

Poolroom Bar Unit Economics and Operations – Huntsville, AL

Assumptions Sheet

- **Pool Table Pricing Ladder:** *Dynamic pricing boosts table usage.* Many pool halls charge lower rates in off-peak hours and premium rates at night. For example, **Bumpers Billiards (Huntsville)** uses a flat *daily* rate – \$8 per person for unlimited play (wristband) on regular nights ¹. Other venues use hourly rates that rise during peak times: e.g. one pool hall charges ~\$10/hour before 6pm vs. \$18/hour in prime evening ² ³. Late-night play (post-10pm) is sometimes discounted or offered as a flat fee to keep players around (Iron City Billiards in Birmingham advertises \$5/day unlimited play on weekdays for 7-ft tables). **Memberships** are not required in Alabama bars, but some pool halls offer optional memberships (around **\$50/year**) which grant reduced hourly rates and tournament discounts ⁴. League play is typically through APA – players pay APA's annual fee (~\$25/year) and nightly match fees (~\$8-\$10 each) in exchange for free or subsidized table time on league nights (many hosts waive “green fees” for league matches, viewing it as a driver of drink sales).
- **Bar COGS (Cost of Goods Sold) Targets:** *Typical beverage margins in Alabama bars align with industry norms.* Beer costs run ~**24–28%** of sales (i.e. ~72-76% gross margin) ⁵. Spirits (liquor) are ~**18–20%** pour cost ⁶, so cocktails and shots usually target ~**20%** COGS. In practice, a \$5 draft beer might cost ~\$1.25, and a \$8 cocktail (1.25 oz liquor + mixer) might cost ~\$1.60 in ingredients. **Shots** of well liquor often have the lowest cost ratio (15–20% of the price) since they're straight liquor with no mixer. Overall, a balanced beverage program should hit ~20% aggregate COGS ⁵, leaving ~80% gross profit to cover other expenses.
- **Product Mix & Pricing Averages:** *Local preferences skew toward beer and simple mixed drinks.* In Huntsville's casual bar scene (and comparable Southern cities), **beer** is the top seller by volume in early evening, while **spirits** (cocktails and shots) become a larger share as the night goes on ⁷. For example, on a Saturday night beer sales peak during dinner hours, then liquor orders (e.g. whiskey, tequila) dominate late-night rounds ⁷ ⁸. Wine is minimal (~<5% of alcohol sales) in a pool-hall environment ⁹. **Pricing:** Domestic draft beers average around **\$4** in Huntsville (craft pints ~\$5-6). Basic mixed drinks (e.g. whiskey cola) run about **\$6-8**, while top-shelf cocktails can be \$10-12. **Shots** of call spirits (e.g. tequila, bourbon) typically range **\$4-6**, and premium shots (Patrón, etc.) \$8+. These price points yield the COGS percentages above. Notably, late-night crowd preferences (shooters, straight liquor) often carry higher sticker prices – according to nationwide data, the *average drink price* after 11pm is about \$9, higher than the ~\$8 average earlier in the evening ⁸.
- **Pour Control & Inventory Systems:** *Mitigating over-pour and spillage is critical for profitability.* Many successful venues install **pour control systems** – e.g. measured pour spouts, flow meters, or self-pour taps – to ensure consistent 1.25 oz shots and prevent “heavy handed” free-pouring. ROI on these systems is high: an automated spout system like SkyFlo is *proven to cut liquor cost by up to 30%* by eliminating over-pours and unauthorized freebies ¹⁰. In practical terms, a bar selling \$20k/

month in alcohol could save ~\$4-6k by tightening portion control. Even low-tech measures (jiggers, staff training) help reduce waste. Many Alabama bar owners consider inventory control services (e.g. Bar-i, Sculpture Hosp.) that claim 4-7x ROI through reducing shrinkage ¹¹. We assume our model bar will implement strict portion controls to target that ~20% liquor COGS and minimize losses.

