Blog 8 - The Journey

CATEGORY ARCHIVES: THE JOURNEY

Quick Update on Things …

1 Reply

I think back to the days when we were first getting started with the brewery, and I can’t help but think how much time I had to do things. It didn’t seem like I had a lot of free time, but in reality I did. What I really had was the ability to get on top of things, which I have completely lost now. Let me try to explain.

When you first start writing your plan, you have time to dream, think about your beers, your brand, name, etc. It is a natural part of things, and something that if we didn’t do, we wouldn’t be doing this. As time moves on, you tend to get to more of the meat of the operation, and you need to start figuring out some details. As time progresses, you think you have figured out a lot of the details of your space. Things like brewhouse, packaging size, general location of warehouse. You think you have made a lot of these decisions, but you haven’t.

You continue to work on your business plan, making what you think are decisions and changes of direction …. and then you do it. You find a space to lease and you take possession. This is when it starts to really happen. You actually start making decisions, like general contractor, architect, brewhouse size, etc. You think you are doing well, because you have made actual and concrete decisions.

What you don’t realize, is that you have only started on the tip of the iceberg. There are thousands of decisions to make. None of them are more or less important than any of the others. Think of details such as these: Size of cooler door to the inch, length of drainage trenches down to the inch, slope on concrete pour down to the degree, exact location of trade waste interceptor, etc, etc. There is so many small decisions to make, it can become overwhelming.

Coming full circle, each of these decisions take time, and trust me when I say, you have very little of it. Your funnel at the top is getting loaded faster than you can empty it. About a year ago, you could pound out a good 60 hour week and be back on top of everything, but that is a pipe-dream now. A 60 hour week will only mean that I have about 300 hours of unfinished work sitting around waiting for me to complete. There is no way of catching up short-term, it is a matter of prioritizing and getting small jobs done.

Add to all this the work around the brewery. I have been tying rebar and working around the brewery 7 days a week for the past few weeks, and there is still so much to do. Take for example a typical day in my life.

Get up at 5am to 530am

Work in front of my computer until 745am

Get kids off to school and lunches made 830 to 9am

Drive into brewery to do work 930am

Manual labour all day at brewery until about 930 am to 3pm

Home to do work in front of my computer (accounting, marketing, business planing, etc) 330pm to 5pm

Down time, hang with family, 530pm to 8pm

After kids in bed, back to computer for more work 8pm to 11pm

Off to bed to do it again

This is a pretty standard day, and I know one that my partner also goes through. If you are going to open a brewery, and you want to take an active role in starting it, be prepared for a day like this.

What you will find is that how badly you really want to do this will go a long way to making the above feel like work, versus feeling like a dream. Luckily for Iain and I, the long days are a dream and the passion is burning brighter than ever, so we know we have made the right decision.

This entry was posted in Business Side of Things, The Journey and tagged 33 Acres, Aaron Jonckheere, Bomber Brewing, Brewery Business Plans, Brewery Financials, clark drive, craft beer BC, East Vancouver, Growler Fills, How to start a Brewery, Iain Hill, Im Starting A Craft Brewery, New Breweries 2014, steel and oak, Storm Brewing, Strange Fellows Brewing, Tasting Room, the process of starting a brewery, Vancouver on June 11, 2014.

Hitting the Wall

3 Replies

Today I lost my shit at about 4pm. After a week of burning the candle at both ends, getting only about 5 hours sleep a night, and having one of the busiest weeks of the year, I literally melted at about 4pm. I couldn’t talk, hold a conversation, engage with my wife or kids, or even crack a smile. The burden of this brewery, and all the associated mental and physical work involved got the better of me.

So instead of writing about this, or anything else, I am going to take the rest of the night off and get some rest. I had planned to write about best practices for concrete, mechanical and trade waste interceptor, but it will have to wait for another day.

I feel I have been ignoring this blog, so I do feel bad about not writing too much of late, but I hope that next week will be a chance to write more. Thanks to everyone for your continued support and I hope to have some good articles this week.

This entry was posted in The Journey and tagged Aaron Jonckheere, Brassneck Brewing, brewery business plan, Craft beer, East Vancouver, Hitting the Wall, how much money to start a brewery, How to start a Brewery, Iain Hill, Strange Fellows Brewing, Vancouver Craft Beer Week on May 23, 2014.

