

KANE'S BEVERAGE WEEK

The marketing, regulatory and financial news that matters . . . when it matters
for bev/al executives and their advisers

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Why It's in Producers' Interests to Save Bars, Restaurants

This morning's *Wall Street Journal* has a story noting the bev/al supplier stocks are down. The reason? Surging sales for consumption at home aren't offsetting the loss of sales on-premise.

No surprise there. Long-time players in the business know that when times get tough, people continue to drink — but they trade down. Long-term plays also know that the fancy brands tend to be the ones sold on-premise.

Exactly how bad could this be for producers — and their shareholders? The *Journal* quotes Jon Moramarco, a wine analyst and industry veteran, as projecting on-premise wine sales in the U.S. will be about 50% to 60% lower than last year.

The story also notes that one in six restaurants have closed long term or permanently in the U.S., and a survey of operators found 40% believe they will have to shut down by early 2021 if they don't receive additional aid from the government.

There are two ways they could get additional aid. One is simply for the government to give them cash, as it essentially did with the Paycheck Protection Plan. The other way is for the government to do what many Asian countries, along with New Zealand, Australia and even Slovakia have done as well as some U.S. colleges — institute a large scale testing program.

The latter way is the better way, because in those countries which have large-scale testing, bars, restaurants and sporting venues are open and packed and there is no spread of the disease.

Why not wait for a vaccine? The most optimistic estimates are that a vaccine won't be widely available until late spring or early summer at best. Large scale testing can be implemented now. Also: You can expect slower update of any vaccine — because government and industry admit they aren't certain about side effects, including potentially deadly one. So they are rolling out apps to track them

Thanks to Penna. Gov., PLCB Sales Plunged in Year

Soon after the Covid-19 pandemic erupted, Pennsylvania's governor ordered the Pennsylvania Liquor Control Board to shutter its operations. The results of that "public health" action are now in stark relief: For the fiscal year ended June 30, the **Pennsylvania Liquor Control Board** recorded net sales of \$2.04 billion — \$110.9 million less than a year before.

There was another impact too: Payroll and other operating expenses plunged enough that despite the lower sales level, net income surged 9.2% to \$208.7 million — a \$17.7 million increase. Maybe antialcohol advocates will use that to argue the PLCB should be permanently closed.

Footnote: Pennsylvania Gov. Tom Wolf has thus far failed to implement massive screening to protect the state's residents from Covid. Apparently he considers bev/al to be a bigger threat than Covid.

How America Drank on Election Night, According to Drizly

We have to wonder how many people in the past week have said, "This election is driving me to drink!"

Apparently, quite a few, which reports that on Election Day sales were 67.66% higher the average of the previous four Tuesdays. In Boston, sales were 83.41% higher, in New York City, 110.4% higher; in Los Angeles, 34.96% higher, in Chicago 55.16% higher and in Washington, D.C., 132.57% higher than the average of the

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previous four Tuesday.

Wine was the leading seller, representing 42.38% of store sales share, followed by spirits, 40.84%, and beer, 14.67%.

Within the wine category, Red Wine represented 45.88% of wine sales, white wine, 25.98%; sparkling wine, 19.48%, and Rose, 5.49%.

In the liquor category, Bourbon represented 18.97% of liquor share; vodka, 18.29%; rye, 18.29% and liqueurs, cordials and schnapps, 2.15%.

Hard Seltzer led the beer category, with 18.87% of beer share, followed by light lager, 13.8%; Cider, 6.24%, and New England/Hazy IPA 5.49% share.

Apparently Blue (Democratic) States were singing "Happy Days are Here Again," with sales 75.32% higher than the average of four prior Tuesday. Red (Republican) States were drowning their sorrows. . . But not too much, with sale up only 33% compared to the average of the previous four Tuesdays. In Battleground States, sales were up 54.84% vs. the previous four Tuesday.

