

# MODERN Brewery Age



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## Big Beers Festival in Vail showcases new beers

Left Hand Brewing Company's "Tenth Anniversary Weizen Bock", Great Divide's "Oak Aged Hades", Carver Brewing Company's "Century Hall Tribute", New Belgium's "Trip IV", Flying Dog's "Raging Bitch", Oskar Blues' "Old Double Bagger", Wynkoop's "Hop to Conclusions" and Breckenridge's "Oatmeal Stout Aged in a Templeton Rye Whiskey Barrel with Michigan Tart Cherries" were among the beers poured at the Welcome Reception of the Big Beers, Belgians & Barleywines Festival held January 8th in Vail, CO. Craft beer luminaries like Sam Calagione of Dogfish Head (photo above) were even on hand to pour them. Twenty-one breweries rolled out their brews to an enthusiastic audience of 240 homebrewers, beer judges, brewers, press and other festival attendees. Stone Brewing Co. brewed a special commemorative "Big Beers" beer in Scotland, rather than in their Escondido facility, and required a delayed release (perhaps 2011?). "True camaraderie paired with a high level of brewing knowledge in a relaxed setting," said J. Todd Usry, Brewery Director for Breckenridge Breweries. "The Big Beers Festival has become my favorite fest of the year." We'll have more coverage and photos from the Big Beers Festival next week.

## German beer sales drop 2.8 percent in 2009

Beer consumption in Germany fell 2.8 percent in 2009 amid the worst recession since World War II, the biggest drop in 11 years, the German Federal Statistics Office has reported.

Brewers and distributors sold 100 million hectoliters (2.6 billion gallons) of beer and beer-mix drinks last year, according to data posted on the office's Web site today.

Decline is nothing new for the German beer market, since volume has fallen every

year since 2006, when the World Cup was held in German and boosted beer sales.

However, last year's decline was the biggest since consumption fell 2.9 percent in 1998, according to the statistics office.

The data doesn't include non-alcoholic beer or beer imported from outside the European Union.

Analysts attribute the continued decline to an aging population, and rising health

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## A-B may revive Clydesdale TV spot for the Super Bowl

Anheuser-Busch InBev's decision to cut its traditional Clydesdale ad from its Super Bowl ad line-up caused a mini tempest in advertising circles. But reports of the Clydesdale's demise may have been much exaggerated.

Just a day after previewing its Super Bowl ad line-up in the media, the company said it has reconsidered. VP-Marketing Keith Levy for A-B told *Ad Age* that he received a new edit of a previously rejected Clydesdale spot from DDB shortly after the ad preview yesterday, and may run it.

The news stories on the preview noted the absence of the Clydesdales, and a lot of the public comment bemoaned the

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## Owens-Illinois will close several U.S. bottle plants

Owens-Illinois Inc. said yesterday it will close all or portions of three U.S. plants as it adjusts to decreasing demand for beer bottles and other products.

O-I officials said the company doesn't comment on contracts with individual customers, but has insisted that the closure is not a result of a falling out with Anheuser-Busch InBev.

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## A-B to introduce new Michelob wheat beer

A-B's Michelob specialty beer unit will roll out its newest craft-style brand in March, according to a report in the *St. Louis Post-Dispatch*. Michelob Ginger Wheat is an unfiltered Belgian-style wheat ale with ginger extract added after the beer's secondary fermentation. A-B brewmaster Adam Goodson said he aimed for a spicy ginger character. It's also flavored with citrus peels and coriander, in the Belgian style.

The 5.2% abv beer will be included in Michelob's summer sampler pack.



## Interview with Nico Freccia, co-founder of San Francisco's 21st Amendment Brewery

*The 21st Amendment Brewery, founded in 2000 by Nico Freccia and Shaun O'Sullivan, is one of the most inventive and technically proficient brewpubs in the San Francisco Bay Area. Jay Brooks, noted West Coast beer writer, recently named 21st Amendment one of the most important small American breweries to open in the last decade.*

*Whence the 21st Amendment name? "In 1920, there were thousands of breweries*

*across America making hand-crafted beer," Nico says. "Prohibition wiped out this great culture. After 13 years, prohibition ended when the states ratified the 21st Amendment. At the 21st Amendment Brewery, we celebrate the right to brew, the freedom to be innovative, and the obligation to have fun."*

*The 21st Amendment is also now a contract brewer, producing a line of canned beer at the Cold Spring Brewing Company.*

**Modern Brewery Age:** I noticed you just added a new beer to your canned line, a Belgian-style ale called Monk's Blood...

**Nico Freccia:** Yes, we basically have two year-round beers now, our Brew Free or Die! IPA and Hell or High Watermelon Wheat. Monk's Blood is our first foray into doing something really special, really out there. We wanted to blow people's minds, with this 8.5% dark Belgian ale in a can. It is brewed with eight malts,

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**Top 30 Brands and Top 20 Brands in selected segments, 52 Weeks ending 12/27/09**  
**IRI Data Total US FOOD, DRUG & CONVENIENCE**

