



715 SPRING

MICROBREWERY

TEAM 4

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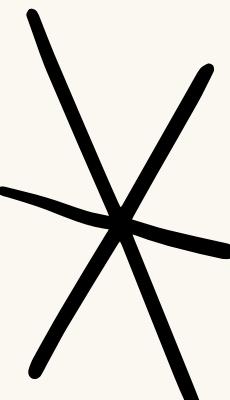
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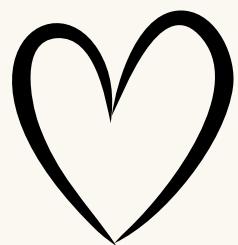
Agenda

1. Introduction
2. Marketing
3. Finance
4. Operation
5. Innovation
6. Organization
7. Performance
8. Conclusion
9. Q&A

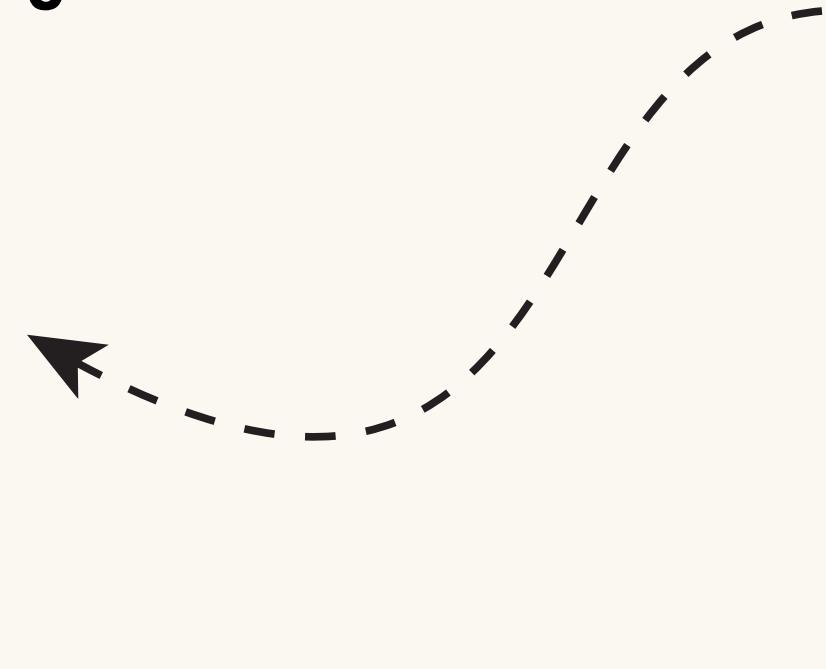
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Introduction



- A specialty restaurant combining a bar + microbrewery in East Austin, TX
- Unique, music-themed craft beer bar with high-quality, home-brewed beer and immersive social experience
- 400 m² space with 28 tables / 112 seats
- Achieve 200% business growth in 3 years



SWOT

Strengths

- Rich Beer Culture
- Young & Diverse Population
- Music & Events- “Live Music Capital”

Weaknesses

- High Competition
- High Operating Costs

Opportunities

- Growing Craft Beer Market
- Event Sponsorship Potential

Threats

- Policy & Tax Uncertainty
- Shifting Consumer Habits



MARKETING DECISION

Product Details			F
Product ID	Product Distribution	Product Name	Targeted Market Size [in %]
BR-1	retail	Pilsner	20.00
BR-2	retail	Porter	10.00
BR-3	retail	Light Wheat	10.00
BR-4	retail	Hazy IPA	30.00
BR-5	retail	Sour Ale	20.00
BR-6	retail	Hefeweizen	10.00
Total		100.00%	



Product Details			
Product ID	Product Distribution	Product Name	Targeted Market Size [in %]
BR-7	wholesale	Belgian-Style Tripel	50.00
BR-8	wholesale	Russian Imperial Stout	50.00
Total			100.00%

- IPA 30%
- PILSNER 20%
- SOUR ALE 20%
- Peak Season: October–November
- High Season: March–May (Spring)
- Moderate Season: June–September (Summer)
- Low Season: December–February (Winter)

FINANCIAL STRATEGY OVERVIEW

- Objective:

Ensure long-term profitability and operational efficiency of the East Austin craft brewery through strategic cost management and optimized resource allocation.

- Key Focus Areas:

Staffing: Competitive salaries for brewmaster & marketing specialist to ensure product quality and market presence.

Utilities: Energy-intensive operations managed through resource efficiency.

Marketing: Investment in brand building via digital, local ads, and trade shows.