- **Average Check – Core Hours:** *Maximizing spend per guest drives the model.* During peak evening hours (roughly 7pm–10pm), patrons typically stay for multiple drinks and games. We assume an **average spend of ~\$25 per customer** in core hours. This might consist of, say, an \$8 table fee plus ~\$17 in beverages (e.g. 2-3 drinks per person). An experienced bar owner might set a target like **\$28 per head** in the evening ¹² by upselling appetizers or premium drinks. Achieving 2+ drinks per guest is key – industry data shows Saturday dinner-time parties often order ~2 rounds per tab on average ¹³. In a poolroom bar, groups will often split hourly table rent, but each person buys drinks, so boosting individual drink spend (through suggested sales, combos) lifts the average check.
- **Average Check – Late Night:** After 10pm, **average spend per patron ~\$15-20** is expected. Late-night visitors tend to have shorter stays or may have “already been out,” spending a bit less overall. They might just grab 1-2 drinks (often higher-ABV or a round of shots) before closing. In fact, while drink *prices* are higher late at night (more call liquor orders) ⁸, the **number of drinks** per guest typically dips – industry research shows rounds per party decline after 11pm as the hour grows late ¹⁴. We assume roughly 1.5 drinks per late-night guest on average (e.g. one \$9 cocktail or two \$5 beers). The goal is to still entice a decent spend from these guests (perhaps via late-night specials like a “midnight happy hour” or food offerings) to justify staying open. We will use ~\$18/person as a late-night average check for financial planning.
- **Staffing and Wages:** *Labor scheduling is split into day, evening, and late-night shifts to balance service and cost.* Our model assumes **minimal daytime staff** and heavier staffing on busy nights. A general rule is one bartender per ~50-75 guests for good service ¹⁵. In Huntsville’s wage environment, **bartenders** are tipped employees paid the Alabama base of **\$2.13/hr** (tip credit), but effective earnings ~\$15/hr including tips ¹⁶. **Barbacks/servers** earn around **\$8-12/hr** (often plus a tip-out from bartenders). **Security personnel** command about **\$15/hr** in this market ¹⁷ – local ads list \$13-17/hr for bar security. We also budget for a on-duty manager or shift lead (could be the head bartender) especially during peak times. Our target labor cost is **20-25% of sales** for a bar-focused venue ¹⁸, which is lower than a food-heavy restaurant (thanks to tips covering much of bartender income). Hitting this ratio means efficiently adjusting staffing to match customer flow.
- **Security & Insurance Costs:** *Safe operations come with additional costs that must be budgeted.* We plan for at least one **security staff (door person)** on busy evenings, and two on weekend late-nights, at ~\$15/hour each. This typically adds ~\$60-100 in labor expense per night, or **\$300-500 per week** for a small bar’s security – a worthwhile investment to prevent incidents. Insurance is a significant fixed cost: Alabama requires liquor liability coverage (minimum \$100k), which historically was very expensive (premiums up to **\$30k/year** under old dram shop laws) ¹⁹. Thankfully, a 2023 legal reform has lowered the risk rating. Now, basic **liquor liability insurance** for a bar might cost on the order of **\$1,000 annually** for a small venue ²⁰, but can range higher depending on coverage limits and prior claims. We assume a comprehensive policy (liability, property, liquor liability) in the few-thousand dollars per year range. This includes general liability (often ~\$500-1000/year for a bar) ²¹ and possibly higher liquor liability coverage (many bars carry \$1M policies which cost more). We

will mitigate insurance costs by maintaining a clean record and implementing the safety measures noted below.

- **Late-Night Operations Considerations:** *Operating past conventional hours (e.g. 2am or even 24/7) is only viable under certain conditions.* In Alabama, alcohol service is cut off by 2am (bars must close by this time in most jurisdictions). A true 24/7 model would require a private club license or special exception, which is uncommon. Even if legally allowed, **extreme late-night hours demand sufficient sales** to cover incremental staffing and security. For instance, keeping the bar open from 2am-4am would mean paying a skeleton crew (perhaps 1 bartender + 1 security + overhead), say ~\$50-60 in labor per hour. To justify that, those hours should bring in at least 3-4× that in revenue (e.g. \$200/hour in sales) to maintain profitability. That might require a dedicated after-hours crowd of ~20-30 patrons spending \$7-10 each – unlikely in a mid-sized Southern city on most nights. Outside of major 24-hour cities, operating through the night is generally *not* profitable ²². Thus, our model assumes closing at 2am. If we ever consider extended hours (for example, a special event or a private overnight league), we'd set **minimum sales thresholds** (e.g. only stay open if >20 paying customers present) and use a lean staff. In short, late-night mode is only profitable if the **average check and headcount remain high enough** to exceed the added costs (which include higher pay for late-night shifts and potentially hazard pay for security). Otherwise, it's more prudent to close, cut losses, and preserve staff energy for the next day.
-

Hourly Staffing Schedule Template

Daytime / Opening (e.g. 12pm–5pm): During off-peak hours, keep staffing lean. Typically **1 bartender** can handle both bar service and floor (tables) since customer volume is low. No dedicated barback or security is needed early; the bartender or manager on duty can check IDs at the bar. If the venue opens before evening, it might even be the owner/manager tending bar to save labor. *Example:* Monday-Thursday opening shift: 1 bartender (also acts as server), plus a cook if the kitchen is open. Total ~1-2 staff on duty. This covers light lunch or afternoon business at minimal cost.

