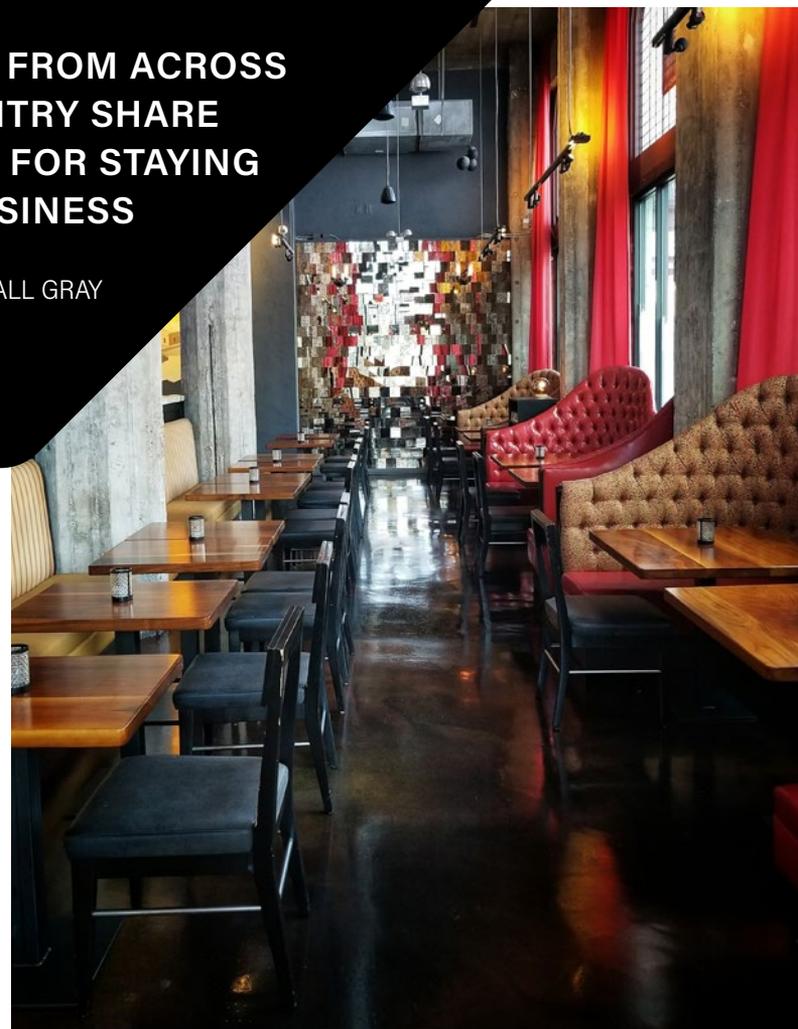




HOW BARS ARE SURVIVING THE PANDEMIC

BAR OWNERS FROM ACROSS
THE COUNTRY SHARE
STRATEGIES FOR STAYING
IN BUSINESS

BY CHALL GRAY



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atastrophic may risk understatement as a summary of COVID-19's impact on the bar industry. Like restaurants, many bars have shuttered permanently; in September, the National Restaurant Association forecasted 100,000 closures in 2020, and colder weather will doubtless bring many more permanent closures as further restrictions are placed on establishments, causing revenues to dip and expenses to pile up.

Some bars have reopened, only to be forced to close again. Many still haven't been permitted to open their doors; states like Connecticut and Maine have kept bars closed since March. Most bars currently open in the U.S. are subject to reduced capacity limits, a significant hurdle when many business models are based on filling every seat at peak times.

Because elbow-to-elbow conviviality makes bars an especially dangerous environment for potential virus transmission, reopening requires a slew of expensive adaptations: air ionization and filtration systems, plexiglass dividers, cleaning and sanitizing, and redesigning for touchless transactions.

I am intimately familiar with the struggles bar owners have been facing since March; my bar Little Jumbo in Asheville, North Carolina, has not been allowed to serve a drink since March 15, 2020, and we don't foresee being able to reopen for many months.

For me and many others, this has been a devastating year, but also a reminder of why we fell in love with bar ownership in the first place—it requires a diverse skill set, creativity, and the ability to solve a rotating series of unique problems.

