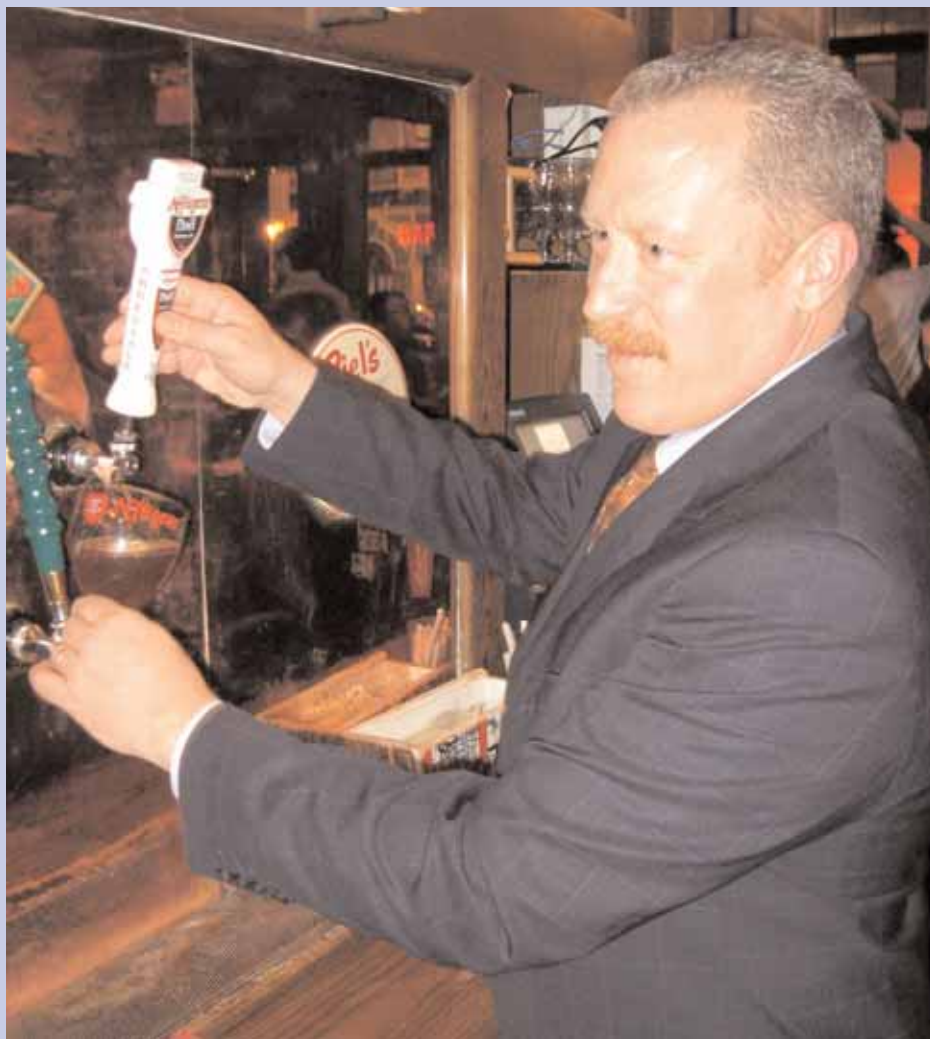


MODERN Brewery Age



Modern Brewery Age Weekly E-Newsletter • Volume 58, Number 51 • December 17, 2007



Jim Sloan, vice president, Star Brand Imports, pours the first draft beer from a rare keg of Affligem Noel tapped at the Ginger Man in New York City this past week. Star Brands is importing 61 20-liter kegs of the celebrated Belgian seasonal, to be sold on draft in select accounts in the New York, Chicago and San Francisco markets. See complete story below.

Star Brand Imports brings in Affligem Noel on draft

When Jim Sloan used to walk a New York City sales route for Heineken, there was one particular account that had a favorite Christmas tradition.

"The guy that ran the bar made a big deal of getting two kegs of Anchor Christmas Ale every year," Jim recalled. "Everyone who knew anything about beer wanted to try it. because it was Fritz Maytag's beer. They'd tap them, and you felt honored to get a glass of it. By 11 p.m., it was gone."

When Jim took over the top job at

Heineken's Star Brand imports late last year, it occurred to him that Star had the resources to do something similar with Affligem Noel, a special Christmas ale that has been sold in the bottle in the U.S., but never on draft. "We have this great brand," Jim said. "Why not pre-sell it in limited quantities?"

Unfortunately, Jim's grand experiment ran head-on into the Affligem brewery's limited capacity and a shortage of 20-liter

(Continued on page 6)

Miller Brewing Co. to test "lite" craft beers

Miller Brewing Co. has announced that it will test the "Miller Lite Brewers Collection," a portfolio of craft-style beers that are lower in calories and carbohydrates. Miller will test the collection in four markets—Minneapolis, Charlotte, San Diego and Baltimore, beginning in February 2008.

The Brewers Collection will feature three beers—Blonde Ale, an Amber and a Wheat—each with fewer calories and carbs than a typical craft beer for that style.

Miller Chief Marketing Officer Randy Ransom said "Miller is seeking to again establish a whole new category for the beer industry—craft-style-light.

"The brewer who can provide a more refreshing and drinkable craft style can stake out a whole new niche in the market.

(Continued on Page 10)

L & F to purchase Desert Eagle Dist.

Desert Eagle Distributing, which controls 76 percent of El Paso's beer market is selling the company to L&F Distributors, a larger McAllen, TX-based, family-owned distributor, the *El Paso Times* reports.

