

SMALL BATCH STANDARD HELPS FOUR SAINTS BREWING COMPANY GAIN MOMENTUM BY INCREASING PROFIT, OPERATING WITH CONFIDENCE, AND REDUCING RISK



We're small, and the level of care, concern, compassion, interest and support they provide, it makes me feel like a big brewery. They give a damn.

JOEL McCLOSKEY

Co-Founder, CEO,
Four Saints Brewing Company



THE CHALLENGE

In Search of A Straight Answer

Joel McClosky and Andrew Deming started off humbly – developing and polishing their recipes as homebrewers. But one thing led to another, and they ultimately made the commitment to open Four Saints Brewing Company in 2008. As it turned out, transitioning from hobbyist to professional came with many unforeseen challenges.

For the next few years Four Saints operated successfully, but needed to increase cash flow. Unfortunately, having gone through several different CPA's, they hadn't yet established the accurate financials they needed to make the necessary changes to increase cash and profitability as they grew.



Four Saints Brewing Company, located in Asheboro, North Carolina, is the first and only brewery in their county, after the residents of Randolph County voted to end 60 years of prohibition in 2008.

They host an eclectic and wide mix of brews, from experimental releases to classic imperial stouts, and have cemented themselves as a staple of their local community.

HIGHLIGHTS

CHALLENGES

- x Needed an increase in cash flow
- x Wanted accurate financials to fuel confident decision-making
- x Needed the ability to perform margin analyses to determine the strongest portfolio possible

SOLUTION

- x Engaged *Small Batch Standard* for their Numbers Powered Growth service
- x Implemented an improved software stack to organize and streamline the back office while enhancing the accuracy of their financials
- x Developed clarity on the financials, provided customized best practices, and established a pathway to increased profits

RESULTS

- x Peace of mind, knowing the back office is handled
- x Trust in the numbers and significant financial visibility
- x A boost to ownership decision-making confidence
- x A consistent sounding board for the direction of the business for 2021 and beyond

THE CHALLENGE

“There were a lot of questions that I had been going around asking multiple people, either established breweries or brewery finance people, and nobody could give me a straight, simple answer. All I got was, well, it depends... Chris and Small Batch were the first people to give us those answers.

So after their third year in business, they decided to reach out to the team at Small Batch Standard for help, and found that their focus on industry standards and metrics finally gave some answers to Joel and Andrew's questions.



THE SOLUTION

A Trusted, Augmented Team

After engaging with SBS and their Numbers Powered Growth service, the process began by pairing the Four Saints team with an SBS Brewery Accountant, guiding them through the onboarding process, and enhancing their software stack and chart of accounts. This streamlined the bookkeeping and monthly accounting process, which set the stage for the SBS Consulting Team to then interpret their numbers and begin to uncover opportunities.

Once the financials were squared away, the SBS team was then able to spend time talking with Joel, Andrew, and the team at Four Saint's to understand where they needed clarity in their decision-making, and then translated those needs into a set of goals and recommendations best suited to the brewery's needs and the growth phase they were in.



THE SOLUTION

“I think the number one thing that surprised me would be the people at Small Batch. The people that I’ve worked with so far, Chris and Allison and Tom, they all seem to have the heart of a teacher. Instead of talking at me or talking down to me, it’s a genuine conversation, it’s talking with me. As we were walking through the beginning parts and looking at some of the numbers, they made me feel comfortable to say: hold on, I don’t understand that. Tell me that again in simple, North Carolina speech.”

From there, SBS took a deeper dive into the numbers to benchmark Four Saints with breweries their size, and more specifically outline the moves they needed to make in order to generate more profit and increase cash flow.

“They have a good handle on being able to look at our information and to be able to present it to me in a way that I can digest, and give me the opportunity to ponder and think through some other things strategically with the right kind of information.”

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They know what I need to be looking at. When we have conversations, it’s looking at where we were, where we are, where we want to be. So, maybe buying a canning line at this point isn’t the smartest idea. Taproom number seems to be down. What has changed? What have you initiated? What did you stop?



THE SOLUTION



After several conversations and a consistent pulse of clarity, reassurance, and high quality communication, Four Saint's knew they had a trusted ally in SBS.

“ They take the time to get to know you. They take the time to get to know your business. They take the time to ask the questions to figure out how your brewery is different from the one that's up the road. And make suggestions that work. And it's not just, well, this brewery is doing that, so you should do it. This brewery is doing this, but it's probably not going to work at your place in the same way because of X, Y, and Z. So, how do we take that and make it into something? They take the time to get to know you, and then once they do, they have your back a hundred percent.

With clear financials, a clear back office, and a clear mind, Four Saints was now, for the first time, positioned to execute based on this mutually-beneficial exchange of ideas and specific financial guidance.



THE RESULT

Full Steam Ahead With Improved Confidence And Financial Clarity

As a result of their initial work with SBS, Four Saints was then armed with a set of customized directives as a result of the improved numbers and financial visibility on when to expand in their state, when to hold back, and which products were most profitable.



It lifted the fog. We were able to sit down and look at what we were doing and genuinely say, by industry standard, is our taproom successful? I can look at how much the beer costs us, how much we're selling it for, and I can see general gross profit... all that stuff. Working with SBS allowed us to be able to look at it from a couple of different lenses and realize there's a lot more work that we need to do in order to get up to what is considered an industry standard.

Since then, the team at SBS has acted as a consistent sounding board for Joel, who does not come from a typical business background. In turn, he has experienced a newfound confidence in decision-making and the overall direction of the brewery.



It's helped boost my confidence in being able to run the business. It's helped me set realistic goals for the company, for my teams. It's given me a sense of safety because the decisions are being made based on information and not just gut checks. And when a question does come up or I need to check on something, they're available. They give a damn. And that means a whole lot.



They take the time to get to know you, and then once they do, they have your back a hundred percent.

Small Batch
— STANDARD —

READY TO EXPLORE WHETHER

SMALL BATCH STANDARD

CAN HELP YOUR BREWERY?

Schedule a short exploratory call with the SBS team to learn more about our *Numbers Powered Growth* service.

REQUEST A CALL WITH SMALL BATCH STANDARD