

# The Breweriana Collector



JOURNAL  
OF THE  
NATIONAL ASSOCIATION  
OF  
BREWERIANA ADVERTISING

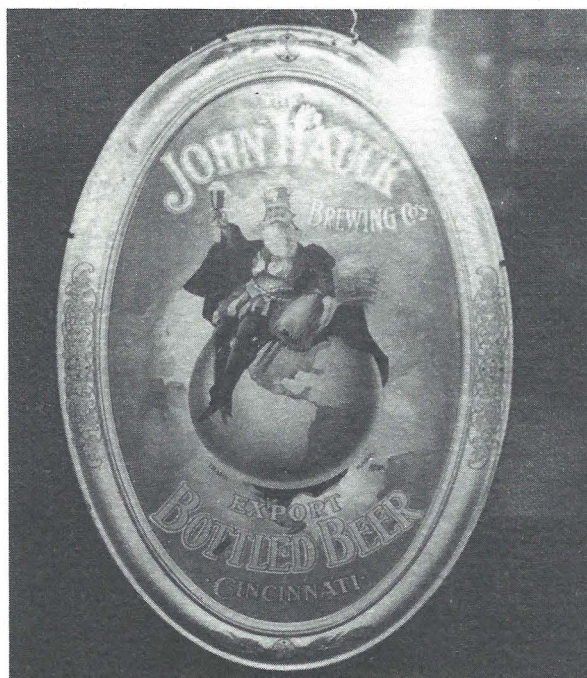
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Cincinnati Breweriana

# National Association Breweriana Advertising

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Ray Zetts	1982 Convention Chairman

Dues are \$15 per year domestically, \$20 foreign. Please send applications for membership, dues, changes of address and advertising intended for the membership directory to Robert E. Jaeger, 2343 Met-To-Wee Lane, Wauwatosa, WI 53226. Please send manuscripts, correspondence for publication, advertisements for this journal and any other matters concerning The Breweriana Collector to George W. Hilton, Department of Economics, UCLA, Los Angeles, CA 90024. Advertising rates: full page, \$25; half page, \$20; quarter page, \$10; box, \$5. Advertisements in the Buy-Sell-Trade section (p. 30) are free to members, but are limited to bone fide collecting activity as distinct from members' commercial enterprises. Repetition of free advertisements previously run is dependent on space availability.

\* \* \*



President's Page

All N.A.B.A. members are asked to be particularly mindful of three very important association events. First, at the spring meeting of the Board of Directors in Indianapolis, on March 27, 1982, Mr. Robert "Bob" Jaeger of Wauwatosa, Wisconsin, was appointed to the office of Executive Secretary. Bob will complete the unexpired term of Gordon Dean, and he has been appointed further to the annual term to commence on Saturday, July 31, 1982, and to end on Saturday, July 30, 1983. The position of Executive Secretary is an annual appointment; of course, Bob will be eligible for reappointment in July, 1983. As of May 1, 1982, all of your correspondence, inquiries, and membership applications and renewals should be sent to:

Mr. Bob Jaeger, Executive Secretary  
National Association Breweriana Advertising  
2343 Met-To-Wee Lane  
Wauwatosa, Wisconsin 53226  
Tel: (414) 257-0158

I want to thank Gordon Dean for the good service that he has given to the N.A.B.A. as the Executive Secretary for the past six years. The Board of Directors reluctantly and regretfully accepted his resignation effective Friday, April 30, 1982. All of us have benefited from Gordon's efficient handling of the responsibilities of his office.

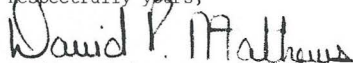
Second of the three very important association events is the 1982 N.A.B.A. convention, scheduled for July 30, 31, and August 1, at the Sheraton Inn-Euclid-East, Cleveland, Ohio. You all should have received the convention mailing from general chairman Ray Zetts by this time. If you have not, please contact Ray requesting the forms. Ray used a current mailing list, but errors can occur, and we do want to reach all of you. The Cleveland convention promises to be very exciting; Mr. Thane Johnson of the Christian Schmidt Brewing Company has been especially helpful, and the folks at the Sheraton Inn have extended themselves in a most unusually hospitable fashion. We want to see as many of you as is possible in Cleveland, and you can help out greatly by returning your convention registrations and fees just as quickly as possible.

Incidentally, as many of you know, one of the centers of breweriana advertising production was Coshocton, Ohio, situated in the Tuscarawas River Valley, almost directly south of Cleveland. Coshocton is a pretty, little community, and it is still the home of advertising firms, as well as the Johnson-Humrickhouse Museum, where interesting pioneer and Indian items are displayed. You might want to make a special side trip as a part of your convention trip. I have found two or three really interesting pieces in Coshocton, including a fine pre-pro Leinenkugel tray.

The third important association event is the nomination and election of officers and board members that is now under way. We presently have nominations for the openings, but the nominations will not close until Tuesday, June 1, 1982; so, if you are interested in running for an office or in nominating a candidate, please do so by that date. The election ballots will be sent out in late June.

Best wishes to you all!

Respectfully yours,



David P. Mathews, President  
National Association Breweriana Advertising



ANHEUSER-BUSCH COMPANIES

NABA Journal Editor

March 15, 1982

Dear Sir:

While we can't quarrel with Herman W. Ronnenberg's literary criticism of Making Friends Is Our Business: 100 Years of Anheuser-Busch, in the Winter, 1982 issue of the NABA Journal, we not only take issue with his personal commentary about the quality of Budweiser, we defy him to prove those assertions.

Specifically, Ronnenberg asserts that in the 30 years since the volume was written, Anheuser-Busch has given up the krausening of its beers. That is unequivocally untrue. Anheuser-Busch beers are still krausened.

"The aging time (of the company's beers) also is rumored to be greatly shortened of late," Ronnenberg continues. Another falsehood. The aging time for Budweiser still averages 32 days; Michelob aging is still in the 36-40-day range -- far more than most other beers.

"Would Adolphus (Busch) have been willing to settle for being the world's largest seller, or would he want to brew only the best?" Ronnenberg continues with his invective. The answer to that question, Mr. Ronnenberg, is that if Adolphus Busch were alive today, he would have both.

Whatever valid insights may be included in Mr. Ronnenberg's views on the book are lost in his attempt to scornfully libel a truly great American corporation, the hallmark of which always has been the quality of its products. He is guilty of a journalistic, historic travesty, and that is a shame.

Sincerely,

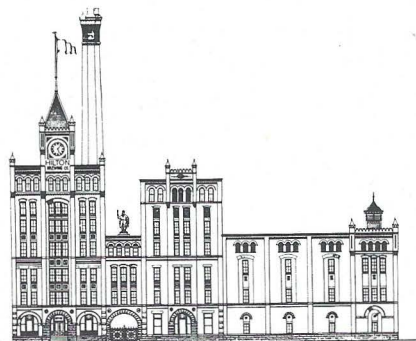
*William J. Vollmar*

William J. Vollmar, Ph.D.  
Records Administrator & Archivist

To the above, the editor responded, in part:

The question whether Anheuser-Busch beers are krausened is an objective one that we ought to be able to settle easily. On my tour of your St. Louis brewery, the guide showed us a room of open fermenting tanks and stated that the carbon dioxide was captured from the ambient air in the exhaust system and reinjected into the beer subsequently. This is a common and perfectly defensible way of carbonating beer, but it does not square with my understanding of krausening. Krausening, as I understand it, is a process of injecting 15 percent of newly fermenting beer into the beer approaching the end of the fermentation cycle. Please let me know more specifically about this. Apart from the matter of relative accuracy of Herman W. Ronnenberg's review and your letter, such matters are of interest to the membership.





## FERMENTATION

### A Readers' Guide to

Andy Capp

There is probably no work of art, popular or otherwise, in which beer enters so systematically as Reg Smythe's comic strip, Andy Capp. Andy and his wife Florrie spend their evenings at the local pub, she serves him bottled beer at home, and they fight about his excessive consumption. The pervasiveness of beer in the strip has probably caused it to be read by most of our membership, but the characters are set in a milieu of lower class life in a very limited area of Britain that is unlikely to be familiar to most Americans. Early in the strip's syndication in the United States it was captioned "Andy Capp in London." Since the basic theme of the strip is the horror of Florrie's existence with this little twit, Smythe would not have set the scene in London. Florrie would have too many alternatives there, and couldn't possibly have been miserable enough for his comic purpose. Similarly, some Americans have interpreted the action as a brazen delineation of male chauvanism, and suggested that Andy has serious psychiatric problems. Even his name is a pun not obvious here.