Employees

Position	Number of Employees	Budget FY-1	Salary Increase		Action
			FY-2	FY-3	
Office Assistants	1.00	45200.00	1.07	1.07	Edit Delete
Salesmen	1.00	57529.00	1.07	1.07	Edit Delete
Executive Salaries	1.00	63591.00	1.07	1.07	Edit Delete
Miscellaneous (Consultants)	1.00	20146.00	1.07	1.07	Edit Delete
Total	4.00	186466.00	199518.62	213484.92	

Utilities

Utility Name	Payment	Payment Increase			Action
		FY-1	FY-2	FY-3	
Leasing of cars, computers, etc	17000.00	1.05	1.05	1.05	Edit
Office Supply	3500.00	1.05	1.05	1.05	Edit
Insurance	1000.00	1.05	1.05	1.05	Edit
Depreciation	21450.00	1.00	1.00	1.00	Edit
Heat, Light, Phone, Water system	11285.00	1.05	1.05	1.05	Edit
Total	54235.00	55874.25	57595.46		

Marketing Costs

Name	Payment FY1	Payment FY2	Payment FY3	Action
Billboard	60000.0	1.0	1.0	Edit
Firefly HD	13000.0	1.0	1.0	Edit
Local AD	30000.0	1.1	1.2	Edit
Trade Show	30000.0	1.0	1.0	Edit
Website	20000.0	0.5	0.5	Edit
Social Media	20000.0	1.15	1.15	Edit
Total	173000.00	169000.00	174050.00	

Debt

Loan	Amount	Interest Rate	Length(months)	Payments per year	Loan Payment FY-1	Loan Payment FY-2	Loan Payment FY-3	Action
Bank of America	20000.00	6.00	36	12	7301.26	7301.26	7301.26	Edit
Total					7301.26	7301.26	7301.26	

[Add Debt](#)

Tax

Tax Type	Percentage	Action
Profit	21.00	Edit

Rent

Rental Information			Payment Increase		Action
Rent Type	Rent Area	Rent FY-1	Rent FY-2	Rent FY-3	
Restaurant	400.00	195904.60	1.02	1.02	Edit
Total	400.00	195904.60	199822.69	203819.15	

STRATEGIC FINANCIAL ADVANTAGES

No state corporate tax in Texas -only 21% federal tax.

Break-even expected quickly through careful spending and revenue growth

\$20,000 loan with fixed payments, aiding early-stage cash flow.

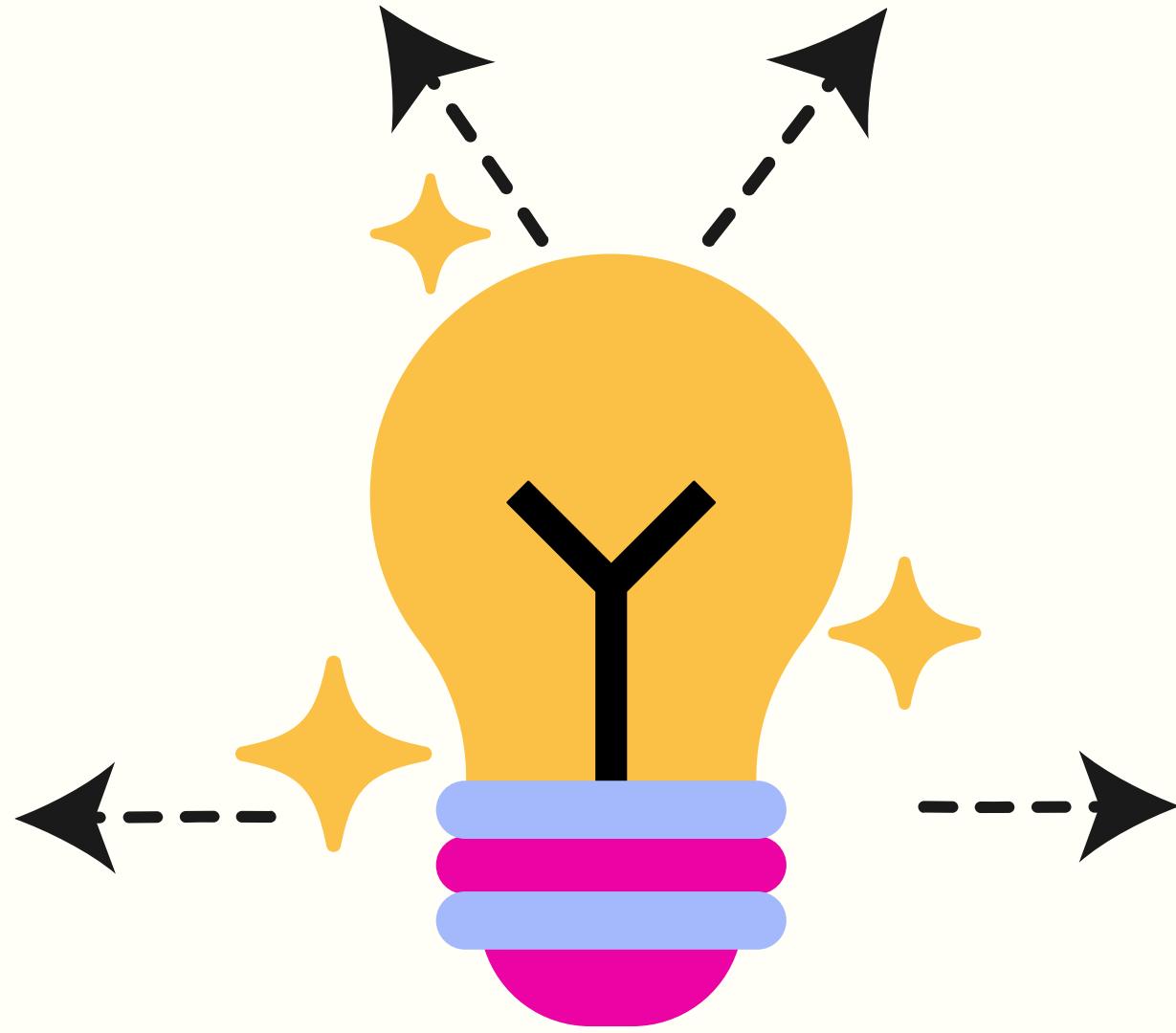
LPrime East Austin area enhances visibility and foot traffic

