

BREWERY OPERATIONAL BLUEPRINT

NAVIGATING CASH FLOW & COSTS

FROM MONTHLY BURN TO BREAK-EVEN 2027

PROJECT:	LAUNCH PHASE
SCOPE:	OPERATIONAL STRATEGY
TIMELINE:	2026-2027

THE COST OF SURVIVAL: DEFINING THE RUNWAY

THE ASK: New breweries face a negative cash flow period of approx. 14 months.

THE REALITY: This capital must absorb the monthly operating burn rate until revenue catches up.

\$715,000

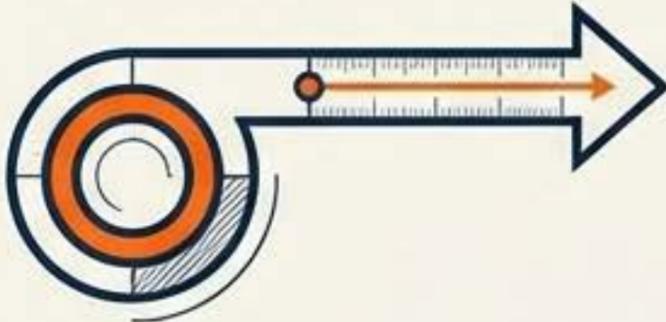
MINIMUM CASH BUFFER REQUIRED



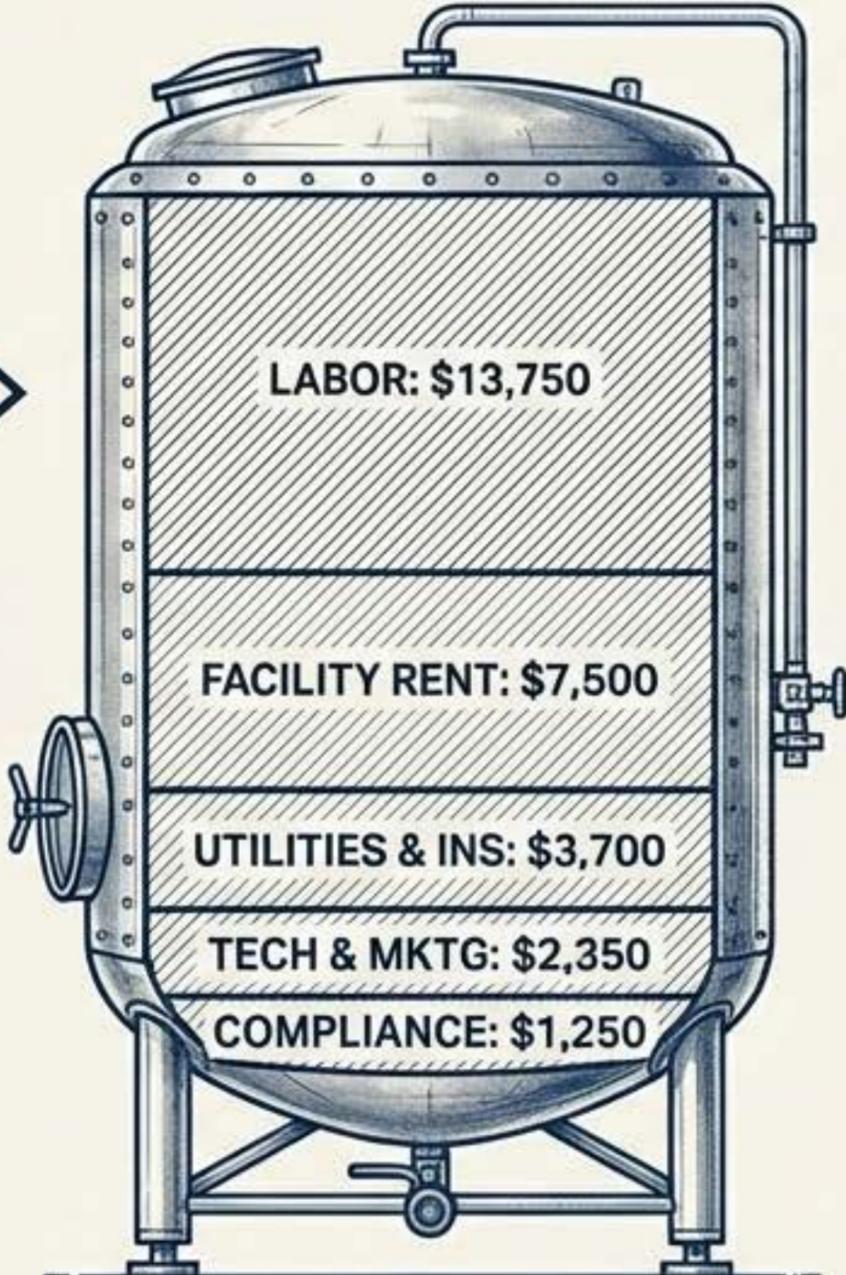
"Know your runway in months, not just dollars."