Andy and Florrie Capp are affectionate renditions of Reg Smythe's parents. The title derives partly from the lower-class habit of wearing a cap continually -- or in his case, continuously -- but since Andy consistently drops his H's, his name accurately delineates him as Florrie's handicap in life. The locale is Sunderland, a shipbuilding center and coal port that, naturally, has seen better days. The strip is, of course, a comic treatment, but it is a remarkably accurate delineation of relations between the sexes in a limited group, mainly identified by enthusiasm for the Sunderland football club, the local soccer team. Note that, however hellish the marriage appears by normal standards, it clearly satisfies both parties. They always return shortly after leaving one another, and they both turn immediately on anyone who endeavors to intervene in their periodic battles. In 1955 on a train from the Stranreer-Larne steamer to Newcastle, Sunderland's neighboring city in the northeast of England, I shared a compartment with a couple from Sunderland. The man was drunk by 2:00 PM, persisted in trying to feed me one of his sandwiches, and took umbrage at my supporting the Chelsea soccer team when, as he put it, "There is only Sunderland!" His wife accepted all this with a benign resignation that I found difficult to comprehend. Excessive alcohol consumption and treatment of women that would be considered outrageous almost anywhere else were something she probably accepted long before marriage simply by observation of her parents and their friends.

Smythe, when asked if he worried about running out of ideas, responded that he went down\* to Sunderland periodically, spent time in the pubs, and took his inspiration from the couples he observed there. The pub that Andy

\* London is up, anywhere else down, regardless of direction, unless one is an Oxford or Cambridge man. Then the university town is up, London down. Capp, to put it mildly, is not a university man, and Sunderland is down.

and Florrie frequent is never identified, but it is obviously a very traditional one. It has the familiar three handles for hand-pumped traditional



draft beer. The three were installed for mild, bitter and old, but old has passed out for all but a few brewers. Theakston of Masham, Yorkshire, aggressively markets its Old Peculier throughout Britain and overseas, but otherwise old, a sweetish, heavier version of mild, is largely in the past. The third pump handle is now likely to be used for a best bitter, an alternative

version of the principal remaining type of British draft beer. Exactly what Andy drinks is never stated, but it is clearly a draft beer. He drinks from a thick, straight-sided pint glass, which alone would identify the locale as the north of England. In the south he would use a mug or a thinner glass with a curl about an inch below the rim. Consistently with his area and social class, he would probably drink a dark mild, a flat, warm, unpasteurized version of the Newcastle brown ale widely available in America. Note that Florrie's glass is never the same as Andy's. She always drinks from a tulip glass exactly half the size of his. Such glasses are used for bottled beers. What she drinks is less clear than what he does, but a lower class woman would probably drink bottled Guinness or its principal rival, Mackesson's Stout. Shandy, a mixture of bitter and lemonade, is a popular women's drink, but it is light-colored and what she and Andy both drink is invariably dark. The pub is clearly owned by a brewing company and run by a "gaffer," either a tenant or a salaried manager. On the basis of the cartoon above, he is apparently the latter. The owner is never identified. I presumed that it was Vaux, the brewer in Sunderland (which merged last year with our Fred Koch of Dunkirk, NY), but Vaux no longer produces three traditional draft beers. "Rose and Crown" is a common name among pubs, but Vaux uses it extensively. My guess is that the Rose and Crown, the alternative which Andy and Florrie often consider, is the Vaux house, and their regular is owned by Scottish & Newcastle, Cameron, or one of the other brewers marketing in the area. What Andy drinks at home is also likely to be a mystery to an American reader. Florrie once said that his favorite meal was a bottle of stout and a packet of potato crisps, but it is difficult to picture him not drinking bottled brown ale. We may suspect that both are on Florrie's shelf -- not, please note, in her frig.

The family's finances are also mysterious by American standards. A recurring theme is Andy's effort to pick his wife's purse for money to pay for his beer. A man of his social status would bring home his pay packet -- or in his case, his dole payment -- and turn it over to his wife for household expenses, less a small allotment for his beer, cigarettes and betting. By the end of the pay period, given his habits, he would be habitually out of beer money, and try to draw on housekeeping funds as best he could. The pigeons in his basement, which might seem an odd affection for so low a character, are quite consistent with his personality. Breeding birds or small mammals, such as ferrets, is a common pursuit of working-class men in the north of England -- difficult as it is to apply "working" to Andy.

In sum, Reg Smythe has produced a genuine comic masterpiece, remarkable mainly for making the habits of a small group universally appealing. It has been argued that the strip represents a wish fulfillment to men elsewhere who would like to get away with treating their wives as Andy does. Smythe, of course, has gotten rich doing the strip. When asked

how he spends the money, he admitted it was a problem, for "There is a limit to the sausage and mash you can eat." Let us praise him, finally, for the artistic quality of the strip. His drawing has what artists call economy and assurance. Note how few lines he needs to delineate anatomy and expression. In the accompanying squares, note how simply and effectively he has shown Florrie's emotions during and after the darts match. She certainly does not appear to be suffering from her lot in life.



\* \* \*

Because Cleveland is on the northern boundary of the United States, some members may be planning to drive through Canada either before or after our convention this summer. Please bear in mind that advertising antiques such as we collect are dutiable if brought into Canada, and the tax is not refunded on leaving. Not all customs inspectors attempt to collect the duty, but some do. Members should plan accordingly in making out their itineraries. We will repeat this warning in the pre-convention issue.

\* \* \*

Unobtrusively, we lost another brewery in 1981. The annual directory issue of Brewers Digest arrived without a listing for Falstaff's plant in Galveston, TX. A phone call to Paul Kalmanovitz' headquarters in northern California verified that the modernistic brewery had indeed been closed in the second half of 1981. The Kalmanovitz breweries are now down to four, Falstaff in Fort Wayne and Omaha, Pearl in San Antonio and General in Vancouver, WA.

\* \* \*

Neil Wood's Antique Advertising Show at Indianapolis in March was a big success. NABA had a particularly fine hospitality hour, enriched by some great Japanese popcorn imported from Avon, IL, by Herb and Lorraine Ramsey. We finally tried Zeb's Barbecue at 38th and Keystone and found it up to John Murray's raptures. (Issue 29, page 8) That restaurant symbolizes Indianapolis as well as anything: drab and uninviting superficially, quite a bit better when penetrated.

\* \* \*

As page 2 notes, the executive secretaryship of NABA has passed from Gordon Dean to Bob Jaeger of Milwaukee. The officers and directors chose Bob at the spring meeting at Indianapolis on March 27. As most members are aware, Dave Mathews has decided against continuing as president. Bob Chapin is to be nominated at the convention in Cleveland. If he is elected, both the presidency and the executive secretaryship will be located in Milwaukee. The administrative benefits of such an arrangement are apparent, and few would deny that Milwaukee is the right and proper home for an organization of our character.

Withal, there is a twinge of nostalgia at the changes. Gordon's speed and conscientiousness off by the Shores of Gitchi Gumee were always impressive, and Dave's command of the English language has given the Association a touch of class throughout his presidency. We need never apologize for missing both.

George W. Hilton, Editor  
Department of Economics  
UCLA  
Los Angeles, CA 90024

April 18, 1982



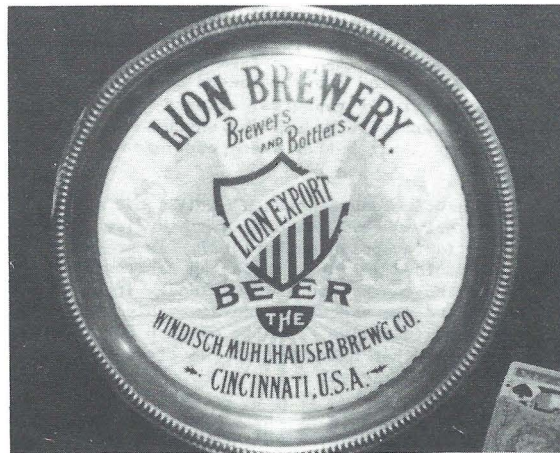
BREWERIANA EXHIBITION AT THE CINCINNATI HISTORICAL SOCIETY

Collectors Bill Black, Dick Hinds and Rick Muhlhauser got together last summer to put on a really stunning show of local breweriana at the Cincinnati Historical Society. Situated on a high point in Eden Park, the Society operates an attractive modern building next to the Art Museum.

Stroh's clipping service sent us an article on the exhibit, with a history of the Lion, Hauck and Moerline breweries. I took our newly purchased camera and went down to see and admire. While only a fraction of the treasures could be displayed, there was enough to leave anybody impressed. Large lithographs of the Schaller & Gerke, Windisch-Muhlhauser and John Hauck breweries in original frames were displayed in a hallway. From Gerke came a great scene of Falstaff in a tavern with a plump barmaid on his knee. Falstaff also appeared in a Foss-Schneider lithograph.