The toll this brewery is taking on me

5 Replies

There are so many amazing parts to starting your own business. Things like never having a boss again, being able to build a business and brand, making choices based on your own preferences and opinions, and how every day is a new and amazing adventure. These are experiences beyond words and they have helped to make the process of starting a craft brewery all that you think it would be. The other side of this equation involves many other experiences and instances that are less than glamorous, or things that become worse through this process.

One of these things is the relationship you have with family and friends. It is not that the business directly effects these relationships, rather the extra time and attention starting a business takes will eat into the amount of time you have for those close to you. It is a slippery slope to walk, and one that you will often find yourself on the wrong side of. There are many ways to get back to the other side, but it takes ingenuity and changing the established patterns you have …. and lots of coffee.

For me family is everything. I love spending time with my wife and kids. For the most part it is a release from the challenges and grind that makes up starting a business. However, that can become a challenge when you have a list of 40 or 50 hours of work sitting on your desk. Things like entering information into Quickbooks, marketing, ordering equipment, budget revisions, brewhouse work, manual labour, meeting with trades people, and even writing this blog. All these things help to chip away at any sense of release you can enjoy when not at your desk. In other words, your mind starts to wander when you let it, when sometimes what you need is to forget about the business. That is always easier said than done.

Starting a brewery also means that you have a LOT less time for family and friends. Saturdays become work days, early mornings are the domain of getting to-do’s checked off your list and late nights are for preparing for the following day. Sitting with my wife watching a little TV, figuring out who is working when, or even talking about life seems like something we rarely do anymore. Life is busy enough with all that is going on, but to think how much time I have taken away from focusing on my life partner is a little alarming. Same goes for my kids. I have been accustomed to being there for my kids over the past 7 years. I pride myself on coaching their sports teams, dropping off and picking up them from school, and helping with the myriad of chores around the house. All of these things become much harder to do when you are focusing on your selfish dreams.

This selfishness is something we all deal with at some point. Maybe you are looking for additional work to pay off some bills, or you are back in school trying to get a degree, or maybe you are starting a brewery! No matter how you break it down, being selfish results in different things at different times in your life. When you are in your 20′s, focusing on yourself is a lot easier that your 30′s, when family becomes a (really good) drain on your time. Now that Iain and I are into our early 40′s, the lack of time for family and friends is only made worse by a lack of energy.

So with all this in mind, I should officially take this forum to apologize to my dear family and my amazing friends. I am sorry that you don’t see me as much, or hear from me as much as you have in the past. Or when I am around I might be distracted or preoccupied with thoughts of my life. Just know that during this chapter of my life, my focus has changed and that I hope balance and normalcy will return one day. Until then, maybe tell me to lighten up or crack a joke when you can, it will help me be in the moment.

This entry was posted in Business Side of Things, The Journey and tagged 33 Acres, Aaron Jonckheere, Beer Blog, Bomber Brewing, Brassneck Brewing, Brewery Business Plans, Brewery Financials, brewery tours, brewery webcam, Canada, Clark Drive Brewery, coal harbour brewing, Commercial Drive, East Vancouver, Growlers Fills, How to start a Brewery, Iain Hill, main street brewing, New Breweries Vancouver 2014, Parallel 49 Brewing, powell street brewing, Starting A Craft Brewery, Tasting Room, Vancouver on May 17, 2014.

The jobs involved in opening a brewery …

2 Replies

There are many things to do in starting a business, that much is for sure. But let me be the first to say that there are about twice as many jobs to get done as you first anticipate, when you are conjuring up your business plan months and years before actually taking that leap of faith. With the help of this post, you can plan ahead, learn some skills, mentor from someone who has experience, take a few classes, or just meet someone with a complimentary skill set to yours.

In no particular order, here are the things you need to be good at:

Salesperson: Maybe I put this first because I feel like there is so much of this process that you need to get buy-in on. Whether it be your spouse and why they should support you in opening a craft brewery, investors to see a bright future in your business, or even possible partners to believe in what you are doing, you are always pitching an idea to someone it seems. Not a lot of people have sales experience, so I would recommend Spin Selling by Neil Rackham

Janitor: Get really good at sweeping. This means finding a messy floor somewhere and getting a good broom and going to town. A couple techniques. There is the long stroke or the short stroke. I seem to prefer long strokes on smooth surfaces and short strokes on rough surfaces

Accounting: There is no way you want to get behind on this one. From the start, have a good idea of your plan for taking care of the books and reporting this information. We use an accountant and they have set us up on a system that works with their office. Essentially, we track everything in quickbooks, pay every bill and invoice, and then push this to them at the end of the year. Easy enough, but it was a long road to get here. My recommendation is to use Quickbooks, which is available online for $250.00 or so.

