

KANE'S BEVERAGE WEEK

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

Volume 82, No. 6

Copyright 2020 Whitaker & Company, Publishers, Inc. All Rights Reserved.

February 19, 2021

The Inside Story

Grey Eagle to Acquire Mullally Distributing	2
American Harvest, Beach Vodka Sold, 1st Brands for New 1776 Spirits Company	2
Appeals Court Upholds Missouri Limit on Retailer Direct Shipping	2
Indiana House Votes End to Residency Requirement For Liquor Store Owners	3
Cocktails-to-Go Bill Introduced In WV Senate	3
Alabama Senate OK's Spirits Home Delivery	3
Covid-19 Slashes Visitor Count On Kentucky Bourbon Trail 66%	3
Covid Seen Aiding Big Wineries, Mergers	4
New Study Finds Consumers View Wine as Healthier Than Other Bev/Al	4
MGP to Expand Green Hat Gin Distribution	5
Rhinegeist Expands into Chicago	5
Absolut Bottle Now 50% Recycled	5
ABI Gets Loan Tied to Sustainability Targets	5
Belfour Spirits Adds 4 States with SGWS	6
ABI Gets Loan Tied to Sustainability Targets	6
New Products	6
Marketing Memos	7
Who & What —	
Stoli Group Names Harry Bigelow President, North America	8

Boston Beer Profit Soared 135.7% As Revenue Jumped 53% in Quarter

Boston Beer Co. reports fourth quarter revenue soared 53% from a year earlier to \$460.9 million, thanks to a 54% increase in shipments. Net profit in the period more than doubled to \$32.8 million, or \$2.64 a share, a 135.7% gain.

Net revenue for the 52 weeks ended Dec. 26, 2020 was \$1.74 billion, an increase of \$486.6 million, or 38.9%, from the comparable 52-week period in 2019.

Depletions increased 26% and 37% from the 13- and 52-week comparable periods in the prior year.

Full-year 2021 depletions and shipment growth continues to be estimated at between 35% and 45%.

Based on current spending and investment plans, full-year 2021 Non-GAAP earnings per diluted share, which excludes the impact of ASU 2016-09, are now estimated at between \$20.00 and \$24.00.

Jim Koch, chairman/founder said the launch of **Truly Iced Tea Hard Seltzer**, which combines refreshing hard seltzer with real brewed tea and fruit flavor, "has been well received by distributors, retailers and drinkers, but it is too early to tell if it will be successful.

"We are working hard to further develop our brand support and messaging for our Samuel Adams and Angry Orchard brands to position them for long-term sustainable growth, in the face of the difficult on-premise environment. We are excited about the response to the introduction in early 2021 of several new beers, **Samuel Adams Wicked Hazy**, **Samuel Adams Wicked Easy** and **Samuel Adams Just the Haze**, our first non-alcoholic beer, as well as the positive reaction to our Samuel Adams 'Your Cousin from Boston' advertising campaign, Koch said, adding:

We are confident in our ability to innovate and build strong brands that complement our current portfolio and help support our mission of long-term profitable growth."

Dave Burwick, president/CEO, stated, "Our depletions growth in the fourth quarter was the result of increases in our Truly Hard Seltzer and Twisted Tea brands, partly offset by decreases in our Samuel Adams, Angry Orchard and Dogfish Head brands.

"The growth of the Truly brand, led by Truly Lemonade Hard Seltzer, continues to be very strong and well ahead of hard seltzer category growth. Truly Lemonade was the most incremental new product in the entire beer industry in measured off-premise channels in 2020. The Truly brand overall generated triple-digit volume growth in 2020 and grew its velocity and its market share sequentially despite other national, regional and local hard seltzer brands entering the category," Burwick said.

Brown-Forman to Double Shively Distillery

Brown-Forman Corp. said it will double capacity of the Brown-Forman Distillery in the Shively area of Louisville to meet the growing demand for American whiskey.

As part of the production expansion, Old Forester will create an oak tree

KANE'S BEVERAGE WEEK

14305 Shoreham Dr, Silver Spring, MD 20905-4481

Donna Whitaker, Subscriptions Manager

subs@bevnewsonline.com

Phone: 301-384-1573; FAX: 301-879-8803

JOEL WHITAKER, Editor and Publisher

editor@bevnewsonline.com

Phone: 301-384-1573 (New number!)

Subscriptions: \$799, 47 issues a year

ISSN: 0882-2573

nursery on the property for a long-term study of oak tree sustainability, part of the company's overall effort to ensure the future viability of one of the most critical ingredients in bourbon making.

Construction is expected to take more than two years to complete. The site, located off of Dixie Highway, will be fully operational throughout this period. "The demand for American whiskey worldwide is a result of the craftsmanship and specialness of Kentucky's signature spirit," said **Alex Alvarez**, Chief Production and Sustainability Officer.

