

Common Exposures of Microbreweries

Microbrewers differ from more traditional, large-scale brewers, presenting owners with a unique set of risks.

Premise Liability

When you open your property to the general public you are responsible for their well-being. This is exceptionally important if you offer tours of your brewing operations. Given the possible hazards that an untrained guest could be exposed to, it is important to keep tours confined to safe areas and pre-planned routes through your establishment.

Supply Chain

Recipes for microbrews are often reliant upon specific ingredients for their unique composition. If a key suppliers for one reason or another cannot deliver, it could cause a serious interruption to your production schedule. While holding reserves on hand is an easy way to cover temporary interruptions to your supply chain, sometimes it is not feasible due to cash flow or storage space constraints. Keeping a list of possible backup suppliers that can be called on in an emergency could mean the difference between keeping production flowing and a temporary shutdown.

Equipment Breakdown

Given the relatively small size of most microbrewing operations and their lack of backup machinery, an equipment failure can significantly impact production ability. If equipment is damaged or breaks down, not only will there be repair and replacement costs, there is also the chance that you will have to suspend part of your brewing operation until the equipment is fixed, resulting in lost sales revenue.

Spoilage, Contamination and Product Recall

No matter how diligent you are at producing a quality product, there can be times when situations beyond your control result in a batch of beer unfit for customer consumption.

Microbrewing operations have a variety of exposures that need to be considered to avoid liability claims.

If a contaminated batch is caught before leaving the brewery, you face the cost of wasted materials and production time, disposal and the loss of revenue from not being able to sell the final product. If the batch makes it to store shelves, it can be even more costly. Not only is there the time and cost of replacing the contaminated product with a sellable one, there is also the need to protect your brand during a recall. A poor product experience can be especially damaging for small brewing operations that rely heavily on word-of-mouth advertising. Be prepared to work not only with distributors but also directly with consumers who have received a less-than-quality product.

Let Robison & Co Ltd help your microbrewery grow and prosper. With our bespoke policies, you can help ensure your microbrewery is protected from any unexpected situations that arise.

Provided by Robison & Co Ltd

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