



THE HIDDEN COST OF OWNING YOUR OWN CANNING LINE

Purchasing your own canning line may seem like a logical next step if you've been using a mobile canning service. Yet when you purchase a line, that's all you're purchasing, a piece of equipment. Below we have outlined some of the hidden costs of doing your own canning in house.

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STAFF

It takes at least two people to run a quality mobile canning line. It then takes an additional 2-3 people to run pack-out as the cans are coming off the line.

COST:

\$55k per Salaried Employee
\$15 per hour for Packout Staff
~\$9k for training/re-training

SPACE

Canning lines and cans take up a lot of room. Are you ready to sacrifice precious floor space that could be used for tanks or expanding other parts of your brand?

COST:

\$6k for 500sq feet

LOGISTICS

With your own line, you now need to make sure that you have supplies on canning day. You'll have to spend time ordering cans, case trays, paktechs, and making sure that they are delivered on time.

COST:

What is your time worth? Priceless.

MAINTENANCE, REPAIRS, & CONSUMABLES

When your product isn't ready to can or something on the machine breaks.

COST:

\$100 per day for consumables; ink, soft parts, chems
Labor to perform – 4 hrs per week
\$3k per day for 3rd Party Tech Plus Parts
Loss of Product, Missed Sales

COST OF CAPITAL & INSURANCE

You're going to want a quality machine and will need to insure your equipment on top of the insurance you already have for your space and staff.

COST:

\$250,000 loan with 8% Interest
\$2k per year for the Equipment Insurance

FREIGHT & CRATE, MANUFACTURER INSTALL

Unless you buy locally - your canning line will need to be delivered to you.

COST:

\$6K Freight & Crate
\$9K Install

ADDITIONAL EQUIPMENT

Don't forget about all the other accessories a quality canning operation requires!

COST:

\$10k for a DO Meter
\$25k for a Labeler
\$10k for a Date Coder
\$25k for a Nitro-doser

OPPORTUNITY COSTS

A year of running your canning line, including the cost of the equipment will run you around \$500k - that cost could instead go towards:

4 Sales Managers
A New Delivery Van
More Warehouse Space
New Brite Tanks
New Fermenter Tanks

GRAND TOTAL PER YEAR = \$145,000

* additional equipment depreciated over 10 yr ** all these costs are in addition to the price tag of the canning line