"This expansion will allow us to increase production, improve efficiency, and enhance the workspace so we can continue bringing whiskey, made right here in Louisville, Kentucky, to the world."

The estimated \$95 million investment includes:

- Doubling the number of fermenters;
- Adding column still capacity and mash cookers;
- Improving the grain handling and by-products system;
- Improving on-site traffic flow for safety;
- Creating green space for a tree nursery; and
- Modernizing the workspace, including a new break room, new locker rooms, and wellness space.

The Kentucky Cabinet for Economic Development approved Brown-Forman for up to \$5 million of tax incentives under the Kentucky Reinvestment Act. This performance-based incentive allows a company to keep a portion of its investment over the term of the agreement through corporate income tax credits and wage assessments by meeting certain targets.

An additional \$500,000 was approved under the Kentucky Enterprise Initiative Act, which allows companies to recoup Kentucky sales and use tax on certain construction costs, building fixtures, equipment used in research and development, and electronic processing equipment.

The original distillery in Shively was built in 1935 by the **Old Kentucky Distillery Co.** and acquired by Brown-Forman in 1940. The company replaced the original distillery with the current operation in 1954-1955 and did a major expansion of the facility in 1966-1967.

During that time, Brown-Forman contracted with the Olmsted Firm to do landscaping, as part of this effort a nursery was established at this location consisting of 3,500 trees, plants, and shrubs.

The new Old Forester Tree Nursery, the first urban white oak seedling establishment and genetic study, will be conducted in partnership with University of Kentucky's Department of Forestry and Natural Resources. It will serve as a model for other urban studies in the future with the goal of improving economic and ecological value in urban, rural, and natural forests.

Grey Eagle to Acquire Mullally Distributing

Grey Eagle Distributors, St. Louis, said it acquired **Mullally Distributing Co.**, Cuba, Mo. Terms weren't disclosed.

The deal will add 10 million cases a year to Grey Eagle's case count. Grey Eagle is one of the largest A-B distributors in Missouri.

"The close proximity of the territory, many shared cus-

tomers and the great employees make this acquisition a perfect fit," said David Stokes, president.

Grey Eagle recently said it will build a new headquarters at Fenton (Mo.) Logistics Park. The new facility is expected to be operational in April 2022.

It had 2019 revenue of \$175 million, up from \$165 million the prior year and is one of the largest A-B wholesalers in the Midwest. In addition to beer, the company sells wine, spirits and non-beer products in Missouri and Illinois annually to more than 3,000 clients, officials said.

American Harvest, Beach Vodka Sold, 1st Brands for New 1776 Spirits Company

American Harvest and Beach Whiskey have been sold to **Darco Capital**, the family office for **David Adelman**, and will form the basis for **1776 Spirits Co.**, which will be based in Philadelphia. Terms weren't disclosed.

Adelman is a Georgia lawyer who served as ambassador to Singapore under President Barack Obama and now practices law in New York City.

Rebecca Running will serve as CEO of 1776 Spirits. She has more than 30 years of distributor management experience, most recently, serving as President and General Manager for **Los Santo International**, and other senior management positions across **Young's Holdings**, and **Moet Hennessy USA**.

"American Harvest Vodka is poised to appeal to today's market of thoughtful, value-driven individuals. I see this fully American-made, award-winning, USDA certified organic spirit that can compete strongly with other American vodka incumbents and attract consumers with its distinctly smooth and silky profile that finishes with a crisp, clean taste," Running said.

"Meanwhile, Beach Whiskey will attract a younger demographic that's culturally diverse, female-forward, and passionate about an active outdoors lifestyle and provide them with a product that's the perfect complement to daytime and nighttime drinking experiences," she added.

Appeals Court Upholds Missouri Limit on Retailer Direct Shipping

A Federal appeals court upheld Missouri's prohibition on out-of-state retailers shipping bev/al directly to Missouri consumers.

The decision was praised by **Wine & Spirits Wholesalers of America** President Michelle Korsmo:

"We commend the opinion handed down by the 8th Circuit in the *Sarasota Wine Market v Schmitt* case that upholds Missouri's law that allows in-state retailers to ship wine to Missouri consumers but prohibits out-of-state retailers from doing the same.

"In reaching their conclusion, the court recognized that "[t]he licensing requirements and restrictions at issue have been consistently upheld, before and after Granholm and Tennessee Wine, as essential to a three-tiered system that is 'unquestionably legitimate.'" The court also noted that those seeking change to a state system must do so through the legislature as this law is valid.