THE MONTHLY BURN RATE

BASELINE OPERATING BUDGET (PRE-REVENUE)



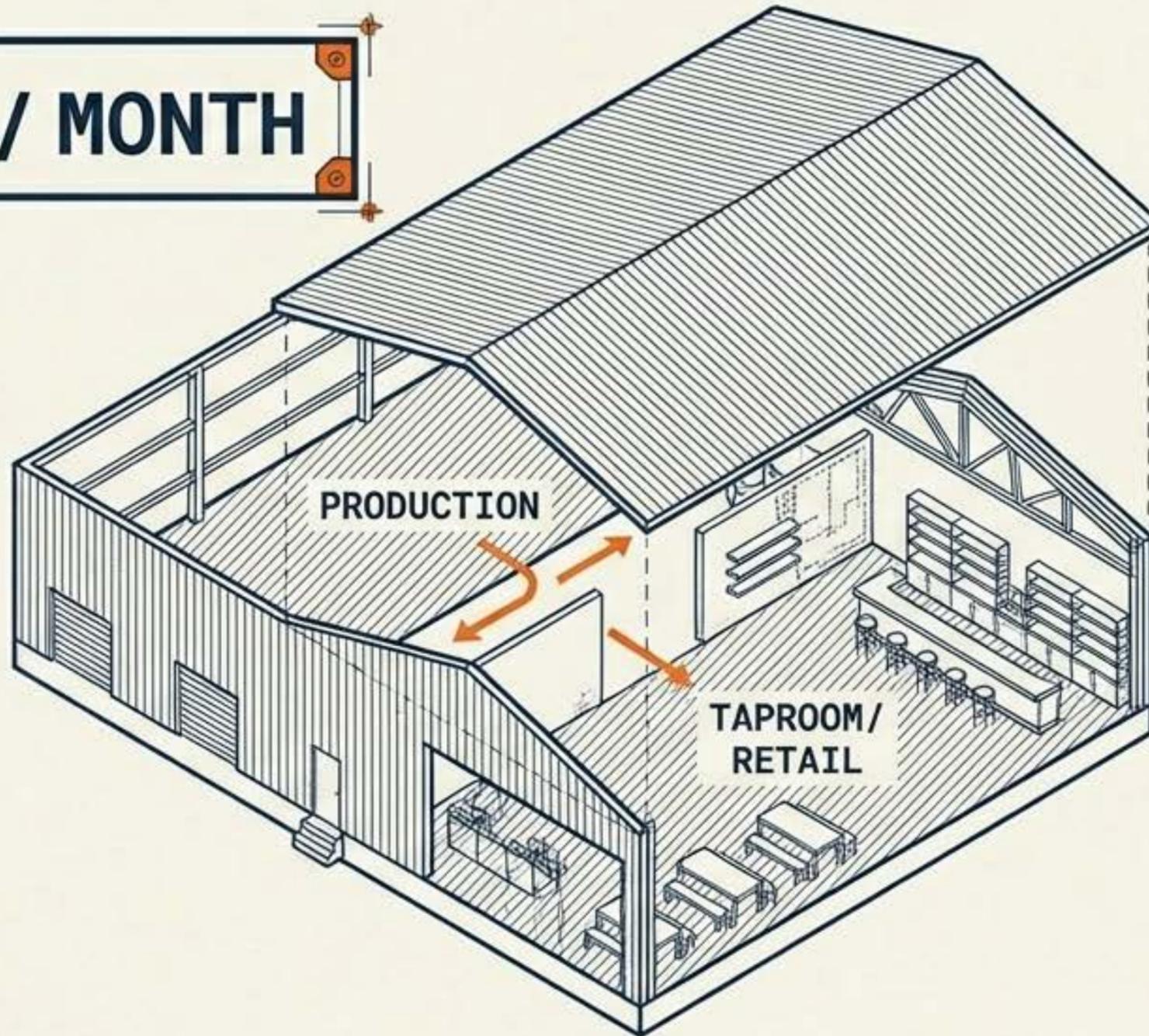
THE FLOOR: Fixed overhead and payroll represent non-negotiable costs before a single pint is sold.