Evening Peak (5pm–10pm): As after-work and nighttime crowds arrive, ramp up staffing. **2 bartenders** behind the bar are recommended once patron count exceeds ~50. One bartender alone would be overwhelmed if, say, 100 people are in the venue ¹⁵. Alongside the bartenders, schedule **1 barback** (bar assistant) during busy nights to restock beer, glassware, and help keep service fast. If table service is offered for food or drinks, add a **floor server** or a third bartender who can float. **Security:** By evening, have **1 door/security person** at the entrance (especially Thu-Sat) to check IDs, manage capacity, and act as a bouncer if needed. This person can start around 7pm when the crowd builds. A dedicated **manager** or shift lead should be on-site during peak – often the general manager or a lead bartender doubles in this role, supervising operations, handling any escalations and monitoring cash. *Example:* On a busy Friday 8pm, staff might be: 2 bartenders behind bar, 1 barback, 1 door security, 1 manager (who may also circulate on floor). This team efficiently serves drinks, keeps an eye on customers, and maintains control.

Late Night (10pm–close): In the late-night period, maintain robust staffing to ensure service and safety until closing. **2 bartenders** remain on duty until last call (even if crowd thins, two are useful to handle rushes like everyone ordering at 1:45am). The **barback** can begin cleanup duties after midnight but should stay until close to assist with breakdown and restocking for the next day. **Increase security to 2** guards for closing time on high-traffic nights – one at the door (controlling entry, re-checking IDs of any late arrivals,

and preventing patrons from leaving with drinks) and one roaming inside to watch for altercations, especially as patrons become more intoxicated. Around closing, security also encourages dispersal of crowds and coordinates safe transport (e.g. calling cabs) for intoxicated guests. The **manager on duty** should definitely stay through closing to oversee cash-out, ensure closing procedures (locks, alarms) are followed, and to handle any incidents (late-night is when most liability issues occur). *Example: Saturday midnight-2am: 2 bartenders working at full speed (lots of shots and quick service drinks now), 1 barback cleaning and running last-minute stock, 2 security guards on the floor (one monitoring the pool area and one at front door), plus the manager collecting sales reports and keeping an eye on patron behavior. Once 2am hits, the team will lock up and do final cleanup; security walks out the last guests and watches over the parking lot as people leave. Post-close (2am-3am) staff needed: 1-2 bartenders and the barback stay ~1 hour for cleanup/closing tasks (paid as part of their shift), and typically 1 security (or manager) stays until everyone is out and safe.*

Staff Scheduling Notes: The above template can be visualized as a staggered schedule. For instance, on a Friday one bartender might start at 3pm (happy hour shift), second bartender starts at 7pm (to handle crowd), both stay till close. Barback might work 8pm-2am only. Security comes in at 8pm (one guard), and an extra guard joins at 10pm when it's busiest. Always adjust staffing to day-of-week patterns (e.g. Monday and Tuesday nights might need only 1 bartender and no security at all after 10pm if it's consistently slow). Aim to keep labor % in check by sending some staff home if an unexpected slow night occurs, and conversely have on-call staff ready if a big crowd comes in. The template should be flexible, but **never compromise on having adequate coverage during late-night** – it's better to eat a slightly higher labor cost on a slow night than to be understaffed when something goes wrong.

Bar + Venue Controls Checklist

✓ **Strict ID Checks at Entry:** Enforce a **100% ID check** policy for all patrons to prevent underage entry. Using an electronic **ID scanner** at the door is ideal – it verifies authenticity and keeps a log. This not only keeps the venue compliant, it can also flag fake IDs and identify banned patrons. Checking IDs is a basic requirement that all staff must follow (every bartender and server should ask for ID on alcohol orders too) ²³. Alabama's laws are strict on serving minors, so this is non-negotiable. *(Bonus: ID scanners and a visitor log can help with contact tracing of incidents later, which insurance companies appreciate.)*

✓ **Surveillance Cameras (CCTV):** Deploy a comprehensive camera system covering all key areas: entrances/exits, the bar itself, gaming areas (pool tables), and any dark corners. Cameras serve as both **deterrent and evidence**. Ensure footage is recorded and stored (e.g. 30+ days). This helps immensely with liability – if an incident or claim occurs, you have video proof. It can also lower insurance premiums or be required by insurers. Post signage that the premises are under surveillance (often required, and it further discourages bad behavior).