“Today’s decision follows the 6th Circuit’s decision in *Lebamoff v. Whitmer* that came out last year on this same issue regarding retailer interstate shipping. Now there are two Courts of Appeals (6th and 8th Circuits) that have upheld the states’ ability to allow in-state (but not out-of-state) retailers to ship to in-state consumers as valid under the 21st Amendment.”

The court noted that prior to Prohibition, "some States enacted laws adopting a “three-tiered distribution model.” A primary purpose of this model is to prevent a return to “the English ‘tied-house’ system” in which alcohol producers monopolized distribution from producer to consumer, a system widely perceived as causing or at least contributing to the social ills of excess alcohol consumption and consumption by minors."

In 2007, Missouri amended its laws to permit in-state -- but not out-of-state -- retailers to ship wine directly to Missouri consumers.

This doesn't violate the Commerce Clause, the court explained, ' because the challenged laws do not impermissibly discriminate against out-of-state producers, and Section 2 of the Twenty-first Amendment permits Missouri's restrictions on out-of-state retailers."

Wine & Spirits Wholesalers of America, Inc.; American Beverage Licensees; National Beer Wholesalers Association, and Missouri Beer Wholesalers Association all filed amicus briefs in support of Missouri's law.

Indiana House Votes End to Residency Requirement for Liquor Store Owners

The Indiana House voted 90-4 to approve and send to the state Senate a bill changing a number of state liquor laws, including a requirement that a liquor store owner must have been a resident for five years.

The five-year requirement was adopted in 2015 to prevent Binny's Beverage Depot from acquiring several stores in Northwest Indiana. The residency period it required was more than twice that of Tennessee, which saw its two-year residency requirement struck down by the U.S. Supreme Court in 2019.

Cocktails-to-Go Bill Introduced In WV Senate

Distilled Spirits Council of the U.S. Applauded introduction of the measure, saying, “Cocktails to-go measures have proven to be a critical lifeline for devastated restaurants and bars across the U.S., and it’s well past time West Virginia businesses were given the same opportunity.”

The measure requires cocktails-to-go to be in a sealed, tamper-evident container.

Alabama Senate OK's Spirits Home Delivery

The Alabama Senate passed, 26-3, a bill to allow home delivery of distilled spirits in original containers from package stores, and from restaurants and bars with a meal purchase.

“Home delivery of spirits is a win-win for adult consumers and Alabama, especially during the pandemic,” said **David Wojnar**, Senior VP-Head of State Public Policy, **Distilled Spirits Council of the United States**. “Spirits consumers will enjoy increased convenience, and the state will receive much-needed revenue. We applaud the Alabama Senate for passing this con-

sumer- and business-friendly measure and encourage the House to move quickly in allowing home delivery of spirits.”

Covid-19 Slashes Visitor Count On Kentucky Bourbon Trail 66%

For the first time in its 21-year history, total attendance at **Kentucky Bourbon Trail** distilleries fell sharply in 2020 amidst the global pandemic that has pummeled the state tourism and hospitality industries, the **Kentucky Distillers’ Association** said.

Visitors took a total of 587,307 tours at Kentucky Bourbon Trail and Kentucky Bourbon Trail Craft Tour distilleries last year, compared to a record 1,719,821 million stops in 2019 – a staggering 66% decrease.

Distillery tours, gift shops, bars and restaurants closed under government orders from March through June, KDA President **Eric Gregory** said. Several distilleries are still closed for tours, while others have reopened under significantly reduced capacities as travel restrictions and public hesitation slows recovery efforts.

“Last year was devastating for tourism and experts are skeptical on consumer confidence until 2022 at the soonest,” he said. “Also, many of the main Bourbon tourism drivers – sports, concerts, fairs and festivals, conferences and other events – were canceled last year and probably won’t fully return anytime soon.”

Gregory said the KDA and its 42 members are advocating legislation in the General Assembly that would further modernize Bourbon tourism laws and help distillers and hospitality partners pull through. “We’re not asking for a handout,” he said. “We just need the tools to endure and outlast this crisis.”

KBT attendance grew 315% from 2009 through 2019, with more than 70% of visitors coming from outside Ken-

Use This Coupon to Subscribe Or Renew

To: Whitaker & Company, Publishers, Inc.
 14305 Shoreham Dr, Silver Spring, MD 20905-4481
 YES! Begin (or renew) my subscription to **KANE’S BEVERAGE WEEK**.

- Daily and Weekly by e-mail - \$823 (1 yr/233 issues)
- Weekly by First Class Mail — \$823 (1 yr/47 issues)
- Maryland residents — add 6% sales tax
- Check enclosed
- Charge my VISA/MasterCard/Amex

 Expires _____ Security Code _____
 Signature _____
 Name _____
 Firm _____
 Address _____
 City _____
 State _____ ZIP+4 _____
 Phone _____
 FAX _____
 e-Mail _____

For Fastest Service: FAX TO 301-879-8803

tucky. Combined attendance had topped one million visits each year since 2016 until last year. Total attendance had never dropped in the tour's 21-year history.