Digger: Another really important skill to have. I suggest you head to the beach, and try digging a couple holes and a trench. Do this a couple times a week, so that when it comes time to dig up floors, or shovel dirt, you are in prime shape to make this happen. A key here is to manage your shovel loads. Not too much dirt now …

Marketing: I have always kept marketing separate from sales as I think they are 2 very different things. In short, marketing is the long term plan and vision for your brand, and sales is the day-to-day activity. Read some books, look at other companies, brands and marketing whenever you can, and learn from others who specialize in this to get a better understanding of what you should (and shouldn’t) do. My book recommendation here is Permission Marketing by Seth Godin.

Steelworker: My hands don’t lie, you will need to get good installing and tying rebar and wire. I suggest you go get a job tying rebar for a week at a local construction site. Make a B-Line for the site super and tell them how your baby soft hands are in need of toughening up. Don’t forget to strengthen your lower back as well, as you will be bending over for most of the day. Just find your happy place, and try to think about how great it will be to serve your beer to the world when you are finished.

Decision Maker: You will need to to learn how to make decisions based on the advice of others. It will often involve a complex set of parameters with varying opinions, the exact answer you must decide on your own. Good examples is whether to lease that warehouse that is empty or what floor plan to use for your brewery. You will get opinions from realtors, bankers, lawyers, engineers, accountants, architects, and even your friends and family, but at the end of the day, you make the decisions, so don’t overlook or underestimate what is important to you and how this decision will play out long term. My book recommendation is Crucial Conversations by Kerry Patterson, a must read.

Painter: Up, down, up, down, repeat. Think of Mr Muyagi in the Karate Kid, and practice for painting with painting. This process should actually start with power washing, so find a dirty piece of concrete and let loose about 1,000 PSI to see what it feels like. When you have mastered use of the wand, you can move to painting. This involves a lot of cutting plastic poly, taping, and scraping. So get ready for the time of your life! Remember patience is the key to getting a good paint job.

Social Media: There are some breweries that open and they have put nothing out there, while there are others who tell everyone what they are doing every step of the way. I wouldn’t say one approach is right and the other is wrong, I would just say if you aren’t active in social media, at least understand what is happening and how you will take part in that down the road. My book recommendation here is Guerrilla Marketing

Psychologist: When you are dealing with trades people, construction workers, and general labourers you are going to hear stories that will make you cringe and make you smile all at the same time. Time to talk some sanity into these people!

Human Resources: you are going to hire people down the road, so its important that you understand what skills your team has, and what skills you would like to add to the mix. Without question, every person you hire is important, but the first couple out of the gate will truly make or break you. Hiring for Attitude is my book recommendation for this bucket

Bathroom Cleaner: Thats right! Get down on your hands and knees and scrub. Great preparation would be to head into your local Frat house and start cleaning the toilets. You see, trades people have the aim of a 3 year old boy, and the cleanliness of …. well a construction worker. So rubber gloves and eye protection are mandatory, while hazmat suit and respirator are optional.

Copywriter: A bit of sales and a bit of marketing in here, but that is not the point. You need to be able to convey information to others in written word. Whether it is your brand statement to consumers, a letter to your architects expressing your desire for changes to a plan, or the content on your website, you need to be able to write in concise terms. Personally, I am not the best at this, as those who read my blog with regularity can attest, but it sure is something you can work on … like I do in writing this blog. My book recommendation is Writing that Works.

Phone Hanger Upper: You will get good at hanging up the phone. This is a product of having a lot of phone calls, but also a lot of telemarketers call. I find the best way to get out of the conversation is to cut yourself off mid-sentence, that way the other person will think the line was disconnected. Don’t hang up while they are talking, as it is a giveaway you did the dirty.

