ESTD M3 2015

MAD BULL

BREWING CO.

Bites & JARS

# - OPERATIONS OVERVIEW -

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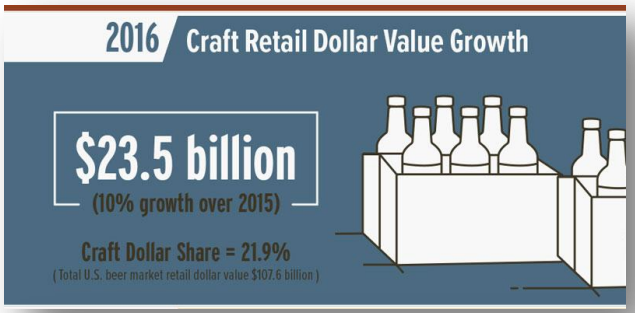
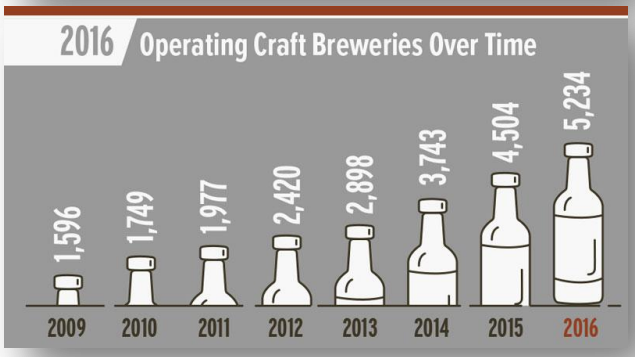
# PROVEN CONCEPT

The craft beer revolution started in USA in the 1990's when there was only a handful of craft breweries. There are now over 5,200 craft breweries in UK, a rise of 17% in 2015. 300 new craft breweries opened in UK in 2016, a rise of 18%. There are now almost 2000 craft breweries operating in UK.

Europe has witnessed a significant growth in the number of craft microbreweries which have grown by 72% in the last five years. Europe's microbreweries are continuing to fuel the craft beer revolution in bars, pubs and liquor stores across the region. The craft beer industry has proven that craft beer is not a fad or bubble industry. Large UK craft brewing companies such a BrewDog, continue to see growth year on year.

The concept of opening a craft brewery and/or distillery has been proven time and time again as consumers continue to request quality over quantity. This growth has been in direct response to increasing demand from beer drinkers, who are demanding better quality, better flavour and more choice – all things which independent craft breweries can offer. The latest concept of first opening a brewpub or taproom to develop your beer styles, building a customer base and create a brand is proving to be even more successful.





# GIVING CUSTOMERS A REASON TO RETURN

As stated in the Concept Presentation, in today's competitive market you must give customers good reasons to return. La Sala Puerto Banus has proven that by providing live entertainment and daily special offers it is possible to be busier and generate more income than other restaurants in the same area.

The Brewpub concept and the Marbella Forum building will allows BITES & JARS many opportunities to increasing customer frequency.

- **Brewery Events** -
    - New beer launch and tastings.
    - Seasonal beer releases.
    - Group brewing of your own beer.
- **Daily Special Offers** - Customers love taking advantage of special offers.
- **Live Music** - The Marbella Forum club license allows us to provide live music.
- **Partnership Events** - Having an awesome new restaurant concept will allow us to partner with suppliers and other businesses to hold events and promotions.
- **First Friday** - First Friday is an American idea. BITES & JARS will hold a special event every first Friday of the month. These events will include live entertainment and special food offers and will become a local event everyone in Marbella will know about.
- **Terrace and Car Park Events** - Having a large terrace and our own car park will allow us to hold special events like beer tasting events, organic markets, live music block parties and seasonal events like Halloween Boo Fest, German October Beer Fest, Christmas Market and meet Santa etc. As well as club and corporate events.

# BUILDING A BRAND

Great restaurants generally last around 10 years before needing to be renovated or reinvented. However a great beer or spirit could last a lifetime. The BITES & JARS chain is simply a mechanism of generating income by selling our craft beer and spirit. The BITES & JARS Restaurants and Taprooms will open and close, but our team's end game is to build strong brands that will grow and generate income for decades to come.

