**Blog 6 – Misc – An Uncomfortable Decision**

CATEGORY ARCHIVES: MISC

An Uncomfortable Decision

3 Replies

Throughout the process of starting any business, you learn quickly to deal with unforeseen circumstances on a regular basis. Things like missed deliveries, unexpected costs, delays by a government body, missing parts, etc. Recently we had one of the biggest curveballs sent our way, from the most unlikely of places. Our Structural Engineer who has been working with us a lot lately, just had a heart attack.

For starters, we wish him all the best in his return to health. Having worked as a pharmaceutical salesperson, I have learned the effect ill health can have on a persons physical and mental well being. It can effect different people in a number of ways. So we wish our engineer all the best in getting back to health after such a traumatic experience.

Let me give you a little context to the situation. A structural engineer is pretty important on most any building process, as there are lots of decisions to be made around making sure big components are sound. Things like; making sure our floors are structurally sound, the grain hopper is fastened to the building properly, connecting the new curbs to the old concrete slab properly, and making sure the walls and ceilings are properly built so they can handle a heavy load …. you get the idea. So having someone that understands your project, and someone that works within your timeline is key.

More importantly, when you are at the point our brewery build-out is right now, a structural engineer and their work is critical in moving things ahead. For instance, there is a list of about 10 things that our engineer is working on, and without his guidance and advice, we can’t make any progress.

Let me now recap a few of our issues with our engineer and you will see why we need to make such an uncomfortable decision. We picked our structural engineer about 6 months ago, and like a lot of decisions we make, it was based on personality, a referral and price. He was not from a company or firm, rather just a guy who works on his own … he is the only employee. Early in the process of things, he gave us some advice, and it seemed very good and we looked forward to working with him on things.

Fast forward to the day we took possession: February 1st, 2014. All of a sudden we needed our engineer to start producing some drawings and work for us, but our emails and calls went unanswered. We reconnected with our architect over this, and they handled things, allaying our concerns and repointing everyone in the right direction (they are good at this). As our general contractor kept sinking his teeth into the building of our brewery, he had more and more questions for the structural engineer.

He put these questions to the engineer on a regular basis for the next month, until about the beginning of April, when we really started to worry about not getting drawings and answers on what exactly he was supposed to be doing with certain parts of the brewery. This time we contacted the engineer directly to tell him our concerns. He gave us a few small little answers, but nothing concrete. Fast forward to the last week of April, and it was now critical to get answers. We needed to know about drain construction, floors, connecting old cement with new, etc., and we still didn’t get or have any answers.

A meeting was planned at the end of April to discuss what we needed, and how urgently we needed it, and it went amazingly well. The engineer agreed that he was late in getting stuff to us, and promised we would have this information for last Friday. We felt really good about things and moved forward with a positive attitude.

You can probably see where this is going. Last Friday came and went, and we received nothing. We were pretty disappointed to say the least. The bottom line is that we need these drawings for work that is getting done right now, and without them, we are opening ourselves up to major problems. The biggest of these is a delayed opening, which means we will loose even more money in our first year.

Well the news got even worse on Monday morning, as we learned that this engineer had a heart attack and was in the hospital. And since he is from a company of 1, there was no way to get anything he has done. So what would you do? Do you show compassion and wait for him to get out of the hospital, and let him finish the project …. or do we move in a different direction, avoiding any further delays. We ground our teeth on this one, but as of yesterday we have moved on with a new structural engineer.

In one way its good, as we get a fresh start with someone who hopefully be a little more proactive on getting things done. Moreover, in our initial consultation he gave us a lot of really good information and advice, something we didn’t get from our last engineer. In the another way, moving on with someone else is bad. We have lost all the work that he completed, there is definitely going to be some bad blood over the bill and invoice for work he has done, but not delivered to us on, and we feel bad kicking him when he is down.

At the end of the day, we need to move this process forward now. So waiting for our engineer to heal and get better, while the right thing to do, is not something we are doing. We do wish our contractor all the best, and we hope to recovers and gets back on his feet ASAP. This is just one of the harsh decisions you have to make when starting a business, one that kind of makes you uncomfortable.

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The Odds and Ends of this Process

1 Reply

One thing that takes a lot of time, especially of late, is the final layout and design of the space. It is quite easy to get approximate locations of the brewhouse, walls, grain room, bathrooms, etc., but it is another thing to lock in the exact location. This goes against what I ever thought would happen, and makes you choose between saving time, saving money, but only getting one of these at once.

