



TOPIC: MARKETING &amp; SALES

## HOW POP-UPS ARE HELPING BOOST BREWERIES' BOTTOM LINES

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In New York City, building a bar or restaurant from scratch requires a robust bank account. “Costs can run into the millions,” says John Dantzler, CEO and cofounder of NYC’s Torch & Crown Brewing.

The flagship in lower Manhattan took nearly two years to finish, including pandemic delays, before opening in fall 2020. In 2023, Dantzler found a more affordable solution for a second NYC spot with a seasonal pop-up in Manhattan’s historic Union Square Park Pavilion.

Installing the beer garden and restaurant, which runs from spring till fall, still costs several hundred thousand dollars, but the payoff is foot traffic. The location abuts a bustling farmers’ market, and centrally located Union Square is among the city’s busiest train stations.

“People live all over the city, and it’s easy to hop a subway to Union Square,” Dantzler says. The pop-up, now in its third year, is a hit. Income increased 40 percent from the first to second season, and the third season seeing 50 percent growth from the previous year.

“Our Union Square space is a neighborhood gathering point,” Dantzler says, adding that remote-working teams regularly turn the beer garden into a coworking space.

Instead of spending big to build brick-and-mortar taprooms to drive volume and diversify revenue stream, breweries are seeking existing and underutilized spaces for temporary pop-ups to attract a new clientele—no 15-year lease needed.

This May, Migration Brewing opened a patio pop-up on the PacWest Center in downtown Portland, Oregon. “There’s so much vacancy across buildings and spaces, so everybody’s getting creative in how they can activate them,” says Colin Rath, pubs director and cofounder.

The pub on the building’s amenity deck is equipped with a pool table and indoor seating, while the 8,000-square-foot patio is lushly landscaped, creating a plug-and-play set-up for serving Straight Outta Portland IPA to office workers and more. “One of the most important things is that it’s low risk,” Rath says.

### **The Taproom Takeover’s Evolution**

During craft beer’s 2010s boom, bars held tap takeovers that featured multiple beers from one brewery. Drinkers sampled a liquid smorgasbord that might include rare barrel-aged stouts.

Post-pandemic, it’s tough to entice folks off couches and onto barstools, and offbeat beer is sold everywhere. Tap takeovers have lost their lure, and “beer bars have stopped doing them somewhat,” says Dan Suarez, the brewer and co-owner of Suarez Family Brewery in Livingston, New York.

The brewery opened in 2016 in the Hudson Valley, several hours north of NYC. Suarez considered opening an NYC taproom, but “I realized quickly that we could never handle it,” he says. Staffing and managing a distant space is tough.

In early 2024, Suarez noticed that Brooklyn bar Beer Street North was hosting a monthlong March tap takeover with Maine’s Oxbow. He reached out to Cory Bonfiglio, an owner, who explained that the single-brewery takeover helped the bar manage inventory. “He was like, ‘It’s great, because we basically got one huge delivery,’” Suarez says.

He agreed to a monthlong Suarez Family Brewery takeover, “offering the full scope of what we make,” Suarez says, from crisp pilsners to barrel-aged “country beer” featuring native fruit. He signed on for a second monthlong stint, in March, for Beer Street North’s final month of business. The residency helped Beer Street streamline operations, while Suarez received a sales boon during winter.

A longer stay is “so much better than a one-night tap takeover,” says Suarez, who is open to exploring the concept with another bar next winter.

Might we suggest Gold Star Beer Counter? The respected Brooklyn beer bar often spends a month focusing on one brewery, dedicating several tap lines and serving special bottles. Side Project Brewing, which focuses on mixed-fermentation farmhouse ales, earned April’s spotlight.

“It was more of a partnership with them, as opposed to a bar going, ‘I want your latest and greatest and best,’” says Cory King, an owner and brewer at Side Project in St. Louis. He traveled to NYC for the release and helped bar staff to better explain his beers and “who we are as a brewery,” he says. “It was a great extension of Side Project in front of a different demographic.”

### **Pop-Ups Can Be a Permanent Approach to Business**

For bars, a temporary brewery pop-up is becoming a viable business plan. In Portland, Oregon, Casey Armstrong operates two locations of Function, a bar that only hosts monthlong brewery residencies. Armstrong brings in two different breweries, such as June's choice of Texas breweries Celestial Beerworks (Dallas) and Meanwhile Beer (Austin).

