



# The 12 Step Checklist to Preparing to Start your own Microbrewery

## About Us

Costanzo Brewing Consultants (CBC) was started in 2008 by the vision of Vincent Costanzo.

The microbrewing industry was in its second wave, about 10 years old, the first being started by Matilda Bay in the 80's.

Many of the smaller brewers were still getting their head around the meaning of quality so it tended to be a hit and miss affair. It was then that the Victorian Association of Microbreweries Inc. was introduced to the first service offered by Costanzo Brewing, that of providing analytical services to the craft brewing industry.

The director, Vincent Costanzo, has had nearly 3 decades in the Brewing Industry and is well placed in offering advice to those wanting to go the next step in their brewing in terms of attaining and maintaining the quality and integrity of their beer.

With the substantial growth of the industry CBC has provided a guiding hand and become pivotal to many homebrewers who have entered the craft brewing industry.

There have been numerous example of startup breweries in which students of the Costanzo School have gone on to become successful in their quest to become brewers in their own establishment.

One student gratefully commented;

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*"Well it's been 8 months since completing your brew course & I'll just like to say a thank you. The information you taught me has proved invaluable & I continuing to refer to your notes for guidance. We're pleased to announce, that thanks to your help, our brewery is up & running. We released our 1st beer at a perfectly timed beer festival right here in Martinborough a few weeks ago & now have it available at a local bar. We've had good feedback & have no shortage of retailers, bars & people wanting it. Still using the tiny Farra kit we showed you but with some modifications. Our biggest problem is of course volume so we'll see how things go & look at upsizing."*

***-Stephen Fox (Fish), Master Brewer, (22/4/2013) on Masterbrew course in Wellington***

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And Alan from Infusion Brewery said;

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*"I was first introduced to Vince via his inaugural brewing course approximately 3 years ago, which was held at Infusion Brewery at Rydges Campbelltown. Vince conducted his brewing course with utmost knowledge and passion which enabled myself to become a much improved brewer. I strongly recommend Vince's courses to any keen home brewer."*

***-Alan Barclay | Brewer / Cellar Supervisor (6/7/12)***

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## **Avoiding the Nightmare**

Beer and Brewer Magazine reported on the nightmare it can be to starting your own microbrewery and goes on to say;

*"With so many of us harbouring a dream of one day starting a microbrewery, let's look at some courses which can hopefully help avoid some of the pitfalls".*

### ***The Dream vs The Reality***

*"For anyone who has ever brewed a really good beer and thought to themselves, 'I could release that' you wouldn't be the first. Unfortunately there is a graveyard littered with failed dreams, empty bank accounts and closed up breweries.*

*In fact well in excess of 300 microbreweries have not survived Australia's rugged beer market. In a nutshell it's less glamorous, more expensive and much harder work than most anticipate. For that reason there are an increasing number of people with experience in the beer industry taking on the role of consultants to reduce the risk of it all going belly up.*

*There is so much more to starting a brewery than most of us would ever consider. Beyond creating a quality product, a great label and finding a suitable venue, there are also council permits to consider, brewery equipment to construct, plumbing, gas and electrical to sort as well as working out where you're going to store your finished product.*

*For those with a dream to those working towards their dream there are courses and consultants. This comes at a cost of course as it is their business, but it is also their business to make sure that those they advise are successful".*

### **Ask a Pro**

*"Vince Costanzo, who runs Costanzo Brewing Consultancy has been in the beer industry for over 25 years. In that time he has been a brewer and shift manager with CUB, worked in their research & development team and then spent some time with Matilda Bay.*



**Brewery Installed in Bali by CBC**

*This has meant that he learnt a lot which he is ready to share his knowledge with others. "There is a growing interest in homebrewing as evidenced by the recent homebrewing conferences (ANHC) held in Melbourne," says Costanzo. "The main part of the business at the moment is teaching homebrewers and those contemplating starting a microbrewery.*

*"There are about 20% of those students attending my courses that have a dream or are contemplating starting their very own microbrewery or pub brewery." That's a lot of people with some big dreams. For those keen to continue their journey Costanzo offers a variety of courses.*

*"I would recommend the four day Masterbrew course which is held in some states and New Zealand. And as a prelude the one day Brewing Essentials course which is basically a summary or refresher for brewers," explains Costanzo. "Students find that the one day hands on brew day, as part of the Masterbrew course, cements the theory work in their minds and becomes a valuable experience for them."*

## **Starting Your Own Microbrewery**

It's a BIG step to start a microbrewery.