Retail Manager: A huge portion of a new breweries sales take place at the tasting room and growler fill area. For a company like Brassneck, the experience they gained from their previous experiences only helped to make their retail experience what it is …. amazing. Same goes for Bomber and others, as their retail experience only helped them to make sure they got the retail area perfect. For us, we need to find help on that front. We need someone who will understand what we are doing, and help us to nail it. We are looking for this person and hopefully they can come on board at the right time.

Mechanic: We have yet to experience this one for the most part, but it would be wise to learn some basic skills around fixing things. I have heard the horror stories of things breaking down and needing repair in a brewhouse are too numerous to mention, so knowing what to do, or who to call is a very important component of keeping operations smooth. Remember, red is positive and black is negative.

Delivery Person: When the production gets going, we know that a good portion of time will be driving around and dropping off product. We view this interaction as very important, and something that we need to do in person.

Production: Maybe I put this last because it is the most important on this list. I still maintain that we can get everything else on this wrong, or not have any skills in those areas, but as long as you make a quality product that is consistent, you will do well. Maybe I am a little naive, but having good beer will make everything else easier. So this is where you need to make a choice: Either find someone who knows and wants to handle production, or learn the skills necessary yourself. Guys like Ben Coli are a good example of someone who wanted to handle production themselves. I would be antithesis of this, as I always knew there would be someone else handling this part of operations. I think at the end of the day, you need to decide what role in the business you want to have, and go for it. Book recommendation here is any and every book that has to do with brewing or production.

The most interesting thing about this list is that you will be doing all of these things on a daily basis. There are days I go from item to item to item, and then I repeat a few of them. That makes the job interesting, but also means you have to get really good at prioritizing, multi tasking, and working in several silos all at the same time. For instance, as I write this post I am also answering emails, texting my partner and yelling at my kids!

This entry was posted in Brewhouse, Business Side of Things, Financial, Marketing, The Journey and tagged 1345 clark drive, 33 Acres, Aaron Jonckheere, Bomber Brewing, Brassneck Brewing, coal harbour brewing, growler fills east vancouver, how to, Iain Hill, main street brewing, Microbrewery, off the rails brewing, old world, Parallel 49 Brewing, postmark brewing, powell street brewing, r and b brewing, Starting A Craft Brewery, steel toad brewing, Storm Brewing, Strange Brew, Strange Fellows Brewing, tasting room Vancouver on May 14, 2014.

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.

This entry was posted in Misc, The Journey and tagged 33 Acres Brewing, Aaron Jonckheere, BC craft beer, Bomber Brewing, Brassneck Brewing, Brewery Tour, brewery webcam, British Columbia, Building Upgrades, City of Vancouver, East Vancouver, Growler Fills, How to name a brewery, How to Open a Craft Brewery, How to start a Brewery, Iain Hill, Microbrewery, New Breweries 2014, Parallel 49 Brewing, Tasting Room on May 7, 2014.

Landing Page Is Live

1 Reply

The process of getting all your customer facing material complete is full of ups and downs, set-backs and great moments. For some reason, we always seem to be behind everyone else in getting this stuff complete! If you have followed this blog, you know that things like our name, our logo and our packaging are works in progress. Some days it feels like we will never get all the the items completed in time for launch which is now less than 5 months away. Yikes!

This week we crossed of one small piece of our brand off the list: Our Landing Page. It was completed over the course of about 12 weeks, and while it is pretty simple, the process was full of change and tough decisions. In the end, we are super happy with what we ended up having. If you want to view our landing page, click on this link to be redirected.

Key learnings from landing page development, and web development for that matter:

Start on this sooner rather than later: Don’t wait as long as we did. Consumers want to connect with you, so make sure you allow them the opportunity to do that.

Expect 12 weeks start to finish: If you are anything like us, there will be changes, u-turns, miscommunication, and a few other things that I can’t even mention. All this makes a rather simple task a lot more of a grind.

Prepare a brand guide: This is a key step in the process to getting your brand ideal and message known to yourself, and then to others who are going to work with you. Don’t leave it to a 30 minute meeting to let a web developer get a feel for your brand. There has to be something concrete they can sit and read, minimizing the margin for error.

It takes a while to see progress: It feels like trying to get out of bed some mornings. There are a couple false alarms, there is snooze involved, a little confusion, and a lot of light steps to get going. Sometimes, after getting going, you just head back to bed and let it go for a little. Building a website is a LOT like this.