Favorable Tax Environment

Lean Debt Structure

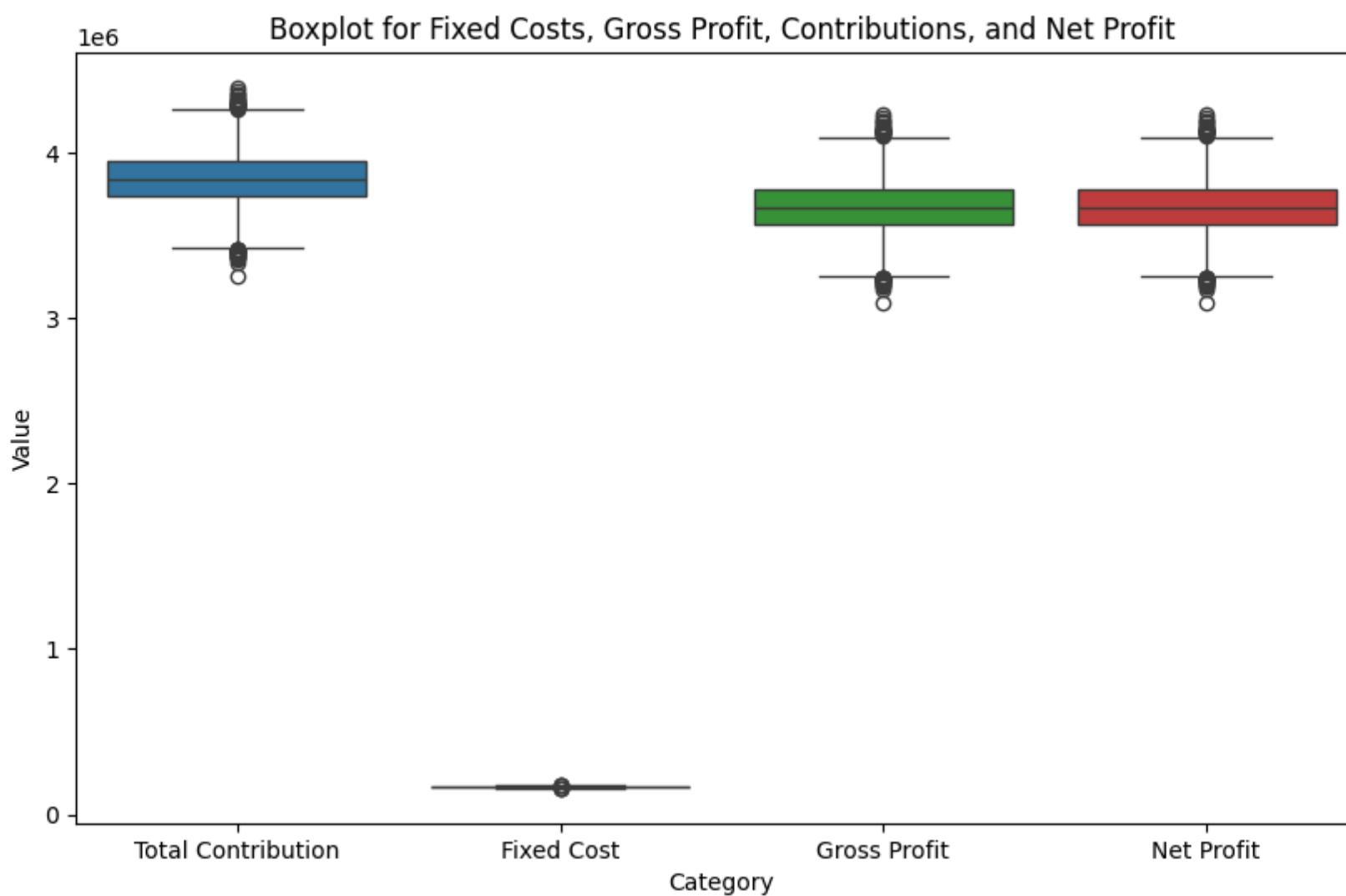
Future Outlook

Location Leverage



Brewing Brilliance: Our Operational Strategy

"How Many Pints Till We Profit?" 🍺



🎯 Strategic Cut-Offs

- **Retail: 0.8 for freshness and customer choice**
- **Wholesale: 1.0 for partner consistency**