Starting any business requires an incredible amount of planning and perseverance.

Like building a house the planning stages can take up more time than actually building it. You must plan your house layout then do all the preliminaries like get council approval, test the soil, build solid foundations etc etc.

But most of all you need good advice! Many people consider this a life changing event; so, also, in starting a microbrewery.

It will change your life for good or bad. So it might as well be for the good.

Read on and you will discover the 12 Steps to preparing yourself to enter the craft beer movement.

Follow this plan and you will be well on your way to being successful.

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# The 12 Steps to consider when starting a microbrewery are:

## 1. Start with a business plan

This takes time and you should not rush it. Remember a business plan is fluid and changing so don't get hung up with details that prevent you going the next step.

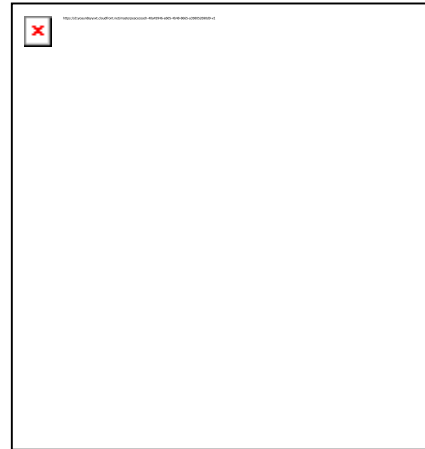
It is important you discover your WHY. Why are you wanting to do this business? It's not all because of making money.

Money comes as a consequence of your why. Your why must be congruent with your beliefs and values. It must feel natural and good to you; otherwise you will appear to have no interest in what you do and customers will sense that.

Learn to become better as a person and more giving. Learn to see what the customer wants and provide a means for him/her to get that.

So, incorporate your why in your business plan and let it become your Vision for your business. Everything else in your business plan will revolve around that vision.

Change the business plan as you learn and grow more both as a person and business. Then continually review, review, review and don't be afraid to be new and flexible.



## 2. Talk to people who are already in the industry

Speak to those that are running a successful business. Forget about those that are struggling. Chances are they did not follow the advice listed here.



Those working in the industry have likely seen both the highs and low and you should listen to both. You will no doubt try to avoid the mistakes they have made, and that is good. But don't expect to make no mistakes in your business, as long as they are not catastrophic ones that can shut you down. And allow yourself to make

relatively small errors as this is part of learning process. Take Thomas Edison for example. He learned 1000 ways of how not to make the electric light globe. So he learnt from each way that failed.

So, have a mentor you trust, but don't worry too much from small failures; as long as you learn and move on. In the long run you will succeed because you have the right mental attitude and spirit to succeed.

### 3. Learn from a brewing school

One that has experience in the brewing industry. Do a short brewing course; one that is run by a professional brewer and can also act as a mentor.



By doing a short brewing course you can usually get a very good idea if this lifestyle is for you. You will save yourself a great deal of time, money and heartache if you know where you stand before venturing into brewing.

Even if you are hiring a brewer you need to understand the process in order to talk to the brewer on the same level and it allows you to communicate in ways that gets things done with minimal fuss; the brewer sees you to be on his side and most likely to stay the long term.

Losing brewers is not only disruptive but costly and hiring a new incumbent may lead to a brewer that does things differently, much to your displeasure.

In my experience those that know little about brewing usually make more unnecessary mistakes that can be much more costly than if they knew what to do in the first place. I find this is common amongst business people that are driven by marketing concerns foremost.

### 4. Work in a Small Microbrewery

Try to get a feel of what's it's like to work in a brewery. Or at least see what goes on in a microbrewery. This will no doubt give you an insider's view to the problems that you must face on a day to day basis and you may decide whether it's for you! (A word of warning; learn from a consummate professional if you have a choice. If you do not have many choices, look for one).