KDA research shows Bourbon tourists trend younger, spend between \$400 and \$1,200 on their trip, travel in large groups and stay longer than the average visitor to Kentucky. Nearly half have household incomes over \$100,000.

"A dream demographic that has elevated Kentucky tourism almost overnight," Gregory said.

Along the way, KBT tourism spurred Bourbon-themed hotels, restaurants, bars, tour companies, fairs and festivals, concerts, relay races, merchandise and more. "Bourbon has become not just a drink, but a culture, a lifestyle and a main economic and tourism driver," Gregory said. "All that suffered under COVID."

The KDA had planned months of unique events last year to celebrate the 21st birthday of the Kentucky Bourbon Trail tour, Gregory said. All were canceled, along with the KDA's Kentucky Bourbon Affair fantasy camp, the Kentucky Bourbon Hall of Fame® festivities and the Bourbon & Beyond concert week.

Still, Gregory said he was immensely proud how KDA members banded together to produce more than 520,000 gallons of hand sanitizer during the tourism shutdown, much of which was donated to hospitals, first responders, nursing homes and other critical care.

With safety a top priority, the KDA also held numerous meetings with members to share best practices and joined forces to create a prudent re-opening plan with guidance from a top infectious disease expert at the University of Kentucky.

And, distilleries implemented strict protocols to protect their essential workers and keep stills operating.

"Even with the closures and challenges we faced in 2020, our members stepped up and made a difference in their communities by producing hand sanitizer and keeping workers employed to produce Kentucky's signature spirit," Gregory said.

"To carefully and responsibly welcome nearly 600,000 visitors at the same time is an achievement in itself. We look forward to working with the Kentucky General Assembly on legislation to safely attract visitors back to our Commonwealth and strengthen our place as the one, true and authentic home for Bourbon."

Covid Seen Aiding Big Wineries, Mergers

Expect on-premise business to recover later this year, but also expect Covid to have created additional advantages for larger wineries and to support industry consolidation, leading to a much higher level of merger and acquisition activity.

Why expect consolidation? **Rabobank's** latest Wine Quarterly notes that from 2012 to 2019, wine consumption in the US grew ~6% (by volume) while the number of wineries in California increased by ~40%. During this time, the three largest California wineries saw marked declines in market share. The result: a growing number of premium wineries battling for a relatively fixed share of the market. While the larger players have maintained share by dominating the off-

premise channel, this growing number of small wineries have focused more on the on-premise channel, direct-to-consumer (DTC) sales, or some mix of the two, Rabobank says.

"The on-premise channel has been particularly important for smaller wineries, given the fragmentation of the on-premise channel. Small, independent restaurants are a critical sales channel for small wineries in most major markets. The recovery of the on-premise channel will play a critical role in the recovery prospects of small wineries," Rabobank says, predicting it will take years for sales at full-service restaurants to recover to pre-2020 levels.

Even worse, for smaller wineries and independent restaurants: "the recovery will be dominated by restaurant chains that enjoy solid financing backing, while independent restaurants will still not have recovered fully by 2024." As we have said before, big companies require big brands.

You can expect private equity cash to drive consolidation. Private equity has been a prime beneficiary of governments' loose money policies. The recent acquisition of Vintage Wine Estates is a harbinger for what is to come, Rabobank warns.

The picture for small wineries is not completely dark, Rabobank's analysts say. But those small wineries will have to create a clear value proposition.

New Study Finds Consumers View Wine as Healthier Than Other Bev/Al

Roughly half of all beverage alcohol consumers do not associate alcoholic beverages with features of a wellness lifestyle. However, of those who do, two thirds perceive wine as an overall healthier choice compared to hard seltzer, spirits and beer.

That's the conclusion of a just-released study by **Nielsen for Wine Market Council** that sought to better understand how wine is perceived as compared to other beverage alcohol categories such as beer, spirits, and hard seltzers.

Three categories of wellness were defined, based on what consumers considered important to a healthy lifestyle.

The first and largest group is activity focused, rating exercise, stress management, and time with family as most important for wellness.

The second is consumers whose primary focus is on diet and ingredients with an orientation to reducing sugar, calories, and carbs.

The third and smallest group includes those who are 'alcohol-concerned,' and focus on reducing the amount of alcohol consumed or seek lower alcohol products. These last two groups also value exercise and social activities but differ significantly on the important factors in food and beverages consumed.