| Top 30 Brands           | Dollar          | \$ sales | \$ Shr | \$ shr     | Case        | Cs sales | Cs Shr | Cs Shr     | Avg \$   | \$ case |
|-------------------------|-----------------|----------|--------|------------|-------------|----------|--------|------------|----------|---------|
|                         | Sales           | % chg YA | Of Cat | Cat chg YA | Sales       | % chg YA | of Cat | Cat Chg YA | Per Case | Chg     |
| BUD LIGHT               | \$5,083,368,000 | (2.3)    | 21.5   | (0.6)      | 261,558,900 | (4.9)    | 21.4   | (0.7)      | \$19.43  | \$0.53  |
| BUDWEISER               | \$2,130,510,000 | (7.8)    | 9.0    | (0.8)      | 109,629,800 | (10.7)   | 9.0    | (0.9)      | \$19.43  | \$0.61  |
| COORS LIGHT             | \$1,776,647,000 | 4.2      | 7.5    | 0.3        | 93,035,360  | 1.3      | 7.6    | 0.2        | \$19.10  | \$0.54  |
| MILLER LITE             | \$1,646,759,000 | (4.7)    | 7.0    | (0.4)      | 86,845,500  | (7.5)    | 7.1    | (0.4)      | \$18.96  | \$0.56  |
| NATURAL LIGHT           | \$1,094,639,000 | 8.6      | 4.6    | 0.3        | 77,971,080  | 4.1      | 6.4    | 0.4        | \$14.04  | \$0.59  |
| CORONA EXTRA            | \$949,133,800   | (8.3)    | 4.0    | (0.4)      | 32,231,950  | (7.1)    | 2.6    | (0.1)      | \$29.45  | (0.38)  |
| BUSCH LIGHT             | \$667,963,000   | 6.7      | 2.8    | 0.2        | 48,372,820  | 2.8      | 4.0    | 0.2        | \$13.81  | \$0.51  |
| BUSCH                   | \$615,734,000   | 5.8      | 2.6    | 0.1        | 43,751,760  | 2.5      | 3.6    | 0.2        | \$14.07  | \$0.44  |
| HEINEKEN                | \$583,003,200   | (11.0)   | 2.5    | (0.3)      | 19,041,960  | (12.3)   | 1.6    | (0.2)      | \$30.62  | \$0.45  |
| MILLER HIGH LIFE        | \$480,111,000   | 5.2      | 2.0    | 0.1        | 33,396,870  | 1.4      | 2.7    | 0.1        | \$14.38  | \$0.51  |
| MICHELOB ULTRA LIGHT    | \$452,872,100   | 1.6      | 1.9    | 0.0        | 20,121,960  | (0.8)    | 1.6    | 0.0        | \$22.51  | \$0.53  |
| KEYSTONE LIGHT          | \$441,161,500   | 22.6     | 1.9    | 0.3        | 32,813,050  | 17.1     | 2.7    | 0.4        | \$13.44  | \$0.60  |
| NATURAL ICE             | \$318,934,600   | 9.7      | 1.4    | 0.1        | 23,849,270  | 6.3      | 2.0    | 0.2        | \$13.37  | \$0.41  |
| BUD LIGHT LIME          | \$349,258,700   | 38.2     | 1.5    | 0.4        | 13,609,290  | 40.1     | 1.1    | 0.3        | \$25.66  | (0.37)  |
| MODELO ESPECIAL         | \$247,079,300   | 10.0     | 1.0    | 0.1        | 9,465,510   | 13.4     | 0.8    | 0.1        | \$26.10  | (0.80)  |
| ICEHOUSE                | \$239,151,800   | 0.1      | 1.0    | (0.0)      | 15,347,460  | (2.1)    | 1.3    | (0.0)      | \$15.58  | \$0.35  |
| MILLER GENUINE DRAFT    | \$198,854,900   | (15.2)   | 0.8    | (0.2)      | 10,624,180  | (18.3)   | 0.9    | (0.2)      | \$18.72  | \$0.68  |
| BUD ICE                 | \$201,801,800   | 24.0     | 0.9    | 0.2        | 12,726,320  | 30.8     | 1.0    | 0.3        | \$15.86  | (0.86)  |
| TECATE                  | \$185,791,500   | (0.1)    | 0.8    | (0.0)      | 9,594,616   | (2.4)    | 0.8    | (0.0)      | \$19.36  | \$0.45  |
| BUDWEISER SELECT        | \$166,173,300   | (11.9)   | 0.7    | (0.1)      | 8,745,126   | (13.0)   | 0.7    | (0.1)      | \$19.00  | \$0.24  |
| CORONA LIGHT            | \$166,328,700   | (0.6)    | 0.7    | (0.0)      | 5,814,118   | 0.8      | 0.5    | 0.0        | \$28.61  | (0.38)  |
| STEEL RSRV HI GRAVITY   | \$149,325,800   | (2.0)    | 0.6    | (0.0)      | 9,385,654   | (6.0)    | 0.8    | (0.0)      | \$15.91  | \$0.66  |
| MILWAUKEES BEST LIGHT   | \$144,772,900   | (7.3)    | 0.6    | (0.1)      | 11,620,870  | (11.6)   | 1.0    | (0.1)      | \$12.46  | \$0.58  |
| PABST BLUE RIBBON       | \$157,874,700   | 29.9     | 0.7    | 0.2        | 10,554,800  | 22.5     | 0.9    | 0.2        | \$14.96  | \$0.85  |
| COORS                   | \$138,879,800   | 3.6      | 0.6    | 0.0        | 7,478,075   | 0.0      | 0.6    | 0.0        | \$18.57  | \$0.65  |
| YUENGLING TRAD LAGER    | \$130,299,600   | 32.4     | 0.6    | 0.1        | 6,175,645   | 27.2     | 0.5    | 0.1        | \$21.10  | \$0.82  |
| MILWAUKEES BEST ICE     | \$116,057,700   | 1.8      | 0.5    | 0.0        | 9,361,757   | (3.5)    | 0.8    | (0.0)      | \$12.40  | \$0.65  |
| MICHELOB LIGHT          | \$104,930,200   | (25.0)   | 0.4    | (0.2)      | 4,790,845   | (26.9)   | 0.4    | (0.1)      | \$21.90  | \$0.57  |
| SMIRNOFF ICE            | \$107,308,000   | (8.8)    | 0.5    | (0.0)      | 3,159,309   | (9.6)    | 0.3    | (0.0)      | \$33.97  | \$0.32  |
| MGD LIGHT 64            | \$122,057,500   | 157.7    | 0.5    | 0.3        | 6,296,406   | 136.5    | 0.5    | 0.3        | \$19.39  | \$1.60  |
| Top 20 Premium          | Dollar          | \$ sales | \$ Shr | \$ shr     | Case        | Cs sales | Cs Shr | Cs Shr     | Avg \$   | \$ case |
|                         | Sales           | % chg YA | Of Cat | Cat chg YA | Sales       | % chg YA | of Cat | Cat Chg YA | Per Case | Chg YA  |
| BUD LIGHT               | \$5,083,368,000 | (2.3)    | 43.6   | (0.2)      | 261,558,900 | (4.9)    | 43.1   | (0.2)      | \$19.43  | \$0.53  |
| BUDWEISER               | \$2,130,510,000 | (7.8)    | 18.3   | (1.2)      | 109,629,800 | (10.7)   | 18.1   | (1.2)      | \$19.43  | \$0.61  |
| COORS LIGHT             | \$1,776,647,000 | 4.2      | 15.2   | 0.9        | 93,035,360  | 1.3      | 15.3   | 0.9        | \$19.10  | \$0.54  |
| MILLER LITE             | \$1,646,759,000 | (4.7)    | 14.1   | (0.4)      | 86,845,500  | (7.5)    | 14.3   | (0.5)      | \$18.96  | \$0.56  |
| BUD ICE                 | \$201,801,800   | 24.0     | 1.7    | 0.4        | 12,726,320  | 30.8     | 2.1    | 0.6        | \$15.86  | (0.86)  |
| MILLER GENUINE DRAFT    | \$198,854,900   | (15.2)   | 1.7    | (0.3)      | 10,624,180  | (18.3)   | 1.8    | (0.3)      | \$18.72  | \$0.68  |
| BUDWEISER SELECT        | \$166,173,300   | (11.9)   | 1.4    | (0.2)      | 8,745,126   | (13.0)   | 1.4    | (0.1)      | \$19.00  | \$0.24  |
| YUENGLING TRAD LAGER    | \$130,299,600   | 32.4     | 1.1    | 0.3        | 6,175,645   | 27.2     | 1.0    | 0.3        | \$21.10  | \$0.82  |
| COORS                   | \$138,879,800   | 3.6      | 1.2    | 0.1        | 7,478,075   | 0.0      | 1.2    | 0.1        | \$18.57  | \$0.65  |
| MGD LIGHT 64            | \$122,057,500   | 157.7    | 1.0    | 0.6        | 6,296,406   | 136.5    | 1.0    | 0.6        | \$19.39  | \$1.60  |
| BUDWEISER SELECT 55     | \$9,002,761     |          | 0.1    | 0.1        | 423,169     | 0.1      | 0.1    | \$21.27    |          |         |
| MICHELOB GLDEN DRAFT LT | \$20,409,130    | (9.0)    | 0.2    | (0.0)      | 1,112,035   | (12.1)   | 0.2    | (0.0)      | \$18.35  | \$0.63  |
| YUENGLING LIGHT LAGER   | \$13,872,500    | 50.9     | 0.1    | 0.0        | 648,907     | 44.2     | 0.1    | 0.0        | \$21.38  | \$0.94  |
| OLD STYLE               | \$10,073,120    | (36.4)   | 0.1    | (0.0)      | 687,623     | (48.9)   | 0.1    | (0.1)      | \$14.65  | \$2.88  |
| BUD ICE LIGHT           | \$5,205,523     | (12.9)   | 0.0    | (0.0)      | 284,312     | (12.1)   | 0.0    | (0.0)      | \$18.31  | (0.18)  |
| LEINENKUGEL             | \$3,872,609     | (5.8)    | 0.0    | (0.0)      | 249,037     | (9.8)    | 0.0    | (0.0)      | \$15.55  | \$0.66  |
| OLD STYLE LIGHT         | \$1,709,654     | (66.4)   | 0.0    | (0.0)      | 123,668     | (72.6)   | 0.0    | (0.1)      | \$13.82  | \$2.56  |
| GRAIN BELT PREMIUM      | \$848,011       | 18.8     | 0.0    | 0.0        | 42,580      | 17.9     | 0.0    | 0.0        | \$19.92  | \$0.16  |
| BUDWEISER ASSORTED      | \$736,324       | (19.0)   | 0.0    | (0.0)      | 37,792      | (22.3)   | 0.0    | (0.0)      | \$19.48  | \$0.79  |
| HUDY DELIGHT            | \$268,231       | 239.6    | 0.0    | 0.0        | 18,090      | 271.1    | 0.0    | 0.0        | \$14.83  | (1.38)  |