TOTAL MONTHLY BURN:
\$28,550

FIXED COST #1: THE FACILITY & RENT

\$7,500 / MONTH



UTILIZATION

Maximize square footage.
Sublease unused
warehouse space.

NEGOTIATION

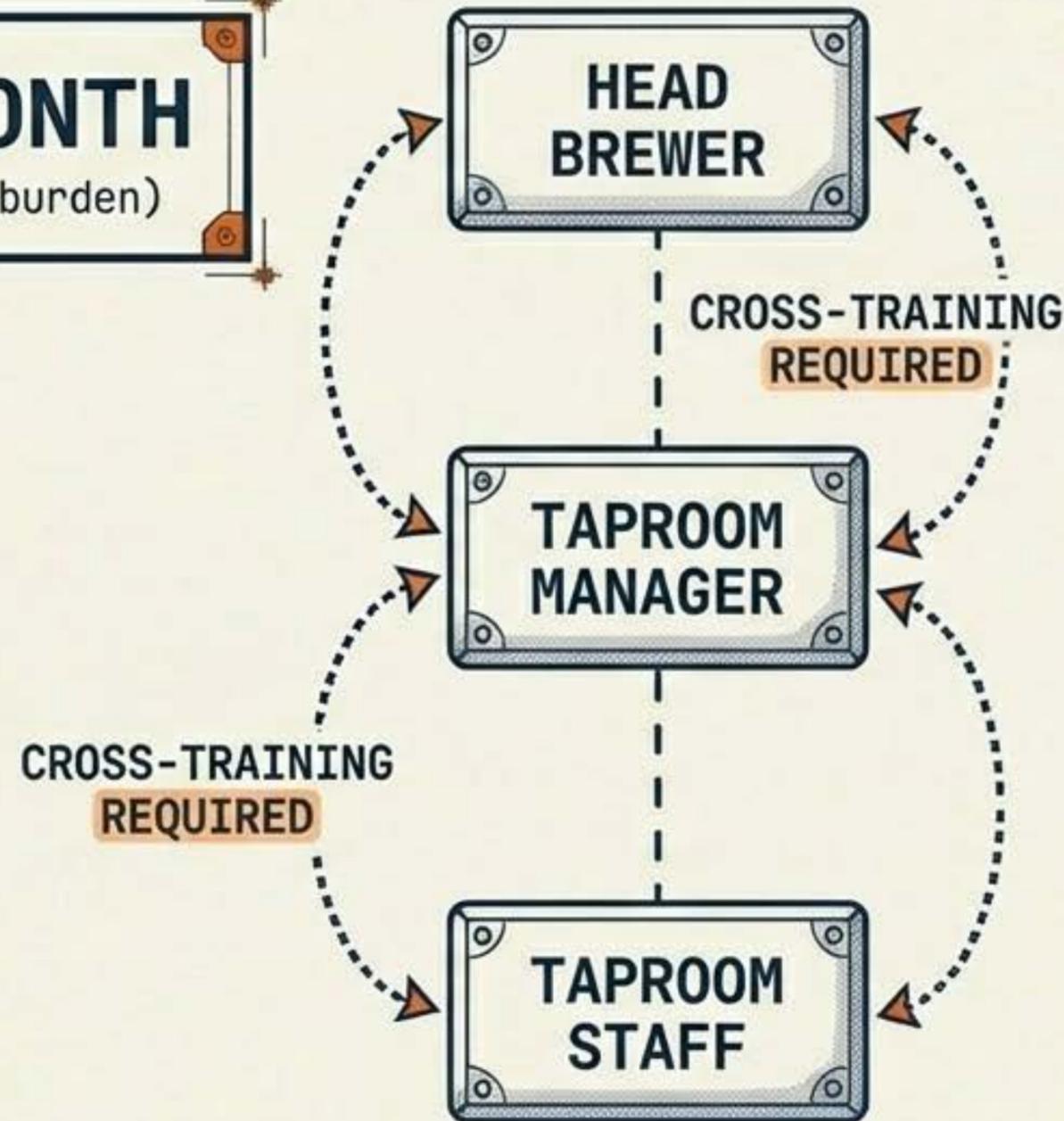
Push for rent abatement
periods and tenant
improvement allowances.