Trays, bottles, mugs and smaller items were shown in the main hall of the building -- fittingly, since it is a large social room given to the Society by the Hauck family. Among the trays were a big blue oval Hauck with Gambrinus sitting on a globe, a great oval Foss-Schneider with a patriotic theme, a rare red and black Jackson oval lettered for Cream of Cincinnati, and a gold and blue Schaller tray with a girl-on-the-moon theme. The museum displayed everything attractively and and provided historical information in each case. Lack of room for full display was an obvious drawback, however. The exhibit was very well attended and received a favorable press. So well was the show publicized that two men walked into the exhibit with factory lithographs that they had tucked away and donated them to museum, leaving local collectors with bruised foreheads and bare patches on their scalps.

Peter H. Blum



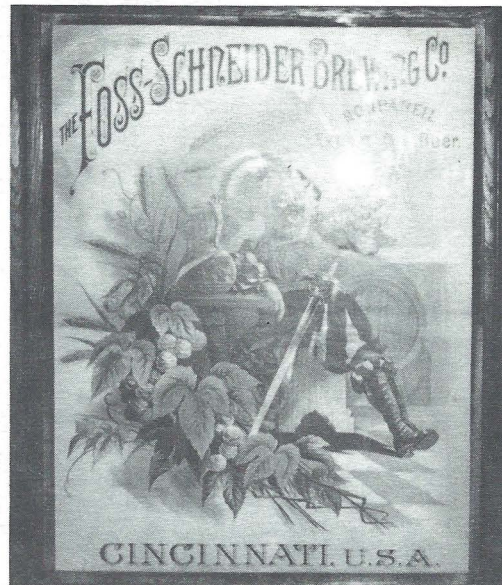
Possibly the best artifact in the show was a blue and white enamelled tray with a brass rim, lettered for Windisch-Muhlhauser's Lion Export. The brand's shield logo is held by two rampant lions as armorial bearers, done in light blue enamel.





The John Hauck Brewing Company of Cincinnati gave up with Prohibition, though the brewery survived until 1955 as Red Top. The Hauck family thinks it might still be in brewing had Prohibition not been visited upon us. Schaller & Gerke lasted only until 1912. The print apparently dates from the post-Civil War period. Schaller's name was dropped in 1882.





Falstaff was apparently big in Cincinnati. Above, he luxuriates for Foss-Schneider. Below, for Gerke he takes his ease with a serious wench in a lovely green gown in what is a really spectacular color print.







The Cincinnati exhibition was very professionally exhibited. Above is a case from the Hauck Room with a patriotic outburst from Foss-Schneider, a late piece from Jackson and a beautiful girl-in-the-moon tray of Schaller in the early twentieth century. After the break with Gerke, the Schaller Brothers operated alone in the smaller Main Street Brewery until Prohibition. Windisch-Muhlhauser's plant, below, survived to 1972 as the Burger brewery.

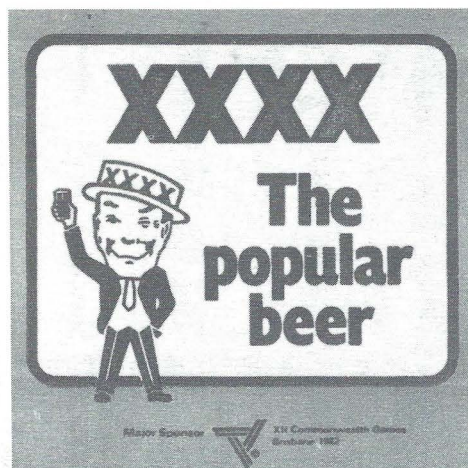




#### CHLOE

Greatest Australian beer-related artifact is the painting of Chloe in Young & Jackson's pub across from Flinders Street Station, Melbourne. Painted by Jules Lefebvre in 1875, the work won the Grand Medal of Honor in Paris in 1876, and was brought to Australia in 1879, where it outraged staid Melbourne society. Young & Jackson bought the painting in 1909, and it has reigned over the pub ever since. Chloe herself committed suicide after an unhappy love affair by compounding a potion of phosphorescent match heads, alas. In the painting, she is immortal. The editor, lifting a Carlton's to her, apologized for taking over 30 years since he heard of her to pay his respects. It was a long time -- but also a long, long way.





#### DOWN UNDER

Exotic Australia! Where Greyhound buses roam the Nullarbor Plain and Woolworth flourishes as nowhere else. Why would anyone want to go there?

The answer is not obvious, and certainly there is no unanimity to it. One colleague of mine who spent a year at an Australian university concluded that the country combined all the worst features of the United States and Britain. At the opposite extreme, there are those of us who couldn't die happy without having been there. Dashiell Hammett, the mystery writer, had no interest in foreign travel except for a desire to see Australia. He never got there, but I was more fortunate, and made my trip in the spring of 1981. Up to expectations? Most definitely.

Australia is a country about the size of the United States with a population only about that of metropolitan New York, some 14.5 million. This is mainly spread out along the southeast coast, roughly as if the American population were concentrated from Norfolk to New Orleans. Nearly half the entire population is in two big metropolitan areas, Sydney and Melbourne, each about the size of the San Francisco Bay Area. To pursue the American analogy, Nevada extends from somewhere around Columbus or Indianapolis to Riverside and San Bernardino. With the exception of Tasmania, an island 190 miles off the south coast, most of the country is extremely hot for most of the year, or in the case of Darwin, for all of the year -- every little bit of it. The climate is mainly responsible for the country's huge per capita beer consumption, some 65 percent more than the U. S. and over 20 percent above Britain. This is by far the highest of any English-speaking country. Darwin, unsurprisingly, is thought to have the highest per capita consumption in the world, some 60 gallons per year, man, woman and child.

Given the economies of scale in brewing and the country's limited population, one would not expect Australia to have many brewing companies, even to slake a world-class thirst. The pattern is one of dominance of the several states by individual companies. Victoria is the domain of Australia's biggest brewer, Carlton & United Breweries, Ltd. In Melbourne, one rarely sees a pub of another brewer, in fact. The firm also has plants at Brisbane and Cairns, Queensland, on the northeast coast. Castlemaine Perkins with its ubiquitous XXXX brand dominates the Queensland market from



Tooth's Town Hall Hotel is a good example of the Sydney tile pub. The exterior is done in light-colored tiles, with insets for advertisements under glass. These, like the pretty tennis player below, are traditionally of sporting scenes, done in the style of the 1930s or 1940s. The prints are highly prized by Australian collectors. The architectural style is thoroughly identified with Sydney. It is rare to see one anywhere else in the country. This example, unsurprisingly, stands diagonally opposite the town hall in downtown Sydney.



its single brewery in Brisbane. New South Wales is about equally dominated by Tooth's and Toohey's in Sydney. Toohey also has plants at two smaller cities in the state, Newcastle and Grafton. A single firm, Tasmanian Breweries, Ltd., splits the island state between its Boag brewery in Launceston and Cascade in Hobart. West End & Southwark serves South Australia from Adelaide, and Swan is the brewer of Western Australia with plants in Perth and Kalgoorlie. Swan and Carlton jointly operate a brewery in Darwin. (Could no single brewer face Darwin's thirst alone?) Finally, there is a specialized brewer, Cooper & Sons in Adelaide, producing an English style naturally-fermented bottled beer. The industry is less deconcentrated than it sounds, for there is some degree of intercorporate stockholding between Tooth, Toohey, Castlemaine Perkins and possibly some of the others. This group and Carlton are rather a Big Two of Australian brewing.

In my ignorance, I had supposed Australia to be a country like Canada where one could order practically anything and get an excellent, full-flavored beer. Not so. Presumably because of the climate, Australian beer is intended to be drunk extremely cold from the tap. It is served at about 36°, colder than in any other country. This explains what had previously been a mystery to me: why the same people who in Britain drank beer in the biggest common measure, the imperial pint, began drinking beer in a variety of extremely small measures, mainly from four to ten ounces. Very simple: one drinks Australian beer fast and in small glasses to keep it cold. All of it has to some degree the property of products of the Pittsburgh Brewing Company of tasting much better on draft than in cans or bottles. I never thought I'd be going down there for a cold Ahrnn.

The character of Australian beer varies between brands. Carlton's Foster's Lager, which is sold the world over, has probably the closest approximation of international lager flavor. Many of the others have an acidic almost astringent quality with little of any of the usual elements of beer flavor. In the areas I visited, Tasmanian's Cascade seemed to me the worst offender, rather to my surprise, for the same company's Boag is quite decent. I managed to be marooned in Hobart for three days by a stewardesses' strike, and prisoners are usually not happy with their fare. The strike cost me my opportunity to visit Adelaide, but on the basis of canned versions of West End, I am not sure things would have been much better. I was most sorry to miss Cooper's there, if only to interrogate the management on its natural marketing area. I never saw a bottle in Australia, but the beer is available in virtually every liquor store in West Los Angeles.