Stay connected with those helping: No doubt about it, the more leash you give someone, the more likely they are to go down the wrong path and end up at a place that doesn’t mesh with you and your brand plan. So have regular meetings and ask to see enough information to be kept abreast of things.

Get detailed scope of work: When you first sit down to finalize an agreement with a developer lets say, you will agree to a scope of work for your project. If you want to add something down the road that is not in this scope of work, you are going to pay out of pocket. As such, either agree to a rate for extra work, or budget in 10% of the total hours for misc work.

Speak up: If you don’t say what you do and don’t like, you will not end up with a finished product that matches what you thought you would have.

Balance: Not sure what else to put as a heading here. Sometimes you need to let someone else decide what is best for your brand, which goes against your taste or preference. Others you need to get that person to change direction, against what they like. It is a balance and one with no prescribed way of moving forward. Just hope that you, or those you surround yourself with, have enough similarity and differences in opinion for a healthy relationship.

Build from Scratch or use a wordpress: Thats right, you will need to decide whether your website is built from scratch or uses wordpress as the foundation. One costs more, but gives you a very custom website, and the other is much less expensive.

Do something unique: For us, in addition to writing this blog about starting our brewery, we added a webcam to our website, so people who are interested can view what is going on during construction without having to be there. Just having another website with the usual information is not enough in my opinion. Craft beer is booming, which is a great thing in so many ways, but also means you need to stand out a little bit.

Brand Continuity: Make sure that your website reflects who you are, the beer you are going to make, the brewery you are going to build, and what you think you should represent. If you get away from this, you will end up at a place that is entirely what you don’t want.

So there it is. Another set of best practices for starting a brewery. There is so much more to a website than meets the eye, so don’t take this for granted. Get thinking about this early on, and start much sooner than you think you need to.

This entry was posted in Marketing, The Journey and tagged 2014, 33 Acres, beer business plan, Bomber Brewing, Brassneck Brewing, brewery tours, British Columbia, coal harbour, Craft beer, East Vancouver, Growler Fills, how much does it cost to start a brewery, How to start a Brewery, investors, ipa, main street brewing, New Breweries BC, new craft breweries vancouver, Parallel 49 Brewing, process of starting a brewery, r and b brewing, red truck brewing, Sour Beer, Strange Fellows Brewing, Tasting Room, west coast on May 1, 2014.

A Crushing Day for Us ….

1 Reply

Well, the last 36 hours has been full of angst on behalf of both Iain and myself. We finally received a detailed budget from our general contractor, and to put it bluntly, we are going to be way over budget on building our brewery. It is an extremely bitter pill to swallow, especially after the increases we have made throughout this process to our budget. At the end of the day, we are building a much larger brewery than we anticipated, and with a larger brewery comes bigger costs.

When I look back at my old copies of the business plan, I have to chuckle to myself as I once thought the retrofit of a warehouse, not including equipment, was going to cost about $400,000. I look at that number and can’t help but think how naive I was. That is both a good thing and a bad thing. If I knew how much this endeavour was really going to cost I might have passed on following this particular dream. I thought the $400,000 was enough to put up some walls, trenches, upgrade power, and put all the equipment in. Boy was I wrong. This was about 2012 when I was really starting to get into planning this brewery

Fast forward to late 2012, and after much encouragement from other brewery owners that I met with, we increased this amount to about $550,000. In my mind, this was an increased of about 30% over my initial budget, and I thought this would be plenty. But as you learn more about what is required to retrofit a warehouse, the number keeps getting chipped away. All of a sudden, the additional money that came with a bigger budget seemed to have disappeared.

Fast forward again to early 2013, and it was time to increase the retrofit budget again. It just seemed impossible that with tasting rooms and their pending approval, along with the realization of additional costs with most spaces, that we could retrofit a space for any less than about $650,000. At the time, this seemed like a good number, and even included a sprinkler upgrade and water line upgrade. We figure we would be free and clear, so we charged ahead with this number in our mind.

It was at this time we started to inquire with investors about financing our brewery. We based many assumptions on this cost, including how much we needed to raise from angel investors. $650,000 seemed like our golden ticket to get everything we wanted. So we charged on and hoped that we could what we wanted for this amount.