Each Function bar serves as the main home for one brewery, taking over about 80 percent of the taps; the remainder comes from the other partner brewery. "Go to the other location and we flip-flop that," Armstrong says.

He opened Function in 2017 by focusing on pop-up events for fledgling food and beverage brands. In time, this evolved into pop-ups for Oregon and Washington breweries interested in testing a Portland outpost. Residencies might last 10 days, which proved limiting. "You get one shipment and pour the beer, and by the time people are starting to get into the brewery, they're gone," Armstrong says. "There were often cans and partial kegs left."

Emerging from the pandemic, Armstrong focused on monthlong residencies of breweries from further afield, including Illinois-based Mikerphone and Monkish from California. Red tape is minimal. Even if breweries don't distribute in Oregon, registering for 30 days costs just \$30. "There's not a lot of heavy lifting," he says.

Armstrong also views pop-ups as partnerships, requesting that breweries send staff at least once during a residency. Brewers are keen to visit Portland. "This is a cool way to maintain and grow our relationships back in Oregon," says Will Jaquiss, the founder and brewmaster at Meanwhile. Jaquiss, who previously brewed at Portland's Breakside, prepared for the residency by doing collaborations with local breweries including Von Ebert, Grand Fir and Wayfinder. Some collaborative beers were served at Function, giving customers another reason to visit.

A monthlong Function stint "is a more sustainable way to help with brand growth and recognition," Jaquiss says.

## **No Two Pop-Ups Are Alike**

Breweries are writing a creative pop-up playbook in real time. This winter, 10 Barrel Brewing in Bend, Oregon, introduced its Cheap Fun Inflation Station, an inflatable dive bar that appeared at mountain resorts in British Columbia, Oregon, Utah and Idaho. The Inflation Station served as rebuttal to expensive lift tickets and après-ski drinks. Snowboarders and resort-goers cracked Pub Beer, 10 Barrel's inexpensive lager marketed as cheap fun. "We could take it on the road really easily," Brian Hughes, the marketing director, says of the inflatable bar.

After the first planned location for Seattle's Human People Beer fell through, the team entered a local alternating-proprietorship at Stoup Brewing to brew and package beers while hunting for a home. Human People sold beer to bottle shops and bars, in addition to occasionally offering it on tap at Stoup. "Because they have a distribution license, they can do that," says Andrew Schwartz, a cofounder. Human People also hosted pop-up cans sales at Stoup, helping build an audience before signing a lease for its Seattle HQ that opened in June.

In fall 2023, spontaneous-fermentation specialist Primitive Beer in Longmont, Colorado, closed its production facility and taproom and relocated to New Image Brewing in Wheat Ridge, Colorado. Primitive brews on New Image's equipment, stores barrels inside the facility and hosts the monthly Howl at the Moon pop-up for bottle sales and pours of beer.

The location inside New Image broadens Primitive's customer base. People popping by for New Image's IPAs will also try Primitive's spontaneous beer. "We get some customers that we wouldn't have otherwise," says Brandon Boldt, a cofounder. "It's mutually beneficial."

The temporary nature of pop-ups means that breweries must be prepared to switch gears. Migration, which also serves beer at the open-air Portland Saturday Market, previously operated a pop-up on the ninth-floor rooftop of Portland's Canvas office building. However, neighborhood safety concerns led the building to restrict access to tenants and employees.

Migration is pleased with its new PacWest location, but the undertaking includes teaching customers how to access a brewery in an office building—or that one exists. The learning curve includes "getting people to know we're there and taking a chance on downtown," Rath says

Breweries have long revitalized forlorn warehouse districts and industrial areas. A pop-up might help accomplish the same goal in a downtown office district, bringing human traffic to sleepy streets. "We support Portland and want to be part of the revitalization," Rath says.

For Torch & Crown, opening a taproom every spring means tidying winter messes. "We spend two weeks cleaning all the graffiti and way worse," Dantzler says. Staffing is also a hurdle as employees move on from seasonal work. "One manager now lives in Copenhagen," Dantzler says.

Headaches and hassles, yes, but the pop-up helps Torch & Crown hone its hospitality experience. That means QR codes and touchless service. "Guests coming to a beer garden aren't looking for experts guiding them through the beer menu," Dantzler says. "They want to spend time with friends and fire orders on their phone."

Plenty of customers order IPAs and pilsners, but "the amount of spritzes we sell is absurd," Dantzler says. "We embrace that. Come on in and have a good time in our space."

By Joshua Bernstein