**T**hese are the most recent IRI numbers for the combined Food, Drug and Convenience segment, for the entire 52 weeks of 2009. Since these charts are drawn from the IRI monthly report, the top brands are those that were leading the market in the month of the report, in this case December 2009. This leads to small aberrations. For example, Great Lakes Christmas Ale is listed among the top 20 Craft Brands, though this is a result of its strong performance in the four weeks in December. Small anomalies also occur around the margins for some brands that performed strongly in December (Budweiser Select showing up higher in the Premium rankings than its 52 week numbers would warrant). But, by and large, this is the best measure of how the upper-echelon brands performed. That said, it's clear that Premium and import beer marketers have their work cut out for them, and retailers aren't necessarily buying the refrain that they just need more facings. In addition, push-back on Big Two price increases has started among retailers. "We need cost decreases or we think there will be declines in domestic beer purchases in total," Margaret Chabris, a 7-Eleven Inc. spokeswoman told the *WSJ*. Meanwhile, on the craft front, it's the seasonals that are really popping. (On the subject of the allure of new and different, see our interview this issue with Nico Freccia, of 21st Amendment Brewery).

**Top 30 Brands and Top 20 Brands in selected segments, 52 Weeks ending 12/27/09**  
**IRI Data Total US FOOD, DRUG & CONVENIENCE**