📊 Demand Forecasting

- **Boosted production in March & October (festivals + spring spike)**

➡ Matched product output to seasonal trends

📅 Precision Planning

- Supply-demand gap kept within ±10%

- Hazy IPA variance: just 0.52%—our star performer

🔮 Sensitivity Analysis

- Modeled ingredient cost hikes & demand drops

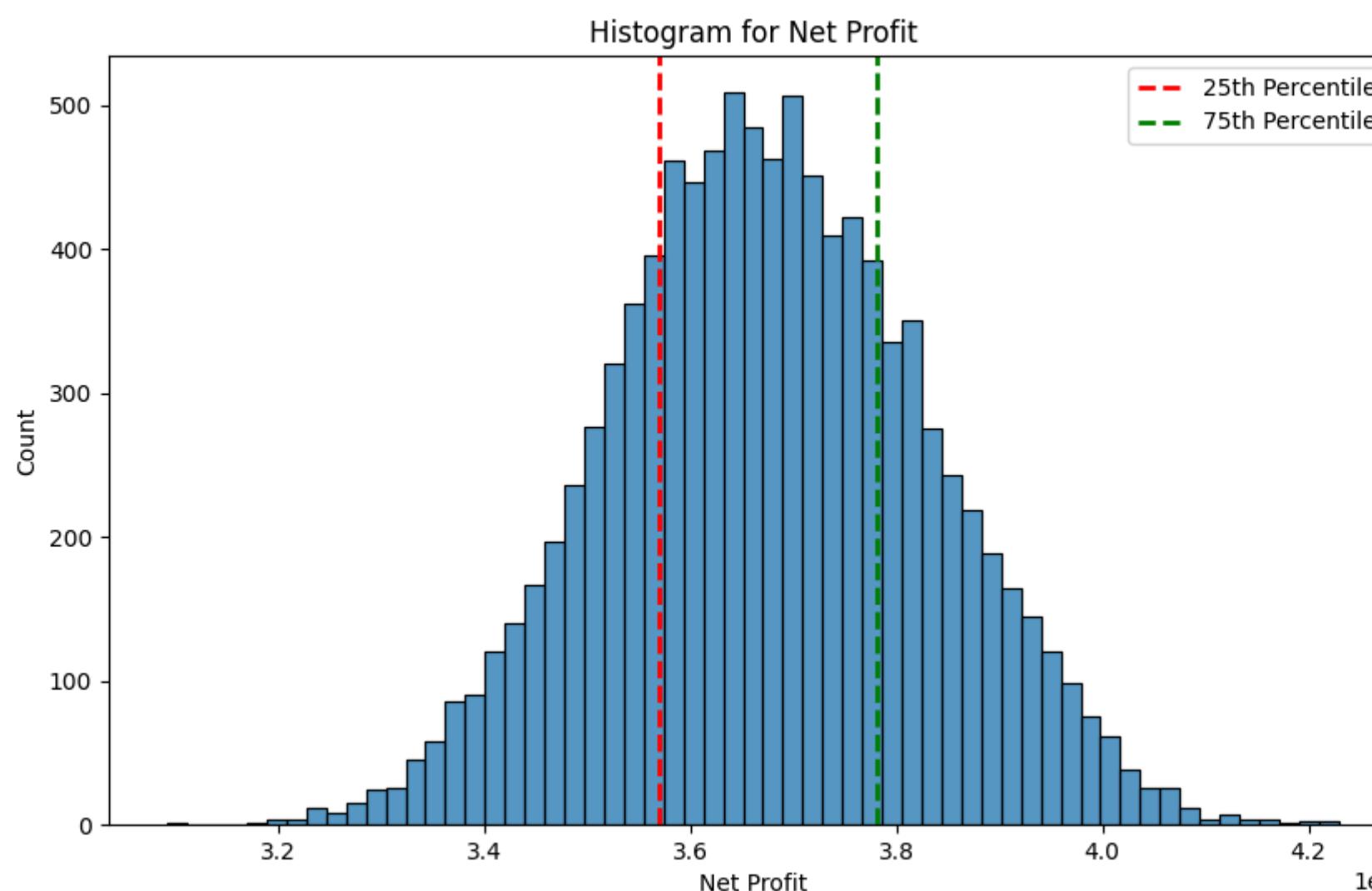
- Enabled agile, preemptive scheduling



"From uncertainty to cheers—every beer poured gets us closer to our financial goals!"

Cheers to Innovation!