Then in the summer of 2013 we found what would eventually become our warehouse. It was bigger than we really needed, but it gave us an excellent location, and most importantly a great landlord that wanted a brewery in his building. We had our architect in, a couple contractors, some sub trades, engineers, etc and they all pointed to a retrofit cost of about $725,000, depending on a lot of things, such as electrical upgrade and flooring. I have written about these items in the past, and they were huge uncertainties with out space. So we moved forward with a newly increased budget of about $725,000 for a retrofit.

So fast forward to this week. We met with our architect and general contractor to discuss the quotes they have received from sub trades (like mechanical contractor, electrical contractor, concrete slab specialist, etc) and also the budget from our general contractor on all the little things that make up our brewery. All of this information, along with our wishes and desires, was put into a spreadsheet and at the very bottom of a huge excel file, there sat what was the anticipated retrofit cost of our brewhouse. The total estimated cost for our retrofit was (drum roll) …. $925,000.

It is hard to put into words what was going through my mind when this was presented. It was like someone kicked me in the stomach …. and then kicked me again. It was awkward for our architect and our contractor, as they could see that what I had believed and what I had assumed was wrong. I must have looked like a deer in headlights. Even now, I am fully consumed by frustration and anger that I just can’t seem to shake. How is it possible that I ever thought $400,000 was enough? It just seems plain old absurd!

We are so deep into this process, so far down the road, that there is no option but to find solutions. For starters, it is very likely that the tasting room will have picnic tables and used chairs, be lacking any real artwork and design aesthetic, and have very little “extras” that other tasting rooms might have. We have also had to dial back a few optional pieces of equipment that we hoped to have for the brewery. Essentially, there will be a cascade of changes that are mostly out of our control, in addition to some extra cash that we need to raise from investors.

If I could pass some information onto others, I would make note of the following costs you might be looking at:

Electrical Upgrade – $75,000 and up

Mechanical – $125,000 and up

Tasting Room – $50,000 and up

Labour costs – $100,000

Development and Building Permits – $10,000

Concrete – $25,000 and up

Boiler and Installation – $35,000

Contingency – Easy 10% of your budget

Architect Fees – $25,00 and up

Engineer Fees – $20,000 and up

Management Fee (from General Contractor) – Cost plus 10%

Epoxy Flooring – $15,000 and up

Of course there is a long list of other small items, and they have all creeped up in cost, as we have a 9,000 square foot space.

In another few months, I will be sure to post all of our business plan online, so you can see for yourself what all the details in starting a brewery are. For now, just know that what you think things will cost, will likely double from your initial estimates. Just hope and pray that you have way more money than you need, or at least a network of people who would be able to offer some financial support to your business.

I hope to have some answers to our dilemma early next week, and I will pass along any notes I have on how to find savings in a budget that doesn’t seem to have a lot of wiggle room.

This entry was posted in Brewhouse, Business Side of Things, Financial, The Journey and tagged 33 Acres Brewing, 4 Winds Brewing, angel investors, Bomber Brewing, business plan brewery, Cash Is King, coal harbour brewing, craft beer BC, East Vancouver, how much does it cost to start a brewery, How to Open a Craft Brewery, how to pick a brewery name, New Breweries BC, Parallel 49 Brewing, R & B Brewing, steps in starting a brewery, Storm Brewing, Strange Fellows Brewing, Tasting Rooms, Vancouver, Vancouver craft beer bar on April 11, 2014.

Marketing Update – Website, Blog, Social Media, etc

1 Reply

It seems there have been 2 buckets that I have been working in lately: Fixing the warehouse and building our brand. I love the physical aspect of working in the brewery, and I am sure you would too. What I have found is that when you build a company, its hard to see progress and win the little battles that make up the war. For instance, when it came to picking a name, it took literally hundreds of hours of work and effort, and you don’t see any milestones along the way. One day you just have a name. But when you have a physical project like constructing a brewery, its easy to see progress along the way, and I like that.

We have been busy painting the warehouse lately. The amount of time and energy this has taken astounds both of us. We have had great help from family and friends who are incredibly supportive of our journey. Without their help from the get-go, none of this would be possible, and I am sure this is going to continue onwards in the future as well. Even with this help, we have spent 2 weeks preparing the space for painting and first coat of primer. I guess that is what happens when you have a 9,000 square foot space, with 19 foot ceilings.

inside brewery pre paint

So when we are not going up and down the forklift preparing walls for paint, and applying paint, we have been busy with organizing what our brand will look like. That means meetings, meeting and more meetings. I have come to realize that it is incredibly important to express how you feel in a positive and straight forward manner. When it comes to the way I feel about something, I owe to my partner and the business to say what I need to say, all the while improving the relationship with my partner and leaving my influence on the business.

