



Phantom Brewing Co. Operations Statement

Introduction

Formed in 2017, Phantom Brewing Co was created due to a passion for craft beer and the brewing process. Having developed our own recipes and enjoyed them with family and friends at home, we were encouraged to take the step into professional brewing.

What started as a passion project at home soon led to a business plan that we are currently executing. Following a period of initial research, Phantom Brewing Co. took a lease on a premises in Meadow Road, Reading in 2019, from where its production of beer has increased to what it is today.

The existing site at Meadow Road has functioned and served the business well, but against uncertainties surrounding our lease, Phantom Brewing Co. has now purchased freehold of an industrial premises at No.6 Bridgewater Close. Phantom Brewing Co. is working to move its brewing operations to this new site, as a permanent home, in Reading.

Business Plan

We will continue to operate to our current business plan, brewing 4 x 1500 litre batches of our beers on a weekly basis that we intend to release as limited edition beers in order to evaluate to the ever changing market with a smaller commercial liability to the business.

These beers are then sold via distribution networks to pubs and bars throughout the UK (including Phantom Brewing's own bar, Echoes, located in Henley on Thames) and occasionally exported internationally.

Our current total brewing output at Meadow Road is 3000 hectolitres of beer annually, which will at least be maintained, with work to seek to increase output in response to anticipated growing market demand.

The great majority of our revenue is raised through sales to trade, though we currently make a small amount of additional revenue via on-site taproom sales, something we are seeking to continue at No.6 Bridgewater Close.

Brewing Operations

The premises at No.6 Bridgewater Close will be our sole production facility.

A schematic layout of the premises is provided to indicate how the new premises would be arranged. Notably, the space is arranged between four primary functions:

1. FV area containing fermenting vessels

2. Brew area, containing equipment including hot liquor tank; copper mash tun; cold liquor tank
3. Storage area, accommodating significant volumes of dry goods – malted barley, hops, yeast and flavourings – used in the brewing process, as well as cans and other packing materials;
4. Cold store area, which will be used to store fresh ingredients and where finished product is kept in climatically controlled conditions ahead of distribution to trade

There will also be canning and labelling facilities, with a canning line and labelling machine which will usually be kept on the production floor, but have the ability to be moved as required.

Brewing beer is not a noisy process. Noise from the machinery is never louder than conversational level; there is never the need to raise voices or shout when making beers. There is never the need for ear protection to be used.

The process is generally odourless too. As part of production, wort is boiled in a large vessel but the plant utilises a condensing stack which means that the steam and any associated odour is not released into the air.

On brewing days, the entirety of the ground floor will be required for production of beer and storage of stock, ingredients and equipment.

Ancillary Facilities

The arrangement of the premises will include ancillary functions.

Associated with the day to day use are toilets, kitchen facilities, staff area, plant room, IT / communications room, offices, meeting space and a locker room. These facilities will provide for the administrative function of the brewing business and welfare of the staff. On non-brewing days, this space will be occupied by sales staff, accounting, brewing schedule management and planning, and human resources. Staff will also take designated breaks in this space, as well as consuming any food for lunch.

The secondary ancillary use of the premises will be the tap room, located on the ground floor (when not required on brewing days). The tap room will have limited opening hours (in line with the current taproom at the Meadow Road location) as below:

Wednesdays: 17:00 – 20:00

Thursdays: 17:00 – 20:00

Fridays: 15:00 – 22:00

Saturdays: 13:00 – 22:00

The function of this tap room will be, as with the Meadow Road site, to allow customers to enjoy our product where it is at its best / freshest, and to try before deciding whether or not to purchase cans of beer to take home. We also feel this gives customers an opportunity to try the product before purchasing at an alternate location at a later date. We will also be selling limited amounts of merchandise, such as branded t shirts in the tap room.

Turnover and Employment

Phantom Brewing Co. currently employs 9 staff members on a full-time basis. These staff members are employed across a range of roles, including brewing, sales, and administration.

All staff currently employed will be relocated to the new premises at Bridgewater Close.

Revenue Projections

The change in location for Phantom Brewing Co. should have no impact on its business model or financial performance.

The majority of our revenue will continue to be from sales to trade: revenue from beer sales to trade will continue to amount to at least 85% of revenue / turnover; the taproom will represent no more than approximately 15% of the total revenue of the business. Taproom sales by themselves do not represent a financially viable business.