Beer Imports Up 16% to 3,318, 293 Barrels

That's according to the **Beer Institute**, which compiled data for September from the Census Bureau, which also noted that exports plunged 38.4% to 257,080 barrels.

In the nonalcohol brew department, exports rose 87.5% to 544,445 gallons, still far behind imports, which fell 38.4% to 7,969,480 gallons.

Now that Ballots Have Been Cast, Can the Pols Please Rescue Bars, Restaurants?

Yet another story in *the Wall Street Journal* yesterday revealed the magic key to open restaurants, bars, sporting events and, well, life. In fact, even the politicians in Europe seem to be getting the message. Now if the politicians in the U.S. would just do what many Asian countries, New Zealand, Australia and even Slovakia are doing, we could once again sing, "Happy Days Are Here Again" regardless of who ultimately is declared President of the United States.

That secret is testing. Lots and lots of testing. And when a positive case is found, isolation until it is confirmed, and if confirmed as positive by a diagnostic test, quarantine and contact trace.

President Trump told us back in March that we were in a war with the virus. But he hasn't acted like it. Now that he doesn't have to pander to his base, we hope he will show some leadership and (1) order a nationwide testing program, (2) use the Defense Production Act to get adequate supplies of test kits, and (3) use existing legislation to impose a nationwide mask mandate.

We would like to see him as serious about reopening bars, restaurants, hotels, sporting events, etc., as New Zealand, which recently traced just one case of Covid back to a garbage can lid, or Slovakia, whose president ordered everyone between 10 and 65 tested in a three-day period. (You read that right, *everyone*.)

If he won't do this, we'd like to see Nancy Pelosi and Mitch McConnell lead their chambers to adopt legislation essentially requiring these actions. This virus won't

"magically disappear" as President Trump once promise. But it can be defeated, and that's what needs to happen so everyone can raise a glass and say, "Cheers!"

How about a target for nationwide testing of the second week of December? If that's done, perhaps the country could find a real reason to say "Happy Holidays" and "Merry Christmas."

Expect New Bar, Restaurants Closures; U.S. Passes 121,000 New Covid Cases in a Day

You can expect a new round of closures of bars and restaurants. That's because the U.S. recorded more than 121,000 new coronavirus cases for the first time Thursday. And hospitalizations have topped 50,000 for the first time since August.

The surge is "the completely foreseeable consequence of not taking pandemic management seriously," Dr. Bill Honage, associate professor of epidemiology at Harvard's T.H. Chan School of Public Health, told *The New York Times*.

Meanwhile, *The Wall Street Journal* reports this morning (11/6) that despite increased production of protective gear, supplies of N95 face masks remain well below recommended level at many health care facilities.

"This is desperately concerning," Hanage said, "because uncontrolled transmission will end up compromising health care, and in order to preserve it, we will almost certainly end up needing to take stronger action to prevent the worst outcomes."

"Look to Europe to see the consequences of leaving it too late," he said. "The longer you leave it, the harder it will be to control."

Comment: As we have noted, a number of countries in Asia as well as Australia and New Zealand have almost no cases, as is true at some colleges in New England, Indiana University Bloomington. The secret is extensive testing, which enables authorities to find and isolate people who are infected -- even those who are asymptomatic.

In those countries with aggressive testing regimes, bars, restaurants, sporting events are all open.

Light Beer Market to Reach \$338.83 Billion Globally by 2027 at 2.9% CAGR

Driving the light beer growth is an increase in youth population and average number of female drinkers all across globe, change in consumer preference, and surge in number of on-premise distribution channels drive the growth of the global light beer market, the study by **Allied Market Research** finds.

North America held the highest market share based on revenue with nearly two-fifths of the global light beer market in 2019, and is expected to continue its highest contribution by 2027. This is attributed to social media and local events/promotions. However, Asia-Pacific is expected to portray the highest CAGR of 4.40% during the forecast period. This is due to low reachability of the distribution channel in craft beer.