*The brand is one of an organization's most valuable assets. With brands like Apple valued at $98 billion and Coca Cola at $79 billion, it's understandable why building and protecting a brand is so important.*

Branding involves every aspect of a customer's experience, from your logo to your website, your social media posts, staff uniforms and advertising. Beyond just a memorable logo, good branding increases the value of a company, creates trust, builds financial value, provides employees with direction and motivation, and makes acquiring new customers easier.

Ultimately a brand gives you something to raise finance for growth and an identity to sell during an exit strategy plan.

# OPERATIONS

# FIRST GET THE BASICS RIGHT

There are many aspects to opening a successful restaurant, but there are four fundamentals you MUST get right :

**1.) A great concept.**

**2.) A great location.**

**3.) A great management team & head chef.**

**4.) A great marketing plan.**

These items need to all work together to develop a successful restaurant concept.

<u>Other key factors for success are:</u>

1.) **Hire good staff** - then be prepared to continually train your staff to make them great.

2.) **Review and improve** - continue to review and put better systems into place to make every aspect of the operation smoother and better.

3.) **Don't be cheap** - customers love complementaries, spend money on comps as well as marketing and advertising.

4.) **Marketing** - continually give reasons to come back with offers and entertainment.

5.) **Talk to everybody** - continually engage with your customers, new and old.

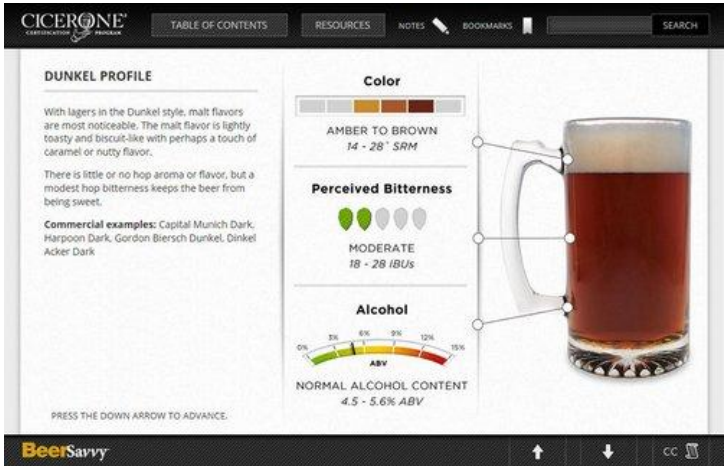
6.) **Above all else** - offer outstanding service and hospitality to every single guest.

# STAFF EDUCATION

A waiter just takes your orders, right?… **WRONG!** So many restaurant owners fail to understand that their restaurant's front of house staff are the business sales team and you can't expect your sales team to be knowledgeable about the products they are selling or to care about selling if you don't train them.

A well trained workforce saves your restaurant time, money and therefore increases profitability. Every single member of the restaurant's team, from the waiter and kitchen staff to the managers, needs to receive training to make a restaurant profitable, give customers a great experience and to understand the business goals and mission.

All BITES & JARS staff will have to complete an in-house training program and Beer Bootcamp where they will learn everything about beer. These tools will give staff the knowledge and confidence to be able to provide our customers with the true BITES & JARS experience and ultimately increase the restaurant's turnover. BITES & JARS will also hold mixologist bartender's training programs.



# MANAGER AND STAFF TRAINING IS KEY

The most common reason why many businesses and restaurants fail during expansion is a lack of effective management and staff training. A common problem is insufficient training structure and the tools needed to quickly train a new location's staff. When opening a new restaurant, an organisation needs to have the necessary structure and trained talent to expand without jeopardizing the company's reputation, core values or customer's expectations.

The first location, with its high volume summer tourist traffic and quieter off season, will make an ideal training center.  Hospitality is a team sport and our managers will have the tools available to make everybody on their team successful.

# INTERNAL MARKETING

Many restaurant owners think that simply putting an advert in the local paper or radio is their marketing plan. In today's connected and interactive world there are so many more ways to interact with customers.

**INTERNAL SIGNAGE** – TV's shouldn't just be for sports or have a blank black screen, they should be used as internal signage. The BITES & JARS screens will show suggestive marketing about our beers and specials.

**CUSTOMER ENGAGEMENT** – When guests request their bill they are given an Android tablet that has the BITES & JARS customer engagement APP installed. This is their chance to tell us about their beer tasting and dining experience. Join the E-Club (email list) to receive discount coupons. Join our BITES & JARS VIP members club and receive exclusive offers and discounts every time they return.

