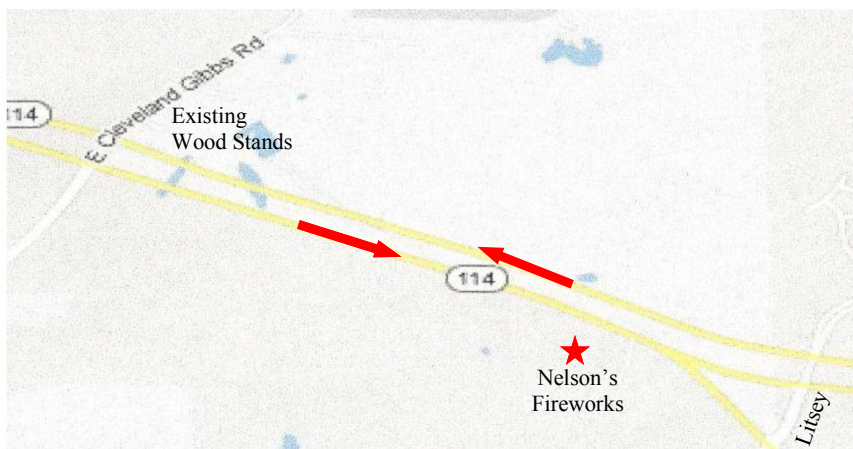
These people will still be able to purchase their fireworks in the same area. Even if our store is closed down, the stands on the northeast corner of Cleveland-Gibbs road and westbound Hwy 114 will still be open. Further, given my experience in the fireworks business over the past 20+ years, I can virtually assure you that to accommodate the level of traffic they will receive (if our store is shut down) they will need *at minimum* double the number of stands they currently have there. (Currently they have 4 32' wooden stands).

The land these stands sit on is not inside the city of Roanoke. However, when driving on eastbound Hwy 114, once you get to Cleveland-Gibbs, there is a Roanoke population sign. If you look to your left when you see that sign, you see these 4 32' wooden fireworks stands. If our store is shut down, you will see 8 (or 10 or 12) 32' wooden fireworks stands.





Actually, the way the roads are laid out, you cannot even get to our store without driving by the stands at 114 and Cleveland Gibbs. Coming from the west on Hwy 114 you must drive past the 114/Cleveland Gibbs intersection to get to our store. Coming from the east, you must pass our store and get on westbound 114 at Cleveland Gibbs, again driving right by the existing stands.



# Employment

In many respects, the retail fireworks business is unlike any other. Anywhere from 60-75% of our sales for the entire year come on the 3<sup>rd</sup> and 4<sup>th</sup> of July. On 4 July 2012 we had over 50 people working at our Hwy 114 store. Of the 60 or so people that work in our store over the course of a year, a good 2/3 of those will only work 2 or 3 days. About 15 or so will work the full summer selling season (about 2 weeks). And about 5 or 6 will get to work on and off during the offseason. We have containers that come in from China that need unloading and there are hundreds of feet of shelves to stock.

Many of those who work for us during the season are simply looking to make some extra money any way they can. Some are adults trying to better make ends meet. Many, however, are teenagers. And for many of the teenagers, this is the first time they have anything that could be called a “job”. For many of the teenagers, this is the first time in their life they can say they are going to “work”. I’ve spoken with many parents who are so happy that their son or daughter got a job, any job, even if it is just for a few days in the summer. And often, even this very brief experience arms them with the confidence needed to go and get a “real” part-time job over the summer.

Our company does not really create any “jobs” in the traditional sense of the word. We have no year-round payroll. We do, however, offer opportunity (in very small packets no doubt) to those who might otherwise be too scared or intimidated to go out and find their 1<sup>st</sup> “job”.



## Keep a Unique Destination in Roanoke

Roanoke rightly takes great pride in its designation as the “Unique dining capital of Texas.” It is also the last town on the corridor (Hwy 114) from all points east in the metroplex towards the Texas Motor Speedway. Though not inside Roanoke, a large percentage of visitors to the TMS pass through Roanoke once or twice every year. Many of those visitors know about the many interesting places to stop and eat in Roanoke.

A much smaller percentage of those visitors learn about one of the best paintball courses in the metroplex. Most people are not into paintball. Those that are, however, and go to the TMS through Roanoke, learn about the DFW Adventure Park (just outside Roanoke.)

Similarly, a small percentage of people that go to the TMS via Hwy 114 learn about one of the best fireworks stores in the whole state. Many people do not personally shoot off fireworks for the 4<sup>th</sup> of July. Those who do, however, and go to the TMS through Roanoke, see the Nelson’s Fireworks store. Those that return during fireworks season not only get a great shopping experience, but many will spend some time in Roanoke shopping or eating.

Those who pass through Roanoke heading to the TMS only when the races are in town are wary of trying to experience anything away from the TMS for fear of massive traffic and crowding. Those who return, however, when the races are not in town (for instance, to go to DFW Adventure Park or Nelson’s Fireworks) will be far more willing to experience some of what else Roanoke has to offer away from the throngs of people around on race weekends.

Additionally, our Hwy 114 store gets an average of about 5-7 media stories per year. The amount and type of media coverage varies from year to year, but most pieces are for local TV news broadcasts. Around the 4<sup>th</sup> of July, many of these are at the “top” of the broadcast (in the “A” block). Frequently, they will have a map of the metroplex and/or a “byline” both showing Roanoke. This past summer WBAP 820 sent out Steve Lamb (their sports guy) in their roving RV and he broadcast live from the store for much of the morning, mentioning Roanoke every time.

## Avoid shutting down a business

Under the law in Texas, it is certainly within the rights of a city to shut down a retail fireworks business that resides within its city limits. The act of shutting down an existing business, however, is not something that is commonly done. Usually, a business is shut down when either a project requiring eminent domain is undertaken (like building a road) or when an area has become zoned for some other purpose.

In our circumstance, the thing that has changed is that the piece of land our store sits on is now inside the city limits. Our neighbors have not changed. When we opened our store in 2002 we had the concrete plant to our west and the U-haul place behind us. As we sit in 2012 we have the concrete plant to our west and the U-haul place behind us.

Over the course of the decade, Roanoke has indeed grown rapidly. In the 2000 census, Roanoke had 2,810 residents; that total has nearly tripled in less than 15 years. We can even see a house or two to the north of our store in the distance. What has not changed, however, is our stretch of Hwy 114. From Litsey road all the way west to just before I-35W, nothing has been built on Hwy 114 since we built our store in 2002.

Obviously I am biased—I don't want to see my store get shut down more than just about anybody. However, it would seem to me that the city should have a very strong interest involved when it comes to deciding to close down an existing business.

Roanoke punctuates many of its celebrations with fireworks. It is common in America for people to incorporate fireworks into certain celebrations. Currently, many people have the means and opportunity to shoot fireworks personally in addition to going to professional shows. Shooting fireworks is an activity that goes back to this country's very founding. It is not a vice.

Nearly everybody who lives in Texas and is inclined to shoot fireworks is aware that shooting fireworks inside a city is prohibited. Nobody is talking about

changing this. Closing down our store will make it significantly more difficult for many in the metroplex to continue getting good quality consumer fireworks. What difference is it that the store they go to lie on the (new) outskirts of Roanoke? As mentioned earlier, those who do visit the store are more likely to spend more time in Roanoke.