DENIZENS
BREWING CO.

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A CLOSER LOOK...

LOCATION
Maryland

TYPE
Brewery / casual dining

NUMBER OF LOCATIONS
2

TECH STACK
Upserve (Breadcrumb), Square, QuickBooks

KEY FEATURES
Invoice processing, Commissary

The goal

Denizens Brewing Co. needed help streamlining their business operations when they expanded to two taprooms. And just as an expanded Denizens was hitting its stride, the pandemic hit, and they had to pivot fast and look at every single cost — in real-time.

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MarginEdge simplified invoicing processing for the Denizen's team. Staff could quickly upload photos of their invoices from their phone. As a result they received expense data in less than 48 hours and eliminated the need for manual data entry. The commissary feature also helped Denizen's better manage inventory and ordering across the two locations.

Denizen's Brewery: managing in real time

Since 2014, Denizen Brewing Co. in Maryland has been turning out craft beer and hard seltzer for every palate, serving eclectic world flavors alongside a core stable of European-influenced lagers, IPAs and stouts. Being resourceful is key to Denizens, beginning when the company had to change prohibition-era laws to start serving in its hometown in Silver Spring, MD.

Emily Bruno, Chief Administration Officer, explains how Denizens got off the ground, "I had always done DC-type jobs, but I was looking at moving to something more dynamic and where I could be my own boss. Back then, brewing in DC was just getting started with

about two breweries in operation, so with my two partners, Jeff Ramirez and Julie Verratti, we started talking about our interest in craft beer. Eventually, with some peer pressure, Denizens became a reality."

The 2021 business model is now a production brewery, as well as wholesale distribution, and two breweries and two taprooms. Bruno appreciates the versatile brand Denizens has become, "I like that it combines a lot of different things and how it keeps things interesting."

Making Craft Beer, Making a Profit

Transforming a love for craft beer into a successful business came with a learning curve, especially in a market where investors are used to dealing with large companies. "We were under-capitalized, like a lot of women-owned and minority-owned businesses, and weren't able to convince the banks to give us enough money to get started. In the beginning, I was just surprised by the demands of a small business and the reality of being in a large metro market that didn't embrace the relatively small pool of people working in the hospitality industry."

Denizens did succeed, but when it expanded from one to two taprooms in 2019, Bruno looked hard at its operations. At that

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Emily Bruno
Chief Administration Officer

point, integrating a back-office system like MarginEdge became crucial — running two businesses efficiently became twice as important.

"I'm Chief Administration Officer, so I deal with finance, payroll, operations, strategic planning, and I was constantly trying to standardize," Bruno explains.

Invoices – A Problem Across the Industry

When Denizens first started using MarginEdge in 2019, the first priorities were invoicing and inventory.

Invoices in the new system simply meant taking a photo or scan of a paper invoice — the rest is handled within a day by MarginEdge's combination of cutting edge tech and restaurant industry veterans working behind the scenes. Without laboriously entering data, expenses and reporting become truly real-time.

"Just rolling out the system to process invoices immediately saved hours of my life because I had been inputting them manually. Typing in every single invoice that comes in very quickly becomes impossible when you have two locations," Bruno points out.

Bruno recommends anyone new to MarginEdge start with invoicing, "It's the easiest thing to get done. What used to take me two days each month, now takes two hours." She adds that the time taken with verification and mapping on the

front end pays off. Unlike an OCR-only system, MarginEdge processes invoices by category to each product, so it's faster and accurate — which a self-confessed perfectionist like Bruno appreciates.

Right behind invoicing when it comes to repetitive operations is inventory, so Denizens switched to inventory management through the software right away. Because MarginEdge aggregates POS data and purchasing data — the platform knows everything purchased and everything sold, and uses this data to create streamlined inventory processes.

Saving time on data entry by processing invoices through MarginEdge pays off doubly with the efficiency created in the inventory tools.

Beating a Pandemic with Real Time Costs

Just as an expanded Denizens was hitting its stride, the pandemic hit. The business had to pivot fast and look at every single cost — in real time. It was their new chef, who took the lead, as Bruno explains, "During March and April, we didn't want to sit around just twiddling our thumbs, and our chef was driving our use of recipe costing, ready for when our to-go orders came in. Through his experience, I was able to tell the bar side of the business to start using it."

Together, real-time costs from the actual inventory, plus integrated sales from the POS, is powerful for both front of house and the kitchen. Bruno says chefs want to see their numbers as soon as possible: "They want to see what they've bought, what's selling." And for managers, they can get nightly reports including labor numbers, and see it all together to compare against performance metrics.

Getting Even More Efficient

Staffing during a pandemic shifted dramatically as dining rooms closed, and food delivery and take out became the norm. Denizens has two locations — Silver Spring and Riverdale Park — but realized it could streamline by transferring kitchen work to one place, "Our kitchen in Silver Spring is a lot larger, so we do more prep there, especially during Covid when we needed fewer people. We really only needed one line cook for service a night," Bruno explains.

Managing this operation was built into MarginEdge's new Commissary function, which Bruno was among the first to use.

> ## "What strikes me about MarginEdge is that there's so much value you can get out of it for the monthly cost. I don't think there's any other tool that gives me such a good return on investment."

Emily Bruno
Chief Administration Officer

The platform understands how restaurants with multiple locations operate like internal vendors, so users can designate a commissary and manage internal ordering, inventory and costs. For Denizens, this meant they could use the Silver Spring location as a commissary, and seamlessly track prep and pack lists to its new Riverdale Park taproom.

Bruno says it was a good learning experience, both for Denizens and MarginEdge: "It is clear that you design your product and deliver customer service with the empathy and experience of restaurant people. You aren't just a tech company guessing at what we need — you know what we need — and it shows."

As business reopens, Denizens will continue using the commissary kitchen model, even for the bar where it's easier to order liquor in bulk and transfer to other locations — something Bruno recommends for restaurants in a similar situation.

What's Next?

Like a lot of restaurants, Denizens is not sure what the next few months will look like. Bruno reflects, "What's really hard right now is to manage. Are we hiring too many people? Do we order chairs? We still have to staff up for when these restrictions lift, we still have to stock our bars and get everything ready."

When it comes to expanding Denizens, Bruno comments that growing from one to two locations was hard, but is now the systems are in place, she understands how to go from two to three. A fundamental part of managing change in real time and growing the business is the software platform. She sums up her experience as, "What strikes me about MarginEdge is that there's so much value you can get out of it for the monthly cost. Even just the invoicing alone is a good value proposition for my time, but then you just can continue to go. I don't think there's any other tool that gives me such a good return on investment."