"The future of the business will be large, mega wholesalers. We either had to grow the business or sell out. In our case we had no acquisition possibilities," J. Robert Brown, Desert Eagle president and CEO, told the Times.

(Continued on page 5)

Craft brewers butting heads with distributors

AP—Last fall, Larry Bell yanked the beers made by his small Michigan brewery out of Chicago, where they enjoyed a loyal following, rather than see the rights to market them there sold to another distributor. He worried that his specialty beers would get lost among the distributor's mass-mar-

(Continued on page 6)



Oskar Blues offers Ten Fidy

Oskar Blues Brewery of Lyons, CO, recently released the first cans of its winter seasonal beer, Ten Fidy Imperial Stout, into select Colorado markets. The brewer plans to release small quantities of Ten Fidy into other states this month. recommended retail price for the stout is \$12.99.

August Schell hits million case mark

AP—They had a barrel of fun at the August Schell Brewing Co. on Wednesday, rolling out its 1 millionth case of beer produced this year, the first time the family-owned brewery has hit that mark in its 147-year history.

The specially marked case of Schmalz's Alt rolled off the production line at noon, was placed on a pallet with other cases of beer and hauled off by a forklift as a bevy of family members, media and public relations staff snapped pictures.

Brewmaster and president Ted Marti later took the case to an old horse-drawn wagon, which Schell's sometimes uses in parades. However, the special case of dark brown beer made the trip to several downtown restaurants and bars in an SUV because the old wagon needs some work and the horses that usually pull it were not available.

"It's the first year we've hit a million in a year, so yeah, we're pretty excited," Marti said.

Marti told reporters the case meant a lot to Schell's because the company has survived some tough times, although it saw a resurgence beginning in the 1980s that continues today. He credited that to great

(Continued on Page 10)

Flying Dog to shift all production to Frederick

The Flying Dog Brewery will shift all beer production to its Frederick, MD, brewery starting next month. The brewer said that consolidating production would allow it to operate more efficiently.

CEO Eric Warner said the brewer was "just trying to be smart about our business." He cited increased raw materials and shipping costs.

"Our brand is extremely healthy," marketing director Neal Stewart told the *Baltimore Business Journal*.

The company will brew almost 50,000 barrels of beer this year, a 20 percent increase.

Flying Dog plans to shift about 10 production jobs to the former Frederick Brewing Co./Wild Goose Brewery, which Flying Dog acquired in 2006 for \$1.4 million. The company will keep its accounting, marketing and sales staffers in Colorado, Stewart said, and production staffers will be offered relocation packages.

About 70 percent of Flying Dog's production already takes place in Frederick, Stewart noted.

Moderate beer intake may reduce risk of Alzheimer's

According to new research from Spain, the silicon content of beer may protect against the deleterious effects of aluminum on brain health. The study, which was conducted using mice, reported that moderate consumption of beer cut the uptake in the digestive tract of aluminum, a neurotoxin linked as a possible causal factor for Alzheimer's.

The study, published in the journal *Food and Chemical Toxicology*, reports that "moderate beer consumption... could perhaps be taken into account as a component of dietary habits."

The researchers, based at the University of Alcalá in Madrid, reported that mice receiving supplementary silicon from beer or silicic acid had significantly lower blood aluminum levels, and higher excretion of aluminum. The lower blood levels resulted in slower accumulation of aluminum in the tissue, including the brain, which could have benefits for the prevention of Alzheimer's, researchers said. They noted that beer proved a more efficient means of delivering silicone than silicic acid.



VLB craft brewing course

VLB Berlin will hold a craft brewing practical training course June 16-21 in Berlin, Germany. According to the course outline, "Craft Brewing in Practice" is a six-day training course "providing up-to-date knowledge in the field of pub- and micro brewing."

VLB says the course "provides the basics of beer brewing in theory and practice. The lectures will cover topics like raw materials (water, malt, hops, and yeast) the brewing process, yeast management, fermentation, hygiene, sensory evaluation, basics of quality control as well as aspects for starting a pub brewery."

The course will include one day of practical work in a Berlin pub brewery. The course will be taught in English.

VLB says the course "addresses persons who have a professional interest in pub brewing. Practical experience is a plus but not required for admission at this level."

The lectures will be held at VLB Berlin, in the center of the city. The fee for this one-week course is 1250 Euro plus VAT, including all course materials, lunch and refreshments. Accommodation in Berlin must be booked separately, but VLB can assist with reservations.

A non-refundable deposit of 500 Euro is due at the time of acceptance to the program. The total balance is due one week before the beginning of the course. The fee may be paid by bank transfer, credit card or check.

Deadline for enrollment is May 16, 2008. Applications are accepted on a first come first served basis.

ABC News crashes NBWA event

ABC News investigative reporter Brian Ross tried to bring a film crew into the National Beer Wholesalers Association and Brewers Association "Taste of the Holidays" party last Wednesday at the Rayburn Senate Office Building.

"Ross entered the party with cameras rolling," according to *Roll Call's* Heard on the Hill gossip column. "His goal: to show perks lawmakers and staffers receive during the holidays as trade groups and lobby shops throw swanky parties on Capitol Hill. Unsurprisingly, the newsman was treated like an interloper by the party's sponsors."

Ross then waited outside and tried to interview partygoers on their way out.