"We're tempted to ascribe consumer choices to the 'trend du jour,' be it reduced calories or cutting back alcohol. But in fact, the consumption trends we're seeing now are a complicated mix of health perceptions, taste and social influences, magnified by the pandemic," said **Christian Miller**, Wine Market Council Director of Research.

"Wellness factors that are important vary person to person and the products that are credible depend on the attribute

being stressed. The good news for wine is that it isn't particularly vulnerable on any one factor and so far, has kept its position as the alcoholic beverage most compatible with a wellness lifestyle in general. However, we are at the start of a very dynamic phase in this area, and consumers are going to be bombarded with a lot of new products and claims, so we need to keep an eye on this topic."

Roughly half of all beverage alcohol consumers do not associate alcoholic beverages with features of a wellness lifestyle.

However, of those who do, two-thirds perceive wine as an overall healthier choice compared to hard seltzer, spirits and beer. Hard seltzer does better with diet/ingredient-focused consumers and is seen as hitting the mark for lower calories, carbs and sugar.

Those whose wellness concerns were focused on diet and ingredients were less likely to be cutting back on hard seltzer, while those whose concerns were alcohol-focused were more likely to be cutting back on spirits and less likely hard seltzer.

Core wine consumers ranked reducing calories and artificial ingredients, and eating more plant-based foods, as higher priorities than less frequent wine consumers, who were in turn higher than non-wine drinkers.

The study also looked at overall bev/al trends, which have been decreasing, and finds the No. 1 reason for the decline has been fewer social situations where consumers might drink, no doubt correlating with the pandemic.

Given that there have been fewer social occasions, the study found that taste is the leading reason for not or only occasionally drinking wine.

A general dissatisfaction with drinking was the second reason for decline in consumption, while third were factors related to dietary and eating habits.

Also of note: Most consumers drink and purchase alcoholic beverages across multiple categories, rather than focusing the majority of their consumption on a single category such as beer or wine.

Seltzer's surge vs. wine appears partly related to health/wellness perceptions, but there are clearly other factors. Seltzer is seen by significantly more as low calorie, carb and sugar, but wine is perceived by more as a healthier choice compared to other beverage alcohol.

While hard seltzer picked up share from those consumers reducing wine consumption, overall, more wine drinkers reported increasing wine and hard seltzer than those who said they were drinking less wine and more hard seltzer. The big loser in this equation appears to be beer, ceding purchases to both wine and hard seltzers.

MGP to Expand Green Hat Gin Distribution

MGP said it plans to roll-out **Green Hat Gin** to its current distribution partners in the first half of 2021. Green Hat Gin is Washington, D.C.'s first licensed distillery since Prohibition.

MGP acquired New Columbia Distillers in March 2020, encompassing the Green Hat Gin distillery, retail tasting room, bar and gin garden, all located in the Ivy City neighborhood of Washington, D.C.

Crafted with a unique blend of botanicals in copper pot stills, Green Hat Gin is offered in four styles: Green Hat Original Batch Gin, Green Hat Navy Strength Gin, Green Hat Citrus Floral Gin and Summer Cup Cordial.

"This will be a very exciting season for our team as we build the Green Hat Gin brand and grow our distribution footprint," says **Andrew Mansinne**, vp-brands, MGP. "We are receiving outstanding feedback from our trade partners about the quality of Green Hat and look forward to sharing our brand story with gin lovers across the country."

Green Hat Original Batch Gin is the inaugural recipe, made for those that appreciate a juniper-forward blend balanced with original botanicals. This super-premium gin contains classic aromas of juniper, citrus and herbs that linger on the palate with anise notes and a crisp finish.

Green Hat offers three additional expressions: a higher-proof Navy Strength Gin with notes of candied lemon, grapefruit, lavender and clover; Citrus Floral Gin, a bright lemon, orange, and cherry blossom style; and Summer Cup Cordial, a fruit and herb cordial with cheerful bursts of citrus, rosehips, cucumber, black tea, verbena and lavender.

Green Hat Gin is inspired by George Cassiday, the infamous "Man in the Green Hat" who is a part of D.C. lore. Instantly recognizable in his green felt fedora, Cassiday was a mysterious bootlegger who kept Congress well-stocked during Prohibition from his private offices in the House and Senate.

Rhinegeist Expands into Chicago

Cincinnati-based **Rhinegeist Brewery** is expanding into Chicago bringing its full line of products to the Windy City for the first time starting March 1.

Rhinegeist partnered with **Windy City Distributing**, Chicago's largest distributor of craft beer, and a member of the nation's largest beer distributor network under **Reyes Beer Division**.

"We have been watching the success of Rhinegeist Brewery for many years," said **Bob Collins**, President of Windy City Distributing. "Rhinegeist's dedication to quality and innovation is impressive. We look forward to our partnership and getting their brands to craft beer fans in the Chicagoland market."