BREAK-EVEN CHECK

Can initial sales cover the
\$21,250 base (Rent +
Staff)? If not, the
location is too expensive.

FIXED COST #2: CORE STAFF WAGES

\$13,750 / MONTH
(Base wages, excluding burden)



EFFICIENCY PROTOCOL:

1. Production staff must cover taproom shifts during slow periods.
2. Avoid over-hiring floor staff before volume justifies it.
3. Onboarding delay > 14 days increases churn risk.

THE COST OF ENTRY: HIDDEN FIXED COSTS

UTILITIES & INS.

\$3,700 / mo

Metered Services (\$2.5k) +
Liability Insurance (\$1.2k).
Zero volume still equals
full cost.

TECH & MARKETING

\$2,350 / mo

Inventory Software (\$350)
+ Local Advertising (\$2k).

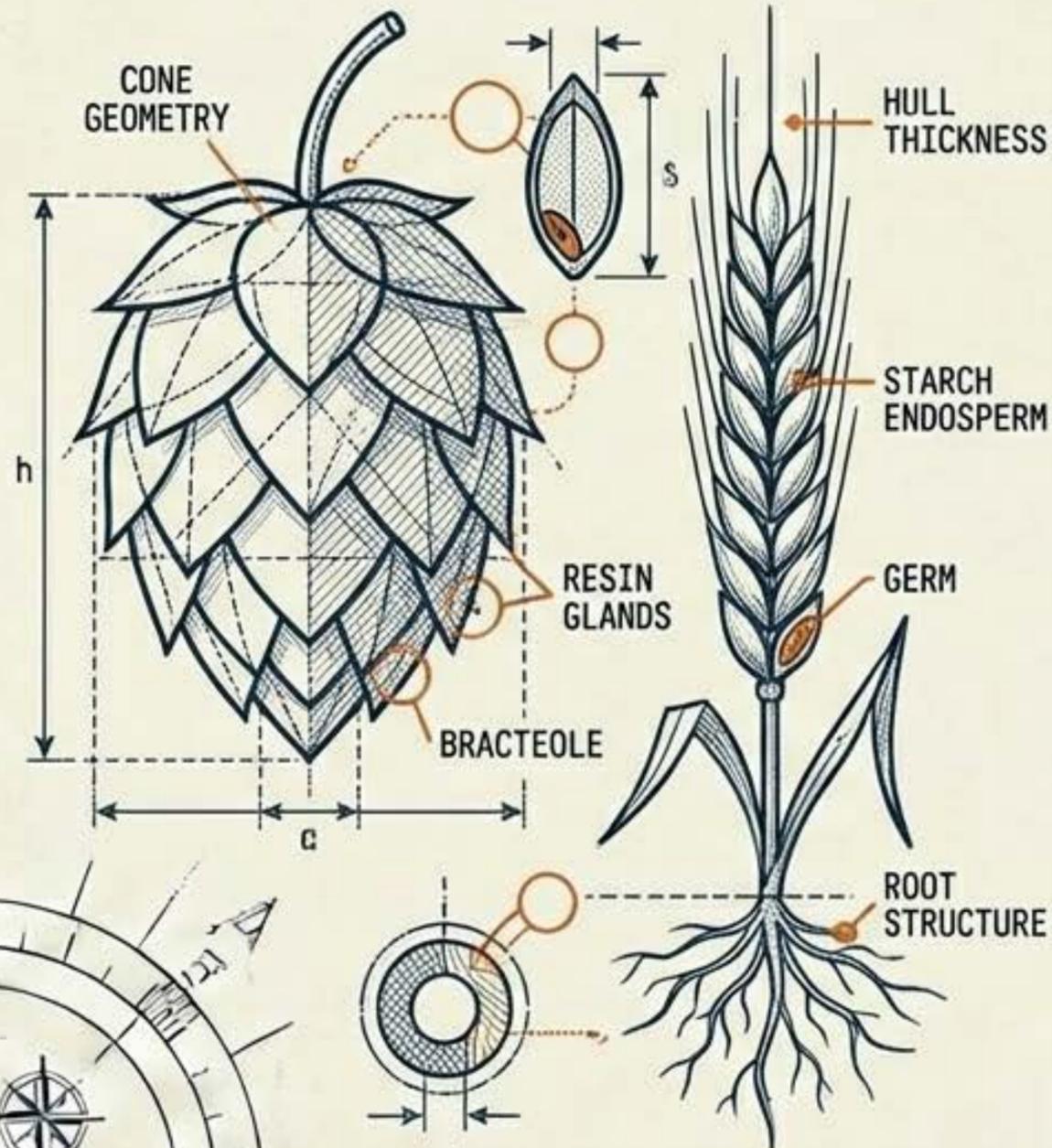
COMPLIANCE

\$1,250 / mo

Licenses (\$500) +
Professional Fees (\$750).

STRATEGY: Automate compliance. Focus marketing on hyper-local events.
These are the costs of doing business legally.

VARIABLE COST #1: INGREDIENTS (COGS)



\$43.00 BASELINE MATERIAL COST

÷ **600** UNIT VOLUME

= **\$3.00** PER PINT
(Approx. baseline)

TARGET: KEEP INGREDIENT COGS < 30% OF GROSS TAPROOM REVENUE

TACTICS

- ⚙️ **Bulk Agreements:** Negotiate for core malt varieties.
- ⚙️ **Inventory:** Strict FIFO rotation to minimize spoilage.
- ⚙️ **Sourcing:** Secondary hops sourced locally to cut logistics.