Brand Rank - Total US Food (IRI)

Total U.S. Food		Current 13-week ending December 2nd				52-week ending Dec. 2nd	
Brand Totals (excerpted)	Case Sales	Case Sales % Change YA	Case Share of Category	Case Shr. of Cat Chg. YA		Case Sales	Case Sales % Change YA
BUD LIGHT	17,944,816	0.8	16.2	(0.1)		75,646,440	1.8
MILLER LITE	9,665,659	1.5	8.7	0.0		40,402,332	0.9
BUDWEISER	8,708,473	(6.5)	7.9	(0.7)		37,705,028	(5.2)
COORS LIGHT	8,320,221	4.7	7.5	0.2		34,447,320	2.6
NATURAL LIGHT	5,244,967	(0.6)	4.7	(0.1)		21,314,014	(0.9)
BUSCH LIGHT	3,909,839	3.9	3.5	0.1		15,543,582	0.1
CORONA EXTRA	3,252,324	(4.1)	2.9	(0.2)		15,161,483	(6.1)
MILLER HIGH LIFE	3,094,585	3.1	2.8	0.0		12,466,630	(0.9)
BUSCH	2,930,885	3.7	2.6	0.1		11,567,279	(2.4)
HEINEKEN	2,334,209	3.5	2.1	0.0		9,654,456	(0.4)
MICHELOB ULTRA LIGHT	2,316,645	5.8	2.1	0.1		9,573,588	2.4
MILLER GENUINE DRAFT	1,920,098	(9.8)	1.7	(0.2)		8,462,677	(9.3)
KEYSTONE LIGHT	2,060,461	9.3	1.9	0.1		7,921,995	8.8
MILWAUKEES BEST LIGHT	1,511,017	(3.8)	1.4	(0.1)		6,235,561	(4.3)
NATURAL ICE	1,422,658	(3.4)	1.3	(0.1)		5,836,379	(2.9)
BUDWEISER SELECT	1,296,111	(16.0)	1.2	(0.2)		5,731,168	(18.6)
TECATE	1,044,252	2.6	0.9	0.0		4,392,554	6.1
CORONA LIGHT	894,412	2.6	0.8	0.0		4,331,480	2.7
MILWAUKEES BEST	1,026,045	(6.1)	0.9	(0.1)		4,315,218	(8.9)
ICEHOUSE	994,415	5.5	0.9	0.0		4,011,303	1.7
PABST BLUE RIBBON	882,092	(3.5)	0.8	(0.0)		3,747,916	(1.8)
MICHELOB LIGHT	762,278	(8.3)	0.7	(0.1)		3,409,910	(4.7)
COORS	833,698	4.7	0.8	0.0		3,368,185	(1.1)
MILWAUKEES BEST ICE	804,906	0.5	0.7	(0.0)		3,293,691	(0.9)
MILLER HIGH LIFE LIGHT	698,117	(0.7)	0.6	(0.0)		2,788,051	(6.3)
LABATT BLUE	527,942	1.5	0.5	0.0		2,253,114	(1.3)
HEINEKEN PREMIUM LIGHT LAGER	577,816	18.2	0.5	0.1		2,222,932	43.1
YUENGLING TRADITIONAL LAGER	551,146	18.7	0.5	0.1		2,162,240	8.0
OLD MILWAUKEE	487,023	(10.1)	0.4	(0.1)		2,105,290	(12.1)
STEEL RESERVE HIGH GRAVITY	498,714	10.8	0.5	0.0		1,995,638	11.9
MODELO ESPECIAL	477,371	4.8	0.4	0.0		1,978,966	5.8
ODOULS NA	431,135	(0.2)	0.4	(0.0)		1,837,307	(1.8)
SAMUEL ADAMS BOSTON LAGER	443,913	8.0	0.4	0.0		1,797,193	7.3
SIERRA NEVADA PALE ALE	415,169	(0.7)	0.4	(0.0)		1,744,051	1.3
ROLLING ROCK	392,519	1.9	0.4	0.0		1,705,075	(8.4)
BLUE MOON BELGIUM WHITE ALE	430,840	34.0	0.4	0.1		1,687,638	51.2
NEWCASTLE BROWN ALE	389,992	3.8	0.4	0.0		1,564,641	9.3
BECKS	375,034	(10.3)	0.3	(0.0)		1,537,955	(10.6)
MILLER CHILL	467,947	0.4	0.4			1,493,326	
GUINNESS DRAUGHT	336,652	2.8	0.3	0.0		1,485,692	5.4
LABATT BLUE LIGHT	340,936	13.3	0.3	0.0		1,431,631	4.7
FOSTERS LAGER	335,797	(2.4)	0.3	(0.0)		1,419,790	0.1
AMSTEL LIGHT	316,020	(12.6)	0.3	(0.0)		1,392,684	(12.8)
SAMUEL ADAMS SEASONAL	493,512	33.4	0.4	0.1		1,361,999	29.5
PACIFICO	291,515	(1.9)	0.3	(0.0)		1,328,250	(2.9)
BUD ICE	352,684	13.0	0.3	0.0		1,317,259	0.3
MICHELOB AMBER BOCK	294,265	(4.7)	0.3	(0.0)		1,272,648	(2.4)
GEORGE KILLIANS IRISH RED LAGER	286,441	(3.4)	0.3	(0.0)		1,271,831	(5.6)
MILLER GENUINE DRAFT LIGHT	278,394	(8.6)	0.3	(0.0)		1,239,677	(10.0)
SMIRNOFF ICE	255,390	(10.6)	0.2	(0.0)		1,216,376	(11.2)

**Case Brand Rank, Total US Food
Excepted from Monthly IRI InfoScan Data**

Wachovia analyst sees promise in beer stocks

A Wachovia analyst on Friday initiated coverage on several beverage companies and gave the Boston Beer Co. an "Outperform" rating.

Analyst Jonathan Feeney said Boston Beer will benefit from the newly-acquired Lehigh Valley brewery. The cost of the brewery and higher costs for hops, grains, kegs and logistics have caused analysts to lower earnings estimates. However, Feeney said the acquisition had more positives than negatives.