"Rhinegeist's entry into the Chicagoland marketplace is one of great excitement for me personally," adds **Matt Steinke**, VP-Sales at Rhinegeist and a Chicago native. "This city offers some of the finest local breweries, while showcasing the best brands from across the country."

Absolut Bottle Now 50% Recycled

Absolut Vodka's clear glass bottles now contain 50% recycled material. The Swedish vodka reached the target four years ahead of target through close collaboration with its glass manufacturer **Ardagh Group**.

This achievement follows launch of the Absolut paper bottle prototype, marking the brand's first step to a fully bio-based bottle able to contain spirits.

The paper bottle is made of recyclable content - 57% paper and 43% recycled plastic - with plastic making up a thin layer within the bottle that can be successfully recycled. The prototype was available both in the United Kingdom and Sweden with an initial batch of 2,000 bottles to be test-

ed amongst consumers.

The project is a collaborative initiative with the **Paboco** (the Paper Bottle Co.) to create a sustainable alternative to traditional packaging methods. This entity includes industry leaders in the FMCG sector with the aim of driving sustainable innovation in the bottling industry and challenging the mindset of consumers and players across the spirits industry.

Beefeater Gin just unveiled a new 100% recyclable bottle with a premium embossed aluminum cap replacing the existing plastic cap. The label moved from plastic to paper for a crafted, elegant feel, saving over 400 tons of plastic each year. The new bottle, which coincides with 200 years of distilling heritage, has just been launched in Spain, Beefeater's number one market, and will be rolled out worldwide in the third quarter.

Perrier-Jouët, Pernod Ricard's prestige champagne brand, has launched, after two years of research and development, a new eco-designed gift box, entirely made of natural fibers sourced from FSC-certified forests. Combining elegance and sustainability, these new boxes are 30% lighter and mineral oil free. They are fully and easily recyclable.

"Our Sustainability & Responsibility strategy sits at the heart of our business with circular making as a key pillar. Innovating in packaging is crucial to minimizing our environmental impact. Like Absolut, Perrier-Jouët and Beefeater, all our brands are committed to this approach. This is about limiting waste and preserving our natural resources by reusing, reimagining, recycling and reducing, adopting a truly circular mindset", says **Vanessa Wright**, VP Sustainability & Responsibility.

Belfour Spirits Adds 4 States with SGWS

Belfour Spirits, an ultra-premium whiskey producer led by Hockey Hall of Famer **Ed Belfour**, is expanding into four new states in early 2021, adding distribution in Louisiana, Michigan, Oklahoma and South Carolina through **Southern Glazers Wine & Spirits**.

Belfour Spirits – which launched to consumers in October 2019 with its family mash bills – has an inventory of 2,700 barrels of whiskey aging, and a distribution footprint now across nine states.

ABI Gets Loan Tied to Sustainability Targets

Anheuser-Busch InBev said it signed a \$10.1 billion Sustainability Linked Loan Revolving Credit Facility.

The facility has an initial five-year term (which may be extended by an additional two years), and incorporates a pricing mechanism that incentivizes improvement in four key performance areas -- improving water efficiency in ABI's breweries globally, increasing PET recycled content in PET primary packaging, sourcing purchased electricity from renewable sources and reducing Green House Gas Emission emissions.

If ABI meets the goals, the loan will cost less. If it doesn't meet the goal, it will cost more.

"We are excited by the further integration of sustainable finance principles into the capital markets and welcome the opportunity to embed these practices deeper into both our finance organization and the broader company. Our business is closely tied to the natural environment, and it is imperative

that we continue to strengthen our leadership in addressing the increasing threats of climate change. Our business and our communities depend on it," said **Fernando Tennenbaum**, AB InBev CFO..

New Products

Mike's Hard Lemonade Joins Seltzer Surge

In a recent consumer taste test, consumers preferred **Mike's Hard Lemonade Seltzer's** superior taste over the competition, and its most authentic lemonade flavor, the company said. The seltzer is being released nationally.

Crafted from the ultimate lemon trifecta – a proprietary blend of three specialty lemon varieties – Mike's lemonade flavor delivers a unique taste and crisp finish. Using a special cold pressed method, more lemon flavor is extracted into their lemonades and consumers can taste the difference. Mike's Hard Lemonade Seltzer is 100 calories, 1 gram of sugar, and gluten free.

"We are obsessed with crafting the best-tasting hard lemonades, which we have perfected over the last 21 years," said **John Shea**, chief marketing officer, Mike's Hard Lemonade Co. "Other companies do other things, Mike's makes lemonade. Mike's has been the No. 1 hard lemonade for over two decades for delivering the superior taste, and now we are thrilled to introduce Mike's Hard Lemonade Seltzer, the best tasting hard lemonade seltzer."