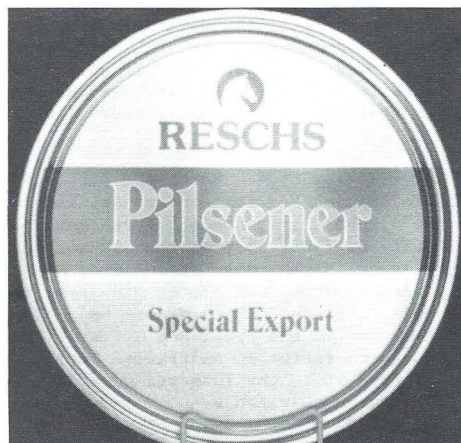
Australian beer also varies by type. For draft most breweries produce an old, which is similar to British keg draft beers but lighter, and a new, simply a lager, plus a low alcohol beer, brought forth more by a stringent drunk-driving law than by any national passion to lose weight. In cans and bottles, common types are lager, bitter ale, dinner ale, and a canned version of draft beer. By my alien standards, the bitter ales were the best and the canned draft really the pits. All the canned drafts had the acidic or astringent character I had noted in the pubs, and a few were positively skunky. I had found a skunky character to Australian beer in Britain and the America, but had attributed it to the long sea voyage and excessive time in the can. Alas, I was too charitable.

For collectors, the country is a mixed bag. I had been warned that it was very difficult to talk Australian brewers out of tap markers, but on my first day in the country bagged six and thought I was doing well. As it proved, those were all I ever landed. Several were nicely designed markers, too. Carlton does not sell or give them away, and Tasmanian does not use them. Coasters abound and most of the brewers sell trays. Souvenir shops in Brisbane sell a wide variety of Castlemaine Perkins artifacts, all





Tooth operates a modern brewery for the Tooth brand in a Sydney suburb and an older urban brewery for its Resch brand. Below is a tray lettered for Resch Pilsener.





emblazoned with the firm's familiar male figure, Mr. Fourex. If you are a monomaniac for tap knobs, you will probably be frustrated, but if your interests are more general, you will come away with plenty of loot.

Is the trip worthwhile? Absolutely. If you simply want to drink your way through a friendly country, head straight north -- you'll find things better and cheaper. On the other hand, if you have to watch a platypus feed or a wombat stalk the night, there is but one place to go. Sydney, which has a magnificent setting on an estuary, has to be rated along with London, Toronto and San Francisco as one of the four English-speaking cities that makes the best impression on the short-term visitor. Most of all, one comes away with respect for the national achievement that the country represents. Starting with one of the world's most unpromising pieces of real estate, and admitting at the outset the dregs of British society, the Australians have built a country of British or American levels of income and education. On the bicentenary of colonization in 1988 we may forgive them any excesses of national pride. Considering what they have done generally, they can leave the brewing laurels to the Canadians with good grace.

GWH

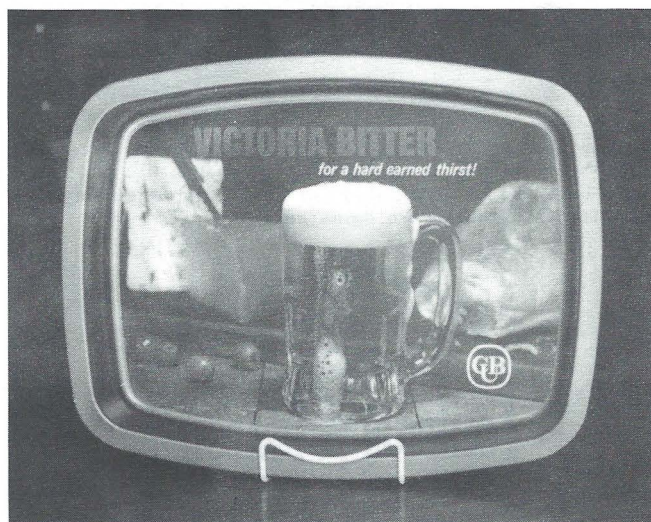


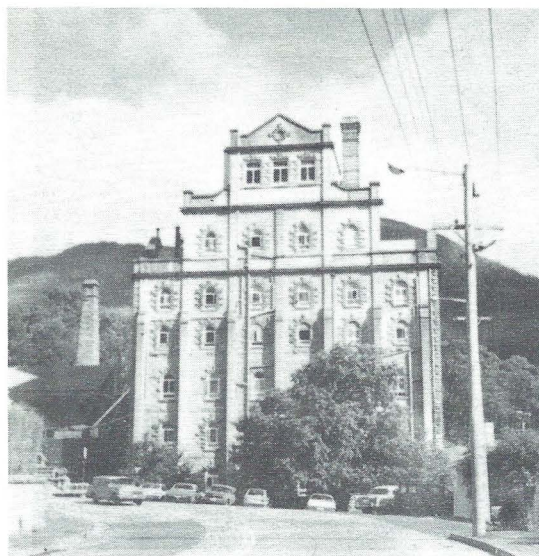
Australian tap markers screw onto an outlet that opens laterally 90 degrees to serve the beer. Above are markers for Toohey's Old and New mounted on the editor's bar. Below, the label for Carlton's Draught shows an Australian tap with Carlton's ubiquitous blue marker.





Carlton, the giant of Australian brewing, letters its brewery in central Melbourne for its Victoria Bitter brand. Below is a handsome tray for the brand. The artistic quality of Carlton's artifacts is uniformly high.





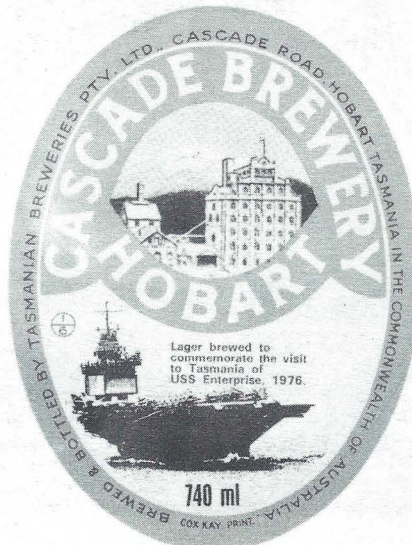
Cascade's brewery south of Hobart, which dates from 1824, is often said to have the loveliest setting of any brewery in the world. Unfortunately, the editor found the beer not up to the antiquity. The owner, Tasmanian Breweries Ltd., does much better with its Boag brand in Launceston, the other large town on the island.







Above is a tray, nicely lettered for Cascade Special Lager. Below is a label for a special brew in honor of a visit to Hobart of the American aircraft carrier Enterprise. Not the least of Australia's attractions to an American visitor is its hospitality. It is probably the most pro-American country in the world, thanks in large measure to its gratitude for American participation in the Pacific theater of World War II.





## Proxy Battle Over Pabst Turns Nasty

By THOMAS PETZINGER JR.  
And LAWRENCE INGRASSIA

Staff Reporters of THE WALL STREET JOURNAL

MILWAUKEE—The proxy fight for control of Pabst Brewing Co. has turned into a battle of personalities with all the gentility of a barroom brawl.

In one corner: dissident shareholder Irwin L. Jacobs. In the other: William F. Smith Jr., president and chief executive officer of Pabst.

Says Mr. Jacobs: "I think of the Pabst board as an organ grinder and of Smith as its monkey." Mr. Smith had this to say after a face-to-face meeting with Mr. Jacobs: "I was willing to listen to Mr. Jacobs' thoughts, and found out he didn't have any." Pabst has resurrected a hoary nickname of Mr. Jacobs', "Irv the Liquidator," depicting him as a hit-and-run profiteer.

### Nastiness on View

All's fair in love, war and proxy battles. Contests for control seldom are decorous, but the Pabst battle got nastier faster than most. It features all the tricks of the trade: lawsuits, innuendo, press agentry and name-calling.

Messrs. Jacobs and Smith at first professed polite regard for each other. Pabst, which lost money and market share in the fiercely competitive beer business throughout 1981, hired Mr. Smith in September—its fourth president within the year. Mr. Jacobs, the company's largest shareholder, hailed him as having "solid credentials." And Mr. Smith tactfully commented, "I respect a 10% shareholder."