VARIABLE COST #2: THE PACKAGING TRAP



**PACKAGING
OFTEN
EXCEEDS
LIQUID COST**

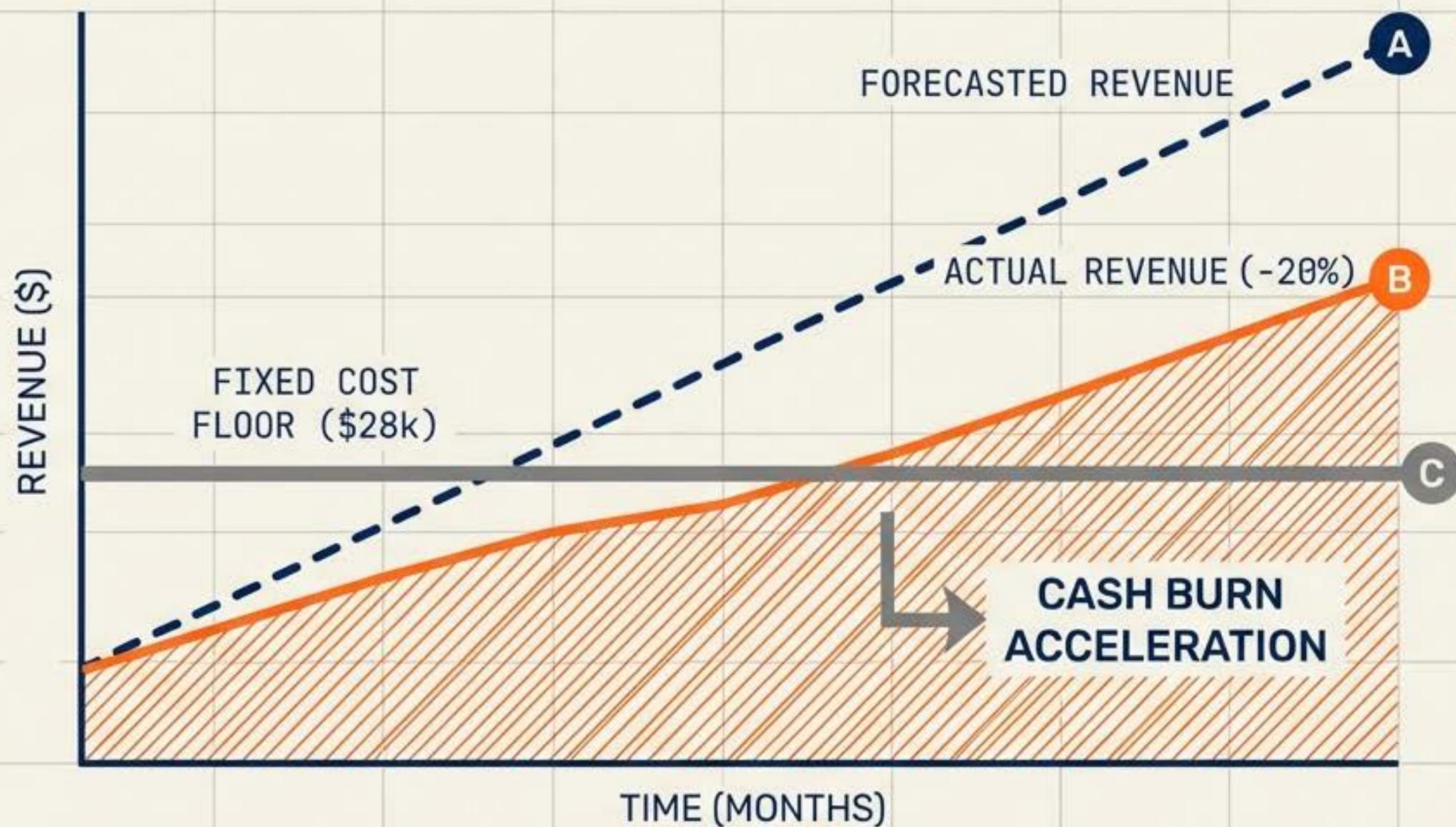
$$\text{UNIT REVENUE} - (\text{INGREDIENTS} + \text{PACKAGING/UTIL}) = \text{CONTRIBUTION MARGIN}$$

TACTICS

Insight Text: If average unit price is only \$75, gross margin is compressed by high packaging costs (\$34-\$50/unit) + Production Utilities (\$10/unit).

STRATEGY:
Standardize packaging formats for volume discounts. Avoid custom runs.

SCENARIO PLANNING: THE 20% SHORTFALL



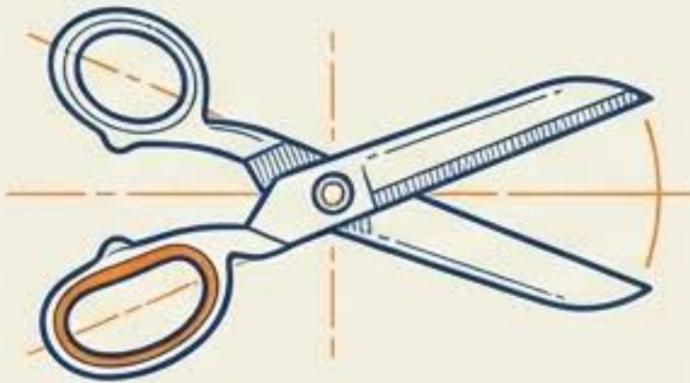
THE CRISIS: Sales volume is 20% below forecast.

THE IMPACT: With ~\$28k in monthly fixed costs, a revenue drop immediately threatens the runway.

THE PIVOT: Immediate shift to aggressive cash conservation.