The craft brewery segment accounted for around one-third of the global light beer market last year, and is ex-

pected to maintain its leadership status throughout the forecast period.

Molson Coors Completes Irwindale Brewery Sale

Molson Coors Beverage Co. said it completed the sale of Molson Coors's Irwindale, Calif., brewery property to **Irwindale Brew Yard (IBY LLC)**, a subsidiary of **Pabst Brewing Co.**

In January 2020, Molson Coors announced it would cease production at the 40-year-old facility by September 2020. Pabst had the option to purchase the brewery for \$150 million per a previously negotiated settlement agreement.

Adam Sher, Irwindale Brew Yard President said: "We are pleased to complete the acquisition of the Irwindale Brewery property. We are continuing to conduct our feasibility study to determine whether there is a path to reopen and operate the brewery at a later date and are committed to choosing a path forward that is in the best interest of all our stakeholders."

"The sale of the Irwindale facility allows us to streamline our operations for greater efficiency across our network and further strengthen our liquidity," said Molson Coors Chief Financial Officer, **Tracey Joubert**. Molson Coors has already transitioned the production from Irwindale to its breweries in Golden, Colo., and Fort Worth, Texas.

Biden on Cusp of Victory; What's Next for Tariffs, Taxes

As we went to press, Former Vice President Joe Biden appeared on the cusp of winning the Presidency, having defeated President Donald Trump in overnight election results from Wisconsin. As we go to press, Biden has 264 Electoral College votes locked, while Trump has only 214.

The question is, what does this mean for issues the bev/al industry cares passionately about? In particular, trade and taxes?

If Biden lives up to his campaign promises, it could be the worst of all possible worlds when it comes to tariffs and taxes. Historically, Biden has backed free trade, including the 1994 North American Free Trade Agreement and China's entry into the World Trade Organization in 2001.

But he appears to be shifting to Fair Trade from Free Trade. And that means many of President Trump's tariffs will remain in place for at least a year, if not more, regardless of whether it's President Trump or President Biden who takes the oath of office at noon on Jan. 20, 2001.

Biden's "Made in All of America" economic plan promises a reform of the World Trade Organization, aggressive trade enforcement actions against "state-owned company abuses or unfair subsidies." In other words, the Airbus-Boeing dispute may not go away. And if it doesn't, those punishing tariffs on bev/al products may remain.

Biden advisers say any hopes business may have of returning to the pre-Trump trade consensus -- continually shrinking trade barriers and a push for globalization -- may be whistling in the graveyard.

"There's a kind of recognition that ultimately the goal of international economic policy is not to make the world safe for multinational corporations to do business," Jeff Pres-

cott, a Biden campaign policy advisor, told CNBC.. "It's fundamentally about jobs in the United States, about the middle class at home and building our economy here."

Brewers hopes for reduced tariffs on steel and aluminum imports will be dead, at least until a global solution to limit excess production, mainly from China, can be hammered out.

You can expect Biden, if he wins, to push to upgrade the nation's roads, bridges and highways, something that will make the U.S. Chamber of Commerce happy. That should also encourage other business groups, since the nation's highway system is essentially frozen in time from the 1960s, even as population and traffic congestion have doubled, creating expensive delays in transporting beer, wine and distilled spirits.

Whether he will be able to get that program through Congress is another matter. With the Democrats holding the House but Senate control hinges on four uncalled election results--Sen. Susan Collins of Maine and Joni Ernest of Iowa eased the way for Republicans to maintain control of the Senate--we may be facing continued legislative gridlock.

That may also block his proposals to raise taxes on people earning more than \$400,000 a year. But we suspect the Craft Beverage Modernization & Tax Reform Act will at least be extended. The odds of it being made permanent? Better than before the election, since President Trump and Senate Republications will want to lock in as much of their low-tax agenda as possible before Biden assumes office, if he proves to be the ultimate winner.