"This transaction triples in-house capacity (adds 1.4 million barrels), necessary to support Boston Beer's category driven growth," he said.

Feeney also said that A-B has remained the dominant player in the beer industry, despite competition from spirits, imported beer, SABMiller, and global consolidation, with a 48 percent market share.

"Alliances and co-distribution have pressured margins, but we can be thankful A-B didn't deleverage its competitive advantage by doing a dilutive spirits or wine deal," Feeney wrote. Feeney gave A-B a "Market Perform" rating.



Tsingtao Brewery and Crown executives meet in Chicago

Top executives from the Tsingtao Brewery and Crown Imports toast the success of the Tsingtao beer brands at a recent planning meeting in Chicago. Pictured left to right are Wang Zhiguo, general manager, Tsingtao International, Andy Berk, chief executive officer, Barton, Inc., Jin Zhiguo, president, Tsingtao Brewery Co., Ltd., Bill Hackett, president, Crown Imports, and Ma Ning, director, North America, Tsingtao International. "We are extremely proud of our long-term partnership with the Tsingtao Brewery and this relationship has played a key role in the development of Tsingtao beer in the U.S. market," said Bill Hackett, president of Crown Imports, the exclusive U.S. importer of Tsingtao Lager and Tsingtao Pure Draft. "We would also like to acknowledge our wholesalers, retailers and consumers for their support in making Tsingtao the top imported Chinese beer in the U.S."

Fast-growing craft brewers are increasingly business savvy

AP—With growth of craft beers dwarfing that of the mega domestic beer brands, more craft brewers are developing annual plans, assessing markets and generally behaving more like the suits at megabrewers such as Anheuser-Busch and Molson Coors Brewing Co.

"When this industry started, it was started by a bunch of engineers and home brewers," said Alan Newman, chief executive of Vermont-based Magic Hat Brewing Co. The brewers that have grown "are the ones that have either made the transition themselves to learn how to be more savvy business people or created a partnership with someone who does."

Smaller breweries—from the Colorado-based New Belgium Brewing Co. to Washington-based Pyramid Breweries Inc.—are all becoming more knowledgeable about the business of brewing, sparking even more growth in what's now the fastest growing beer category.

The biggest beneficiary of the emergence of the craft brewer as executive may wind up being the consumer as more companies use their new skills to secure distribution

contracts that allow them to offer their brews to a wider audience.

The business know-how is also helping brewers negotiate supply contracts for ingredients—a necessity in a period of sharp price increases for commodities and packaging materials.

"The beer category is having this huge surge of interest in full-flavored beers," said Julia Herz, spokesman for the Brewers Association, which represents craft brewers. "The American craft brewer is responsible for full-flavored beer."

According to data from market research company Information Resources Inc., domestic premium beers—including Budweiser, Miller and Coors Light—make up 44 percent of the entire beer category by volume, or the number of cases sold directly and indirectly to consumers. Craft beers only account for about 4 percent of the category's volume.

But, in terms of growth, craft beer are far outpacing the category bigwigs. Craft beer volume has grown 13 percent in the 52 weeks ended Nov. 4. In terms of dollar sales, the craft beer segment has grown

about 17 percent during the past year. Volume of domestic premium brands fell 0.4 percent in the past 52 weeks while dollar sales rose just 1.2 percent.

Magic Hat is one brewery that has grown with the craft beer category. The brewery makes its trademark #9 brew as well as a hefeweizen called Circus Boy and a number of seasonal beers. The company, which has been in business since 1994, sells its beer mainly on the East Coast and has recently expanded to a number of new southern and Midwest markets.

In the first half of 2007, volume rose 11 percent and sales jumped 33 percent from the same period in 2006. The brewery also reported strong growth in new markets, including Michigan, Ohio, Virginia and North Carolina.

That growth, Newman said, is at least partly due to a decision he made to bring on a partner who knew business far better than he did.

About three years ago, Newman hired Martin Kelly as a consultant to write a five-year plan for the company. Kelly had spent

(Continued on Page 8)

WEEKLY MARKETPLACE

Brewers Events

November 12-15—Master of Beer Styles & Evaluation Program. Siebel Institute, Chicago, IL. Tel: 213-255-0705

April 6-11, 2008 - The Institute of Brewing & Distilling, 30th Asia Pacific Section Convention, SkyCity Convention Centre, Auckland, New Zealand. For information, check www.ibd2008.co.nz

April 16-19, 2008—The Brewers Association's Craft Brewers Conference and BrewExpo America will be held in San Diego, California.

Wholesaler Events

April 13-16, 2008—New York State Beer Wholesalers Association Spring Business Meeting. LaPlaya Beach & Golf resort. Naples, FL.

Editor's Note: To include your event in this calendar, please send date and contact information by e-mail to:

pete@breweryage.com

L & F to purchase Desert Eagle Dist.

(Continued from Page 1)

Mr. Brown has owned the company for 15 years with Clyde Scott, the company's vice president.

L&F last week agreed to buy Desert Eagle for an undisclosed amount. Both companies are distributors of Anheuser-Busch products. The deal is expected to close in January.

Greg LaMantia, whose family operates L&F, said that consolidation is the trend in the beer wholesale sector. "You need to be large to have the resources "to go forward," he told the *Times*. "We're always looking for opportunities for expansion of this kind."

Desert Eagle has annual sales of more than \$150 million, with 270 employees, including about 180 in El Paso, and also operates in Alpine, Texas, and Roswell, New Mexico.