Mike's Hard Lemonade Seltzer comes in a 12-can variety pack of four refreshing flavors **Mike's Hard Lemonade Seltzer Lemon**, **Mike's Hard Lemonade Seltzer Strawberry**, **Mike's Hard Lemonade Seltzer Mango** and **Mike's Hard Lemonade Seltzer Pineapple**.

21st Amendment Brewery Launches An IPA, Sponsors Cornell Scholarships

21st Amendment Brewery, San Francisco, is funding three *Certified Cicerone Level-Two Course & Exam Scholarships* and one *"Women In Leadership" Certificate Scholarship* at **eCornell University**, the online unit of Cornell, exclusively for **Pink Boots Society** members.

Pink Boots Society's mission is to "assist, inspire and encourage women fermented/alcoholic beverage professionals through education.

It's part of the launch of **Moon Boots IPA**, which was designed and created by an all-woman team at 21st Amendment Brewery. The project was spearheaded by **Sarah Swafford** (National Sales Manager), who says, "21A has been incredibly supportive of Pink Boots Society for many years and has participated in several Pink Boots beers.

"Moon Boots IPA was initially a small batch beer that we called Pink Brüts! and was brewed at 21st Amendment's downtown San Francisco brewpub for International Women's Day (2019). We developed the recipe and concept using the Pink Boots hop blend. When it was released, it was so well received at the pub, taproom, and participating accounts we knew it would be a great candidate for one of our nationwide limited-edition releases."

"The women team members at 21st Amendment are an essential and vibrant part of our company and culture," says **Shaun O'Sullivan (Co-Founder & Brewmaster, 21st Amendment Brewery)**. "What's a better way to celebrate this excellent group

than with a beer uniquely designed by them. Releasing Moon Boots IPA on a national level is an opportunity to shine a big bright light on the important work of the Pink Boots Society and highlight the immense talent of the women on our team. At 21st Amendment Brewery, we want to be an agent of change in supporting Pink Boots' members with four scholarships in 2021."

Swafford herself was a recipient of a Pink Boots Society scholarship.

Moon Boots IPA is clean, crisp, and brewed with pilsner malts, toasted rice, and strawberries. Hopped with Citra Cryo, Azacca, and Mosaic hops, **Moon Boots IPA** blasts beer lovers to another planetary dimension with its soft aromatics and refreshing strawberry notes making this a beer for stargazers.

Moon Boots IPA will be available in 6-packs in all 32 states where 21st Amendment distributes in spring 2021.

Breckenridge Brewery Debuts a Hard Seltzer

Breckenridge Brewery (Anheuser-Busch InBev) just released its first line of hard seltzers, **Good Company**. The new line offers five light and refreshing flavor options -- Apple + Pear, Black Cherry, Peach, Mountain Berry and Honeydew -- each inspired by fruit found across Colorado, from the Western Slope to Rocky Ford.

Each can of Good Company seltzer contains zero sugar, 5% ABV, 2g carbs or less and only 100 calories.

"We pride ourselves on brewing refreshing, approachable beers that taste great no matter what you're doing, whether relaxing on your patio or summiting a mountain -- and we took that same approach when brewing our first ever seltzer: Good Company," said **Todd Usry**, Breckenridge Brewery's president. "Each flavor is light, refreshing and representative of Colorado's iconic fruit harvest. Brewed to be enjoyed in good company, the 15-pack format also offers more cans and flavor varieties compared to other seltzers on the market."

Nude Beverages Launches Nude Hard Iced Tea in U.S.

It's described as "a true American-style iced tea with zero carbonation, zero caffeine, and brewed with black tea and follows Nude's 2020 U.S. launch of its flagship product, Nude Hard Seltzer.

Nude Hard Iced Tea is currently available in Illinois, Minnesota, Pennsylvania, and Wisconsin, with additional states coming soon. The goal is to have Nude Hard Iced Tea available nationwide by July 1, 2021.

"We tested over 500 formulations of the iced tea before landing on our final formula, and it's that attention to detail that makes us a category leader," said Nude Beverages CEO and Founder Julius Makarewicz. "We saw that consumers were wanting more sugar-free options, and so we knew the next step was to bring Nude Hard Iced Tea to the U.S. We're excited to introduce our American fans to a new line and expect even more expansion to come this year."

Nude Hard Iced Tea is available in Instagrammable matte gold cans and in three flavors: Lemon, Peach, and Raspberry. All three flavors come in a 12-pack ranging in price from \$15.99-\$17.99. Nude Hard Iced Tea is sugar-free, sweetener-free, and carb-free, just like the rest of the Nude lineup.