| <b>Top 20 Sub-Premium</b>  | Dollar Sales    | \$ sales % chg YA | \$ Shr Of Cat | \$ shr Cat chg YA | Case Sales | Cs sales % chg YA | Cs Shr of Cat | Cs Shr Cat Chg YA | Avg \$ Per Case | \$ case Chg   |
|----------------------------|-----------------|-------------------|---------------|-------------------|------------|-------------------|---------------|-------------------|-----------------|---------------|
| NATURAL LIGHT              | \$1,094,639,000 | 8.6               | 23.4          | 0.3               | 77,971,080 | 4.1               | 23.1          | 0.3               | \$14.04         | \$0.59        |
| BUSCH LIGHT                | \$667,963,000   | 6.7               | 14.3          | (0.0)             | 48,372,820 | 2.8               | 14.3          | 0.0               | \$13.81         | \$0.51        |
| BUSCH                      | \$615,734,000   | 5.8               | 13.2          | (0.1)             | 43,751,760 | 2.5               | 13.0          | (0.0)             | \$14.07         | \$0.44        |
| MILLER HIGH LIFE           | \$480,111,000   | 5.2               | 10.3          | (0.2)             | 33,396,870 | 1.4               | 9.9           | (0.1)             | \$14.38         | \$0.51        |
| KEYSTONE LIGHT             | \$441,161,500   | 22.6              | 9.4           | 1.2               | 32,813,050 | 17.1              | 9.7           | 1.2               | \$13.44         | \$0.60        |
| NATURAL ICE                | \$318,934,600   | 9.7               | 6.8           | 0.2               | 23,849,270 | 6.3               | 7.1           | 0.2               | \$13.37         | \$0.41        |
| ICEHOUSE                   | \$239,151,800   | 0.1               | 5.1           | (0.4)             | 15,347,460 | (2.1)             | 4.5           | (0.2)             | \$15.58         | \$0.35        |
| PABST BLUE RIBBON          | \$157,874,700   | 29.9              | 3.4           | 0.6               | 10,554,800 | 22.5              | 3.1           | 0.5               | \$14.96         | \$0.85        |
| MILWAUKEES BEST LIGHT      | \$144,772,900   | (7.3)             | 3.1           | (0.5)             | 11,620,870 | (11.6)            | 3.4           | (0.6)             | \$12.46         | \$0.58        |
| MILWAUKEES BEST ICE        | \$116,057,700   | 1.8               | 2.5           | (0.1)             | 9,361,757  | (3.5)             | 2.8           | (0.2)             | \$12.40         | \$0.65        |
| MILWAUKEES BEST            | \$98,115,230    | (10.3)            | 2.1           | (0.4)             | 7,693,608  | (14.5)            | 2.3           | (0.5)             | \$12.75         | \$0.59        |
| MILLER HIGH LIFE LIGHT     | \$50,849,150    | (2.4)             | 1.1           | (0.1)             | 3,900,988  | (5.8)             | 1.2           | (0.1)             | \$13.03         | \$0.45        |
| OLD MILWAUKEE              | \$42,082,200    | (15.0)            | 0.9           | (0.2)             | 3,231,545  | (19.8)            | 1.0           | (0.3)             | \$13.02         | \$0.74        |
| KEYSTONE ICE               | \$37,523,540    | 24.1              | 0.8           | 0.1               | 3,053,192  | 20.8              | 0.9           | 0.1               | \$12.29         | \$0.33        |
| BUSCH ICE                  | \$17,361,310    | 11.5              | 0.4           | 0.0               | 1,276,339  | 4.3               | 0.0           | 0.0               | \$13.60         | \$0.88        |
| OLD MILWAUKEE LIGHT        | \$17,856,110    | (16.9)            | 0.4           | (0.1)             | 1,454,451  | (21.3)            | 0.4           | (0.1)             | \$12.28         | \$0.64        |
| LONE STAR                  | \$15,278,640    | 16.1              | 0.3           | 0.0               | 940,295    | 10.3              | 0.3           | 0.0               | \$16.25         | \$0.81        |
| BUD DRY                    | \$13,815,430    | 0.1               | 0.3           | (0.0)             | 916,484    | (1.9)             | 0.3           | (0.0)             | \$15.07         | \$0.31        |
| LONE STAR LIGHT            | \$12,834,350    | 21.3              | 0.3           | 0.0               | 805,060    | 14.2              | 0.2           | 0.0               | \$15.94         | \$0.94        |
| HAMMS                      | \$10,972,460    | (10.6)            | 0.2           | (0.0)             | 825,291    | (16.9)            | 0.2           | (0.1)             | \$13.30         | \$0.94        |
| <b>Top 20 Imports</b>      | Dollar Sales    | \$ sales % chg YA | \$ Shr Of Cat | \$ shr Cat chg YA | Case Sales | Cs sales % chg YA | Cs Shr of Cat | Cs Shr Cat Chg YA | Avg \$ Per Case | \$ case ChgYA |
| CORONA EXTRA               | \$949,133,800   | (8.3)             | 28.7          | (1.2)             | 32,231,950 | (7.1)             | 26.9          | (0.8)             | \$29.45         | (\$0.38)      |
| HEINEKEN                   | \$583,003,200   | (11.0)            | 17.6          | (1.3)             | 19,041,960 | (12.3)            | 15.9          | (1.4)             | \$30.62         | \$0.45        |
| MODELO ESPECIAL            | \$247,079,300   | 10.0              | 7.5           | 1.0               | 9,465,510  | 13.4              | 7.9           | 1.2               | \$26.10         | (\$0.80)      |
| TECATE                     | \$185,791,500   | (0.1)             | 5.6           | 0.2               | 9,594,616  | (2.4)             | 8.0           | 0.2               | \$19.36         | \$0.45        |
| CORONA LIGHT               | \$166,328,700   | (0.6)             | 5.0           | 0.2               | 5,814,118  | 0.8               | 4.9           | 0.3               | \$28.61         | (\$0.38)      |
| HEINEKEN PREM LIGHT        | \$95,542,220    | (14.9)            | 2.9           | (0.4)             | 3,187,477  | (16.0)            | 2.7           | (0.4)             | \$29.97         | \$0.37        |
| LABATT BLUE                | \$84,146,220    | (2.2)             | 2.5           | 0.1               | 4,377,135  | (5.2)             | 3.7           | (0.0)             | \$19.22         | \$0.59        |
| STELLA ARTOIS LAGER        | \$75,738,470    | 15.9              | 2.3           | 0.4               | 2,156,356  | 12.3              | 1.8           | 0.3               | \$35.12         | \$1.10        |
| NEWCASTLE BROWN ALE        | \$73,145,500    | (1.5)             | 2.2           | 0.1               | 2,283,931  | 0.2               | 1.9           | 0.1               | \$32.03         | (\$0.55)      |