OPPOSITE CLOCKWISE: Clyde Common in Portland, Oregon, became Clyde Tavern, with sanitizer and partitioned ordering menus part of the new normal. // Bitter & Twisted in Phoenix. // Annie Williams Pierce of Lawbird holding one of the bar's bottled cocktails. // RIGHT: A rainbow of to-go cocktail offerings from Lawbird.

I spoke with bar operators from across the country to find out what's working and which strategies they've found effective.

Pivoting to a Mercantile Model

A recent addition to the Columbus, Ohio, bar scene, Lawbird opened just four months before the March shutdown. Husband-and-wife co-owners Annie Williams Pierce and Luke Pierce were initially unsure of what to do after closing. But when Ohio legalized to-go cocktails, they turned the bar in a completely new direction—selling snacks, glassware, and produce.

"Imagine a wine shop - and a Japanese 7-Eleven had a baby," the couple describes, speaking of Lawbird's new incarnation. Seating areas have now become a production space, where the owners and a skeleton crew batch and bottle up to 500 cocktails at a time. They aren't the only ones to adopt this model; high-profile venues

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- Greg Boehm, The Cabinet, Katana Kitten, Mace, and Boilermaker

like Fort Defiance in Brooklyn and Canon in Seattle are among the many other bars that have converted to a grocery or mercantile model.

While Lawbird no longer looks like a traditional bar, the couple worked hard to deliver an environment of hospitality, even as a shop. "We've created a more tactile experience," notes Luke. "We tried to mirror the type of interactions we might have had in the bar before."

The duo says this model is financially sustainable for the foreseeable future, and they plan to reassess sometime in 2021. They're even considering opening an additional "satellite" shop across town.

Adding or Improving Food Options

Many bar owners don't relish the idea of running a food program. With a plethora





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– Dennis Kiingti, Hamlet & Ghost

of perishables, expensive equipment, and substantial labor requirements, kitchens can easily squander hard-won profits. But adding or upgrading kitchens has been a strategy for survival for many bars, and a requirement for reopening in many states.

In North Carolina, Gary Crunkleton’s eponymous Chapel Hill bar The Crunkleton has been closed by state mandate for over eight months. North Carolina began allowing bars to open in October for outdoor seating only, which The Crunkleton doesn’t have. During the bar’s closure, Crunkleton has undertaken a full kitchen buildout at a cost of tens of thousands of dollars.

“I always wanted the experience to be more spirits-forward, but adding food just makes sense,” says Crunkleton. His permanent, upscale food menu will enable him to achieve higher check averages, and justify the investment he believes.

Hamlet & Ghost, a popular Saratoga Springs, New York, hangout, had already expanded its kitchen program just over

a year before the pandemic, which has proved incredibly valuable this past year. After shifting to a to-go only model by state mandate, food became the majority of sales—a trend that has continued even with limited dine-in seating.

“High-end food [which we focused on pre-pandemic] didn’t work to-go,” says Dennis Kiingati, the bar’s co-owner. “Family-style offerings, burgers—that is what’s working.” To-go cocktails initially sold well but dropped off with warmer summer weather. Kiingati is hoping those sales will pick up again as winter temperatures make outdoor seating less desirable.

The New Hospitality: Party Packages and Cocktail Classes

Publicans have also adapted to no longer being able to offer many of the hallmarks of a good bar experience in a traditional bar setting. “We’re in the hospitality industry, and it’s really difficult to be hospitable right now, but we’re still doing it,” says Ivy Mix, a co-owner of Leyenda in Brooklyn.

Mix and others have found new ways to connect with their customers. In addition to sidewalk tables and to-go cocktails, Leyenda launched party packages in October, where they deliver the drinks, ice, glassware, even decorations to a home or outdoor gathering, then swing by the next day to pick up their party components.

ABOVE: Touch-screen ordering at Clyde Tavern // Enhanced food options at The Crunkleton in North Carolina.

Greg Boehm, who owns The Cabinet, Katana Kitten, Mace, and Boilermaker in New York City (his award-winning Existing Conditions closed during the pandemic), found traction with local cocktail classes—both virtual and in-person. “Online tastings have been surprisingly successful,” says Boehm, who distributes pre-portioned mezcal flights to patrons via The Cabinet prior to a guided Zoom tasting.