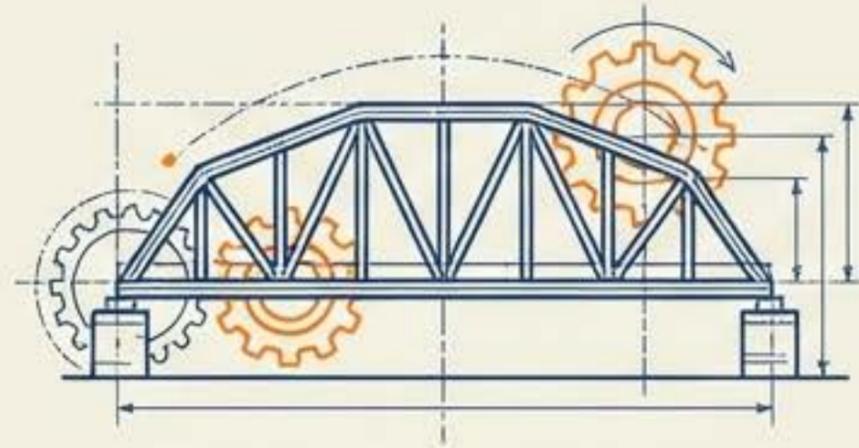
EMERGENCY LEVERS: STOPPING THE BLEEDING

CUT VARIABLE EXPENSES



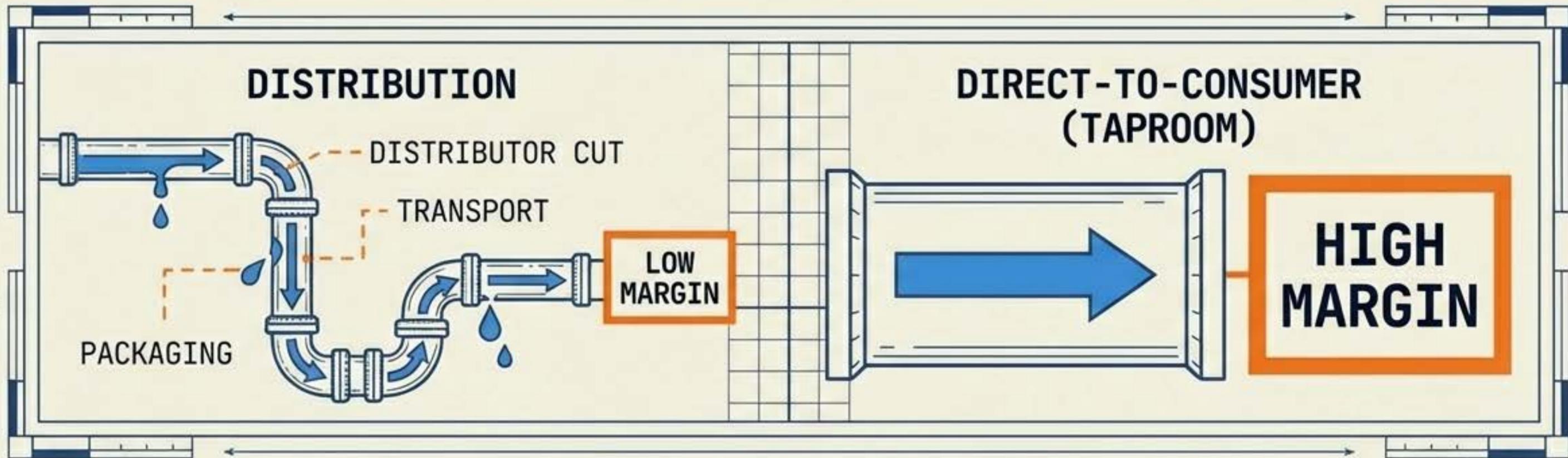
- **LABOR:** Delay hiring non-essential roles.
- **MARKETING:** Pause non-performing ads.
- **SUPPLIERS:** Renegotiate DPO (Days Payable Outstanding).

BRIDGE FUNDING



- **CSB MODEL:** Pre-sell annual memberships for upfront cash.
- **CREDIT:** Utilize working capital line to bridge gaps (e.g., \$7k shortfall).