Things got personal after the two men met in a Minneapolis aviation hangar Jan. 8, at Mr. Smith's request, for less than an hour. They didn't see eye to eye. Mr. Jacobs now says the meeting was "a total setup from day one," and he now belittles Mr. Smith's achievements at his former company, little Pittsburgh Brewing Co., as well as the Pabst efforts.

"He hasn't brought any management to that company," says Mr. Jacobs, who also has called Thomas McGowen Jr., the chairman, "an idiot."

### Hearing From the Marshal

Mr. Smith recently called Mr. Jacobs a "schemer" without any good ideas for Pabst. Mr. Jacobs inquired at the meeting about what side Mr. Smith would take in the proxy battle. Mr. Jacobs got his answer the following week from a U.S. marshal, Mr. Smith says; that was when Pabst and Mr. Smith filed suit accusing Mr. Jacobs of securities-law violations.

The suit alleges that Mr. Jacobs is, in effect, illegally soliciting proxy votes by "massive publicity" and "false and misleading statements" made in "repeated contacts with the press." Pabst says Mr. Jacobs is using his press agency without submitting the legal documentation and financial disclosures required by the Securities and Ex-

change Commission in formal proxy solicitation efforts.

The 65-page Pabst suit impugns Mr. Jacobs' character as well as his tactics. "Defendant Jacobs is commonly known in the business world as Irv the Liquidator," and "the only public companies in which Jacobs has taken a major management role were either liquidated . . . or run into the ground," the suit alleges. (In fact, Mr. Jacobs bought Grain Belt Breweries Inc. in 1975 and liquidated the company. In 1977, he acquired Arctic Enterprises Inc., which later entered Chapter 11 bankruptcy proceedings.)

### Numbers Game

Mr. Jacobs, for his part, may already have an advantage in the fight. His strategists tell him that only about 83% of Pabst's shares are likely to be voted by shareholders, so he figures he can win with only about 42% of the approximately eight million common shares outstanding. And, since November 1980, Mr. Jacobs and his associates have purchased 15.3% of the shares. Pabst board members and executives own less than 2%.

Besides amassing shares, Mr. Jacobs has lined up prominent figures for his dissident slate of director nominees: Fran Tarkenton, the former professional football quarterback; Loraine Windham, the widow of a former Pabst chairman; and Paul Hallingby Jr., a partner in Bear, Stearns & Co. Mr. Jacobs won't disclose what his dissident board would do to save Pabst, but that hasn't stopped him from lambasting Mr. Smith's turnaround campaign, which includes a new marketing campaign and a cutback in brewing capacity.

"How can they call me the liquidator when they're the ones selling off capacity?" Mr. Jacobs asks.

Pabst's week-long delay in spurning last month's \$16-a-share takeover offer from Philadelphia brewer C. Schmidt & Sons Inc. gave Mr. Jacobs a chance to portray Pabst management as indecisive. At less than half Pabst's book value a share, the Schmidt offer was "so far from reality I can't believe they waited that long to respond," Mr. Jacobs says.

A subtler attack was a statement he issued after Pabst agreed Feb. 2 to buy Pittsburgh Brewing for \$7.8 million in Pabst stock. Mr. Jacobs said the transaction would "dilute present Pabst shareholders and place a huge block of new Pabst shares in the hands of Mr. Smith's old friends and old shareholders." In fact, the half million or so new shares to be issued for Pittsburgh Brewing won't be eligible to vote at Pabst's annual meeting April 13.

Pabst has filed a legal motion demanding "corrective disclosure" from Mr. Jacobs on his dilution statement. A federal judge denied Pabst's request for a temporary emergency order but still is considering the Pabst plea for an injunction against Mr. Jacobs' "personal abuse" of Mr. Smith.

"Irwin has really been going off the deep end," a Pabst lawyer says, referring to Mr. Jacobs' organ grinder analogy. "Bill Smith doesn't like bananas."

Pabst isn't above a fast one itself. Copies of a "privileged and confidential" letter from Pabst to the SEC, accusing Mr. Jacobs of "seriously inaccurate" statements, were delivered to at least two newspapers by Pabst's public-relations agency. "A clerical error," says the agency.

#### WHAT'S BREWING?

It used to be that A-B made an occasional blooper, and one could laugh to lighten the impact. Lately there has not been anything to laugh about. They have unleashed Bud Light, and Miller is being cursed for making A-B quite so aggressive. The Baldwinsville (ex-Schlitz) brewery is scheduled to go on stream next year. There is much interest in the next one. The location has not been announced, but Colorado has been mentioned, even by A-B. All this busy brewing raises a question that I promised to avoid: are the beers really that good?

Miller may be cursing itself, as well. An interesting analysis surfaced indicating Miller earned no money on their recent huge investment in plants. What happened was a lukewarm 1981. As price leader after six years of unprecedented growth, Miller opted for lower prices to gain volume, now that capacity was available. The strategy paid off in increased sales, but A-B both increased sales and got top dollar. All this is turning Miller aggressive, as well. Carling O'Keefe has been signed to produce Miller in Canada, and Magnum will be promoted heavily. Most brewers would love to have the growth problems Miller is facing.

Regardless of the outcome of the Pabst proxy fight, there are serious sales problems to overcome. Winter and spring were listless except for insults traded with Irv Jacobs. Plans for the summer include an historic and long-forgotten name for a new light -- Phillip Best, no less! Worship of honorable ancestors is in.

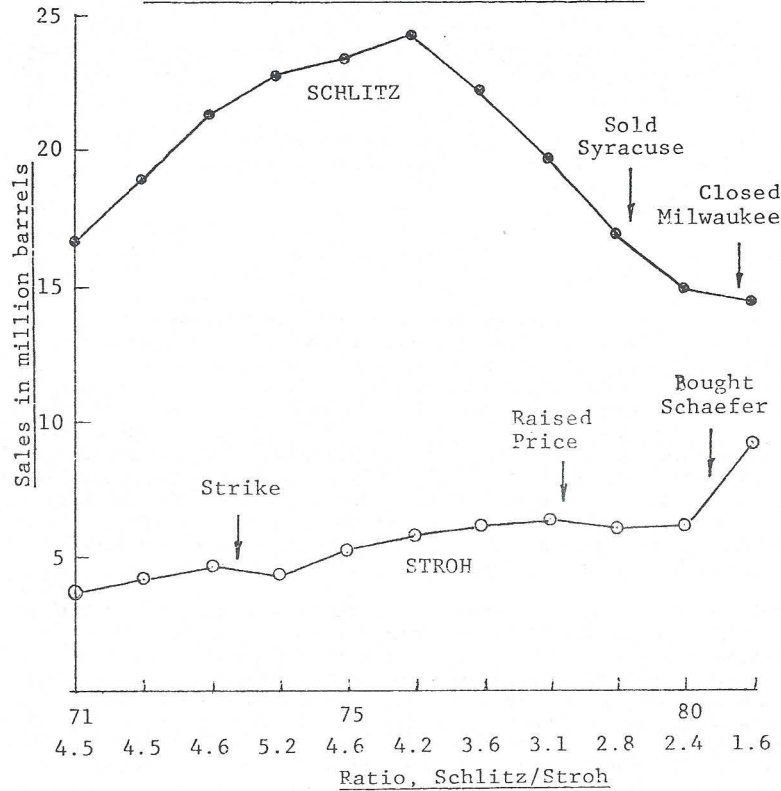
The big news is, of course, the merger-go-round between Pabst, Schmidt, Schlitz and Stroh. At the time of writing it looks as if Schlitz will be a subsidiary of Stroh, but the Heileman-Schlitz agreement last year suggests not counting barrels before they are filled. The subsidiary arrangement would protect the Schlitz team spirit and allow Stroh to take time to replace the fading Schlitz brand with its own. There is much more urgency in the Schaefer acquisition, for Schaefer has lost a lot of volume. Stroh is building a fire-kettle brewhouse at the Lehigh Valley plant to start up this summer. Even without Schlitz, it would be a busy year for Stroh. The new super-premium will sign in and debut in Detroit and at the Knoxville fair, where Stroh is the official beer. An old railroad foundry has been converted into a 700-seat restaurant and beer garden. If anybody is a serious stein collector, make the trip. The Schaefer stein collection came with the brewery, and will be exhibited. The 16th and 17th century Kreussen stoneware tankards are among the finest apostle steins anywhere. Many of the 18th century German faience pieces are of museum quality.

Hardly a month goes by without another brewer joining the light brigade. The latest entry is Matt, our host at Utica next year. Schlitz has yet another version, and Pittsburgh and Hudepohl both report improved sales from their light beers. The bad old days when it took a man to drink beer, and a young fellow had to go into training before he could drink it without a shudder, are long gone. Iron City, the last beer to require real guts, has gone soft to survive, and Hudepohl is pleased with something called Hudy Light. Quickly, give me one of those Morleins!