For socially-distanced curbside classes, the \$50 ticket price includes bar tools attendees get to take home (Boehm also owns the barware company Cocktail Kingdom). These initiatives, in addition to expanded sidewalk seating and to-go cocktails, have kept the company’s four remaining bars open with reduced staff.

Maximizing To-Go Sales and Minimizing Overhead

Most bar owners we spoke to stressed how essential to-go cocktails sales have been—many agree their doors would’ve already closed without them. Currently, 33 states allow bars to sell cocktails to-go, with several extending that allowance for years, and even permanently. While sales are generally not enough to make up for lost revenue, to-go cocktails can help bars cover some operational costs. At Leyenda, Mix saw batched drinks as



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- Ivy Mix, Leyenda

an opportunity to utilize spirits that had languished in storage, which helped improve the bottom line.

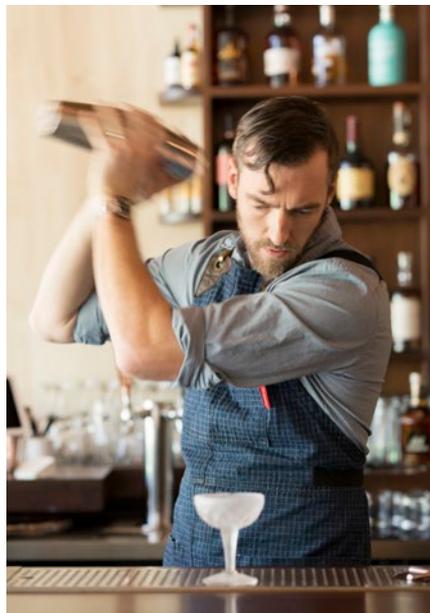
Nearly all bars have reduced staff. Portland, Oregon’s Clyde Common, one of the vanguard establishments of the cocktail resurgence, previously had 40 employees; the staff now totals seven people after an 80 percent drop in revenue due to the pandemic. What was a full-service, sit-down, fairly upscale tavern food program has morphed into a selection of easily packaged, grab-and-go fare, which has cut costs substantially. “For the foreseeable future, true table service just doesn’t make sense, financially,” says owner Nate Tilden.

Four of Tilden’s 11 restaurants and bars have permanently closed since the beginning of 2020, and he feels the industry’s entire model has been upended. “Having the smallest labor and overhead footprint possible,” he says, “and if you can figure out how to break even, or maybe be slightly profitable, that’s the model of success.” The vast majority of these

owners have no timeline for when, or if, the reduced staff positions will return.

Reimagining a More Efficient Future

Bar owners fighting to survive are taking each day as it comes. “At this point, none of us can think about profits—we can only think about minimizing risk,” says Kiingati. “Minimizing the risk of employees getting sick, the risk of having to shut down again, the risk of running out of money.” He plans to approach the business in two-week increments for the foreseeable future.



Chall Gray, bartender, bar owner, and author of this article, at his bar, Little Jumbo, in Asheville.

ABOVE: Themed party packs offered at Leyenda in Brooklyn. // Dining outside, as seen here at Clyde Tavern, has become vital for some bars.

“I’m excited to get through this,” adds Boehm, “but I’ve stopped guessing when that will be.”

Even as their neighboring establishments shutter, many bar owners are taking an optimistic view of their realities, looking for opportunities to improve internal systems or expand new facets of their businesses. “It’s made me rethink cocktail making, and how we’ll do it in the future,” says Mix. “Efficiency is even more important.”

Others have sought and received permission to keep expanded outdoor seating areas permanently, thanks to municipal changes. The Lawbird duo even launched a weekend breakfast grab-and-go from the bar’s side door; dubbed Boxwood Biscuits, it has become so popular that the Pierces are considering finding a standalone space for the concept.

“We’re bar owners, we’re all stupid optimists,” says Portland’s Tilden.

This pandemic has starkly illuminated that there is no substitute for a convivial gathering spot, and sadly, there will be fewer bars on the other side of this. I regularly sit in my empty, dust-blanketed bar, and think with anticipation about the days when I’ll get to see smiling faces coming in the door again. And when those days arrive, we hope you go out to your favorite bar and raise a glass. We’re looking forward to it. ■