Are you as confused as me? Maybe the words are not flowing from my brain to the keyboard this early in the morning, but the final location and final detail of things is taking a lot of time. Why are these things important? Well, without knowing how long of runs you need for mechanical engineers, electrical engineers, your general contractor and others, you can’t really get accurate quotes on work needed. If you can’t get an accurate quote, when it comes time for an electrician to do the work, and they need to do something that is not in the original package, there is an up charge for this. In other words, if the electrician needs to run power to 10 extra lights that were not in the plan, they charge extra. It is also the time that they can “bend you over the table so to speak.”

So in trying to button down all the details of what to put where, it makes life really difficult for the individual(s) putting together the final plans. For us that means our architect, our brewhouse designer, and our contractor are all working in tandem, with emails and phone calls going back in forth at the rate of about 10 per day, with weekly meetings, and with miscommunication at every step of the way. It is very difficult to orchestrate, as often people are not focused on our project alone, meaning sometimes it is not convenient for others to work on our project. There are also vision issues, time issues, communication issues, and issues with our issues.

One of the biggest issues you cross when it comes to the odds and ends, is saving money versus saving time. At the end of the day, we try to save both at every step along the way, but it has proven impossible. If you want something done quickly, you are going to pay more as you narrow the window of options you have. On the flip side, if you want things done economically, often the time needed to save the money is huge. For our project this means trying to balance out these 2 things, so that we can save a little time, but also a little money. Let me give you an example.

Should you build a cooler yourself or have one prefabricated and installed by someone else? There is something about a cooler that makes it very expensive to pay a company to design and install. It is not like the engineering is difficult, the materials are relatively inexpensive, and the amount of time needed to put it together is nothing exorbitant. So when you get a quote from a company that specializes in putting this into your brewery, the cost blows your mind. The cooler can literally cost $40,000 to supply. WTF. So this naturally leads us to look at designing and building our own cooler. Quickly you realize that you can build the same thing, and save yourself about $20,000 which is huge in the grand scheme of things. The challenge with this route is the time involved. The time needed to procure the pieces, put together design specs, meet code, coordinate trades, etc, etc. What we are now realizing that building our own cooler will save us money, but it will suck a lot of time from spending it elsewhere.

When you have time sucked away from certain things that need it, then you are delaying the process for other things moving forward. So in other words, there is always a delicate balance between time spent on a project, and time lost on another project. There is also a balance between money saved and time saved.

Let this be a lesson to other future brewery owners, the balance of these things is a hard thing to do, and you will spend a lot of time heading down a path, and then after a certain amount of time, backtracking and going down the other path, only to realize that you should have stayed down the first path. The key is to always be aware which path is the best to travel down, and to recognize when you are running into a brick wall ….. because as we have learned, there is never a brick wall to show you are on the wrong path, only a few hurdles, making recognition of this even harder.

My key learning is this: Sometimes getting overcharged is alright, so long as you spend the time you save elsewhere to move another aspect of the brewery forward, or save money. There are other times an owner needs to make a greater effort to save money, at the expense of time, as the cost savings outweigh the time spent. Choose wisely!

This entry was posted in Business Side of Things, Misc, The Journey and tagged BC craft beer, British Columbia, City of Vancouver, craft beer BC, East Vancouver, Follow Your Dreams, How to start a Craft Brewery, Im Starting A Craft Brewery, Microbrewery on February 27, 2014.

I have never felt so many different kinds of stress!

2 Replies

One of the things about opening a brewery that you go through is STRESS! Thats right, a word deserving of capital letters, because it is not something, when you are dreaming of this, that you think about at all. In fact I had friends and other entrepreneurs tell me about stress, and I always dismissed it, or paid it some superficial lip service about how I was a laid back guy and it wouldn’t get to me. Well it did get to me over the past month.

What I have realized is there are different levels of stress. I will try and talk about each and how it relates to starting a brewery.

Instantaneous Stress: This is the stress that comes out of nowhere, like being late for a meeting, which is very intense and lasts a very short period of time. Often it is unexpected, and comes and goes before you even realized what the heck happened. I don’t mind this kind of stress, as I don’t loose sleep at night thinking of how I am going to be late for a meeting the next day because of traffic or not leaving enough time to get there.

