



Longevity – What is the Lifespan of a Business?

By Tom Hennessy, Colorado Boy Brewing



Opening of Pranzo 1989 Rick Post, Greg Atkin, Tom White, Me

Note: You can subscribe to Tom's blog, The Affordable Brewery, [here](#).

I would like to blow up the myth that businesses have to fail eventually. It would seem that so many businesses come and go, and if you just look around your own town you can certainly see evidence of that.

But if you look a little deeper you see that, yes indeed many small businesses fail, but there are some that just keep going on for generations. Now why is that? It surely isn't a fluke that one kind of business can just continue, while a once extremely popular place fizzles after five years. I believe it comes down to three basic elements.

- Quality
- Value
- The Business System

Quality

You certainly aren't going to open a brewery just to make money (I hope). You open a brewery because you truly love the craft. Brewing beer is an expression of your desire to make something with your own hands that you feel is outstanding. And it goes further than just the

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beer you brew. It's the look of your business, or the type of glassware you choose and how you strive to keep the glasses clean to present the beer in the best possible light.

It's the service that you give to your customers, but also the service you personally give to your fellow workers.

It is the presentation of your business to the outside world as a reflection of who you are and what you believe.

Value

Sometimes this simple thing gets overlooked, but it is truly a business driver. Your customers have to feel that they are getting something of value for their hard-earned dollars.

Value is more than a price vs. product thing. It is providing the unexpected. At Colorado Boy we present the guest checks in vintage books. I had a customer say he expected good beer, food and service, but when he got Shakespeare he was blown away.

Getting back to glassware, it could be serving a type of beer in it's appropriate glass, like the Belgians do. It is unexpected and the customer just say's "oh, that's cool". You just added value to that pint.

But it also has to be affordable to the customer. We don't have a Costco over here in Rural Western Colorado. The closest one is over in the Vail Valley - three hours away. Now why do a bunch of rich people flock to a huge place with exceptional prices? They want to save money just like the rest of us of course. So in you brewery you don't just create value by having fancy this or that, but your prices also have to give your customers a feeling of value as well.

To be able to do this without losing money you need to have a very solid...

Business System

Yes, I believe this is the one thing that adds to business longevity the most. I say that because of so many mediocre businesses that have been around since I was a boy. I know they have really good systems for running their businesses.

Much of what makes a brewery so great is very touchy-feely. It comes from the owner's vision of what she/he/they want to create. But the next step in creating longevity is to codify that vision into a workable system that can keep the business running on its own, without the constant presence of the owner. Like I always say, go into Starbucks and ask for the owner.

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For my business system (which has kept our businesses open for over 30 years, it goes like this.

1. Identify the positions ie. brewer, general manager, shift manager, bartender, server, cook, dishwasher and so on.
2. Create a training checklist for each position
3. Create a daily checklist of duties for each position
4. Create weekly side-duties for each position (above and beyond the daily check list
5. Create a [GM Book](#)
6. Set up a [Scoreboard](#)
7. Do Internal Audits, where each manager is in charge of a certain area of the business.
8. Have someone do a Monthly External Audit to make sure the business system is actually being used
9. Manage your [Oyster](#)

Your business really can last for decades without you slugging it out in the trenches day after day, but there are no shortcuts. You really have to do the steps and it is so worthwhile. They don't have to be my steps, you can certainly come up with your own **Business System** that works for you.

However you also still need to provide **Value** to keep customers coming in the door and of course **Quality**, because, hey, we are brewers and we care about the **Craft!**



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Tom Hennessy has opened seven breweries of his own and helped open over 100 more with his Colorado Boy Brewery Immersion Course. His video Frankenbrew, from 1995 has become a cult classic in the brewing world. His three brewing books include The Brewery Operations Manual, Colorado Boy SOP, and The Affordable Brewery. Tom lives, brews and writes in his mountain town of Ridgway, Colorado.