| DOS EQUIS LAGER ESP        | \$80,258,980    | 27.4              | 2.4           | 0.6               | 2,842,126  | 28.2              | 2.4           | 0.6               | \$28.24         | (\$0.18)      |
| LABATT BLUE LIGHT          | \$61,282,060    | 9.1               | 1.9           | 0.2               | 3,321,644  | 4.7               | 2.8           | 0.2               | \$18.45         | \$0.75        |
| GUINNESS DRAUGHT           | \$54,261,030    | (0.4)             | 1.6           | 0.1               | 1,547,456  | (4.3)             | 1.3           | 0.0               | \$35.06         | \$1.38        |
| BECKS                      | \$56,000,720    | (7.2)             | 1.7           | (0.1)             | 1,971,730  | (9.0)             | 1.6           | (0.1)             | \$28.40         | \$0.56        |
| PACIFICO                   | \$56,326,880    | 3.2               | 1.7           | 0.1               | 2,036,634  | 3.1               | 1.7           | 0.1               | \$27.66         | \$0.01        |
| FOSTERS LAGER              | \$46,583,300    | (9.6)             | 1.4           | (0.1)             | 1,864,445  | (11.1)            | 1.6           | (0.1)             | \$24.99         | \$0.42        |
| AMSTEL LIGHT               | \$37,335,960    | (13.2)            | 1.1           | (0.1)             | 1,261,441  | (14.2)            | 1.1           | (0.1)             | \$29.60         | \$0.34        |
| RED STRIPE                 | \$38,215,110    | 2.4               | 1.2           | 0.1               | 1,265,603  | 0.7               | 1.1           | 0.1               | \$30.20         | \$0.53        |
| GUINNESS EXTRA STOUT       | \$25,656,460    | 0.4               | 0.8           | 0.0               | 707,011    | (3.0)             | 0.6           | 0.0               | \$36.29         | \$1.24        |
| NEGRA MODELO               | \$26,883,540    | (2.9)             | 0.8           | 0.0               | 890,674    | (2.6)             | 0.7           | 0.0               | \$30.18         | (\$0.10)      |
| MOLSON CANADIAN            | \$25,663,870    | (0.3)             | 0.8           | 0.0               | 1,269,283  | (6.1)             | 1.1           | (0.0)             | \$20.22         | \$1.17        |
| <b>Top 20 Craft Brands</b> | Dollar Sales    | \$ sales % chg YA | \$ Shr Of Cat | \$ shr Cat chg YA | Case Sales | Cs sales % chg YA | Cs Shr of Cat | Cs Shr Cat Chg YA | Avg \$ Per Case | \$ case ChgYA |
| SAM ADAMS SEASONAL         | \$65,191,320    | 10.8              | 6.7           | (0.1)             | 2,165,633  | 8.9               | 6.9           | 0.0               | \$30.10         | \$0.51        |
| SIERRA NEV PALE ALE        | \$80,591,070    | 2.2               | 8.3           | (0.8)             | 2,542,049  | 0.6               | 8.1           | (0.7)             | \$31.70         | \$0.49        |
| SAM ADAMS BOSTON LAG       | \$68,917,050    | (0.5)             | 7.1           | (0.9)             | 2,293,641  | (2.6)             | 7.3           | (0.9)             | \$30.05         | \$0.65        |
| NEW BELGIUM FAT TIRE       | \$52,489,780    | 29.2              | 5.4           | 0.7               | 1,610,881  | 24.6              | 5.1           | 0.6               | \$32.58         | \$1.14        |
| SHINER BOCK                | \$44,459,150    | 15.0              | 4.6           | 0.1               | 1,629,231  | 11.6              | 5.2           | 0.1               | \$27.29         | \$0.80        |
| SAM ADAMS VARIETY PK       | \$20,022,090    | 14.5              | 2.1           | 0.0               | 700,452    | 13.1              | 2.2           | 0.1               | \$28.58         | \$0.36        |
| SIERRA NEV SEASONAL        | \$17,727,410    | 21.7              | 1.8           | 0.1               | 584,379    | 21.3              | 1.9           | 0.2               | \$30.34         | \$0.08        |
| WIDMER HEFEWEIZEN          | \$23,831,840    | 0.5               | 2.4           | (0.3)             | 804,716    | (0.1)             | 2.6           | (0.2)             | \$29.62         | \$0.18        |
| SAMUEL ADAMS LIGHT         | \$18,525,080    | (18.3)            | 1.9           | (0.7)             | 626,515    | (20.1)            | 2.0           | (0.7)             | \$29.57         | \$0.66        |
| NEW BELGIUM SEASONAL       | \$10,399,640    | 40.3              | 1.1           | 0.2               | 336,702    | 36.1              | 1.1           | 0.2               | \$30.89         | \$0.92        |
| PYRAMID HAYWIRE            | \$12,411,110    | (4.2)             | 1.3           | (0.2)             | 445,131    | (0.1)             | 1.4           | (0.1)             | \$27.88         | (\$1.19)      |
| DESCHUTES SEASONAL         | \$6,705,742     | 9.9               | 0.7           | (0.0)             | 236,670    | 14.4              | 0.8           | 0.0               | \$28.33         | (\$1.17)      |
| GREAT LKES CHRISTMAS       | \$2,468,551     | 35.3              | 0.3           | 0.0               | 56,037     | 33.4              | 0.2           | 0.0               | \$44.05         | \$0.60        |
| REDHOOK LONG HAMMER        | \$13,633,040    | 0.8               | 1.4           | (0.2)             | 457,061    | (1.7)             | 1.5           | (0.2)             | \$29.83         | \$0.73        |
| DESCHUTES MIRROR POND      | \$13,986,090    | (2.9)             | 1.4           | (0.2)             | 471,601    | (4.0)             | 1.5           | (0.2)             | \$29.66         | \$0.33        |
| REDHOOK ESB                | \$12,140,540    | (13.6)            | 1.2           | (0.4)             | 421,591    | (15.2)            | 1.3           | (0.4)             | \$28.80         | \$0.52        |
| NEW GLARUS ASSORTED        | \$8,611,147     | 12.3              | 0.9           | 0.0               | 272,396    | 5.7               | 0.9           | (0.0)             | \$31.61         | \$1.87        |
| MACTARNAHAN'S AMBER        | \$3,473,688     | 30.5              | 0.4           | 0.1               | 133,754    | 44.1              | 0.4           | 0.1               | \$25.97         | (\$2.70)      |
| PYRAMID SEASONAL           | \$4,815,493     | 4.0               | 0.5           | (0.0)             | 180,110    | 8.4               | 0.6           | (0.0)             | \$26.74         | (\$1.13)      |
| MAGIC HAT NO 9 ALE         | \$8,943,095     | 25.6              | 0.9           | 0.1               | 267,626    | 20.5              | 0.9           | 0.1               | \$33.42         | \$1.34        |