✓ **Alcohol Service Training for Staff:** All bartenders and servers must be **certified in responsible alcohol service** (programs like TIPS or ServSafe Alcohol). This training teaches staff how to spot intoxication, refuse service tactfully, and handle difficult situations. Having **"trained staff – yes"** checked off is viewed favorably by insurers and regulators ²³. Regular in-house refreshers are good too: e.g. quarterly meetings to quiz staff on ID protocols and pour sizes. Well-trained staff are the first line of defense against overserving and dram shop liability.

✓ **Pour Controls & Standard Recipes:** Use standardized pour tools to prevent over-pouring. For instance, **regulated pour spouts** on liquor bottles or jiggers for measuring shots (1.25 oz standard in Alabama ²⁴). Consider locking optic dispensers or an *automatic liquor dispensing* system for high-volume nights. As noted, systems like SkyFlo can drastically cut losses ¹⁰ – even if you don't invest in high-tech, at least use measured pourers and track every open bottle. Maintain a recipe book for all house cocktails with exact measurements; bartenders should stick to these portions so costs stay in line. Periodically do a **pour test** (e.g. have staff pour a “shot” of water and then measure it) to recalibrate free-pour counts. Consistency protects your margins.

✓ **Inventory and Cash Controls:** Implement nightly inventory counts for key items (e.g. count high-value liquor bottles at close) and weekly full inventory. Use a POS that tracks drink sales by category and compares to product usage. This will quickly highlight any discrepancies (shrinkage or theft). Require that **all sales go through the POS** – no “cash jar” sales off the record. At end of night, the manager should reconcile cash and credit slips, and log any comps or spills in a **manager log book** ²³. This log is crucial for tracking incidents (e.g. “broke up fight at 12:30am, one patron ejected”) and noting any wastage. A paper trail of events and comps shows you're monitoring operations diligently, which is useful if an insurance claim or ABC inquiry arises.

✓ **Patron Management & Security:** Enforce a **capacity limit** and don't overcrowd (for safety and legal compliance). Security staff (or the manager) should periodically **walk through the venue** to monitor patron behavior – especially around pool tables where disputes can occur over games. Any highly intoxicated guests should be cut off and gently asked to switch to water or leave – *document these interventions*. It's wise to use a “**buddy system**” for handling intoxicated patrons ²⁵ – e.g. one staff member notifies a manager or second staff before approaching, so they can back each other up if things go sideways. Have readily available **free water, coffee, and food** (snacks) late at night to help slow down intoxication; this is a best practice to reduce incidents. Develop a relationship with a local rideshare or taxi service and encourage (or even incentivize) drunk patrons to take a safe ride home (some bars partner with Uber for discount codes). These practices can reduce drunk-driving incidents tied to your bar, which in turn lowers liability.

✓ **Incident Response Plan:** Establish clear protocols for common incidents (fight, injury, etc.). For example, if a fight breaks out: security separates individuals and removes them, manager decides if police need to be called, incident is logged in detail, and any “problem customers” are barred entry next time. If someone slips/falls or is hurt, staff should immediately render aid, call EMS if needed, and document what happened. Having **adequate lighting** in all areas (including parking lot) is part of prevention – dark areas invite accidents and crime. Ensure emergency exits are clearly marked and not obstructed. Conduct brief security meetings with staff before each weekend shift to remind them of these procedures. A proactive safety culture can favorably impact insurance; some insurers even give checklists of recommended measures (e.g. removing tripping hazards, training staff in CPR, etc.). The bar should also maintain **assault & battery insurance coverage** (often an add-on to liability policies) given the bouncer aspect – following these practices may be required by that policy.

✓ **No Excessive Drinks Specials that Encourage Bingeing:** Avoid promotions that spike risk, such as unlimited drinks or very cheap shots late at night. Deep discounts dramatically increase the chance of over-intoxication and related incidents. In fact, many jurisdictions (and insurers) frown upon happy hour deals after a certain time (e.g. after 10pm) ²⁶. Our policy: **no happy hour or special shots beyond 10 PM**, and no multi-shot drinking games. Instead, any late-night specials will be moderate (e.g. \$1 off a beer, or a food

combo) rather than “\$1 shots” or similar. This restraint shows we prioritize safety over a quick sale, and it can help keep our liquor liability insurance premiums in check.

