



Equipment breakdown Microbreweries



Microbreweries, or craft breweries, are small-scale brewers that produce a variety of beers, often sold in brewpubs, franchise locations or through cooperative agreements with local distributors and restaurants. A microbrewery may have a restaurant or bar incorporated into their business with commercial cooking and point of sale equipment, increasing the opportunity for an equipment breakdown event.

Electrical breakdown is the most prevalent type of equipment breakdown loss for microbreweries, due to power surges and electrical arcing, followed by mechanical breakdown of refrigeration equipment.

Pressure vessels, such as brew kettles and mash tuns, are commonly found at microbreweries and are susceptible to equipment breakdown. In addition, steam or hot water is essential to the brewing process, making the reliability of the boiler system critical to operations.

Due to the sensitivity of the brewing process, spoilage and business interruption can result from an equipment breakdown if the product has been compromised during any stage of production. Product spoilage can occur as a result of utility interruption, failure of electronic process controls or mechanical damage to a compressor.

EXPOSURES

- Air conditioning unit
- Bottle filler
- Brew kettle
- Brite beer tank
- Computers
- Electrical service panel
- Filtering equipment
- Grain mill
- Hot water storage tank
- Mash tun/lauter tun
- Motor control equipment
- Process boiler
- Refrigeration system
- Security/surveillance systems

Typical losses

After a power outage, the point of sale systems servicing the brewery sustained electrical damage from a resulting surge. Due to the extent of the damage, the system required replacement.

Property Damage: \$15,500

The compressor supporting a rooftop air conditioning unit sustained mechanical damage due to low refrigerant conditions. The system was replaced due to parts availability. In addition, the brewery tasting room was closed due to high temperatures, resulting in loss of income.

Property Damage: \$15,750

Business Interruption: \$2,600

LOSS PREVENTION TIP

Install an exhaust fan to reduce potential corrosion of electrical components located within close proximity to operations that produce excessive heat, steam or condensation.