"Foam-tastic Innovations: Where Creativity Meets Craft Beer! 🍺✨"



🌟 Cycle 7 = Innovation Peak

→ Best performance: Revenue, Net Profit, and Break-even

🔧 What-If Analysis

→ Modeled seasonal beer releases + mobile orders

→ Chose what stuck based on simulated ROI

🌐 SWOT-Fueled Execution

→ Strengths: brand, flavors, local vibe

→ Opportunities: events, influencer tie-ins

→ Adjusted for seasonality + pricing impact

📈 Financial Wins

→ Break-even: 9.08 months

→ KPI 5 growth: Higher customer penetration

→ Efficiency ratios: Up. Wasted brews: Down.

🍺 "Innovating boldly, brewing smartly—because every great beer deserves an even greater strategy!"

OUR DECISION IN ORGANIZATION



• STRATEGY

Strategy improved employee satisfaction, retention, and service quality

Raised annual salary increase from 5% to 7% for all team members.

Shifted to flatter organizational structure with empowered team leads

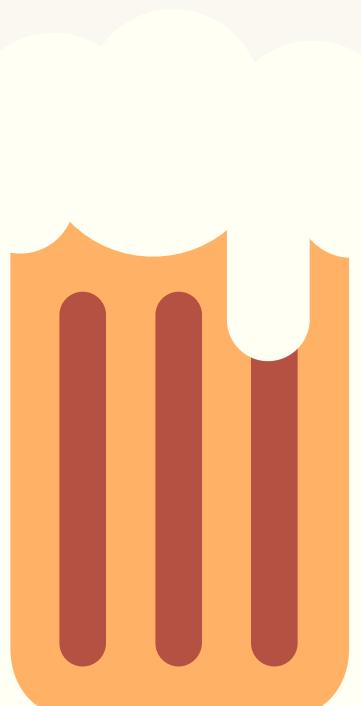
• SWOT

SWOT Analysis confirmed strengths in pay model and morale

• WHAT- IF ANALYSIS

Used What-If Analysis to test wage hike and turnover resilience

PERFORMANCE

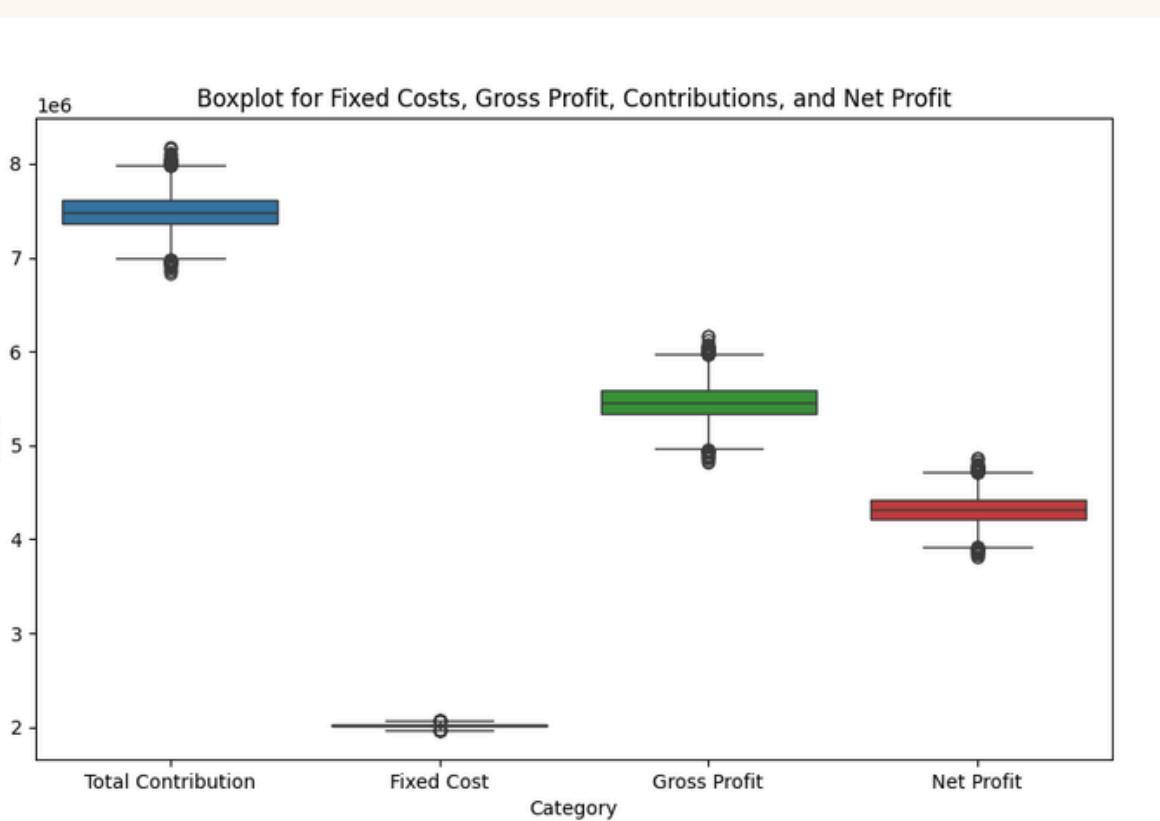
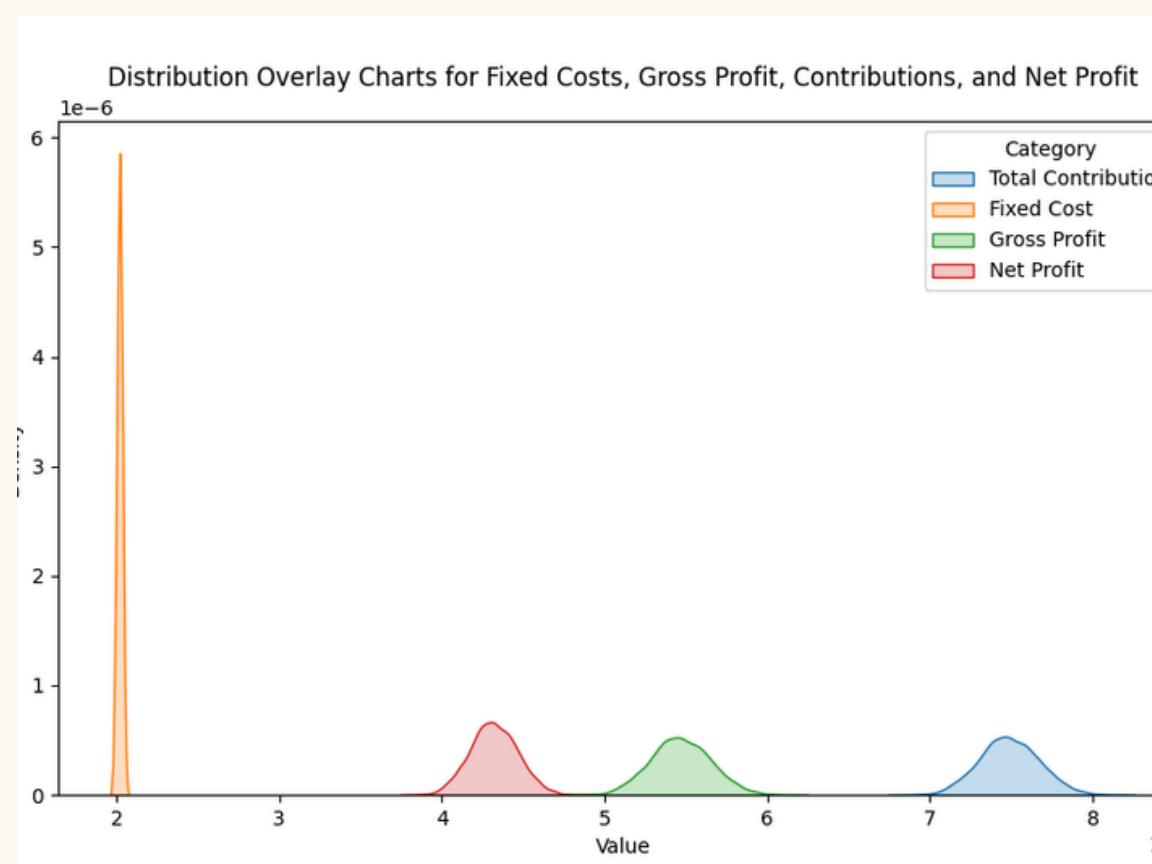
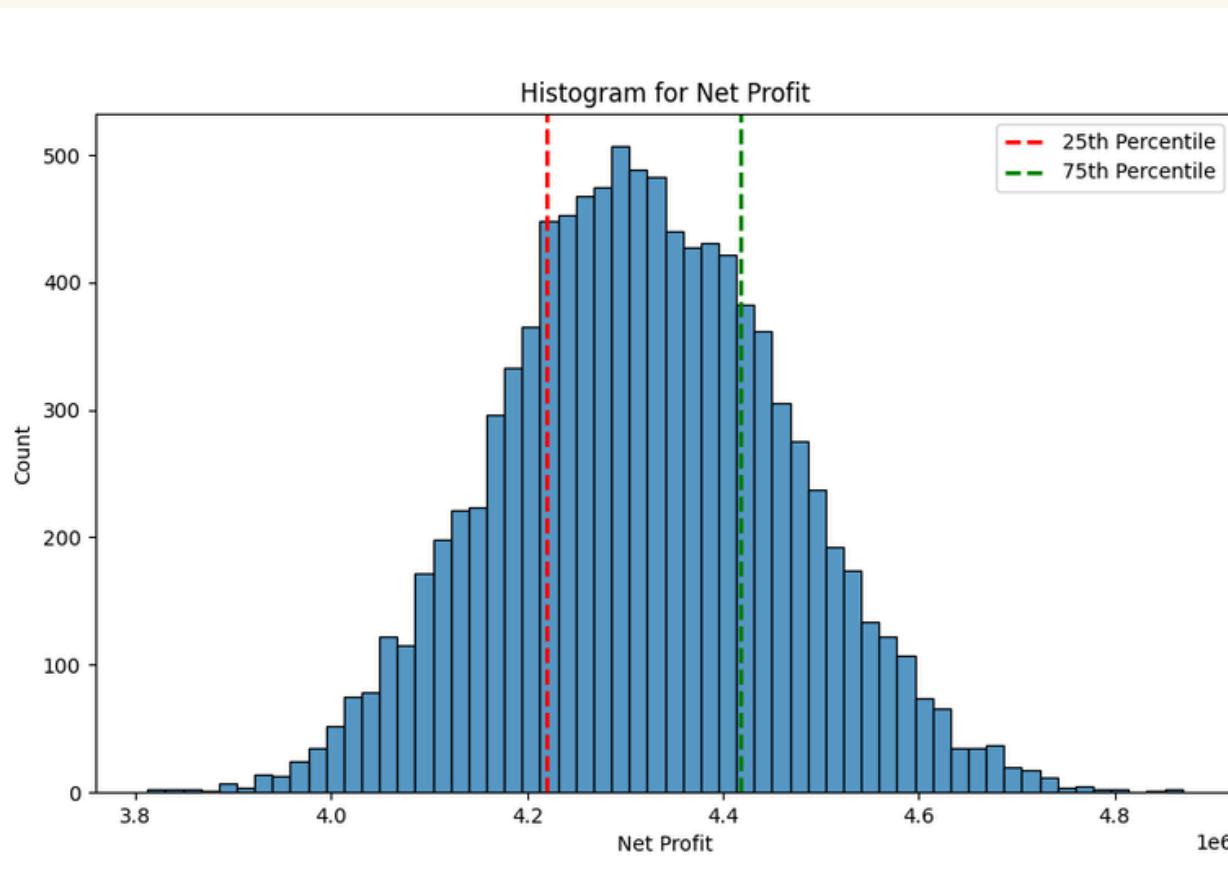