L&F employs 525 people and operates in McAllen, Laredo, Harlingen, Rio Grande City, Beeville, Alice and Corpus Christi. L&F was founded by Joe LaMantia Jr. in the early 1980s, and five of his children help operate it.



MICRO MATIC

World's Largest Draft Equipment Website!

www.micromatic.com

• Shop • Order • Education • Beer Forum



MAGLINER®
Route Distribution Solutions

Contact us for a C-Store Rapid Delivery System package including video, savings calculator and user comments

1-888-844-CRDS
(1-888-844-2737)

www.magliner.com
crds@magliner.com



The new message in a bottle

convert cans into bottles with the new

BottleAcan

The new Modern Brewery Age Blue Book is available. The book has been completely updated, and includes a new international brewery directory. Get both books for \$450. Call to order at 203-663-7836

Craft brewers butting heads with distributors...

(Continued from page 1)

ket brands.

"I didn't feel that they were the right fit for us," says Bell, who founded his brewery, now based in Comstock, Mich., in 1985. Last week, Bell quietly re-entered the Illinois market with a new brand, even though he expects to be sued by his former distributor, National Wine & Spirits Inc. Bell found two distributors, Central Beverage Co. and Schamberger Brothers Inc., in the Chicago area willing to take on his new Kalamazoo Royal Amber Ale despite the possibility they'll be sued, too.

The maneuver is perhaps the most audacious in a string of recent efforts by small-batch "craft" brewers in the US to try to assert more control over how their beer is sold as they gain in popularity—and clout. The craft brewers are using this new influence to stir up changes with beer distributors. Other brawls have erupted in New York and Texas.

The fights stem from the nation's complex regulations for selling alcohol. Under laws that date to the repeal of Prohibition in 1933, beer generally must be sold through distributors. Producers like Bell's Brewery sell the brew to a distributor, which marks up the price and trucks it to a bar, restaurant or store, which then sells it to a consumer. The system was designed to keep alcohol producers from running bars and restricting consumer choice.

States were given authority to regulate alcohol sales within their borders. Many, including Illinois, have enacted so-called franchise laws, designed to protect beer distributors from being dropped arbitrarily by a brewer after they have spent considerable resources building a brand. The laws prevent a brewer from terminating a distributor except under certain circumstances, such as fraudulent business dealings. Distributors, on the other hand, generally have the power to sell distribution rights whether the brewer likes it or not.

Historically, craft brewers have made relatively little fuss over distributors, in part because they have been happy to have companies willing to hawk their brands. But now, at a time when craft beer has become the industry's fastest-growing segment, some small brewers are taking greater control over their destinies. They are attempting to dump their distributors or fighting moves to sell distribution rights—often over

allegedly poor service.

Last year, Bell was dismayed when National Wine & Spirits, an Indianapolis company, insisted on selling distribution rights to Chicago Beverage Systems, a unit of Reyes Holdings LLC, one of the nation's largest beer distributors. He worried the company, which sells mass-market brands, including Miller Lite, would devote little attention to his beers.

Though Illinois accounted for 11 percent of his sales, Bell left the state and entered new markets such as Virginia and Florida. But he decided to return to the Chicago market after his email inbox was flooded with Illinois residents thirsting for Bell's, says Bell, 49, a native of the Chicago area who maintains a home in the city.

Bell has taken a measured approach for legal reasons, creating the new brand, which partly pays homage to the brewery's first home in Kalamazoo, Mich. The beer's recipe is also different than the brewer's traditional brands. After consulting with a lawyer about Illinois law governing breweries, Bell believes he can return to the market using new distributors as long as he offers new brands with new recipes. "I fully believe the law is on our side," he says.

About two months ago, he says, Greg Mauloff, an executive vice president with National Wine & Spirits, warned him he would face a long legal fight if he tried to come back to Illinois. Mauloff declined to comment.

Several recent spats between small brewers and distributors have wound up in court. In February, New York's Brooklyn Brewery Inc., a producer of beers such as Brooklyn Lager and Brooklyn Brown Ale, notified one of its distributors, Gasko & Meyer Inc., that it would terminate their agreement. Brooklyn Brewery was disappointed with its sales in the five counties in upstate New York in which Gasko & Meyer sold its beer, and complained that the distributor made late deliveries and sometimes delivered stale beer.

Gasko & Meyer responded by suing the brewer in New York state court, claiming, among other things, that Brooklyn Brewery failed to properly notify it of any failures to adhere to their distribution deal, which began in 2001. A judge in September rejected Gasko & Meyer's request for a preliminary injunction to keep Brooklyn Brewery from changing wholesalers. Its

Modern Brewery Age

Editorial: (203) 663-7831

Fax (203)852-8175

E-Mail: pete@breweryage.com

Web-site at www.breweryage.com

EDITORIAL STAFF

Editor Peter V.K. Reid

Contributing Editor Gregg Glaser

EXECUTIVE STAFF

Chairman Mac Brighton

Circulation Mgr. Art Heilman

Production Peggy Eadie

Gaphic Artist:

ADVERTISING

Ad. contact: Diane Apicelli

(203) 663-7830

SUBSCRIPTIONS: \$95.00 per year. Includes 52 issues of the weekly e-newsletter and on-line magazine. Copyright Business Journals Inc. 2007.

Editorial: Send press releases, news items and calendar listings to pete@breweryage.com.

new wholesaler, Lobo Distributing Co., has rapidly increased sales, says Steve Hindy, the brewer's president. Gasko & Meyer's lawsuit is still pending; officials at the distributor declined to comment.

Trying to switch distributors "is a big gamble for a small company like ours, because these lawyers are not cheap and you want good representation," says Hindy.