**LOYALTY PROGRAM** – Misguidedly, most restaurants spend 80% - 90% of their marketing budget on attracting new customers. The fact is new customer acquisition is 8-10 times more expensive than building restaurant sales through increasing customer frequency, increasing customer's spending and increasing customer's party size. If on average a local customer visits your restaurant once a week and the loyalty program brings these local customers in twice a week, you have just doubled the restaurant's local business.

# BUILDING A BREWERY & DISTILLERY BRAND

Brewing good beer is a science, but brewing great beer is an art. The recent craft beer revolution has been mostly started by men with beards that brewed at home and fantasized about turning their hobby into a new career. This can be a very costly and time consuming learning curve. To avoid this, the BITES & JARS team has developed a structured plan to build a brewery business in the following steps:

**Step 1) Open a Brewpub** –

- Gives customers the opportunity to support their local brewery.
- Lower running costs, lower equipment costs, no expensive bottling line and no distribution costs.
- Tasting panel on premises, customer can quickly provide valuable information and feedback on new beers, this is harder to obtain with a production brewery.

**Step 2) Open Brew Pub Distillery** –

- Craft spirits are the next big thing with sales growing fast as consumers request premiere spirits.
- Craft spirit manufacturing is easily achieved once the brewery is installed.

**Step 3) Microbrewery** –

- After running a Brewpub, there is a less costly and time consuming learning curve to becoming a full blown brewery.
- Proof of product and concept is valuable to obtain brand expansion, funding and distribution opportunities.

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EXPANSION

# SALES CHANNELS

The goal of every business is to increase sales. The brewpub and craft brewery concept is the ideal business model to achieve this goal via a diverse sales channel:

1.) Internal Sales – Sell craft beer to customers in the brewpub.
2.) External Sales – Sell craft beer to customers to consume outside the brewpub.
3.) Delivery – Deliver craft beer directly to customer's homes, parties and events.
4.) Catering – Provide craft beer stand for parties, weddings and events.
5.) On-Line Sales – Sell our craft beer to customers on-line.
6.) BITES & JARS Restaurants & Taprooms – Open taprooms in local cities and sell our own beer.

The next level of sales is distribution. This increases sales volume but at a lower margin and means employing sales staff. This step will be taken once the business is ready to start packaging for distribution.

# BITES & JARS – RETAIL SALES, DELIVERIES & CATERING

The Americans call it “leaving money on the table”. It means missing out on the opportunity of getting more money, or the opportunity of earning more money from selling more of your product. If you manufacture a product, you need to have a team that is constantly thinking of innovative and creative ways of selling that product.

- BITES & JARS will sell its craft beers for take away and on-line.
- BITES & JARS will deliver craft beer directly to customer’s homes, private parties, events and other bars and restaurants in the area.
- The MAD BULL mobile bar will be used at events, private parties, ferias, concerts and weddings along the Costa del Sol.
- The MAD BULL Craft Beer Truck will be the first beer truck on the Costa del Sol supplying MAD BULL craft beer to all types of events.

# NEW LOCATIONS

The ultimate way to sell more of our craft beer at a high margin is to open more of our own BITES & JARS Taprooms locations. The BITES & JARS concept has been developed with the goal of opening more locations in some of the worlds most exciting cities.

It is hoped that the next BITES & JARS locations will be opened in Malaga and Seville, which are both currently vibrant and busy cities. Only when the BITES & JARS management training program has proven fully successful will the BITES & JARS team expand to other national and European locations.

- MALAGA -

- VALENCIA -

- SEVILLA -

- LONDON -

- MADRID -

# MAD BULL CRAFT DISTILLARY

Craft spirits is fast becoming the next big thing! And the next big thing in craft spirits is small batch casket aged sprits. In 2016, 45 new distilleries opened in UK and craft spirit sales increased by 18% in just one year. While this growth is consumer-led, as customer's demands for better quality and different tastes increases, pubs and supermarkets are also embracing craft as they are premiere products with higher margins than mass products spirits.

The BITES & JARS brewery team is also experienced in distilling. Once the brewpub is operational, the team would like to quickly move into distilling craft Gin, Vodka and Whiskey. Gin and Vodka are relatively easy to distill and Whiskey is basically made from beer. It's not a difficult move to add a distillery to the brewery equipment.

# CONTACT DETAILS

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## Presentation Notes

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