**Data Excerpted from IRI monthly reports—Food, Drug & Convenience,  
52 Weeks ending 12/27/09**



## Shipyard launches Brown Ale

The Shipyard Brewing Company of Portland, ME, has announced the release of Brewer's Brown Ale. This spring seasonal is available in 6-packs, 12-packs and draft late January through early April.

This beer was first produced in 2006 when it was released as Brewer's Choice Brown Ale. According to Shipyard, the company decided to make the beer its permanent spring seasonal due to popular demand.

"Brewer's Brown Ale is a full-bodied, dark brown ale made with five different malts and three varieties of hops," says Shipyard brewmaster Alan Pugsley. "Pale Ale, Crystal, Chocolate, Roasted Barley and Wheat Malts combine to give this beer a nice smoky taste up front and a smooth, full body finishing with a crisp hop bite at the back. We use English Challenger, Fuggles, and East Kent Goldings at the finish."

Mr. Pugsley came to Maine from Hampshire, England in 1986. He had worked at the Ringwood brewery, a seminal British craft beer producer founded by brewer Peter Austin. In a tribute to Mr. Austin, the Brewer's Brown Ale package depicts him at ease in the brew house raising a glass to his fellow brewers. In England, black cats are a symbol of good luck and this package also features Austin's brew house cat, Bridget.

Shipyard's Brewer's Brown Ale contains 5.4% alcohol by volume.

## German beers sales drop

(Continued from page 1)

concerns among young consumers. The drop was exacerbated by the recession, although the German economy, resumed expansion in mid-2009.

The government forecasts a 1.4 percent economic expansion in 2010, according to Bloomberg.

The German beer market remains highly fragmented, with large numbers of relatively high-cost regional and local brewers.

As a result, consolidation pressure in Germany is increasing, said Uwe Riehs, head of marketing for Krombacher Brauerei, in an interview with Bloomberg.

## Clydesdale ad revived for Bowl...

(Continued from Page 2)

death of a long Budweiser tradition. The company also may have gotten negative reaction from wholesalers.

Mr. Levy said the revived Clydesdale spot, along with two competing ads, is now on Budweiser's Facebook page. No final decision on the ad seems to have been made, but it seems more than likely that the draught horses will once again frolick in the pastures of the Super Bowl.

(One hopes that the real horses will get a similar reprieve. There are persistent rumors that A-B-I will eliminate the regional Clydesdale hitches, with the retention of only one symbolic Clydesdale team in St. Louis).

If the A-B announcement that it would drop the Clydesdale spot triggered uproar, the decision to back away from Bud Light's "drinkability" ads elicited only relief.

The "drinkability" campaign, which began in 2008, was a worthy attempt to put product attributes out front in the advertising. Unfortunately, the execution was painfully bad, and may have contributed to Bud Light's lackluster performance in 200—the brand's sales declined for the first time in history last year.

Bud Light's new tagline, "Here we go," is thought to signal a return to humor as the brand's key selling point.

However, v.p. marketing Levy said that the new ads will continue to include elements of the "Drinkability" campaign, with talk of the "just right" taste of Bud Light.

## Bob Golden, high-level A-B exec, moves to NY

Anheuser-Busch InBev NV has transferred Bob Golden, a long-time A-B veteran, to its New York office as global head of mergers and acquisitions.

Though A-B-I maintains its North American headquarters in St. Louis, company watchers said the Golden transfer illustrates the growing importance of the company's New York office.

A-B-I CEO Carlos Brito and Chief Financial Officer Felipe Dutra are based in New York, although A-B-I's global headquarters is in Leuven, Belgium.

Mr. Golden has been A-B-I v.p. Mergers & Acquisitions since 2008. He served as v.p. for Anheuser-Busch's Mergers & Acquisitions unit from 1989 to 2008.



## Full Sail releases Bourbon barrel-aged Imperial Porter

Full Sail Brewing Co. of Hood River, OR, reports that the company's Top Sail Bourbon Barrel Porter will be ready to pour early this February. The beer has been aged in oak bourbon barrels for almost a full year.

"Our barrel aged beers have been a Full Sail tradition since 1998 when we discovered the magic that happens when you pair vintage barrels, dedication, and patience," said Jamie Emmerson, Full Sail's Executive Brewmaster.

Mr. Emmerson reports that the beer was brewed in February 2009, and reserved and aged for almost a year in casks from Maker's Mark, Stranahan's and Four Roses.

"After a year we created a blend that is 100% barrel aged beer to craft our Bourbon Barrel Top Sail," Emmerson reports. "This extended aging presents aromas of oak, coconut and bourbon. Deep chocolate flavors warm to a full-bodied beer. Oak, toast and caramel flavors are rounded by the bourbon fire and sweetness. Deep black in color, Top Sail Bourbon Aged Imperial Porter has a roasty malt flavor that is immensely drinkable and smooth. It cellars well, if you store a few bottles in a dark, cool place and be patient—you will be rewarded for your restraint." Full Sail marks the bottle label with the reserve year. Top Sail will be available in 22 oz bottles and limited draught. (ABV 9.85%, IBU 65)

"We love the concept of the bourbon barrel aging," Emmerson added. "Whiskey begins life as beer—or at least a beer-like concoction. It's made from malted grain and water, which is then distilled and barrel-aged, so barrel aging beer in whiskey casks is a natural. Wood and barrel aging is an art form. When done right, it's a wonderful thing. It's still distinctly beer, but with added depth and flavor."



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## Wholesaler Events

**April 18-21, 2010**—The NBWA/Brewers Legislative Conference. Hyatt Regency Capitol Hill in Washington, D.C. Check [nbwa.org/events](http://nbwa.org/events) for updates.

**November 17-19, 2010**—California Beer and Beverage Distributors 63rd Annual Convention at the Hyatt Regency Embarcadero. For more information contact Rhonda Stevenson at 916-441-5402.

*Note: Send meeting information via e-mail to [press@breweryage.com](mailto:press@breweryage.com)*

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## Owens-Illinois to close or idle several bottle plants

*(Continued from page 1)*

There have been rumors that O-I lost some contracts with A-B-I during a recent round of negotiations. Another report indicated that A-B-I had shifted more bottle making to Saint Gobain.

O-I asserted that its business relationship with A-B-I remains strong. "Anheuser-Busch is still our second-largest customer around the world," Rich Crawford, president of O-I global glass operations, said, "customer negotiations for Anheuser-Busch have been completed and have been successful overall."

O-I released its earnings yesterday,

reporting that it made \$169 million on sales of \$7.1 billion in 2009. That compared to a profit of \$258 million on sales of \$7.9 billion in 2008.

The plant closings affect about 800 of O-I's 23,000 employees worldwide. A plant in Charlotte, MI, with 140 workers will close May 1, followed by closure July 1 of a Clarion, PA, plant with 420 workers, a spokesperson said. Also, the firm will lay off about 200 of 400 workers at its Oakland plant. Some work will move to plants in Auburn, NY, and Toano, VA, which have been closed since Christmas. Both those plants rely heavily on orders from A-B-I.

