

## SWITCHING TO SELF-POUR BUSINESS MODEL

### **ABOUT THE CRAB HOUSE**

Since The Crab House opened in 2014, it has been well received by the people in their Virginian town. Their crabs are the best in town and the atmosphere is great. The staff is pleasant and the location is easily accessible.

While the spring and summer were strong seasons for The Crab House, it was becoming more and more difficult to turn a profit during the fall and winter every year, which created financial challenges for the owners.



#### **CHALLENGE**

In November 2016, The Crab House was in a quandary. The fresh crabs and savory seafood menu was superb, but the crowds were just not coming and it was on pace to lose \$256,000 by year-end.

Beer sales were less than **8%**, with beer cost of goods at **50%**. Payroll was coming in at **40%** and food cost was over **55%**. This establishment was struggling like so many restaurants.

Going into the winter of 2016/2017, the owners decided to combat what they were expecting to be yet another difficult winter by innovating and pivoting. With craft beer continuing to grow in popularity and having done a large amount of research into a new concept involving self-pour taprooms, they set the wheels in motion to make the transition.

Having seen the PourMyBeer system in action at several locations in Virginia, the owners decided to make the investment, revamp their brand, update their menu and leverage PourMyBeer to move their dream forward.

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Payroll was coming in at 40% a month and food cost was over 55%.



#### **SOLUTION**

The 40 tap system on 20 of PourMyBeer's screens cost approximately \$52,000, with build-out of the draft system and wall adding another \$34,000. The investment proved to be a success. Plus, in the spirit of the holidays, PourMyBeer and AC Beverage (a Micro Matic Certified Installer) pulled off a Christmas miracle, completing the project in less than 6 weeks.

#### RESULT

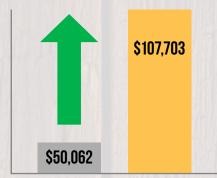
The Crab House, once a struggling business on the brink, has gone from losing over \$250,000 in 2016 to profiting \$260,000 in 2017 – a \$516,000 swing!

# \$22,782

**BEER SALES PER MONTH** 

Draft beer sales increased **529%** from **\$4,306** in January 2016 to **\$22,782** in January 2017

#### **NET SALES PER MONTH**



Net sales increased **215**% from **\$50,062** in January 2016 to **\$107,703** in January 2017

#### **PAYROLL**



Payroll decreased from **40%** of Net sales in 2016 to **18%** in 2017, resulting in a **45%** payroll decrease







2017 was not just an anomaly. 2018 and 2019 brought even further success with the beverage sales continuously growing, which led the owners into opening another successful location with PourMyBeer tech in it.

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