Hindy says heightened consumer demand for craft beers is giving small brewers confidence to "assert our rights more forcefully." Also emboldening them: Many distributors that once ignored craft beers are now clamoring to add them to their lineup to increase profits. It "is a whole different world for us than has existed in the last 20 years," Hindy says.

Back in Michigan, Bell is bracing for a lawsuit and didn't do much celebrating of his beer's return to the Windy City. He has been taking it easy because he had surgery last month to remove his prostate after being diagnosed with cancer. "It's major surgery, so I'm watching my energy level," he says. "There's plenty of life left for drinking beer."

Brew Notes

By Pete Reid, editor of *Modern Brewery Age*; with regular panelists Gregg Glaser, editor of *Yankee Brew News*, and Tom Conti and Robert Lachman of the *Yankee Brew News* tasting panel. Joining us each week is a rotating cast of tasters, to include Paul Lin of *Dow Jones Online*; Steve Victor of Yale University; Von Bair, a former naval officer and retired museum administrator; Gerry Nicholls, an operating room nurse and expat Briton; and Michael Anstendig, a writer for *Food Arts*, *Time Out NY* and *New York Magazine*. Since taste is subjective, we include individual comments from each taster that reflect different aspects of each beer. A brief key to our rating scale:

- ★★★★ = Superb in every respect. True to style, enjoyed by all panelists.
- ★★★★ = Excellent, but there may have been a dissenting voice on the panel.
- ★★★ = Good beer. No flaws, but may diverge from style or garner faint praise.
- ★★ = Fair. May suffer from one or more style, balance or flavor problems.
- ★ = Poor. Off-flavors and imbalance predominate. Disliked by panelists.

Vernmonster Rock Art Brewery Morrisville, Vermont

★★★★

This 10% abv, 100 IBU barleywine has huge hop aroma, and big malt body. Tasters found the hopping on the high side, and the body on the light side for a barleywine. These stylistic faults, if they can be called that, were not counted against the beer, because it was universally admired.

"Huge, strong, resiny hop aroma, with alcohol notes as well," Gregg Glaser said. "It tastes like a barley wine, but less sweet, and so well hopped."

"Wonderful beer," Robert Lachman said. "Hops in the boil, a lot of resin in it, but the dry-hopping doesn't come through, and they avoided floral bouquet of hops."

"This is freaking awesome," said Tom Conti. "High alcohol with medium body and high IBUs. More like an over-the-top IPA."

"Very good beer," Gregg Glaser said. "In barley wine territory, but not a barleywine."

Treble Hook Barleywine Redhook Ale Brewery Portsmouth, NH

★★★★

This is another barleywine that the panel considered on the light side for the style, but nonetheless exceptional.

One taster described Treble Hook as a "barleywine lite."

"More drinkable than most barley-



Don't let the scary name fool you. Vernmonster from Rock Art is a very drinkable barleywine.

wines," Von Bair said. "A very tasty strong ale."

"Pacific Northwest hops in there," Gregg Glaser said. "Perfumy citrusy character."

"This as a barleywine for hop-heads," said Robert Lachman. "It is the best barleywine I've ever had, but I'm not sure I would call it a barley wine."

Tasters loved the hop character, and found it perfectly balanced, but most of the panel didn't think it was "big" enough to be a true barleywine.

"How about calling it a hop wine?" asked Michael Anstendig.

"It's very good," said Tom Conti, "maybe an American barleywine?"

"Very fresh and young, more like an Imperial IPA," Gregg added.

Sam Adams Holiday Porter Boston Beer Co. Boston, MA

★★★★

A rich, robust porter, redolent with aromas of chocolate and coffee.

"The creamy head comes through into the body," Gerry Nicholls said.

"Gives it a beautiful mouthfeel."

"Almost too big for a porter," Tom Conti said, "but good dark fruit character, raisins and plums."

Finishes clean and dry.

Saranac Imperial Stout Matt Brewing Co. Utica, NY

★★★★

A startlingly big beer from Matt Brewing Co. of Utica, NY.

This 9% abv black beer comes on strong with a big roasty palate. "Darth Vader juice," one taster called it.

"You can smell the alcohol," Dr. Victor noted.

"Dark fruit and coffee notes," Von Bair said. "Well made."

"I'd have this instead of an espresso," Gerry Nichols said. "Licorice comes through strongly, but more like Dutch licorice, a salty, complex licorice that lingers on the palate."

"Very dry finish," Gregg Glaser noted.

For inclusion on this page, please send beer samples to: Modern Brewery Age, 50 Day Street, Norwalk, CT 06854 or contact pete@breweryage.com

MBAA chapter meets at Coors Ft. Collins

The Rocky Mountain District of the Master Brewers Association of the Americas held its fall meeting in combination with the American Association of Brewing Chemists Wild West District, at the Coors Brewing Company in Golden, Colorado.

"The meeting was well attended by members and guests from both organizations," said past president and publicity chairman Steve Presley of Anheuser-Busch.

Vice-president Jeff Biegert, New Belgium Brewing Company, presided over the business meeting. Each of the committee chairpersons reported on his respective area. Several new members from Anheuser-Busch, Inc. in Fort Collins were introduced to the membership.

The technical talk for the night was Electron Paramagnetic Resonance (EPR) Practical Applications in Brewing, Beer Flavor Stability and Hop Antioxidants. The presenter was Bob Foster, Manager of Flavor Stability and Chemistry, Coors Brewing Company.