Marketing Memos

Ehlers Estate Revamps Wine Labels

Ehlers Estate, a 42-acre organically farmed estate vineyard in Napa Valley's Saint Helena AVA, launched its 2018 vintage wines with a complete redesign and individualization of all wine labels. The 2018 vintage is Winemaker and General Manager **Laura Diaz Muñoz**' inaugural vintage since joining the historic Napa Valley estate.

New Mexico Celebrates 'America's Oldest Wine Region'

Quick: When you hear New Mexico, what do you think of?

I'll bet it isn't wine. But the New Mexico Tourism Department (NMTD) is seeking to change that, launching the New Mexico Wine & Where quiz, an online tool that lets you easily explore the different wine varieties of America's oldest wine region.

As a fun way to learn the region and support local wineries, the interactive pairing tool prompts you to select from categories like flavor, comfort zone and travel vibe and gives your ideal pairing of New Mexico's finest wines and most unforgettable destinations. All of the wines featured in the quiz, including Montepulciano, Rosé of Dolcetto, Vino de Secondino - Capulin, are available for purchase online.

"This is a fun and engaging way for us to elevate New Mexico's grape growers and wineries at a time when local businesses need support," New Mexico Tourism Secretary Jen Paul Schroer said. "Due to the pandemic, many wine-growers have been unable to showcase and sell their product through events, so this is an interactive way we can share the heritage of New Mexico's viticulture and encourage folks to buy New Mexico True."

Though New Mexico viticulture dates back to 1629, the wines produced are only recently becoming more widely known. In the four centuries since New Mexico's first plantings, local grape growers have experimented with vitis vinifera and French hybrids in search of the perfect marriage of climate, soil and terrain. The state offers a diverse array of non-traditional varieties honoring traditional heritage planted in high-desert elevations ranging from 3,300 to 6,000 feet above sea level.

The Macallan Reveals Third Art Collaboration with Sir Peter Blake

The Macallan has unveiled The Anecdotes of Ages Collection, a limited-release whisky and art collection with renowned British pop artist, Sir Peter Blake. The Anecdotes of Ages Collection celebrates the legacy and history of Sir Peter Blake and The Macallan.

At the heart of the esteemed collection are 13 one-of-a-kind bottles of exceptional 1967 whisky, chosen for its classic yet distinctly colorful character representative of the year that Sir Peter Blake's collage style transcended the art world into pop culture.

Each individual bottle features its own original Sir Peter Blake collage art on the label, detailing unique stories

relating to The Macallan's history, community, and the beautiful natural landscape of The Macallan Estate.

One of the original bottles will be auctioned by Sotheby's in support of the Solomon R. Guggenheim Museum's diversity, equity, access, and inclusion initiatives.

Each of the 13 original Anecdotes of Ages bottles are hand-blown with an oak stopper, and feature a label signed by Sir Peter Blake.

Presented in a handcrafted European oak case incorporating thumbnail photography revealing Sir Peter Blake's inspirational journey with The Macallan, the expressions are also accompanied by a leather-bound book showcasing all 13 label artworks and corresponding stories, as well as a certificate of authenticity.

While the 13th original bottle will be retained in The Macallan archive, a highly limited edition whisky featuring a duplicate label and the same rare 1967 whisky, will be released as The Anecdotes of Ages Collection: Down to Work Limited Edition. Only 322 bottles will be available worldwide for an SRP of \$83,000.

Who & What —

Stoli Group Names Harry Bigelow President, North America

He's a veteran of leading consumer brand companies such as Diageo, Guinness USA, Red Bull, Pepsico, and E&J Gallo. Stoli also said **Mark Iveson**, Sales Director West, will join Stoli from Diageo.

"The word is out that Stoli is primed for accelerated growth and as a result, we are attracting the top talent that

will propel the brand for years to come. We've recently strengthened marketing, operations, and performance management/supply chain capabilities. Now as we turn to business management and sales, we are thrilled to have Bigelow and Iveson on board," said **Damian McKinney**, Global CEO of Stoli Group. "Bigelow's reputation precedes him as a transformational leader."

An inspirational and results driven executive with a consistent performance record of growing consumer driven businesses and building high performance teams, Harry Bigelow will bring experience and insight of having served as President, National Accounts at Diageo, Vice President-General Manager of Red Bull North America, and President and CEO, Marley Beverage Company. His breadth and depth of experience is unparalleled and includes knowledge of retail channels, brand marketing, U.S. distribution and national customers.

* * *

Molson Coors Beverage Co. promotes **Roxanne Stelter** to vp-controller and chief accounting officer, effective immediately. She succeeds Brian Tabolt, who had previously announced his departure. She had been vp-assistant controller since December 2019.

Continued Success,
KANE'S BEVERAGE WEEK



JOEL WHITAKER,, Editor