Voters in 1 Penna. Town Approve Alcohol Sales

The Dandy Mini Mart in Mehoopany, Pa., was able to get enough signatures on a petition to allow bev/al sales in town, and

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unofficial election results show 292 people voted yes, 156 voted no.

Nielsen: On-Premise Volume May Be Down, But 'Treat Spending' Boosts Each Check

Before COVID-19, checks with at least one beer had an average value of \$43; this has now risen +17% to \$50. This dynamic is even more significant for spirits: checks containing at least one spirit used to average at \$49. This has now risen to \$61, equating to a staggering +24% increase. These jumps in check value data shed light on several new on-premise consumer trends: maximizing the occasion, trading up / premiumization and the wider 'treat' mentality.

Opportunity: Engage with Guests, Tap into 'Treat' Mentality

Above all else, Nielsen CGA's BeverageTrak and consumer data highlights how COVID-19 has forced a change in consumer behavior and spend, requiring strategic action from on-premise businesses. With four in five (79%) on-premise visitors now staying in a single venue or reducing the number of places they visit, there is a rare opportunity to engage with guests for longer and tap into the 'treat' mentality that's driving sales. This is emphasized by the 53% of consumers who agree that they are now more likely to treat themselves on bar or restaurant visits than they were before the pandemic.

Unsurprisingly, alcohol--particularly beer and spirits--plays a key part in driving spending in on-premise outlets. For all checks--factoring in both those with and without drinks--Nielsen CGA's BeverageTrak data revealed that they currently average at \$38; -23% less than those with beer. For spirits, it's a staggering -37%.

With fewer opportunities to go out, consumers are pushing for the best experience possible with each outing; ordering an extra drink is proving to be a good way to treat themselves. The emerging trend of premiumization will also play a big part in driving spend, with two in five (39%) on-premise visitors saying they are now more willing to trade up to a premium drink while out than they were before COVID-19. This number soars to 58% among 21 to 34 year-olds.

Hard Ciders Boost Check Value 81%

Nielsen CGA's BeverageTrak data also revealed the subcategories driving the highest average check value. Across key U.S. states (New York, Illinois, California, Texas, Florida, Georgia, Colorado, New Jersey and Michigan), the average value for checks containing vodka is up +36% vs. pre-COVID-19 norms, followed by tequila (+32%), whiskey (+29%) and rum (+28%).

For beer, import leads in driving average check value at +23%, followed by craft (+22%) and domestic premium (+21%). In alternative categories, cider is also performing well, pushing the average value up +20%; however, this is dramatically overshadowed by hard seltzers, which are pushing the average check value up +81% vs. pre-COVID-19.

To tap into these trends and drive revenue, retailers and suppliers must have a strong understanding of the brands that are valuable and popular with consumers. Further, bartenders and wait staff need to be equipped with knowledge of brands that encourage trade-ups or give consumers the feeling of a treat. With well over half (62%) of visitors agreeing they are

likely to add a higher tip than before COVID, this dynamic is a positive one for consumers and staff alike.

"There are many challenges facing on-premise retailers during these uncertain times, and in areas where new restrictions are emerging, these challenges are only going to be multiplied as we approach the winter months," Nielsen CGA Client Solutions Director **Matthew Crompton** said.

"For those that can remain open, however, our data shows that premiumization is taking on new meaning during this pandemic. 'Treat' spend is a very real thing for consumers, and on-premise operators can capitalize on that by offering clear trade-up options, particularly from an alcohol assortment perspective.

"With checks 17% higher than pre-COVID times, we can see that spirits in particular are helping drive this," Crompton said.

Control States Volume, Sales Set Records

Control states nine-liter spirits case sales grew a record 17.9% in September as shelf dollars surged 26.4%, also a record, over same period sales last year, the National Alcoholic Beverage Control Association reports.