Decision stress: As I have blogged about previously, there are heaps of decisions you need to make when you open a brewery. Name, bottle size, engineers and architects, size of tasting room, branding, financials, company structure …. you get the idea. Sometimes, you only have the odd decision to make, but other times you have 5 or 6 big decisions to make and they compound to make the decision even harder. How do each of these decisions cumulatively effect your business, and will you end up with the company that you thought you would have?

Performance stress: Ok, it might put a smile on your face, but it isn’t that kind of stress! This is the kind of stress I feel when I think about me as an individual living up to my expectations, and those of my shareholders, and everyone else that is depending on this business to be a success. Full stop, I worry that my performance in the day to day operations will be good enough.

Long term success stress: This is the kind of stress that keeps you up at night. Will I be able to make money, will I be happy, how will this business effect my personal/work life balance, and will I have any investors that want to be friends with me if this business goes bankrupt? When you are investing thousands of hours in time, and thousands of dollars without a paycheque, failure is not an option. I am far too old and far too deep into life to have another “learning experience.” The only way I can cope with this stress is yoga before bed and exercise. It seems to be the great balancer in my life, an I hope to always have time for this.

Family stress I think we all feel this, and it goes without saying; the stress of my families well-being and happiness is more important than anything else. I love my wife and kids too much to sacrifice their long term happiness. How will my kids respond to me being gone 12 hours a day for the first year of this business? How will my wife feel about the same thing? I think the only way to deal with this is to unplug 1 full day a week, and to pick your spots when you work versus when you spend time with your loved ones. I only hope I get the right mix!

Beer Nerd Stress: Thats right, I said it. I worry about how our beer will be received from the world of beer nerds. While we are certainly going to sell our beer to everyone that wants to purchase it, I think the opinion of local and abroad beer nerds really matters to me. I want to make beer that I would be proud to serve to those “in the know”. Unique, unapologetic, and delicious. I would hate my brewery to be a company that was put alongside other less than respected breweries. It would ruin this whole process and take away from my dream to be a respected brewery.

I’ve Got Something to do: This is the stress associated with having a deadline, and a finite amount of time to complete this task. This stress is right up there for me. Its like a real life episode of Chopped. Recently I ran a couple focus groups on naming my brewery (I will blog more about this later), and the days leading up to the first focus group was intense. It was 2 days of preparing, emailing, calling, booking, rebooking, re-emailing, buying, printing …. etc. This is a really hard type of stress to deal with, as any escape from this stress will only put more pressure on you.

The stress of all these things …. In other words the stress of all this stress!: The last bit of stress that comes to mind, is the stress of all these things. Cumulatively, all these stresses can stress you out. This is the kind of stress that can really impact you both in the short term and definitely in the long term. The only way to deal with it is to stay positive, believe in yourself and those around you, and to make lists. Ok, maybe there are some other ways also, but every person is different, and I am certainly one that falls into that category.

My next blog will focus on the naming contest, and the 3rd stage of that process. I hope that we have our list of 3 names in the next couple days, and then pass this out to the world for their opinion.

This entry was posted in Misc, The Journey and tagged Beer, Beer Nerds, British Columbia, Canada, coal harbour, Craft beer, East Vancouver, How to Open a Craft Brewery, Microbrewery, Parallel 49 Brewing, Starting A Craft Brewery, Storm Brewing, Stress, Success, Vancouver on October 31, 2013.

Im Starting a Craft Brewery

1 Reply

Call me crazy, call me nuts, call me anything you want (my wife and family have already thrown all those verbal grenades at me). I am hell bent on starting a craft brewery based in Vancouver, BC.

Why you ask? It might be because I was raised by a father who would teach me his secret home brew recipes that my grandfather had brought to Canada in the 1950′s, after being entirely dissatisfied with the quality and range of beer available in Canada. Or it could be that I was surrounded by friends and family who were actively entrepreneurs and spoke about the great things that happen when you push your own boundaries. But I think the biggest reason may be the most simple. Life is short. These 3 words mean so much. Think about it for a second … we all know friends and family that have passed away too early, or a grandfather who sees their perspective of life change as they are older. The truth is, I wasn’t entirely happy with my life about 5 years ago, and this moment has been five years in the making. More to come on that in subsequent posts.

I hope this blog becomes a useful too for people who are thinking the same thing as me, people who are interested in craft beer and for people that are fascinated with seeing others take the biggest gamble of their life in pursuit of a passion.

So there it is. I am going to commit to uploading regularly with video, information and somewhat humorous posts about this process. I have been working towards this dream for 5 years, and I hope that I am closer now that I have ever been in the past.

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