"Bob's talk, although somewhat technical, emphasized the importance of keeping free radicals, i.e., oxygen and its oxidative catalyzing agents in check to minimize the creation of flavor degrading oxidative compounds from occurring in one's beer," Steve reports. "He also stressed the importance of maintaining beer's natural antioxidants through proper handling of wort and beer. Several of the known antioxidants and methods to reduce oxidative flavors that he has studied and reported on are; ethanol, SO₂, Iso-alpha-acids, polyphenols, oxygen scavenging crowns and chelating metals."

Mr. Foster's studies have shown that antioxidants, if not removed from the wort or beer, can renew themselves and be 'recycled' back into the role of helping ensure beer's freshness stability.

Steve noted, "I thought Bob's talk is best summarized by the words of Bill Coors that he related to the audience, 'Do not scorch the wort. When you move beer you can bruise it'."

"The District and its members are grateful to the Coors Brewing Company for hosting this annual joint meeting," Steve said. "Each attendee received a Coors German made classic pilsner glass provided by the District to commemorate the meeting."



Members of the northern Colorado breweries Anheuser-Busch, Inc., Big Horn Brewing Co., New Belgium Brewing Co., Odell Brewing Co., and Pitchers Brew Pub on the bus from Fort Collins to Golden.



New and existing MBAA members from Anheuser-Busch, Inc. enjoying dinner.



Technical speaker Bob Foster, Coors Brewing Company.

Star Brand Imports taps Affligem Noel...

(Continued from page 1)

kegs, and Star was only able to get 61 20-liter kegs of Noel.

"We tried to get 300, and we got 61," Jim said. "It's not enough to do anything, but I thought we might as well do some tastings. What are we going to do, keep it for ourselves?"

Star spread the precious 61 kegs into three key markets—New York, Chicago and San Francisco. "We have a lot of accounts that are very excited about this," Jim said. "This is a draft beer never before tasted in the US market."

Affligem has been in the Heineken USA portfolio since about the year 2000, when Heineken NV bought a controlling stake in Affligem. The Affligem brands had been introduced in the US by importer Vanberg & DeWulf of Cooperstown, NY, but when the brewery changed hands, the brand went first to Fischer International Beverages, and then to Star Brand Imports.

"Affligem is the oldest beer in Flanders," says Star Brand marketing manager Damiano Possenti. "It was founded in 1047. It is a small brewery, but this beer is part of the national pride of Belgium."

"The monastic breweries brewed seasonal and Christmas beers," Damiano added. "These beers are usually more malty than hoppy. These special beers developed because in the monastery, the monks were allowed to drink just one beer a day. So they said, 'let's make that one beer very good and very strong!'"

Kevin Graham, Northeast regional director for Star Brand Imports, introduced the Noel draft to a group of journalists invited to witness the first tapping at the Ginger Man in New York City.

"This is a beer you can taste with the eyes," Graham said. "The rich color of the beer and the color of the head. There is an aroma of orange zest, and complex layers of malt flavor. It is a very warming beer."

Opinion on the draft Noel was universally positive. Despite the 9.5% abv, the beer was extremely drinkable.

"It tastes very fresh and alive," said taster Gerry Nichols. "It's bright, and not cloying. These beers can be too sweet or too alcoholic, but this has just enough of everything, and the alcohol is nicely hidden. There is a licorice top note in the flavor,



Photo by Gregg Graser

Star Brands Imports v.p. Jim Sloan pours out a cellar-aged vintage 2006 Affligem Noel, as Star Brands marketing manager Damiano Possenti looks on.

mixed in with malt sweetness. Delicious."

Jim Sloan said this year's circumscribed introductory events are but a taste of things to come. "We are using events like this to set the stage to bring in Noel on a larger scale next year," he said. "We've got a lot of people calling us this year for it. Affligem is a brand that is growing very well. We're in 30 states. It's not the kind of beer that does well everywhere, but we have 20 states where we do good volume."

Since taking over at Star, Jim has looked to forge the Star Brand portfolio into a weapon against the surging craft segment. "The consumer must realize that these European beers are handcrafted," he said. "We need to position ourselves as crafts. Blue Moon is great, but when a consumer knows it is brewed by Coors, maybe it's not so great."

"I was talking to a restaurant buyer, and he was telling me that micros are making better beer than they were 10 years ago," Jim said. "So I asked him, 'do you think they will be making even better beer ten years from now?' and he said 'sure.' So I said, 'Imagine if they had been making beer for 400 years.' The Germans and Belgians have been making beer for centuries. Our beers, and the special glassware that goes with them, have been part of European culture for hundreds of years. These are facts, and our mission is to romance this stuff."

"I see all these Oktoberfest beers in the

market, and that's great," Jim added. "But I'm kind of offended. The biggest seller is probably Sam Adams, and I've got nothing against them, because they are doing a great job, but we've got the real thing here, Paulaner and Hacker-Pschorr Oktoberfest, and it's coming straight from Munich, the holy land of beer."

Jim said he sees possibilities for more seasonal brands and special beers within the Star Brand portfolio. For starters, Star will bring in two seasonals from Hacker-Pschorr this year—Stern Weiss in a swing-top in March, and Anno 1417, a kellerbier.

"Hacker-Pschorr and Paulaner produce an amazing array of beer," Jim said. "Seasonals bring retail interest and consumer interest. People like to try a seasonal beer, and I also think they boost our specialty credentials. The Hacker-Pschorr seasonals will be the first ones. We'll also look to bring in seasonals for Paulaner, but not until later next year."

Jim also raised the possibility that he would bring on draft versions of other Star Brand beers that have previously only been available in the bottle.

Jim said that his ability to execute this successfully hinges on Star's affiliation with Heineken USA. This gives the importer access to an efficient shipping operation for getting the beer to the US and strong distribution once it arrives.