Alabama (20.0%), Iowa (27.0%), Idaho (20.5%), Maine (26.7%), Michigan (31.0%), Mississippi (34.5%), Montana (28.8%), North Carolina (21.1%), New Hampshire (13.0%), Ohio (15.0%), Oregon (10.5%), Pennsylvania (7.3%), Virginia (12.8%), and Vermont (10%) reported monthly growth rates for September exceeding their 12-month trends.

The growth rates for Montgomery County Maryland (-1.5%), Utah (5.5%), West Virginia (5.4%), and Wyoming (6.2%) fell short of their twelve-month trends. Control state rolling-12-month-volume growth, 6.9%, improved upon August's reported 5.9%. Spirits volumes are growing 8.1% year-to-date compared to 3.8% a year ago.

Control state spirits shelf dollars were up 26.4% during September while trending at 11.5% during the past 12 months. Alabama (27.0%), Iowa (30.7%), Idaho (28.9%), Maine (32.1%), Michigan (46.0%), Mississippi (44.3%), Montana (36.4%), North Carolina (30.0%), New Hampshire (22.1%), Ohio (27.8%), Oregon (16.2%), Pennsylvania (12.1%), Virginia (20.8%), and Vermont (14.3%) reported growth rates exceeding their 12-month trends. Montgomery County Maryland (3.3%), Utah (8.0%), West Virginia (-2.4%), and Wyoming (7.3%) grew shelf dollars at rates below their twelve-month trends. Shelf dollars in the control states are up 13.6% year-to-date compared to 6.4% last year.

Price/Mix has been tracked by NABCA since January 2002, and September's 8.5% is the second-highest Price/Mix published. Price/Mix for May (5.9%), June (6.5%), July (9.3%), August (7.9%), and September (8.5%) are the five highest values reported by the control states.

An analysis of control state spirits prices suggests that historically high control state Price/Mix continues to be driven by premiumization. The weighted average, average, and median prices for 750 ML volumes of the 35,705 spirits SKUs sold in Alabama, Idaho, Montgomery County Maryland, Maine, North Carolina, New Hampshire, Ohio, Oregon, Pennsylvania, Utah, Virginia, and Vermont during September were \$17.15, \$37.76, and \$24.87, respectively.

This median price, \$24.87, is the highest on record. A graph of control state prices with their median and weighted average suggests volume sales skew toward value products in the control states, whereas a graph of prices with their median and (non-weighted) average prices suggests product pricing in the control states skews toward premium.

During March, April, May, June, July, and August the control states' on- and off-premise markets behaved capriciously. September is no exception. During the 12-month period ending February 2020, the off-premise monthly spirits share averaged 82%. The off-premise monthly shares of the control state market during March-September were 90%, 99%, 96%, 90%, 89%, 89%, and 88%, respectively. This sequence suggests that after the on-premise marketplace was devastated by the arrival of COVID-19, it is slowly recovering, NABCA said. Trends suggest the control state off-premise share for October will be above historical levels as the recovery continues.

Concha y Toro Sales Surge 28.4%, On a 15.1% Increase in Volume

The sales growth was across all market, said **Eduardo Guilisasi Gana**, CEO, led by "extraordinary momentum of Casillero del Diablo, Trivento Reserve and Diablo.

In the U.S., volume grew 1.5% reflecting the strong performance of Casillery del Diablo and Frontera brands. Revenue, however, grew 13.7%.

PaQui Tequila Hits SEC Fundraising Limit, Launches in 6 States

Having raised as much funding as the Securities & Exchange Commission will allow --\$1.07 million in six months -- on StartEngine.com, **PaQui Tequila** is officially launching in six states, including New York, California, Florida, Georgia, South Carolina and Tennessee. PaQui as specially created to avoid the harsh bite of most Tequilas.

All three expressions of PaQui Tequila – Silvera, Reposado and Añejo – are also available for retail purchase online at PaquiTequila.com, with shipping to 40 states and Washington D.C.