In other words find a mentor who has had many years of practical and theoretical experience. Remember, brewing is first a science before it is an art. Any extra practical experience will augment practice and the theory from the brewing course.



## 5. Revisit Your Business Plan and your Vision

Once you have done all this preliminary work and you are still passionate about brewing as a career then it is time to revisit and rework your business plan, if



required. You may find that your goals will have moved slightly and emphasis changed to suit your local market and customers. A business plan or blueprint is like a draftsman plan of a house. You wouldn't build a house without one, so you shouldn't do without a carefully constructed business plan. If you are looking for investors then this becomes even more necessary.

Also, check that your passion lines up with your values and beliefs. This should never be underestimated and may need to be reworked into your business plan (vision, beliefs and values). It is very important because it will drive you past the headaches, difficulties and hurdles you will face along the way, including money issues. Having clear goals and a clear why will get you to your destination. But enjoy the journey and have FUN.

## 6. Engage a Good Brewing Consultant



One that has the right credentials and invest in their advice. You will save thousands of dollars if you do it right from the start.

This investment pays back in the long run and you are not learning from the mistakes of an otherwise poorly planned business, a cheaper brewery which was meant to be for producing anything but beer, and using anyone's advice on how to brew beer.

Remember, making beer is the most complex scientific process in any alcohol production facility. So choose the right consultant that has been there, done that and has the right credentials.

A good consultant will advise on various brewery configurations and not be tied to one manufacturer. You will get the best designed brewery to your requirements and budget.

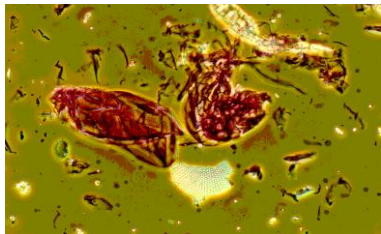
## 7. Start with Appropriate and Well Planned Brewery Equipment

In order to produce good, consistent beer you really need to understand what you want to achieve and then work backwards to acquiring and assembling the right gear for the job.

Don't be tempted to go the other way around where you buy gear that is at a bargain basement price only to find it produces beer short of the ideal conditions.

Have you ever gone into the Bargain Basement at a department store only to purchase inferior quality garments which look tatty after the first wash and even fall apart?

Can you really afford to do that with your brewery?. This is really the foundation of good brewing just as a good foundation in a house can prevent cracks in the brickwork and plaster to appear later on.



Actual Particulate  
development in poorly  
produced beer

Would you bypass a consultant and go directly to the supplier to order your equipment?

Anyone can do this but the driving force to your decision should be quality and getting the right specifications to deliver that quality. Can you really afford to do that by yourself?

You wouldn't represent yourself in a court of law; you get a good lawyer to do that for you because he acts in your best interest and has the right knowledge and experience to do so.

Likewise a good, experienced brewing consultant will act in your best interest and make sure the beer produced (from the advice and equipment chosen) is not only tasty but consistently produced with a relatively long shelf life, with long flavour stability and free of haze and particulates.

## 8. Learn how best to use your brewery to best effect!

You wouldn't mistreat your expensive car, or drive it like a 4 wheel drive in the wrong terrain. And imagine if you put diesel into your petrol driven car, just because it outputs more kilometers to the litre.

Similarly, having good equipment does not necessarily mean you will produce good beer. Knowing how to use it effectively requires knowledge which is the key.

Knowing what to do when and monitoring brewing processes is paramount to making consistently good beer. This can make or break your business. Quality counts!



So you need good knowledge and an attentive brewer willing to fly with that. Steps 3 and 6 where you learn the right way to brew and employing a good consultant will get you on the right track quickly!

This will save you time, money and heartache in getting you started to brewing exceptional beer right from the start.

Shorten the learning curve as much as you can and you will have less hassles when you do your first brew.

It's like leaning to drive a car. A good instructor will get you quickly to the point of being competent enough to try for your driver's license. No time wasted in retying for your license over and over again until you pass.