FY-1 Total	
Metric	Value
Total Quantity	381,920
Total Revenue	\$ 2,838,360
Total Expense	\$ 286,440
Total Contribution	\$ 2,551,920
Total Fixed Cost	\$ 616,906.86
Gross Profit	\$ 1,935,013.14
Net Profit	\$ 1,528,660.38

FY-2 Total	
Metric	Value
Total Quantity	381,920
Total Revenue	\$ 2,838,360
Total Expense	\$ 286,440
Total Contribution	\$ 2,551,920
Total Fixed Cost	\$ 627,787.5
Gross Profit	\$ 1,924,132.5
Net Profit	\$ 1,520,064.68

FY-3 Total	
Metric	Value
Total Quantity	360,840
Total Revenue	\$ 2,672,820
Total Expense	\$ 270,630
Total Contribution	\$ 2,402,190
Total Fixed Cost	\$ 648,344.63
Gross Profit	\$ 1,753,845.37
Net Profit	\$ 1,385,537.84

D-ANALYSIS



ANALYSIS

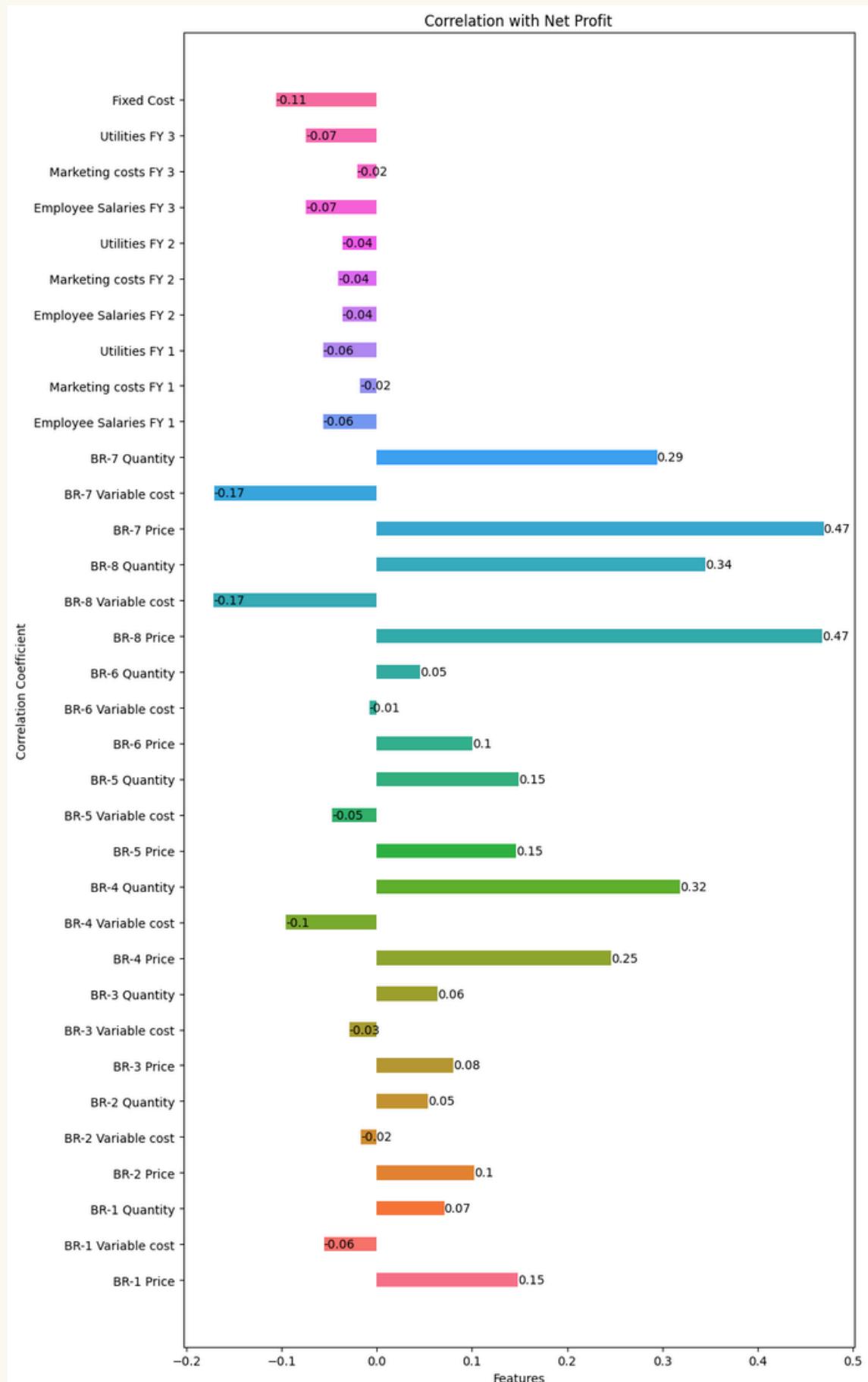
Net profit has a slight right-skewed distribution, with a profit ceiling of \$4.87M