"I created PaQui because I felt there had to be a better tasting Tequila – one that fully expresses the beautiful aromas and flavors of the blue agave fruit, without the harsh bite that is so common in Tequila," said PaQui founder **John Chappell**. "I wanted to create a Tequila that is a pure pleasure to sip and enjoy in cocktails."

A top finding in PaQui's consumer research uncovered that while a lot of people love the idea of Tequila, they don't actually love the actual liquid. So Chappell found a master distiller in Jalisco, Mexico – the highly respected Gilberto Jasso -- who knew a different way to make Tequila.

PaQui Tequila stands out, Chappell says, from other luxury Tequilas thanks to three key differentiators in the production process:

1) Only agave piñas that reach exactly 26 brix ripeness (sugar level) make the cut. These agave plants take seven or more years to mature; most mass production Tequilas are

made with younger, less-ripe agave (as young as four years).

2) Fresh wine yeast – not airborne yeast – is used in the fermentation process, for control and consistency over the finished product. PaQui also uses stainless steel fermentation tanks and pot stills to avoid "off" flavors.

3) A selective distillation process goes further than most major brands by separating the "heart" of the distillate to remove impurities that are harsh, bitter substances, allowing the pleasant aromas, fruit, minerals and soft texture to fully emerge.

The resulting Tequila is said to be uniquely fruity, floral and complex, with a silky texture, long finish, and no harshness. PaQui Silvera is unaged, PaQui Reposado is aged for four months in ex-whisky barrels of American oak, and PaQui Añejo is aged for 14 months in ex-whisky American oak barrels.

PaQui Tequila is the first distilled spirit to be launched by Tequila Holdings, Inc., an independent spirits company founded by career beverage executive John Chappell in New York. PaQui recently conducted a successful fund-raising campaign on StartEngine.com, becoming one of just 85 companies to reach the allowed limit of Regulation C fund-raising campaigns (\$1.07 million raised over a six-month period).

Beer Purchasers Index Rises

The **National Beer Wholesalers Association's** Total Beer Purchasers' Index rose to 76 for October 2020 from 70 for October 2019.

The "at-risk inventory" index for total beer (inventory at risk of going out-of-code in the next 30 days) continues to record all-time low readings at 21 for October 2020 compared to 46 in October 2019.

"While still significantly higher, the gap between October 2020 and October 2019 is much smaller than we have seen since May. Beer distributors continue to take an aggressive stance in their ordering to minimize out-of-stocks and restock inventories," **NBWA Chief Economist Lester Jones** said. By segment:

- The index for **FMBs/seltzers** at 92 remains the strongest of all segments in the survey, with a smaller increase of 7-point increase over the 85 reading in October 2019.
- The index for **imports** at 68 also remains in expansion territory for September 2020 and is also higher than last year's reading of 64.
- The **craft** index for October at 51 is slightly below the October 2019 reading of 55.
- Across the domestic beer segments, **premium lights and premium regulars** continue to post historically high readings in October and continue on a 7-month streak. Premium lights at 67 remain significantly elevated compared to the 44 from October 2019. The premium regular segment posted a 53 reading in October 2020 relative to 29 in October 2019.
- The **below premium** segment fell to 48, posting a below 50 reading for the first time since its May peak of 71. This is an indicator that orders are returning to normal for the in-

dusty.

- The **cider** segment remains in contraction territory, posting a reading of 44 in October 2020 about the same reading for October 2019.

Scandal at the Court of Master Sommeliers

To work your way up to become a Master Sommelier, if you're a woman you need to have sex with old male Masters. That's the gist of a disturbing article in *The New York Times* in which a number of women candidates for Master Sommelier discuss sexual abuse and rape in candid fashion.

Others described being on the receiving end of sexual innuendo and unwanted touching. At least one major distributor -- Republic National Distribution Corp. -- is mentioned in the article.

The result of the encounters is that a number of women abandon pursuit of the Master Sommelier certification.