✓ **Liability Insurance & Legal Compliance:** Verify that all required licenses (liquor license, business license, food service permit if applicable, etc.) are active and posted. Keep **insurance policies current** and at adequate levels (liquor liability, general liability, property insurance). Use an ID scanner or manual log to prove due diligence against underage service – this can be a lifesaver in court to show you took precautions. Consider installing an age-verification system on vending (if a jukebox or vending machine dispenses anything age-restricted). Engage with local law enforcement – for example, invite police to do a walk-through on busy nights or hire off-duty officers as extra security, if needed. Visible cooperation with authorities and strong preventative measures (ID checks, cameras, trained staff, documented policies) *significantly reduce the likelihood of liability incidents* and can **lower insurance hazard ratings** for the venue ²⁷ ²⁸ . Always remember: a well-managed, safety-conscious bar not only protects its patrons but also its bottom line. Each item on this checklist helps create a safer environment and a more financially sustainable operation.

¹ Bumpers Billiards of Huntsville, AL - Bar & Grill - Pool Hall with Diamond Tables & APA Tournaments

<https://bumpershuntsville.com/>

² ³ Rates - Buffalo Billiards Pool Hall

<https://buffalobilliards.net/rates/>

⁴ Pool Hall with a Membership Model? : r/billiards

https://www.reddit.com/r/billiards/comments/1kstmfs/pool_hall_with_a_membership_model/

⁵ ⁶ What Is the Average Liquor Cost for a Bar? | Bar Profit Guide

<https://www.sculpturehospitality.com/blog/what-is-the-average-liquor-cost-for-a-bar>

⁷ ⁸ ⁹ ¹³ ¹⁴ Saturday Night at the Bar: A Data-Driven Guide to Maximizing Sales | Union

<https://getunion.com/onprem-insights/saturday-night-bar-sales/>

¹⁰ Skyflo Pro Liquor Control System - Middleby

<https://www.middleby.com/learn/monitor-costs-skyflo-pro-liquor-control-system/>

¹¹ What Type of ROI can You Expect from Bar-i's Liquor Inventory ...

<https://blog.bar-i.com/what-type-of-roi-can-you-expect-from-bar-is-liquor-inventory-system>

¹² Does anyone know a rough target net spend per person per hour? : r/BarOwners

https://www.reddit.com/r/BarOwners/comments/1l1023e/does_anyone_know_a_rough_target_net_spend_per/

¹⁵ How Many Bartenders per Guests: 100, 150 & 200 - Potions in Motion

<https://www.potionsinmotion.com/news-item/bartenders-per-guest-ratio/>

¹⁶ Bartending Salary in Huntsville, AL: Hourly Rate (Dec, 2025)

<https://www.ziprecruiter.com/Salaries/Bartending-Salary-in-Huntsville,AL>

¹⁷ Southern Jamm Security hiring Bar Security Job in Huntsville, AL

https://www.glassdoor.com/job-listing/bar-security-southern-jamm-security-JV_IC1127653_KO0,12_KE13,35.htm?jl=1009780186965

¹⁸ Understanding Labor Cost Percentage in Restaurant Operations

<https://www.barmetrix.com/blog/restaurant-labor-cost-percentage>

19 27 28 **Liquor Liability Insurance (Dram Act) Reform | Alabama Retail Association**

<https://alabamaretail.org/news/liquor-liability-insurance-reform-dram-act/>

20 21 **Tailored Insurance for Bars in Alabama | Get Free Insurance Quotes for Pubs, Taverns & Tap Rooms in Alabama**

<https://allenthomasgroup.com/commercial-insurance/industries/food-and-beverage/bars/alabama/>

22 **Why don't we have a nocturnal society where all the night owls pick ...**

https://www.reddit.com/r/NoStupidQuestions/comments/m6em3r/why_dont_we_have_a_nocturnal_society_where_all/

23 25 26 **The Insurance & Risk Management Bar and Restaurant ...**

https://servingalcohol.com/insurance-risk-mgt-bar-and-restaurant-owners-beginners-guide/?srsltid=AfmBOolaLo5WqZ9SG_b2IEEnFbfsOpPunHWHMKD66IxVTrOpU7B9tUp4

24 **All drinks contain 1.25 oz of alcohol unless special ordered - Reddit**

https://www.reddit.com/r/cocktails/comments/17lq3hh/all_drinks_contain_125_oz_of_alcohol_unless/