# Interview with Nico Freccia, continued...

(Continued from page 2)

Belgian candi sugar, cinnamon, vanilla bean, local black mission figs, and aged on oak. This is the first beer in our Insurrection series, which is a once in awhile series of beers in four packs of cans. We're also starting to release seasonals. This coming fall we will release our holiday ale in six-packs. So this time next year, we'll be doing two year round beers, and three revolving seasonals, plus the Insurrection beers. We see the Insurrection beers as being big beers, that are really special. And this first one was a success. We had to release a little more Monk's Blood because a lot of our markets didn't get it.

## What will the next Insurrection brand be?

We won a medal at the last GABF for our Imperial Smoked Porter. We may do that in a can as an Insurrection beer.

## What has reaction been to your beers in cans?

Overall, it's been incredible. We first started talking about canning it five years ago. Oskar Blues was canning, but no one in California, and no one in the Bay Area. Initially we got some push back, craft beer people didn't get it. Why a can? On the East Coast, though, there was no push-back. I think they had more canned beers there for longer, and that market completely accepted it.

The only real push back we got was in the Bay Area, but people are embracing it now.

In on-line postings people write about how much they love the cans, "Canned beer is great," etc. Now, of course, we have New Belgium in cans and Anderson Valley in cans. Canned craft beer is a relatively new thing, but it is catching on. Because craft beer in a can just makes so much sense. For quality, for cost, for environ-



**" Monk's Blood is our first foray into doing something really special, really out there," Nico says. "We wanted to blow people's minds, with this 8.5% dark Belgian ale in a can."**

mental reasons and for portability—it's a no brainer.

With our Monk's Blood, we're using different packaging, a cardboard box carrier. That package gives us more display surface, and it's also more green, since we don't have to do the plastic rings. People dig that.

## You are brewing these beers at Cold Spring?

Yes, all our packaged beer comes out of Cold Spring. It is a great old family brewery, and they are just the perfect partner brewery for us. My co-founder and brewmaster, Shaun O'Sullivan, is out there once a month. The two main brewers there came out of craft breweries, so they love doing this stuff. And they have their own line of specialty beers now, too. At Cold Spring, we get all the benefits of better equip-

ment and a bigger brewery. Lower airs, and a QC lab, we just wouldn't have all that otherwise. We ship our own hops, and our own grains, and fresh watermelon puree from California. At the end of the day, it's just a great symbiotic relationship. We brought in a tank so that we can dry hop there, and added some piping to get more efficiency.

When we decided to contract brew, it was critical to us that we be able to do exactly the beer we wanted to do, and Cold Spring has allowed us to do that. They have even allowed us to change some brewhouse procedures.

## What Eastern markets are you in now?

All of Massachusetts, southern NY, Manhattan, New Jersey, D.C., Maryland. We're in the Philly market, and soon all through Pennsylvania. Pittsburgh is next. We're in Northern Virginia, and Southern Virginia soon. We'll be in Georgia later in the year, and that will be it for 2010.

## What is your volume these days?

We started distributing in the middle of 2008, and did about 1000 barrels that year. We did just over 4000 barrels in 2009, 60% of it in cans. This year, we're projecting 8000 barrels.

## Do you find that the internet helps spread the word about these beers in new markets?

The internet does give us nice advance buzz. We always have at least 8 beers on tap in the pub, and people will come in and sample these beers and review them on *Beer Advocate*. We did an SFO, San Francisco Organic Ale. It may be the only time we ever brew it, but it has been reviewed all over the web. So this stuff gets out there. We did out Back in

(Continued on Page 8)

# Brew Notes: A tale of two pilsners

Notes from the tasting panel for *Modern Brewery Age*, by Pete Reid, editor of *Modern Brewery Age*; with Gregg Glaser, editor of *Yankee Brew News*, and Tom Conti and Robert Lachman of the YBN tasting panel. Joining us each week is a rotating cast of tasters, to include Dr. Steve Victor, formerly of Yale University; Lt. Commander Von Bair, USN, ret.; graphic designer Phil Simpson; Greg Zannella, field sales director for Northeast Bev. of Orange, CT; Michael Anstendig, a writer for *New York Magazine* on-line, Marty Juliano, Northeast rep for the Sierra Nevada Brewing Co., Frank Fermino, brewer at John Harvard's Brewhouse in Manchester, CT, and Mark Tambascio, the co-owner of "My Place," one of the premier beer bars in Connecticut.

## Samuel Adams Noble Pilsner



Boston Beer Company  
Boston, MA

Jim Koch got a lot of flak years ago when he went around calling Samuel Adams Boston Lager "The best beer in America." But we will not take him to task if he suddenly starts promoting Sam Adams Noble Pils as the "Best Pilsner in America." Because it is.

There are many wonderful imported pilsners in the U.S., but the style is so delicate that many of them are in pretty rough shape by the time they make it into the trade. And there are very few home-grown examples of the pils style that really impress. Crafters have produced nice pilsners, but there is no benchmark nationally-available domestic pilsner on the market, until now (Yes, the Miller Lite label says it is a fine pilsner beer, but saying it does not make it so).

If Samuel Adams Noble Pilsner stands alone in the U.S., we also suspect it will do pretty well if it is entered in European Beer Star competition against the best of the Germans and Czechs. It is simply that good.

Wonderfully hoppy, exquisitely crisp, it effortlessly outshines the competition. Tasters immediately commented on the fresh hop nose as the pils was poured into the glass.

"Now that is a pils!" said the usually phlegmatic Von Bair.

"Great nose, nice and spicy," said Greg Zannella. "This blows the White Ale away." (Noble pils is replacing Samuel Adams White Ale in the company's seasonal rotation).

"Wow!" said Gerry Nicholls. "This is so bright. The mouthfeel has a wonderful effervescence. All the flavors are so well carried. It's like a burst of spring. And so well-attenuated, with a little peppery note at the end."

"Hops are the strong note in this beer, and they are all the way through," said Gregg Glaser.

"This is a classic pils, a real classic," said Von Bair. "Very nicely done, with more character than most pilsners."

"More hops than a European pils, and so well handled," said Dr. Steve Victor.

"This doesn't taste like anything else out there," said Gerry Nicholls. "It is not reminiscent of any other pils. Terrific stuff."