Iroquois Brands, which brews Champale in Trenton, NJ, closed its standby brewery in Norfolk. Built in 1895, it was the Consumers Brewery until Prohibition, and reopened as the Southern Brewery. Ruppert ran it as a branch in the 1940s. I went to brewers school with John Ruhl, the brewmaster, a man of hefty girth and Germanic heritage and thirst. He would probably rather brew lager than Champale, but it is a decent living. Not all brewmasters of my generation can practice their trade.

Peter H. Blum

# SCHLITZ AND STROH: THE LAST TEN YEARS



Los Angeles Times, April 17, 1982:

## The Justice Department OKd the Schlitz-Stroh merger.

The department reached an agreement which cleared the way for Stroh Brewing Co., Detroit, to purchase Jos. Schlitz Brewing Co., Milwaukee, for nearly \$500 million in cash. In an antitrust consent decree, Stroh agreed to divest either a brewery in Winston-Salem, N.C., or one in Memphis, Tenn, neither of which could be sold to Anheuser-Busch or Miller Brewing Co., the dominant firms in the industry. Meanwhile, G. Heileman Brewing Co. which sought to buy Schlitz last summer, said it may go to court to bar Stroh from selling a brewery to competitors.

Late note: At press time, we have not received a response to our query about Anheuser-Busch's current method of carbonation. (p.4) The big brewer's annual meeting is to be held in ten days in Beverly Hills, CA, about two miles from the editor's house. Under the circumstances, finding the information should not be difficult.



#### BOOK REVIEWS

William L. Downard, Dictionary of the History of the American Brewing and Distilling Industries (Westport, Conn.: Greenwood Press, 1980), xxv + 268 pages. \$35.00.

This dictionary contains approximately 600 short (usually less than a page) articles, of which roughly 345 are about the brewing industry, 208 about the distilling industry, and 81 about matters common to both. The articles fall into these main categories: capsule histories of companies; capsule biographies; definitions of technical terms in brewing and distilling; the temperance movement and Prohibition; the history of federal regulations, taxes, and trade unions.

There are nineteen articles on U.S. cities that were once "urban brewing centers" (xi) and these are cross-referenced to the persons and companies treated in separate articles. For a list of the nineteen, see Appendix IV. The one of Cincinnati must have come easy, since Professor Downard is, as readers of this journal will know, the author of The Cincinnati Brewing Industry: A Social and Economic History. Other appendices, eleven in all, give statistics on alcohol consumption, the number of breweries operating in ca. 1890 and in 1979, the largest breweries at various periods, federal liquor excise taxes, and similar information on distilleries. To move from the back of the book to the front, Downard has written an introduction in which he surveys the history of the American brewing and distilling industries and discusses his sources.

The breweriana collector will want to know how Downard selected the brewing firms that he includes. He gives four criteria: "(1) all, or as many as possible, presently existing companies; (2) major firms in 1877, 1895, and 1973; (3) selected important and interesting firms in the nineteen urban brewing centers; and (4) companies of special historical interest" (xi). He worked mainly from One Hundred Years of Brewing and the Friedrich-Bull Register but he consulted many other works, as the impressive ten-page annotated bibliography attests (245-54). He also gives his sources at the end of each article (with a few puzzling exceptions, e.g., New Albion).

Before I go into my few quibbles, let me say that this book indisputably fills the need -- both the collector's and the scholar's -- for a basic reference work in this field. It belongs in our personal libraries.

Now for the quibbles. They have to do with omissions. The most glaring is light beer, by which I mean not light as opposed to dark but light as opposed to regular. Downard properly has an article on "small beer," the light beer of colonial days, but nothing on the light beer of the 1970s and 1980s, surely a momentous innovation in the history of American brewing. The omission is all the more glaring because "light whiskey" does have an entry. True, Miller Lite gets a couple of sentences under the heading "Miller Brewing Company" but from this dictionary no one could ever tell how important the light beer phenomenon has been.

Nor could one get a sense of the Beer Wars of the 1970s and 1980s, perhaps the most famous competition in American business of this era. Although I learned from Downard that the expression "Beer Wars" goes back to the 1940s, when it meant something different (see under "Pittsburgh Brewing Company"), I missed an article on this subject. (You can find an amusing two-page survey of these Wars in Everybody's Business: An Almanac: The Irreverent Guide to Corporate America, ed. M. Moskowitz et al. (Harper and Row: San Francisco, 1980), pp. 792-3.)

And what about "beercasting"? The term, apparently coined in 1952, referred to beer commercials on TV. The forces of prohibition were still surprisingly strong in the 1950s, and they disliked not only the advertising of beer on TV but also, perhaps even more, the "Beer Belongs" series of magazine advertisements sponsored by the U.S. Brewers' Foundation. The hearings held before various congressional committees in this period make pretty dismal reading, but I think Downard should have given us an entry entitled "Beercasting".

I am going to confine my criticisms to the brewing side of the dictionary, except to say that I think tequila deserved an entry and I disagree with Downard's two paragraphs on the origins of distillation (xx). It's an extremely difficult subject. For some indications in what I hope is the right direction, see my The Silver Bullet (by coincidence, I swear, from the same publisher as Downard's), p. 62.

I have pointed out a few omissions that came to mind as I read through this dictionary. What impresses me more, and will impress those who consult this book, is its admirable thoroughness.

Lowell Edmunds  
Boston College

Sanborn C. Brown, Wines and Beers of Old New England: A How-To-Do-It History (Hanover, NH: The University Press of New England, 1978), 157 pages. \$12.50, \$5.95 paper.

Brewing in the cities of colonial America has been well documented, but what slaked the thirst of the farmers and frontiersmen? Its true that these early Americans left no advertising collectibles, but their experience forms an important, if little known, chapter in the brewing history of this country.

Author Brown is a professor of physics rather than an historian but he has relentlessly pursued written research sources as well as his own time-consuming brewing experiments. His recipes prove that all the kitchen arts, including brewing, are based on the application of scientific principles. Brown's explanation and rationale for colonial drinking practices are more logical, better considered, and more easily defended than what is presented by many noteworthy historians of that era. Primarily, Brown considers liquors a substitute for polluted water, and the alcohol in them a natural preservative. Trying to find saccharine brewing materials in a society without the availability of affordable commercial sugar led to the diversity and ingenuity of New England's home brewers.

The author has labored for years to re-create the tastes of that era and offers an excellent glossary (at the beginning) on the many technical terms relative to liquor that were in use at that time. How else could one ever hope to taste the "murky, middy-looking porter" George Washington favored except through re-creation, he suggests.

Besides the nostalgic look at a forgotten era, the book is as modern as the back-to-nature movement of the last 15 years. Brown's practical advice shows how to find a wild bee hive, tap a maple or birch tree, get sugar from corn stalks, or turn lightly baked bread into beer as was done in ancient Egypt and rediscovered on the frontier. Beside the obvious method of distillation, Brown shows that there was another common way of upping the alcoholic strength of fermented liquids. Apple cider was repeatedly frozen in Winter and the ice removed from the kegs, creating an ever more potent drink as the unfrozen alcohol remained each time. With a

physicist's thoroughness, the relationship between the degree of potency and the temperature are charted. There is even some discussion of how to make the wooden barrels needed to hold all these drinks.

The author's stated aim "to describe and make real the history of the technology of wine and beer making in the New England frontier" was perfectly met. The ingenuity of the colonials is worthy of being re-lived. If a man went to live off nature in the woods but was not ready to forsake his fermented potables, this is the one indispensable book he would need. Yet, this is a genuine history, with a depth far beyond that of the brew-it-at-home books.

Herman W. Ronnenberg

John Larkins and Bruce Howard, Australian Pubs (Sydney: Rigby Publishers, Ltd., 1973), 280 pages. \$9.95 (Australian funds).

Douglas Baglin and Yvonne Austin, Australian Pub Crawl (Sydney: Summit Books, 1977), 200 pages. Price not stated.

Given national tastes, the climate and the low population density of most of the country, the pub is a more vital institution in Australia than perhaps anywhere else. In the sheep-herding areas of the outback, the pubs provide the food and lodging function in an area barely populated at all. A good road map shows every one. At the opposite extreme are trendy bars for the younger set and pubs for the legal or financial community in Sydney that approach the British prototype. The typical Australian pub, however, is socially a lower institution than its British counterpart. The government has always worked on the presumption that it could admit the British lower classes as immigrants, and that within two generations their families would be assimilated into middle-class life. In general, it works out that way, but there are an awful lot of losers in the process who wind up with neglected dental work, staring vacantly over small glasses of extremely cold beer in Australian pubs. Because of the licensing laws, Australian pubs are typically hotels, at least nominally. As such, they provide housing for much of the single male population in rural areas. As hotels, just as bars, they range from some very nice ones to some pretty ratty specimens. Unfortunately, owing to the hot climate, the presence of food and spillage of beer, they tend to be quite buggy. I wound up with an insect bite of some sort in one that I could still see on my cheek six months after returning to the States; I thought I had discovered the Great Australian Bight.