Reyes Beer to Swap Some Brands With Specialty Beverage of Virginia

Reyes Beer Division has entered into a trade agreement with Specialty Beverage of Virginia.

This transaction will consist of Reyes Beer Division trading certain brands from suppliers such as Stone Brewing, Harpoon, Paulaner, Firestone Walker Brewing Company, Duvel Moortgat USA, Boulevard Brewing Company, Brewery Ommegang, Bell's Brewery and Brooklyn Brewery for some of Specialty's brands from Molson Coors, Dogfish Head, New Belgium and Murphy's.

The transaction further supports both distributors' growth with their national supplier partners and is expected to close on Nov. 13, **Stephen Reyes**, President of Reyes Beer Division East, said.

North Coast Brewing Releases Old Rasputin Imperial Stout in Cans

The Fort Bragg, Calif., brewer said its **Old Rasputin Imperial Stout** will initially be released in four-pack boxes nationwide. Old Rasputin has been brewed and distributed as one of North Coast Brewing's core beer brands since it was launched in 1995, celebrating its 25th anniversary this past April.

Radeburger Introduces Santa Clausthaler Non-Alcoholic Beer

Radeberger Gruppe USA, an importer of brands of its parent company **Radeberger Gruppe**, announced the early holiday arrival of Santa Clausthaler non-alcoholic beer. Radeburger has been producing non-alcoholic beer for 40 years.

Santa Clausthaler features a crisp and well-balanced taste of Clausthaler Original premium non-alcoholic beer blended with flavors of cranberry and cinnamon.

Commonly cited as among the best tasting and highest rated non-alcoholic beers on the market, Clausthaler is the pioneer in non-alcoholic brewing techniques, having patented a process 40 years ago known as "arrested fermentation."

This method extracts ingredients during the brewing

process just before it produces alcohol in beer, as compared to other non-alcoholic beers that remove the alcohol after brewing (and some add water), which often reduces flavor. With flavors like Dry Hopped and the recently released Grapefruit in early 2020 and now the limited-edition Holiday Brew, Clausthaler continues to be the innovator of the Imported Non-Alcoholic beer category.

Asahi Super Dry Launches 1st New Package in 15 Years

The upgraded packaging gives the brand a globally consistent visual identity, with its sleek black and silver premium branding. The move will align **Asahi Beer USA's** primary and secondary packaging to Asahi Super Dry's current international packaging design, offering one high-quality beverage across all packaging formats, the company said.

Asahi Super Dry for the US market is no longer being contract brewed, and will be brewed exclusively in house.

Brown-Forman in Top 100 Green Power Users

Brown-Forman Corp. announced its placement, for the first time, on the U.S. Environmental Protection Agency's (EPA's) "National Top 100 List" of the largest green power users from the Green Power Partnership (GPP).

Brown-Forman is using 130 million kilowatt-hours (kWh) of green power annually, which represents more than 98% of its U.S. operations' total power needs.

Brown-Forman partnered with ENGIE North America for the purchase of 30 MW from the East Fork Wind project located in Colby, Kansas, pursuant to a 15-year power purchase agreement (PPA).

The East Fork Wind power project, which became operational in April 2020, provides a renewable energy source that enables Brown-Forman to fully achieve its target of reducing absolute greenhouse gas emissions by 15% by 2023, from a 2012 baseline.

"Our investment in wind power adds renewable energy capacity to the U.S. grid and demonstrates our commitment to a sustainable future. We believe that innovative investments, such as renewable electricity, are smart business and we encourage others to join in contributing to a lower-carbon economy," said Alex Alvarez, chief production and sustainability officer.

Who & What -

St. Michelle Wine Estates, appoints **Derika Legg** as Vice President, West Region. She joins from D2 Consulting and On The Horizon Coaching, a consultancy she founded.

Continued Success,
KANE'S BEVERAGE WEEK



JOEL WHITAKER, Editor