

# SURREY

## Central City taps into Vancouver's brew pub market

**HOSPITALITY** | Red Racer Restaurant the first business venture for the brewery north of the Fraser

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Central City Brewers + Distillers president and founder Darryll Frost knows it sounds a bit ambitious – a Surrey-based brewing company expanding into Vancouver's ultra-competitive craft brewery scene. But the seasoned brew pub veteran said it's something he's confident will be a success story and not just another example of a business growing too fast for its own good.

"I think it is a natural progression for us and our brand, as we want to share our brand experience with our Vancouver customers who may not have had the chance to get to our brew pub in Surrey."

Red Racer Restaurant officially opened at 871 Beatty Street in downtown Vancouver last week. Frost is familiar with the space because it used to be Dix BBQ & Brewery before it closed in 2010. Frost was a shareholder with the Mark James Group, which owned and operated the Dix, but he branched out on his own to start Central City in Surrey as a brew pub and liquor store in 2003. Central City is best known for producing the Red Racer brand of beer.

Frost said opening a restaurant in Vancouver was much more strenuous than it was in Surrey when it came to the formal application and permits process, but he respects the role local government plays in regulating the food and beverage industry.

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PRESIDENT AND CEO, BRITISH COLUMBIA  
RESTAURANT & FOOD SERVICES ASSOCIATION

trying to do, but at the same time they should ensure that businesses can thrive in a healthy economy," he said. "Businesses like ours require support from the city in order to be successful."

Ian Tostenson, president and chief executive officer of the British Columbia Restaurant & Food Services Association (BCRFA), said Vancouver is well known for being a tough jurisdiction in which to start a restaurant.

"The process is what it is. If you ... don't become a student of the process, it can become quite frustrating. But when you get there in Vancouver, it's a good government to deal with because they really do encourage success, but it's a little cumbersome getting to that point."

Tostenson added that anyone thinking of opening a restaurant or pub in the province should



Patrons enjoy the atmosphere at Red Racer Restaurant, Surrey's Central City Brewers + Distillers' entry into the Vancouver brew pub scene | DUSTAN SEPT, BEER ME BC

download the BCRFA's *Restaurant Regulations Made Easy in B.C.* manual.

"Restaurants have a mortality rate of almost 70% in the first year," he said. "They're very difficult businesses to run; there are a lot of moving parts in a restaurant. Right now there are roughly 12,000 restaurants in B.C.; of those, 6,000 are in Metro Vancouver. There are roughly 7,000 restaurants with liquor licences, and about 3,500 to 4,000 of those

are based in Metro Vancouver. The majority of restaurants by number are independent; however, the majority of sales are done by multi-unit restaurants, chain restaurants."

A low Canadian dollar and higher-than-normal commodity prices for products like poultry and produce have made it even harder for locals to start restaurants, Tostenson added.

Tim Barnes, vice-president of marketing and sales for Central

City, said he's confident Red Racer Restaurant won't be one of the 70%.

"Opening a restaurant is the same anywhere – it's a process that you have to go through. However, to be honest, a lot of the delays we put on ourselves because we wanted to make sure every detail was taken care of. This wasn't the best time for us to launch, but we had to act when this opportunity presented itself." ■