

How to Build Your Brewery Key Metrics Dashboard

Kary Shumway, Founder, Beer Business Finance & Craft Brewery Financial Training

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Free Brewery Key Metrics Mini-Course

What you'll get:

- Scorecards and templates to download
- Best practices to measure, monitor and improve your KPIs
- Key questions to identify your KPIs



Housekeeping

- Video replay and presentation deck will be emailed to you
- We love questions: What's on your mind?
- Get in touch:
- **Kary@BeerBusinessFinance.com**
- **Alec@goekos.com**

Introduction to Kary

- Kary Shumway, CPA, CFO, Numbers Guy
- Founder of Craft Brewery Financial Training.com and the Beer Business Finance Association
- **“I help breweries increase profits and cash flows”**
 1. Content – Brewery financial training courses
 2. Community – Network of brewery operators
 3. Coaching – 1-on-1 help to improve financial results

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Introduction to Alec

- Alec Johnson Solution Engineer – Head of Industry Beer at Ekos
- Been at Ekos for 9+ years

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Overview

- 50+ Brewery Key Metrics
- Key Performance Indicators (KPIs) Best Practices
- Sample Scorecards and Templates
- Tips to Build Dashboards in Brewery Management Software
- Key Takeaways

50+ KPI Examples

- Revenue / BBL – Distro
- Revenue / BBL – Taproom
- COGS / BBL
- Margin / BBL
- EBITDA / BBL
- Net operating income / BBL
- Revenue / FTE
- Sales growth %
- Average guest check
- Taproom customers / month
- Taproom sales mix
- Distro sales mix (draft, package)
- Revenue / Available taproom seat
- Brewing labor hours / BBL
- Brewing labor \$ / BBL
- Packaging labor hours / BBL
- Packaging \$ / BBL
- Brewing yield %
- Packaging yield %
- Inventory count accuracy
- Inventory days on hand
- Accounts receivable days sales outstanding
- Debt service coverage ratio
- Tangible net worth ratio

50+ KPI Examples

- Payroll as % of sales
- Lease expense as % of sales
- Employee turnover
- Employee satisfaction
- Customer satisfaction
- Number of tasting events / month
- New placements through distro
- Buying / non-buying accounts
- Average taproom tip %
- Training hours / employee
- Customer retention
- Pour loss vs expected
- Inventory shrinkage
- Upsell opportunities achieved
- Turnover of BBLs by tap handle
- Margin % on draft / kegs
- Margin % on package products
- Beer brewed vs packaged vs sold
- Safety, workplace incidents
- Total tickets sold per event
- Website visits
- Social media followers
- Post views, email subscribers
- Donations \$, community svc hours

5 KPI Best Practices

1. Measure what matters, what makes a difference
2. Build cascading KPIs
3. Share the goal and provide regular updates
4. Benchmark Against *Your* past Brewery Results
5. Avoid KPIs that are difficult, time consuming, or impossible to calculate

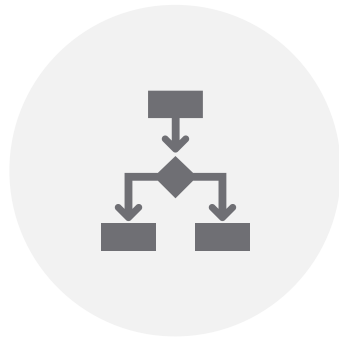
Measure What Matters...

How to identify What Matters...

- What keeps you up at night?
- What is the biggest opportunity to take advantage of?
- What is the biggest problem you need to fix?

- My story...Cash keeps me up. Running out of cash...

Why measure KPI's in Ekos?



**BETTER DECISION-
MAKING**



**ENHANCED
OPERATIONAL
EFFICIENCY**



**IMPROVED OVERALL
PERFORMANCE**

KPI's in Ekos



Inventory



Production



Sales



Accounting

“Key” points to getting the most out of your KPI’s in Ekos



Leverage Ekos Features
for Real-Time Data



Utilize Reports



Use Visual Dashboards

Financial KPIs

Summary P&L: Sales, Margins, Profit

- One page, use financial short cuts

Taproom, Self-Distribution, Wholesale

- Analyze results by business unit

Portfolio Margins

- Package type: Keg, Package (cans, bottles)

Taproom KPIs

- Sales, average ring, customer visits

#1 Summary P&L with Key Metrics

Income Statement			
Brewery Financial Metrics			
<i>Summary Income Statement</i>			
<u>Summary Income Statement</u>	<u>Full Year</u>	<u>% of Sales</u>	<u>Plan</u>
Sales	\$ 5,000,000		
Cost of Sales	\$ <u>2,750,000</u>	55%	50%
Gross Margin	\$ 2,250,000	45%	50%
Operating Expenses	\$ <u>1,500,000</u>	30%	30%
Net Income (Loss)	\$ 750,000	15%	20%
<u>Key Metrics on Income Statement</u>			
EBITDA	\$ 1,000,000	20%	25%
Payroll	\$ 1,100,000	22%	20%
Lease Expense	\$ 250,000	5%	5%

#2 Financial Results by Business Unit

Income Statement				
Brewery Financial Metrics				
<i>Metrics per Barrel (BBL)</i>				
	<u>Total</u>	<u>Taproom</u>	<u>Self-Dist</u>	<u>Wholesale</u>
Revenue / BBL Sold	\$ 350	\$ 1,000	\$ 400	\$ 270
Gross Profit / BBL Sold	\$ 158	\$ 600	\$ 230	\$ 100
Operating Expense / BBL Sold	\$ 105	\$ 200	\$ 220	\$ 75
Net Income / BBL Sold	\$ 53	\$ 400	\$ 10	\$ 25
EBITDA / BBL Sold	\$ 70	\$ 425	\$ 15	\$ 30

#3 Margins by product type

Income Statement			
Brewery Financial Metrics			
<i>Metrics per Barrel (BBL) - By Package Type</i>			
	<u>Kegs</u>	<u>Packages</u>	<u>Notes</u>
Revenue / BBL Sold	\$ 275	\$ 350	Highlights difference between Keg / Package beer
Gross Margin / BBL Sold	\$ 138	\$ 140	Break down Package beer further - Cans, Bottles
Gross Margin %	50%	40%	Gross Margin \$ is usually higher on package beer However, Gross Margin % is usually lower

#4 Taproom Metrics

	Actual Month LY	Trend Month TY	Goal Month TY
Total Sales	\$ 100,000.00	\$ 105,000.00	\$ 115,000.00
Sales Growth	+10%	+5%	+15%
Average Ring per Customer	\$ 21.74	\$ 22.58	\$ 24.21
Total Customer Visits	4,600	4,650	4,750
Revenue per BBL	\$ 950.00	\$ 900.00	\$ 975.00

Key Takeaways

- Kary: Know your numbers
- Alec: Data, Data, Data!

Thank you!

Brewery KPI Course

- Scorecards and templates to download
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