These two pictorial books in rather different fashions treat the Australian pub as the important institution it is. Larkins and Howard do so by a series of 86 essays, mainly of under 300 words, on individual pubs. They include the most famous urban ones -- the Hero of Waterloo and Marble Bar in Sydney and Young & Jackson's in Melbourne -- but mainly devote themselves to atmospheric pubs in the less populous areas. There is only a page of introduction, with no real effort at studying the pub as a facet of Australian life.

Baglin and Austin in a shorter and less pretentious book do a much better job. There is a running text, mainly an historical account of the pub trade in Australia. This is well done, but as literature, the book is no match for Cyril Pearl's Beer, Glorious Beer! (issue 31, page 26), the literary masterpiece of Australian bibulousness. The present volume's glory is its photography, all in color, of the pubs. The captions show a reverence for Australian vernacular architecture, which is rather similar to New Orleans' in use of verandahs, balconies and ornamental ironwork. The book is in part a tract for preservation of the best examples. The book's final



merit is the best authors' mug shot known to me. Baglin is shown as a male hand coming from behind a Hasselblad to grasp a pint glass lettered for Tooth's discontinued Brew 22. Austin appears as a female hand behind a Nikkormat, gracefully holding a stein of Tooth's Lager. I'd like to meet them, or at least Austin.

GWH

#### CLARIFICATION

Q. The editor's collection of Dartmouth Cream Ale has recently doubled to two items, a small piece of back-painted glass and a label. Don't laugh; this may be the largest collection of that brand in the world. If anyone knows of any other artifacts of the brand, please let the editor know.

Los Angeles Times,  
April 14, 1982:

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## Pabst Meeting Leaves Control Issue Hanging

By CARL CANNON,  
*Times Staff Writer*

What was expected to be a raucous Pabst Brewing Co. annual meeting was adjourned in Milwaukee Tuesday after the swapping of relatively mild charges, but without resolution of a bitter proxy battle for control of the firm.

The adjournment until April 27 was declared so that an independent firm can count the proxies, some 70% of which were held in brokerage accounts and not submitted until late Monday night.

Ironically, the April 27 date is the same as that scheduled for the annual meeting of crosstown competitor Jos. Schlitz Brewing Co., also the target of a takeover attempt.

Schlitz disclosed Tuesday in a filing with the Securities and Exchange Commission that it was seeking a "white knight" to save it from Stroh Brewery Co., which has made a tender offer to Schlitz stockholders.

Meanwhile, the Justice Department said Tuesday that it had serious antitrust concerns about Stroh, the nation's seventh-largest brewery, acquiring Schlitz, No. 3. But it did not act to delay the deal.

#### **Schlitz 'Talking'**

Assistant Atty. Gen. William F. Baxter said he would continue to study the deal to decide whether the department will act to block it.

Industry sources reported Schlitz was talking to a foreign firm "and not necessarily a beer firm" about a business combination to keep Schlitz out of the hands of Stroh, a privately owned Detroit beer maker.

Meanwhile, Schlitz won a court victory Tuesday in its battle against Stroh. The Wisconsin Court of Appeals denied a request by Stroh to force Schlitz to supply it a list of shareholders.

Schlitz' disclosure Tuesday that its investment advisor, Goldman, Sachs & Co., had "exploratory discussions" with parties other than Stroh about different combinations, came at what some analysts consider the eleventh hour.

Last week, Stroh announced that it had received 54% of Schlitz' stock in response to its tender offer of \$16 a share.

Steve Daniels found the response to his announcement of a proposed newsletter, The Breweriana Bulletin (issue 36, p. 4) disappointing, and decided against proceeding with the publication. He has refunded money paid for subscriptions. Steve is to be commended alike for the idea, and for the decision not to proceed when it appeared to be uneconomic.

# Des Moines Sunday Register

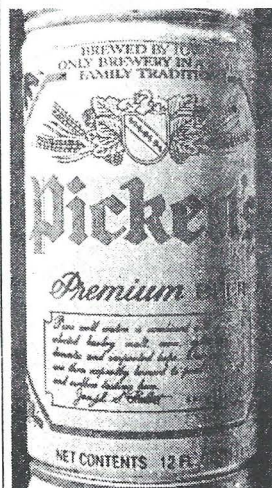
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MARCH 14, 1982

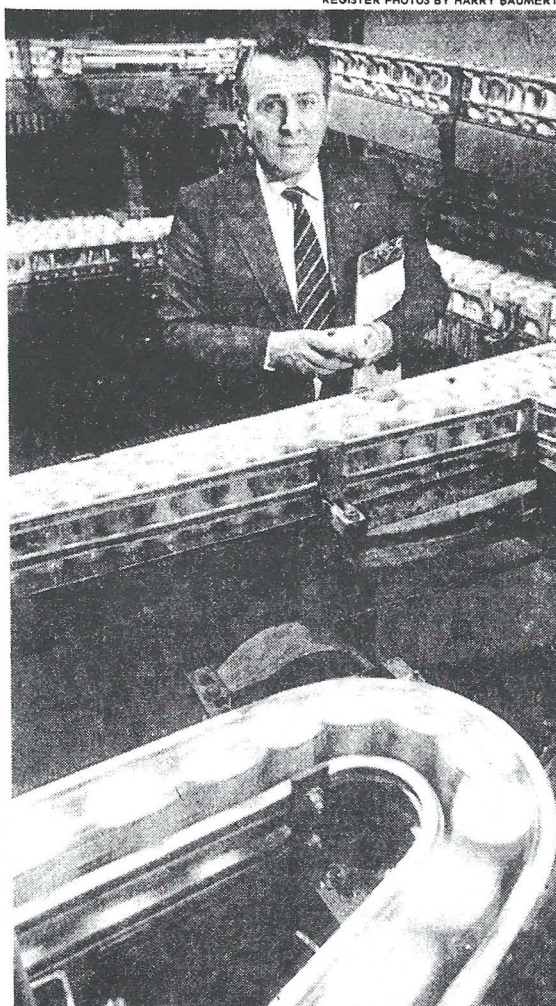
REGISTER PHOTOS BY HARRY BAUMERT



Cowper is attempting to bring more quality control to beer made at the Pickett's Brewery. This device measures temperature and carbon dioxide volume in a can of Star.



The label on Pickett's, the Dubuque brewery's premium beer, proclaims: "Brewed by Iowa's only brewery in a real family tradition."



Cans of beer whiz past J.J. Scott Cowper on their way to be packaged at the Pickett's Brewery in Dubuque. Cowper, the brewery's new vice president and general manager, came to Dubuque to tap additional sales for the ailing brewery, now owned by AGRI Industries.



# Confidence is brewing at Pickett's

By KENNETH PINS

Register Staff Writer

DUBUQUE, IA. — Pickett's Brewery officials here are planning to do something they haven't done in a while — make a profit.

Iowa's only brewery, owned by the giant AGRI Industries grain cooperative since July 1980, lost \$700,000 last year, according to company officials.

That prompted AGRI manager Jerry O'Dowd to remark: "You wouldn't think a company that can market grain like we can could screw up like this in beer."

There were problems, and sales of the Pickett's Premium and Dubuque Star labels never quite matched expectations. AGRI officials admit that there were "terrible inefficiencies in production" at the brewery, and they don't deny that the quality of the beer was inconsistent.

And, it is perhaps one of the great anomalies in the brewing world that the beer made in Dubuque is almost impossible to find on tap here — in a city not known for abstemious behavior.

So, AGRI began making changes. Perhaps it's a case of life following art.

In the movie "Take This Job and Shove It" — filmed largely inside Pickett's Brewery — a giant corporation bought a small Iowa brewery and sent in an efficiency expert, played by Robert Hays, to turn things around.

The real-life expert sent in by AGRI is a dynamic Scotsman named J. J. Scott Cowper. AGRI is counting on him to make the brewery "a profitable part of the AGRI family," said Maurice Van Nostrand, AGRI's public relations director.

Pickett's brewmaster, Joseph Pickett Sr., remains on the AGRI payroll as a consultant, although he is no longer required to carry out any daily responsibilities at the brewery, Van Nostrand said. He said Joseph Pickett Jr. resigned to take a job with another brewery in Wisconsin.

Although Cowper insists he's never seen the movie made in the brewery, he seems to be following the script.