We have picked a logo, and it may not be finalized, it will look similar to this.

SF-logo#8-max-res

Online I can understand why people are torn between the 2 logos we had everyone vote on, but when you see them on a bottle printed out, the decision was quite easy. The text on the other option seemed too small, and didn’t stand out on the bottle like this logo. So thank you to everyone for your feedback and input into our decision. The results were virtually even on our blog and also the Vancity Buzz poll, so at the end of the day, we had to make the decision. There might be people who strongly dislike our image and brand, and we have quickly come to realize that we are ok with that. But we have also come to realize that our brand is so much more than a logo.

All of our social media is now live:

Twitter: Strange\_Fellows

Instagram: strangefellowsbrewing

facebook: strangefellowsbrewing

We are busy working on our landing page for the website, and it will likely be another couple weeks before we have something up and running. Until then, the main contact points are the above …. and of course this blog. As Iain so shrewdly put the other day, he is the one doing all the work in starting a brewery, and I am the one telling everyone about all the work he is doing in starting a brewery. Seems like a good set-up to me!

Your feedback is always welcome and helps us to know what we are doing well and what we can work on. Should you think of anything we can do to make this company better, we would love to hear from you.

This entry was posted in Brewhouse, Business Side of Things, Financial, The Journey and tagged Aaron Jonckheere, BC Breweries, BC craft beer, British Columbia, Craft beer, East Vancouver, Growler Fills, How to start a Brewery, Iain Hill, New Breweries BC, Process, Starting a brewery, Strange Fellows Brewing, Tasting Rooms, VCBW on April 5, 2014.

Success … Building Permit has been Granted!

1 Reply

For the past week I have had my head down, working on our accounting and driving ahead a bunch of projects that are in need to time and attention. So this blog has been something that I keep thinking about, but couldn’t find the time or the energy to put towards it. While we were busy with our heads down, we received some great news: Our building permit was approved and we are good to start trucking ahead with construction.

This sounds great on paper, only we thought the process of getting a permit would take a little longer, so we don’t have all our sub-trades in place and need to refine a few more of our plans. Given this, we hope that construction will begin on April 1st, so that we can be open sometime in very late summer or very early fall.

My advice to people who are going through the process of starting a brewery, or any other business for that matter is this: Don’t take your foot off the gas pedal. When you lose focus and when you lose the drive to push things ahead, small delays can have a cascade effect on the process. For example, our dithering on a few specifics around the brewery and tasting room, which didn’t seem like huge delays at the time, effected a bunch of other items. It delayed our architects in making the changes, it delayed our contractor in getting quotes, and it delayed next steps in the process. It ended up that a couple days delay in one decision ended up delaying the process by 2 weeks. Arghh!

To be honest, I thought I would feel more happy about getting our building permit, and while this does put a smile on my face it doesn’t make me jump up and down like getting our development permit did. I guess the difference is that we knew we were going to get the building permit, it was just a matter of when. I also think that we just have so much work to do, its hard to take a breath to give each other a high five.

Anyhow, we will keep you up to speed on some of the next steps with our brewery in the coming weeks ahead. Lots of activity and hopefully we can drive this project ahead to start operations sooner rather than later.

This entry was posted in The Journey and tagged Brewers, British Columbia, Business, Cash Is King, City of Vancouver, craft beer BC, East Vancouver, How to name a brewery, How to Open a Craft Brewery, How to start a Brewery, Starting a brewery, Tasting Room on March 15, 2014.

The End of One Dream …

1 Reply

How do you thank someone for the ultimate sacrifice? OK, we aren’t talking giving up a kidney, or sacrificing their own life in the line of fire, but my amazing wife has provided me with the means to start this brewery. Thats right, starting this brewery is taking sacrifices from more than just myself and my business partner.