*Since Jim Koch may be leery of tooting his own horn these days, we will do it for him. Samuel Adams Noble Pils is the best pilsner in America.*

## Boulevard Imperial Pilsner



Boulevard Brewing Co.  
Kansas City, MO

Yes, we went nuts for the Samuel Adams Noble Pilsner (see column at left). We even called it the best pilsner in America. And that was perfectly true, until we tried this one. So if Sam Adams Noble Pils is the best nationally-available American pils, we must award the crown for "best limited-edition Belgo-American pils" to this amazing beer.

Boulevard has been producing some remarkable Belgian-style beers in the last couple of years. With this beer, they had a little help. Jean-Marie Rock, brewmaster at Orval, the renowned Trappist brewery located in southern Belgium, teamed up with Boulevard brewmaster Steven Pauwels to create this small production, limited-release imperial pilsner, brewed with 100% Pilsner malt and 100% Saaz hops. The 8% abv beer, packaged in 750ml bottles as part of Boulevard's Smokestack Series, is available this month.

Even before the tasting panel was informed that Mr. Rock had collaborated on this beer, they commented on its intriguing Belgian character.

"Belgian nose, smells delicious," said Gregg Glaser. "Full of flowery Belgian yeast."

"Hint of pepper up front," said Tom Conti.

"Wow, that is nice," said Gerry Nicholls. "Absolutely gorgeous. All that intensity, but such lightness of flavor profile. The mouthfeel is so light and refreshing, even at this strength. Beautifully attenuated. There is a lot in there, but a beautiful job. This is shockingly good."

"Great job," said Von Bair. "I agree there is something suggestive of Orval here, but what I get is a lot of Czech character. All that Saaz, and no funk. Why can't everybody make beer like this?"

"Wonderful pils," agreed Robert Lachman. "and the bitterness is so perfect."

"We certainly have seen a lot of good beer from the folks at Boulevard," said Dr. Steve Victor, "and this is another absolutely great one."

"I love the yeast character," said Greg Zannella. "And so much flavor, I wasn't surprised to learn that Jean-Marie Rock was involved with this one."

"This is what beer should be," Von said, speaking for all.



# Interview with Nico Freccia, continued...

(Continued from page 7)

Black, which is our black IPA, and soon to be year-round canned beer, and there was a lot of blog chatter about it. So when it started showing up in markets, people would search it out. People want to try new things. We started doing Golden Doom recently, a Belgian strong ale. People are blogging about it, saying "I can't wait to try it." Half the battle is awareness, consumers having heard about it.

## **I wonder if big beer marketers underestimated the power of the web, in terms of the way it helps the brand discovery process?**

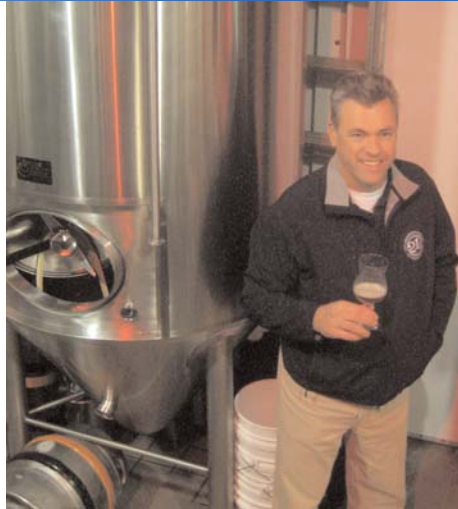
I think the entire beer consumer demographic has changed in the last 20 years. There has been a massive shift, and craft beer will go nowhere but up for the next ten years. Back when craft got going in the mid-80s, people had loyalty to brands. They drank their Miller or Coors or Bud. And in the early days of craft, they transferred their loyalties to Pete's or Sierra Nevada.

It is completely different now. People still trust their core craft brands, but they want to try new things. People in their early twenties want to try every single beer that comes out. For a lot of us in craft, 10% share is realistic.

In the old days when you turned 21, you drank what was available. Now as soon as they turn 21, in many cases they are drinking craft instead of Coors or Bud. There are more beer bars now, and more awareness and more availability. And this is just going to accelerate.

## **But when the consumer gets so mercenary, and you have to constantly put out new brands, might we get too many SKUs?**

For us, as a company and as a brand, we don't want to be doing 25 new beers a year. We want to



**"There has been a massive shift in the beer consumer demographic."**

focus on our core brands and seasonals, and do special brands once in awhile. But people want new and different. So it's a double edged sword. When there is a lot of choice, and a lot of SKUs, and it does dilute buying power. But at the end of the day, it's all about the liquid, and we focus on that.

## **When I talk to twentysomethings, the key barrier seems to be price. They'd like to drink craft, but can't afford it.**

I hear the same thing. A lot of 21 year olds love craft, but they have to buy the cheapo stuff. For a company like us, we can't do a lot of discounting. In our home market, we're at \$8.99. Big brewers will do discounts and post-offs, but we're very small. We brew in small batches, and ship in small quantities. So price will be a little bit of a barrier for craft.

But, it's interesting. The big brewer six-pack prices are lower than ours, but their draft pricing is right in line with ours. In some markets, our draft is priced lower than Sierra Nevada or New Belgium, so we are very competitive on draft. People might not

want to spend \$8.99 on a six-pack, but will happily spend \$4 on a pint to try it.

There is a lot of discounting on packaged beer. Once you start playing the chain game, it's hard for small brewers to compete with the scanbacks and discounts.

## **Are you in the chains?**

We're in the smaller chains, Whole Foods, Beverages and More. In the Pacific Northwest, we're also in smaller chains, but we're making a push out into bigger chains. We know we will have to take some pricing. It's a Catch 22. You've got to, but it's hard when you're small.

## **Are you seeing any impact from the bad economy?**

This past year, 2009, was the best year we've ever had at the pub as far as sales, despite the bad economy. I think if you have something great to offer—really good beer and great food, that's where people see value, that's where they are spending their money.

Craft beer is up, what, 9%? That growth will keep going. We're at the beginning of a good shift in beer. Consumers have a willingness to get into craft. Once they are in, they may not prove loyal to one craft brand, but they will be loyal to craft. We all know that 95% of people are still drinking the big two, but that is changing.

People are looking for something better, something different. We see that even within craft. People aren't buying pale ales as much. Seasonals are big, though. People like variety, they like special occasion beer to share with friends. We're seeing people collecting beer now, and trading beer. The beer culture in the US is as vibrant as it has ever been. There has been a shift, and it will keep on going from here.

**Thanks for your time, Nico.**