Since he was named vice president and general manager in December, changes in appearance and attitude have been taking place at a dizzying pace.

Cowper, as lord of this beery fiefdom, is in charge of nearly everything here, including brewing, packaging, distribution and employee relations.

Productivity has risen, he says, and quality-control measures have been increased. New machines are being installed on the packaging line, insulation is being replaced under the brewing kettle, preventative maintenance schedules are being instituted, and new beeswax linings are being applied to the insides of aging vats.

And, Cowper is working to get Pickett's beer on tap in its hometown by personally visiting taverns here to promote his beers.

## Confidence

Cowper displays no small amount of confidence that the brewery's financial condition will begin turning around soon. It has to do so.

Van Nostrand says no deadline has been placed upon the brewery to show a profit, but he says the brewery is expected to show some improvement by the end of summer.

Cowper directs operations of the brewery from a second-floor office cluttered with beer cans, test packaging and gizmos with gauges that measure the shelf life of his products.

He's been given the formidable task of cutting costs and upgrading quality and sales. Everywhere the presence of the parent company is felt — from the AGRI coffee cups to the AGRI hopper cars that rattled his office windows as they rolled past on a nearby rail line one recent snowy morning. "I can't get away from them," Cowper joked.

AGRI bought Pickett's to obtain riverfront property for a barge terminal.

However, the adjacent land now might not be large enough for a terminal that could handle the amounts of grain AGRI plans to ship into Dubuque. Alternate sites around the city are now being considered, Van Nostrand said.

However, Van Nostrand said, that hasn't lessened AGRI's commitment to the brewery. "We still think the brewery will work, and we intend to give it all we've got." Cowper and some of his employees share that confidence.

"People in the community know there's a whole new ball game down here," says John Schreiber, production assistant at Pickett's.

Part of that new ball game is a change in the marketing approach of Iowa's only beer. "We will be featuring the fact that it's an Iowa beer for Iowans, of high quality," Van Nostrand said.

The secret of selling beer, Cowper said, is to make a good product and then convince the public that they want to drink it.

With the major beer companies spending millions on advertising, Pickett's natural market is in its home state and community. To that end, Cowper said, Iowa will be displayed more prominently on the beer's packaging.

"Small regional breweries depend upon loyalty," he said. "We've got to make something for Iowans to be proud of."

"I feel there's a tremendous, untapped market locally," he said. "Why should I ship my beer 100 miles away when I can sell it in my own back yard?"

Cowper takes public acceptance of the beer he brews very personally, referring to himself and his beer interchangeably. "I've got to stand up and be counted in the market as a good beer that deserves respect," he said.

Born and raised in Scotland, Cowper, 44, was educated as an engineer at Edinburgh Academy. He got into the brewing business by happenstance, and ran Belize Brewing Co. in the tiny Central American country of the same name before moving north. He was a private consultant to the brewing industry, working out of Miami, Fla., before coming to Pickett's.

He has big plans for the little brewery.

Eventually, AGRI plans to open the brewery for public tours, and efforts are moving ahead now to renovate the small tavern inside the 1890s brewery building, to offer the public a sample. "We'll be bringing people into a nice setting and say, 'Here, try my beer,'" Cowper said.

Pickett's has also begun to brew and distribute Coy International beer — a New Orleans-based label — for the Midwestern region.



BUYSELLTRADE

Wanted: Miniature beer bottles. Send description, price condition.  
Mike Ginn, 12215 N. W. McDaniel, Portland, OR 97229.

Wanted: Foam skimmers, ball type tap knobs, trays, postcards and other items from NJ breweries. Jimmy Spry, Jr. 322 Pine Brook Rd., English-town, NJ 07726.

Wanted: Hyde Park B.C., Reading, PA, Purity Beer bottle openers and other openers, Don Reed, 3437 Raymond St., Laureldale, PA 19605.

Wanted: Beer cans in top condition, \$5 to \$2000. Paul K. Michel, 1152 Kensington Ave., Buffalo, NY 14215. (716) 838-1803.

Wanted: Trays and tip trays from Washington and Oregon, esp. Angeles B.C., Port Angeles, WA. Norm Reed, 25647 Marine View Dr., Kent, WA 98031.

[The foregoing advertisement appeared in issue 36 erroneously reading "Tips and tip trays" owing to fatigue of the editor.  
Apologies -- Norm was not trying to scrounge a few quarters.]

Wanted: Bull F-2 type spoon-openers. Leon Beebe, 601 E. Macon Dr., Rt. 7, Tucson, AZ 85607.

Wanted: Colorado breweriana generally. Bill Frederick, 5118 S. Osceola, Littleton, CO 80123.

Wanted: Trays and tip trays, glasses, mugs, tap knobs from northeastern U.S. Paul Auburn, 6 Fairlawn Dr., Rochester, NY 14617.

Wanted to buy: Electric signs and other signs, Chicago breweries.  
George W. Hilton, Dept. of Economics, UCLA, Los Angeles, CA 90024.

PAINTED LABEL BEER BOTTLES

I will pay your price for those I need!  
Will also swap other bottles or coasters  
if you prefer. Please let me know what  
you have available.

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P. O. Box 218  
Medfield, MA 02052

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Ales, Stouts, including IRTPs. Send  
35¢ in stamps for color photographs of  
labels for your convenience in selec-  
tion.

Herbert A. Haydock  
1660 2nd Avenue South  
Wisconsin Rapids, WI 54494

# Schlitz Co. Agrees to Acquisition by Stroh in \$494.7-Million Deal

By CARL CANNON, Times Staff Writer

Stroh Brewing Co., a family-owned regional beer maker, Thursday reached a definitive agreement to acquire Milwaukee-based Jos. Schlitz Brewing Co. for stock worth \$494.7 million.

Under the agreement signed by chief executives of both firms, Schlitz, the nation's third-largest brewer, would become a wholly owned subsidiary of Detroit-based Stroh, the seventh-largest.

Although it has yet to be approved by shareholders, the only serious barrier to a merger at this point, according to industry sources, would be an antitrust complaint from the Justice Department.

On Tuesday, the department had said it would not delay the acquisition by asking for further details at this time. But it stopped short of giving the deal its blessing. Last summer, the agency discouraged a similar bid by G. Heileman Brewing Co., La Crosse, Wis., to purchase Schlitz.

Thursday's terse joint statement by the firms culminated a year of on-and-off negotiations between Stroh and Schlitz in which each offered to buy the other. Two weeks ago, Stroh made an unfriendly tender offer of \$16 a share for Schlitz stock.

After an apparently vain search for a white knight, the Schlitz board of directors apparently capitulated early Thursday morning after Stroh agreed to raise its bid to \$17 a share for each of the company's 29.1 million shares, about \$494.7 million.

Although neither firm would say so, industry sources said Stroh is likely to keep most, if not all, of the Schlitz brands on the market.

The combined firms would control 13% of the nation's beer sales, a much stronger, but still a distant, third to No. 1 Anheuser-Busch of St. Louis, with approximately 31% market share, and No. 2 Miller Brewing Co. of Milwaukee, with an estimated 22%.

But the deal would turn Stroh, which distributes in 26 states in the Midwest, East and South, into a national brewer. It would acquire

Schlitz breweries in Los Angeles; Memphis, Tenn.; Winston-Salem, N.C.; Longview, Tex., and Tampa, Fla.

Although it would be acquiring brewery capacity comparatively cheaply, beer industry analysts said

Thursday, the deal still might be too expensive for Stroh to manage.

According to information disclosed in its tender offer, Stroh had entered into an agreement with Morgan Guaranty Trust, New York, and Crocker National Bank, San Francisco, to borrow \$160 million from each. In addition, it is believed that Schlitz has some \$220 million cash in the company till.

Summing up the views of industry analysts Thursday, John Collopy of Robert W. Baird & Co., Milwaukee, said, "The price is so high, how are the two of them ever going to make it? Where will they get the money to put into marketing?"

Collopy estimated that Stroh would have to pay some \$87 million in interest on its bank borrowings "before it even opens the door. There are a lot of loose ends in this deal that haven't been gathered up. And the companies, right now, are unwilling to talk about them. So everyone will have to wait and see."

The nation's No. 1 brewery until the late 1950s, Schlitz, "the beer that made Milwaukee famous," trended downward from there, sinking to No. 4 last year and rising back to No. 3 this year.

*Ibid.*, April 15, 1982:

**Pabst**

Brewing was ordered by a federal arbitrator to reopen a Pabst Heights, Ill. brewery and give back pay to all recalled workers. The Brewery Workers union had disputed the company's claim that the plant, with 750 employees, was unprofitable.

*PLAN TO ATTEND!*

**1982**

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