Let me give you a little context. There is nothing my wife has wanted more over the past 5 years than to build a home. A place to have memories, raise our family and get away from the daily grind that is our life. We both envisioned the process as an arduous one, but at the end of it, you would have a home that you helped bring together. It was her dream, and we worked hard to make it happen. We bought a piece of land about 3 years ago with the dream of building our home …

Let me take a further step back. About 10 years ago, I started talking to friends and family about the dream of opening a brewery. Thats right, this has been a 10 year process for me. In a way I have become the definition of patience (and for anyone that knows me, this in itself is a little hard to believe, but thats another story). For the first 4 years, it was a lot of business planning, sampling, and more planning. The dream seemed very far away About 6 years ago, I started to get more serious and decided to get my real estate licence, allowing me the time to get out of my full time job, and focus a little more time on my brewery, as being a Realtor allows for a healthy dose of flexibility. I ended up parting ways with my job in 2011, and have been focusing on real estate and starting a brewery for the past 3 years. As time has moved on, I have kept getting more and more serious.

So back to 3 years ago, when my wife and I purchased a property for developing. We purchased knowing that my brewery dream may or may not come together (it has been 7 years that I was talking about it with no progress after all), so we just went with it, and hoped things would work out. As you can imagine, we followed down both paths simultaneously and didn’t try to overthink much of anything. My wife hoped that things would work out with her dream of building a house, while I hoped that things would work out with my dream of starting a craft brewery.

You can imagine where this headed. About 6 months ago we subdivided our property and were finally in a position to think about building our dream home on one lot and selling the other. This was a moment that we waited for about 20 months to happen, so it was a great moment for our family. It was about the same time that things with our landlord got very serious for the brewery space. We made an offer on our commercial space for the brewery, and we were finally in a negotiation with a landlord. You see, we had tried unsuccessfully for 12 months to lease spaces, and never got to the point of actually being in negotiations. The process with this landlord was going so well that we applied for a development permit (what you need to get to be allowed to produce beer … a key step to say the least) with the City of Vancouver before we had a lease in place.

Not knowing how all this would go, we continued forward with the dream of building on our property. We continued to meet with an architect, and we moved forward house plans to the point where we were ready to build. We just needed to sell one of the lots and we were ready to start building on the other lot. Selling anything in the last 4 months of 2013 was difficult, especially a property like ours.

Fast forward to very early January 2014. We finally found a dance partner for one of our properties. This meant we could sell a property and begin building on the other. However, it was also in January that we knew we were going to sign our lease. So it meant my 2 worlds were colliding and we had no certainty with which to make a decision. Essentially, do we move forward with selling only one property and hope that we can find a way to finance building a house on the other property, all the while, financing a significant part of the brewery. If you have been following my blog, you know that I always think Cash is King, so it would be so tough to do both.

At the end of the day, after a lot of tears, arguing, and selfishness to be completely honest, my wife and I agreed to follow the dream of starting a brewery. The time and financial burden of building a home, in addition to the time and financial burden of starting a brewery proved too much for us to handle. So we decided to sell both halves of our property instead of just one half, allowing our family to focus on my dream, and bringing to the end another dream.

Think about it from the standpoint of my wife. Every time I talk about the brewery, I stay up late or get out of bed early, every time we write a cheque to pay for something, every time some asks how things are coming along, and every time I come home to our rental house, my dream is at the expense of satisfaction in her life. People ask me about the brewery and I get excited, and when people ask Deanne about building a house, she just sees my dream, at the expense of hers. When people ask what has been the hardest thing about starting a brewery, it is this.

So, to come full circle, I hope one day to be a brewery owner and build my wife a house of her dreams. It might be a few years before his happens, but I do plan on returning the favour to her for the sacrifices she has made for me. I can’t think of a more selfless person, and for this I am forever indebted to her.

My amazing wife has given up her dream of building a home on our property, allowing me to start a craft brewery. Her sacrifice is the ultimate and one that will allow me to stat a craft brewery.

My amazing wife has given up her dream of building a home on our property, allowing me to start a craft brewery. Her sacrifice is the ultimate and one that will allow me to stat a craft brewery.

This entry was posted in The Journey and tagged 33 Acres Brewing, Brassneck Brewing, coal harbour brewing, craft beer BC, East Vancouver, How to start a Brewery, main street brewing, naming a brewery, Parallel 49 Brewing, r and b brewing, Starting a brewery, Storm Brewing, Vancouver, yaletown brewing on March 5, 2014.