

Sid Oland RIP

Sid Oland, a former CEO of the Labatt Brewing Company, passed away in December 2008 in Toronto. Sid, aged 68, was a fifth generation brewer from the distinguished Nova Scotia brewing family that owned Oland Breweries which was acquired by Labatt in 1972. His career in the brewing industry began in Halifax, NS., in the mid-1960s as a brewing sales trainee and ended in 1995 with his retirement from Labatt, by then a five billion dollar per annum turnover company with interests in brewing, food, wine, broadcasting and baseball. During his time as chief of Labatt Breweries the firm consolidated its leading position in the Canadian beer market, expanded overseas and substantially increased its role in the sports (the Toronto Blue Jays World Series wins in 1992 and 1993 were particularly auspicious), broadcasting and entertainment fields. For Labatt brewing Sid negotiated a partnership with Anheuser-Busch Inc. to brew and distribute Budweiser in Canada, acquired the Moretti Brand in Italy and the Rolling Rock Brand in the United States and developed partnerships with regional breweries throughout the United Kingdom.

The rise of the home brew

Every cloud has a silver lining with a heavy demand for home brewing kits. Suppliers say the celebrity endorsement from Messrs Morrissey and Fox as well as chef Gordon Ramsey has led to unprecedented UK sales. Young's Home Brew, the nation's biggest supplier of nano-brewing equipment doubled sales at the end of 2008 compared to the previous year. We calculate that the first 40 pints will cost around £1.20 a pint, rapidly dropping to less than 50p when you have spread your fixed costs. Do not worry most of them will be back down the pub when they get their first experience of 'rope'!



A pint for peace: At the back (from the left): Lior Balmas (Beer-D), Nadim Khouri (Taybeh Brewing Co.) and Yochai Kudler (Hanegev Brewery). In the front: Yariv Zwigenbom (Barik homebrewery) and Omri Zilbermann (Beer-D) at the Weyermann Bavarian Party 2008 in Bamberg.

Entente at Weyermann

While the Israeli/Palestinian conflict continues on the Gaza Strip, Weyermann Malt sent us this photo taken at its tenth post-Brau bash at Bamberg last year. Beer apparently has that knack for bridging gaps that political leaders may find insurmountable. The *Jerusalem Post* quotes an Israeli talking about 'the divine Palestinian brew Taybeh'. The man quoted was Gad Divri, a brewer and the General Manager of Beer-D, a Tel-Aviv brewing supply company. Taybeh is made by Nadim Khouri near Ramallah on the West Bank. Beer D and Taybeh met in Bamberg over pints of barley wine, rauchbier, English bitter and pumpkin ale — all made in the Weyermann Pilot Brewery. Sabine Weyermann tells us that over 300 people from 35 countries made the trip.

Markets all over the world losing fizz

We all know that things are tough out there yet it is not our job at *The Brewer and Distiller International* to depress our readers even further. However, we note that during January the world's No.2 (SABMiller) and No.4 (Carlsberg) showed signs of suffering in the global slowdown.

SABMiller reported a fall in volumes and Carlsberg detailed a further 270 job losses this time in Denmark, Norway and the Baltic States. In the world's third largest beer market – Russia, curiously Carlsberg's volumes (35% market share) were 'steady' while SAB (5% share) reported a 22% decline.

Back in the UK, Marstons will absorb price rises from its global lager and stout suppliers and will hold its own prices until the autumn. McMullens at Hertford has cut beer prices to its pubs by £50 a barrel for two months to help licensees cope. However, a similar move by Isle of Man's Okells to reduce prices temporarily to £2 a pint met with a campaign suggesting the firm had over-brewed for Christmas and was flogging ageing stock! But the most froth has been raised by pub chain Wetherspoon's decision to sell Greene King IPA at 99p a pint – less than it buys it from the brewery. A bottle of San Miguel also sells for 99p.

Rivals pubcos are up in arms about such price competition particularly Greene King publicans and drinkers in Bedford where a local gentleman's agreement prevents the town's two Spoons pubs from selling a pint below £1.50. JDW said it was "not a loss leader in any shape or form" and was targeted at cash-strapped older drinkers but it is certainly proving controversial when the price of alcohol is under the spotlight. All this gave JDW boss Tim Martin the chance to sound off about the 'greed and stupidity' of private equity pub groups which are 'running down' the pub industry in the pursuit of paying escalating interest charges. 'Licensees have to pay far too much rent and are unable to provide service and prices that are attractive enough to customers' he told the *Financial Times*.

Price wars are of course generally good for consumers and bad for brewers. Recently reported figures from New Zealand where the big two – Lion and DB have been trying to maintain market share rather than profitability for years – show the true price of DB's mainstream beer is unchanged for 15 years. Discounting has cost these two some NZ\$66 million last year alone. Both are said to be planning price hikes of 5-10% shortly but that is hardly going to recover margins from spiralling production costs.

Shiner reaches 100

Another 2009 anniversary is the 100th of iconic Texas brewery at Shiner. Owned by the Gambrinus Corp, Shiner has seen output rise steadily and should top 400,000hl in 2008. Building up to the centenary it has released a series of annual beers since Shiner 96 in 2005 in different styles ranging from the first Marzen through Black Bohemian, Bavarian Amber to last years Helles. Shiner 100 will be called Commemorator, a lusty doppelbock. The company has also released *Shine On* – a coffee-table book by local author Mike Renfro, detailing the last 100 years. In it we learn that before Shiner was a place it was a person – named after cattle baron Henry Shiner who donated 250 acres for a new settlement by the new railroad in 1887.

New cat at Elgoods

After 16 years of faithful mousing, Elgood's brewery cat Blackie succumbed to a combination of old age and the vets last month. Head Brewer Alan Pateman tells us that her replacement is under training although the latest member of the Wisbech brewery payroll called Scruffy has yet to meet Head Mouser, Spot.



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