

## German Beerhouse for India

### Business Fast-Track-Proposal

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Since 2008 Logosworld and its partners evaluate the possibilities to bring German gastronomic culture to India. Germany has an exceptional high reputation in India, German products and culture are well perceived and have the potential for a role model for India. There are many successful Indian entrepreneurs in India who built a good relationship with Germany. Those business men and a large army of technology workers regularly visit German or even live there for a longer period. On their return to India they naturally want to show to their families and countrymen some of the best of Germany.

In 2012 there is still no noticeable number of German gastronomic premises found in India. The ambassador of German eating and drinking culture is the famous German beer and Austrian coffee. Any restaurant and German food centre would naturally be built around beer and the concept of Austrian coffee house.

Currently there is an increasing interest amongst German breweries to look into the Indian market. Nevertheless none of the interested breweries have currently found a clear convincing path to enter the market. Even importing bottled beer is on a negligible level.

After talking to a variety of German breweries we could convince one of the largest export breweries of Germany to release their franchise concept for India. They are now willing to roll out there brew house concept that already has been successfully implemented in a number of countries in the world including the USA, South Africa or China.

The breweries successful Franchise concept is based on two pillars: importing bottled and barrelled beer to the country and in parallel opening a number of Number 1 beer houses in prominent places and cities. Consequently we are currently looking for both a strong importer that has a nation-wide alcohol import and distribution license for India and for investors and operational partners for one or more beer houses.

For the beer import we need a partner who can demonstrate long-year experience in importing beer and/or wine to India including an existing logistic infrastructure to distribute the merchandise to any prominent place of India. The importer should be established in distribution to both gastronomy and retail and also have a network for market penetration and advertisement.

For the German beer house we look for partners that have already experience in setting up and operation of a larger restaurant with bar and garden in India. The new beer house targets a size of 1000-1300 m<sup>2</sup>, therefore the Indian partner should show his ability to operate an establishment of this size. Practically it means that the restaurant must be able to serve food and beverages for 500-800 people during the same shift.

The beer house concept would establish a full sized local brewery – rather than a limited micro-brewery a full capacity brewery can produce any kind of beer along with improved quality. Around this brewery a typical Bavarian beer house would be built for the consumption of the beer. The locally brewed beer is mainly meant to be drunk on premise and as addition for catering of the beer house.



The beer house will serve typical German food and have German dancing, music playing and theatre shows on stage. Eventually such a beer house has the ambition to become the number one embassy of German culture and the meeting place for Indo-German relationship building.

From the numerous likewise beer houses in other countries we can tax the necessary investment to establish a beer house of 1200 m<sup>2</sup> to approx 1.7 Million Euro (121.000.000 INR, 12 Crore) not including the investment for land and property. The brewing equipment will be delivered from Germany to guarantee quality, so no cheap Chinese technology to be used and has a value of 450.000 EUR. The remaining investment is for furnishing the beer house, advertisement, education of personnel and operational financial reserve. Including the investment in own property we operate with a financial investment target of 2.5 MEur (17.5 Crore) per establishment.

The concept sees an initial investment to set up the first beer house in 2013 and four more beer houses in 2014/2015 which requires an initial investment of 12.5 Mio Euro (90 Crore).

Our current plan is to gain 50% of the investment from private investors including the German side and 50% from an operating partner in India.

We welcome applications from established and experienced operators of gastronomy for franchising the beer house. The franchise partner will be responsible for the successful operation of the daily restaurant and bar operation. For the first beer house there will be a senior brew master from the German brewery be present for the first year to reach the brewing skills and recipes and monitor the quality. For operating the German beer house a German restaurant leader will be co-managing director of the beer house.

We also welcome financial investors who believe in the high return of investment in an upcoming boom sector in life style.