(Continued on page 10)

Miller to intro "Lite" line of craft-type beers

(Continued from page 1)

That's what we intend to do," said Ransom.

The brewer said the Miller Lite Brewers Collection is targeted to mainstream drinkers and "capitalizes on three trends that are driving much of the growth in the U.S. beer industry—the shift toward light beer, a desire for more variety and premiumization."

The brewer selected three styles that it said "feature a unique taste profile and are especially popular among beer drinkers looking to experiment with crafts."

The Miller Lite Brewers Collection Wheat is described as having "especially appealing flavor dimensions, with a subtle citrus character." The Miller Lite Brewers Collection Amber is said to feature roasted malts and "a mild hop character for a bold yet refreshing flavor." And the Miller Lite Brewers Collection Blonde Ale is said to "offer a crispness and slight maltiness that's balanced by a recognizable hop aroma."

The brewer said that the Miller Lite Brewers Collection will initially be available in 6-pack bottles and priced between mainstream light beer and the typical craft beer.

With the introduction of Miller Lite Brewers Collection, Ransom said "Miller is continuing to execute against its strategy to migrate more of its business to the Worthmore end by delivering innovative products to market like Miller Chill, Leinenkugel's and Sparks."

Schell's hit the million mark...

(Continued from page 2)

local and regional support. He estimated that about 88 percent of what Schell's produces is consumed in Minnesota.

Schell's selected Schmalz's Alt for its millionth case to honor Marti's father, Warren Schmalz Marti, who was president of the brewery from 1965 to 1986.

Schell's has 44 full-time employees and the brewery is a landmark in this south-central Minnesota city founded by German immigrants.

"We're fortunate because if you look at the history of brewing, with Prohibition and then the megabreweries and acquisitions putting smaller companies out of business, it's a source of pride for us and a hallmark of their stamina and foresight," said Mayor Joel Albrecht, who attended the festivities.

Star Brands, continued...

(Continued from page 9)

"We have a demand point in Europe, a lot of the beer is a day's ride to Rotterdam, and we can do mixed loads from there," he said. "We get Heineken freight rates, and great flexibility. That means a distributor can take a pallet if they want. If they want three pallets, they can have them, and they don't have to take 8 or 9. A distributor having to take a whole container doesn't lend itself to fresh beer. We can leverage our Heineken relationship to keep our beer fresher than everybody else."

Jim also plans to use Heineken's freight capabilities in another important way in the coming year. For their '08 Oktoberfest promotion, Star Brands is importing actual benches and tables from the Hacker-Pschorr tent in Munich, and make them available to wholesalers in the U.S. market.

"The benches and tables in these Oktoberfest tents are replaced every year,"

Craft brewers becoming more business savvy...

(Continued from page 4)

12 years at Coca-Cola Co. and its bottler Coca-Cola Enterprises Inc. He had also served as a regional vice president for Miller Brewing Co.

After Kelly wrote the plan, Newman said he realized he didn't have the know-how to implement it well and asked Kelly to come on board at Magic Hat to run the business side of the company. Kelly is now its president. Kelly's experience has created a far more business-oriented company, Newman said. While Newman runs mainly on intuition, Kelly depends more on data to help choose new markets and distributors. Armed with market research, the two can approach distributors with more informed predictions of demand, they said.

"We play the business in a way that the larger distributors need to have it played," Newman said.

The business focus also has helped the company sign cost-saving supply contracts for essentials like kegs.

"The bigger breweries tend to be more efficiently run and they do better planning," Newman said. "They can estimate their needs a lot better."

But, he said, "because our business is well-planned out with a very detailed annual plan, we can communicate our needs to our keg supplier well ahead of time."

Peter V.K. Reid, editor of the beer indus-

try trade journal *Modern Brewing Age*, said Jim said. "So this year we decided to brand them and ship them over here. Retailers can build displays around them, and raffle them off, where legal."

Jim Sloan seems intent on bringing larger-scale thinking to Star Brand Imports, and reviving and exploiting some of the portfolio's underutilized properties, like Affligem Noel and the Hacker-Pschorr franchise (He also has big plans for Moretti LaRossa, another underused brand).

Jim's background heading HUSA's Northeast region, representing 45% of HUSA's volume, may have something to do with his broader perspective.

"Running the Northeast was not a bad gig, but I really love what I am doing now," Jim said. "I had tried all these beers long before I came to Star," he added. "And these are amazing beers. For me personally it is a lot less cases, but it means going into the whole country. And a great part of it is that a lot of wholesalers that I've known socially I'm now doing business with."

try trade journal *Modern Brewing Age*, said Newman's idea to bring on a more experienced business partner is becoming more and more common. Craft brewers, he said, have "attracted top-notch management people," Reid said. "The success of craft is attracting better people."

Hiring a partner with business expertise is one way brewers have become more business-savvy. Other brewers are learning the business themselves. For many, the shift has less to do with increasing distribution and more to do with survival.

The cost of barley, wheat and packaging materials has all gone up in the past year due to crop disease, drought and demand for alternative fuel ethanol which has enticed farmers to plant more acres of corn and less of everything else. In addition, hops is in short supply due to a drought.

The higher costs and the hops shortage have caused many craft brewers to scramble to put together long-term contracts from suppliers to make sure they can afford the ingredients and make their beer. But suppliers typically need annual projections for demand and production to make the deal.

Brock Wagner, founder of Houston-based Saint Arnold Brewing Co., said the higher costs are teaching brewers quickly about the benefits of knowing the business side of their business. "One of the best educational tools is a crisis," Wagner said.