REVENUE STRATEGY: MAXIMIZING MARGIN



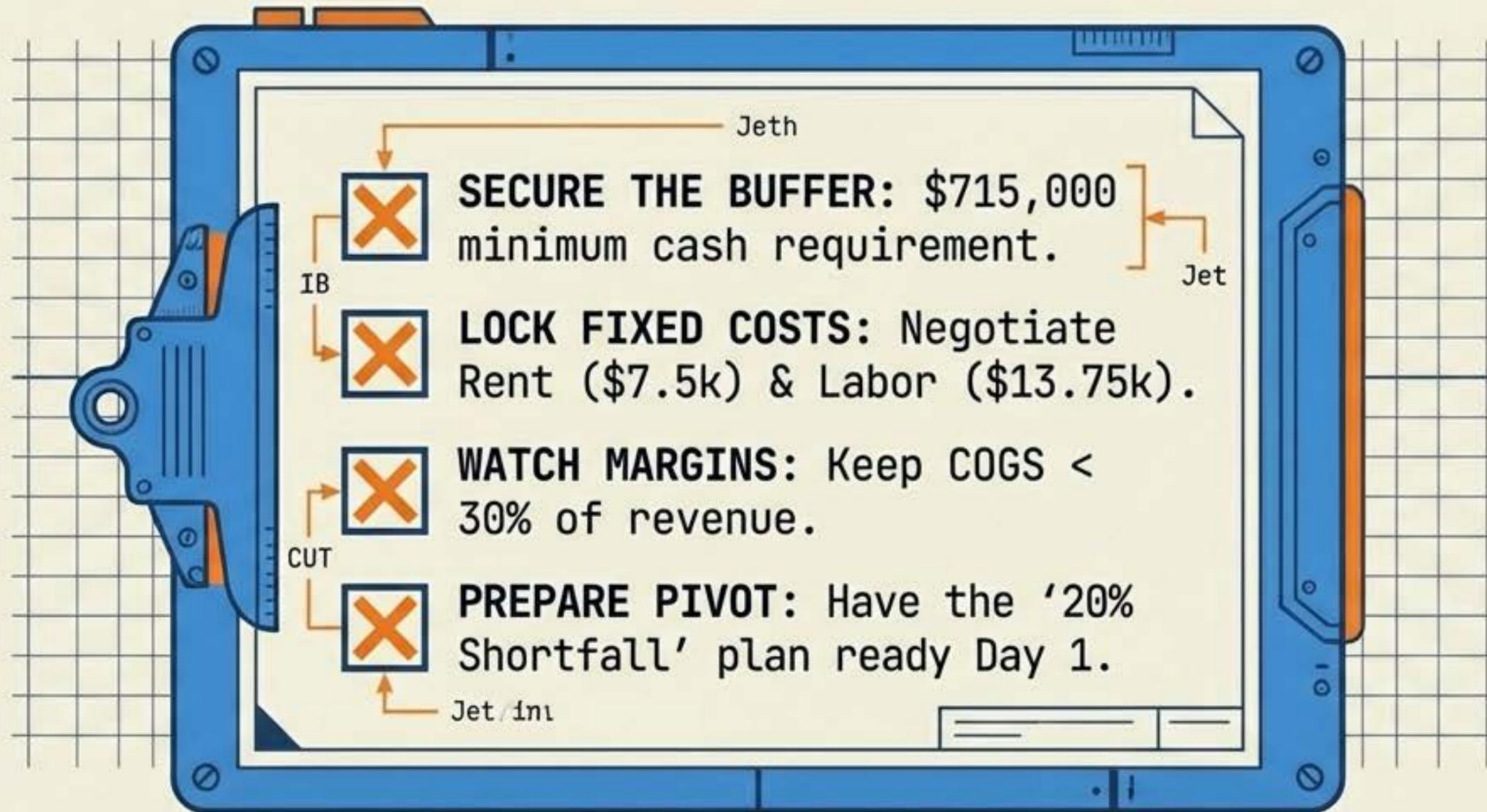
CORE PHILOSOPHY:

Focus on Taproom Sales to cover the fixed cost of entry (\$3,700 utilities + \$1,250 compliance).

TACTICS:

1. Upsell high-margin items (merchandise, specialty pours).
2. Marketing spend (\$2,000) must focus exclusively on driving foot traffic.

THE ROAD TO 2027



"KNOW YOUR RUNWAY IN MONTHS, NOT JUST DOLLARS."