

Equipment Capacity Planning

Brewery and Production Planning 101: Part 1

by Derek Wasak, Plato Brewing & Consulting

There are many considerations when opening a brewery. From your brand, business model, and location all the way to product development. While those are all fun and have their challenges, another equally important (albeit less sexy) component of your start up brewery and business plan is capacity planning. Capacity planning will not only help you choose the right equipment for what you want to brew, but be comfortable that you can brew as much as you want to sell, both now and in the future. It will also give you a clear idea of your capacity limits to make informed decisions and plans about considering new large equipment purchases.

- **What are you going to brew?**

This first consideration may seem like a no brainer, and it is. But take a moment to really think about what you are going to brew. How many Beers do you want to keep on tap? How do those styles differ? How long will those fermentation times take? What is your maximum tap space? What is your expected rate of sales? How many brands will be available at any given time?

All of these are very important questions you must ask yourself, else you may find you lack the space or tank flexibility to keep beer on tap and accomplish your company goals!

- **How are you going to brew it?**

Once you have really thought about what you will be brewing, the next important question will be how exactly will you brew it? Will you regularly use decoction mashing? How many yeast strains will you expect to manage at a time? Do you have a unique or proprietary super secret process that requires a special piece of equipment or custom tank modification?

Both of these first two questions will require you to think past the conceptual part of business planning. Writing out an initial beer portfolio and brewing plan for year 1 is exciting and brings the vision of your business into view more clearly. It will also help you to answer all these questions and more while you do so.

- **How much do you plan to sell both now and in the future?**

The third very important question is how much do you plan to sell in year 1 and beyond. Before you plan for your brewing capacity, you must first know what your sales goals are! This will depend on many factors: business model, location, taproom traffic, distribution range and plans, as well as your ability to

Equipment Capacity Planning

(page 2)

grow and how you plan to do so. Growing rapidly through outside distribution will likely take a large facility and a lot of up-front capital and resources to get to a place of profitability, while a tasting room

model can yield much higher margins but pose other possible risks and barriers (see: COVID in person business shut downs of 2020).

If you are able to work beyond the initial brewery concept and answer these key questions, you will be able to effectively plan your brewing capacity, brewery equipment selection, and consider future expansion plans with relative ease. Capacity planning may not seem like the most fun exercise if you aren't a Brewery Consultant/Brewer, but it is a very necessary one to establish a foundation that will allow your business to grow and accomplish the goals you set out to achieve!



Contributing Author

Derek Wasak

Owner/Brewery Consultant, Plato Brewing & Consulting

Derek is a graduate of the Siebel Institute/World Brewing Academy and has been a professional brewer specializing in Production and Operations Management since 2009. He is an expert in all things brewing from grain to glass as well as brewery planning, forecasting, budgeting, and construction. He founded Plato Brewing and Consulting Inc. in 2019 to share his knowledge and experience.