## 9. Look for a Point of Difference

Don't look past knowing how to have a good shelf life for your beer! This is often overlooked by many brewers! (And I go as far as saying by most microbrewers).



*The first generation of microbrewers learnt how to run their business but most failed on how to keep the quality of the beer long after it has left the brewery!*

The result is stale tasting beer at best after a short time in the trade. You no doubt have experienced this.

Sometimes the beer also develops sourness due to infection which was not evident when brewed.

Consistency is the key and longevity of your flavour and visual profile of your beer.

Consequently, the brewer is forever fighting against a losing battle in this regard which consumes a lot of their time and energy *just figuring out* what is going on and not completely being able to work it out.

And time costs money. Bad beer means not only loss of sales but can result in loss of your business!

Understand how to brew quality beer and *how to keep it!*

The next generation of microbrewers will be trying to get an unfair advantage in the way their beer lasts in the trade. Keeping beer brewery fresh is and has been paramount to the big brewers and should also be your goal. The consumer deserves nothing less and he/she is becoming more discerning as time goes by.

So don't overlook this most critical aspect of making good beer.

How you do this is partly explained in the next step.

## 10. Set up an Analytical Protocol

Measure the major parameters in your beer. Many microbreweries forget about



the major analyses of beer and brew mainly by their seat of their pants. Until they get undone and the “proverbial” hits the fan, so to speak, with unsavory beer or worse still being pulled up by the ATO for incorrectly labeling the alcohol content in the beer.

This can be a costly exercise in fines or recalls and can mean the end of your business.

Flavour tasting is an important aspect of quality control but it must be backed up by analytical analysis.

You can only change or fine tune your process if you can measure it and get feedback on your processing abilities as well as the plant's abilities. Nothing less will do, especially if you are looking at ***consistently producing beer of top quality!***

Some of the parameters I measured when heading a microbrewery were;

- Dissolved oxygen
- Carbonation levels
- Alcohol
- Bitterness
- Density
- Colour
- pH

The beer we produced for ourselves and customers won various International beer awards and the flavor stability and consistency was among the best in the industry.

This is also another way to differentiate yourself from the pack.

In the end, your consumer will vote with their taste buds and will not come back if there is an obvious variation in the taste of their favourite beer.

## 11. Finance Yourself Adequately

You need to be able to finance the capital and running costs. Whether you have investors backing you or you use your own money or get a bank loan make sure that you don't over commit.



Always allow at least about 20-40% more on the estimation of setting up your business because it's common to underestimate costs.

It's better to have a little in reserve for those unexpected costs.

If you have a sound business plan then it makes it easier to raise the capital.

Also, if you have good people supporting you then you will have a good business case to getting the funds you need.

Remember, it's not only return on investment that investors are looking at, it is also the risk. The sounder you plan the lower the risk and the more likely you will be funded.

If your investor fails to fund you then you probably haven't given him enough confidence that your plan will work.

Don't give up. Learn from that and go back and rework your business plan.

Remember, it's not about getting the cheapest brewery possible in the hope that you don't scare off your investor. Always start with a brewery that will deliver the best possible beer and then work your business plan to support this.

## 12. Good Marketing

Yes, good marketing is important, but remember that all the marketing in the world will only sell your beer once if there is a quality problem or inconsistency in flavour.

How many times has this been the case? If you examine the brewers that have failed or those that have their business up for sale you'll likely notice that it's usually because of inconsistent beer. Once the beer is consistent and monitored on a consistent basis then good marketing can sell your beer.

Many businesses believe that marketing is the driving force to their success.

I have seen the negative effect of even the biggest brewing company in Australia because of this premise. Quality suffered, in some ways, because of it, and the business model changed sufficiently to cause a dramatic loss in sales.

It's best to get your beer almost perfect and then let marketing do its job.

Ok, I haven't given you any tips on marketing. I'm no expert in this but am working on it. So if you want to know a little about marketing your craft beer go here, [The Four Essentials to Effective Craft Beer Marketing](#)

## Where to from Here

You will no doubt have many more questions on what I have outlined above.

Don't panic. Good beer planning takes time and effort. Be patient.

