**Seven Tips For Starting Your Craft Brewery**

I spoke at a craft brewery conference a few weeks ago in Wilmington, NC. I was amazed at how many people there are that want to start a craft brewery. Why not? It’s fun and it can be lucrative if done smart. Having advised and invested in a few of these now here are my top suggestions to help you get off on the right foot.

1. **Include a tasting or taproom.** I know you want to be a brewer and not a bar keep but hear me out. A tap room is a wonderful marketing tool for getting the word out about your beer and building your new brand. Since there are no distribution or reseller costs that tap room will most likely cash flow on day-one producing much needed revenue to help fund your brewery. In the long run that revenue will be insignificant but early on it can mean the difference between making payroll and having to shut down. So pick a location with some consumer traffic and not too inaccessible for those early patrons.
2. **Think bigger**. Almost every craft brewer I know started off way undercapitalized. I told my last entrepreneur to literally add a digit to every number in his spreadsheet. He did and I invested. It takes just as much time and energy to brew a seven-barrel batch as a thirty-barrel batch. You can work yourself and your team to death using a small inefficient system. Get a large location with high ceilings and room to expand with more tanks as you need them. The time and cost involved in replacing a small system is mammoth so take on partners, raise more money or whatever you need to do to build a scalable foundation. Don’t worry about your system not being fully utilized immediately. You can always contract brew for others to generate revenue and to start recouping that investment immediately.
3. **Consider Self Distributing.** In the past when craft breweries were struggling for acceptance and legitimacy it made a lot of since to go with a distributor but today that reality is changing. Restaurants and pubs want craft brews on tap and they don’t care where they get it. Distributors are typically carrying a lot of craft brews and not really pushing one over another. Even after you give 30% of your revenue to a distributor, today, you will still need to form a relationship with your taps. The taps that don’t get rotated out are the ones selling well. This requires joint marketing, staff education, tastings, food pairings and other promotions your distributor is just not going to do. Especially in your local markets starting out, self distribution is going to be more time and cost effective not to mention giving you a chance to inspect your lines and make sure your beer is as good as it can be at each location.
4. **Consider Contract Brewing**. I know the craft beer purist will be putting pins in my voodoo doll for this one but having another brewery brew for you early on is not a bad idea. That stainless steel is mega expensive so making sure you have your recipes and marketing right before committing to a large infrastructure is smart. Contract brewing has much less of a stigma today than in the past. Your success is going to be much more about how your beer tastes and how you market it than where it is brewed so spend your time and precious dollars focusing on what matters the most.
5. **Think cans over bottles.**  Most craft brewers starting out thinking in terms of kegs rather than bottles or cans but kegs only represent half of your potential market. Canning lines have become much less expensive and you can buy them in modules keeping early costs at a minimum. Can and bottles give you a marketing opportunity beyond a simple tap handle and the sale of one promotes the success of the other. Again, I know traditional brew masters everywhere will be sending me hate mail, but consider cans over bottles. The bottom line is that cans are a better container, more flexible and more eco-friendly. They protect your product by not letting light in and they can be used and taken anywhere. The market is still predominately bottles because of the stigma cans got for bad taste in the 1970’s before they were properly lined but I’d buy for the future which is defiantly trending towards cans.
6. **Focus on sales and marketing.** You want to start your own brewery because you love to brew, right? The truth is that you are going to need to spend a lot more time doing sales and marketing than brewing. Getting the beer to taste good is the fun part but that phase quickly comes to an end and your life becomes all about sales and marketing. You will need to hustle. Have a presence at as many public events and places as you can. Do collaborations, cross promotions… anything that keeps your brand in front of people. No matter how good your beer is no one will buy if they don’t find out about it and see it repeatedly. You are going to need to put your brewer’s boots away and put on your sales shoes ASAP.
7. **Be Careful What You Wish For.** The old Chinese curse states, “May you get what you desire the most”. I know a lot of happy brewers but I also know a lot of guys who wish they had never started down this path. There is no faster way to learn to hate our favorite hobby than to turn it into a business. What was once fun can becomes a real drudgery. Long hours and financial uncertainly are not for the faint of heart and certainly a part of your future if you go down this path. Still, if you are willing to wear all of the brewer’s startup hats then you can grow a nice business. Margins are good. The industry still has plenty of room for growth and there’s nothing like the smell of malts and grains brewing in the morning.