Fixed cost distribution is the most concentrated (\$1.9M), with stable control

Gross contribution peaks are concentrated in the range of \$7M-\$8M, with a strong gross profitability

Reflects that the project has a good path to profitability and a stable structure

CORRELATION INSIGHTS



Positively Correlated Variables:

- BR-7 Price: 0.47
- BR-8 Price: 0.47
- BR-8 Quantity: 0.34
- BR-4 Quantity: 0.32
- BR-7 Quantity: 0.29
- BR-4 Price: 0.25
- BR-5 Quantity: 0.15
- BR-1 Price: 0.15
- BR-5 Price: 0.15
- BR-2 Price: 0.1
- BR-6 Price: 0.1
- BR-3 Price: 0.08
- BR-1 Quantity: 0.07
- BR-3 Quantity: 0.06
- BR-2 Quantity: 0.05
- BR-6 Quantity: 0.05

Negatively Correlated Variables:

- BR-8 Variable cost: -0.17
- BR-7 Variable cost: -0.17
- Fixed Cost: -0.11
- BR-4 Variable cost: -0.1
- Utilities FY 3: -0.07
- Employee Salaries FY 3: -0.07
- Employee Salaries FY 1: -0.06
- Utilities FY 1: -0.06
- BR-1 Variable cost: -0.06
- BR-5 Variable cost: -0.05
- Marketing costs FY 2: -0.04
- Utilities FY 2: -0.04
- Employee Salaries FY 2: -0.04
- BR-3 Variable cost: -0.03
- Marketing costs FY 3: -0.02
- Marketing costs FY 1: -0.02
- BR-2 Variable cost: -0.02
- BR-6 Variable cost: -0.01

ANALYSIS

Net profit is mainly driven by positive correlation of:

Price of BR-7 & BR-8 (correlation coefficient: 0.47)

Sales volume of BR-8, BR-4, BR-7 (correlation: 0.34, 0.32, 0.29)

Negative factors include:

Variable costs (-0.17)

Fixed costs (-0.11)

Employee payroll expenses (-0.07)

BREAK-EVEN POINT

Break Even Point

Break Even Point: Months	9.13	9.08
Break Even Point: Revenue	\$ 2,091,189.46	\$ 2,105,716.34



ANALYSIS

Time to payback:
9.08 months

Revenue to payback:
\$2.1M, slightly higher but more
efficient

suggests higher profitability per
unit of time, suitable for actual
investments on the ground



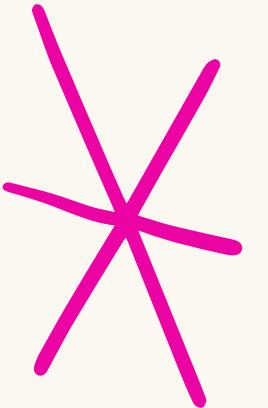
CONCLUSIONS

FOCUS ON HIGH-MARGIN PRODUCTS

OPTIMIZATION OF COST STRUCTURE

OPTIMIZE MARKETING STRATEGIES

CONTINUOUS MONITORING



Q & A



**THANK
YOU!**