Costanzo Brewing Consultants can help with all of that. I have spent decades working on the quality of beer. My specialty is in getting and maintaining the longevity of the beer and its freshness. This is a very specialized area with too few people in Australasia knowing how to fix this problem (of staling of the beer).

As one student of the Costanzo Brewing School said;



*Just wanted to give some feedback on the Master brew course I attended in March.*

*I have been home brewing for a couple of years and all grain for about one. Having read a few books on all grain, my brews always turned out differently.*

*Living in Sydney I searched to see what course were available, comparing Costanzo Master Brew course to others was a no brainer to me. It was focused on the Home brewer growing to Microbrewery.*

*The content set out was very easy to understand and small class sizes meant that questions could be answered in detail. The home brewer is constantly faced with an uphill battle compared to the big boys. For this reason any serious home brewer should seriously consider the Master brew course. Focusing on the main "rules" in brewing, having the experience of doing a full brew at the hotel, my latest brew has been the best so far.*

*The course also uses the principles and practices to continue every home brewers dream, their own microbrewery.*

*Vince's wealth of experience in the industry is second to none, moving from each segment of the beer industry, there is a story that he has from each that he has combined in all of the courses content.*

*-John Szucs – engineer, Sydney Masterbrew course (5/5/2014)*

## **What Costanzo Brewing Consultants will offer:**

- ✓ Teach you scientific principles as the cornerstone of brewing great beer
- ✓ Offer advice on quality control and the means of measuring and achieving it
- ✓ Develop recipes if needed to your specifications
- ✓ Offer brewing equipment that will facilitate the attainment of good, consistent beer. Our resident engineer will assure that the design and specifications of each bespoke brewery will deliver what it is meant to deliver. Good, consistent quality beer
- ✓ Offer correct training to facilitate using your brewery correctly
- ✓ Guarantee on all equipment and training
- ✓ Follow up audits

## **The 9 benefits to gaining good advice, equipment and brewing protocols will enable you to:**

- ✓ Brew beer of exceptional quality and consistency from the start
- ✓ Enable your business to grow organically with little risk of failure
- ✓ Build a reputation for good products and service
- ✓ Enable the profits to be used in further development of your business
- ✓ Less anxiety and stress for all workers
- ✓ More productivity from your workers with similar business vision and goals
- ✓ Greater efficiencies from brewing meaning increased profits
- ✓ Reduced production costs due to correct ingredient use and efficiently running equipment
- ✓ Increased sustainability

## Engagement

You should decide to engage someone with the right level of brewing and quality assurance experience and with that you need to budget for their services.

Depending on the size of the project and time required to bring your project to fruition will determine the appropriate fees.

With a consultant you will be able to shorten the time to getting a production facility up and running of suitable quality and of course that means cash flow starting much earlier.

You will avoid a lot of traps that will in the end cost you probably more than if you hired a good consultant. And not to mention the pain and heartache it would be for you in trying to sort out the problems.

The work is guaranteed and you have peace of mind knowing the gear will work as designed and produce beer of *good quality and consistency*.

It's really the most cost effective option because you save money in the long term and work with a brewery that is a pleasure to work with rather than it being a hindrance every time you use it! (I should know; I've worked in breweries for many years).

You've heard the phrase "Get it right first time". Well now you can. And I don't say that lightly. I take it seriously because I know, not only how to do it, but also realize a prospective microbrewer is risking much of their life savings into their project. So you really don't get a second chance.

This document is a much abbreviated document on brewing better beer. For further information feel free to contact Precision Brewing Systems (Costanzo Brewing Consultants).

Why not call me today on +61 (0)408 104 176 for a free ½ hour discussion, worth \$75, to see how and why we can help your brewing project get off the ground.

P.S. Go on, to have read this document you most likely have been thinking about owning and running your own pub brewery or microbrewery for some time. So take a little time to pick up the phone and talk to me.

Don't forget that this is a growth industry. The only question is whether you are passionate enough to want to start and be a part of it.



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**Director,**  
**Precision Brewing Systems**  
**(Costanzo Brewing Consultants)**

