INTERVIEW WITH BOB WILSON

A veteran beer guy takes a look at today's beer market

Bob Wilson started out as a Ballantine route salesman in 1963, before becoming vice president and general manager of a distributorship. Over the course of his career, he has served as a brand manager and vice president of marketing for Carling National Breweries, vice president of marketing at Century Importers, senior vice president at All Brands, president of Kronenbourg USA and president of Century Importers. In the latter job, he also held the title of executive vice president of Molson Breweries USA. He is currently the vice president of sales and marketing for Collins International, the importer based in Marlboro, Massachusetts.

Modern Brewery Age: What are some of the major changes you've seen in the beer business in the last couple of decades?

Bob Wilson: What strikes me most is not so much the consolidation of wholesalers, but the demise of brewers. I started out with Ballantine in Baltimore 40 years ago. When I was in Baltimore selling Ballantine, there was National Brewing Co., Carling, Gunther, American and Arrow. Five good-sized breweries in Baltimore. That means there were five brewery presidents, five vice presidents, five product managers, and so on. No one who worked for those breweries envisioned that within 10 or 15 years all those breweries would be closed.

Until the late 1950s, there were no true national beers. Everyone was regional. Anheuser-Busch, Schlitz and Miller were the first to go national and be distributed in all markets. And in order to compensate for freight, they had a higher price and called themselves "premium." The regional and local beer was always priced better, what we'd call popular price, and they assumed that was an advantage. But as it turned out, within a few years their profit margins eroded. Consumers developed a price/quality mentality and the premium brands flourished.

Furthermore, the major national brands didn't have the union problems that companies like Ballantine, Piels, Rheingold and Schaefer had. Milwaukee was a union town, but it wasn't New York. In New York, if a union driver went over a bridge they got extra pay; if they went through a tunnel, they got extra pay. It was ridiculous and costly.

There were major brewers at that time that were operating with no foresight. They were operating on the assumption that they could maintain their high share in core markets. Narragansett had 60% of the Rhode Island market. National Bohemian had 61% of the Baltimore market—six of every ten beers sold! Genesee had over half the Rochester market.

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Unfortunately, consumers were leaving the regional brands and drinking premium beers. Management of these regional breweries were slow to recognize this and failed to reposition their brands. No one said "let's bite the bullet and charge more."

Would that have changed their fate?

We really can't say, but it couldn't have turned out any worse. Maybe those brewery presidents might have been able to sit in their boardrooms for another year or two. But in the long run I'm not sure it would have changed things. I do find it hard to believe that brands like Carling Black Label, once the fourth largest brewery, and Olympia and Falstaff have virtually disappeared.

I find it interesting that, in many ways, the regional brewers were basically "craft brewers." They were relatively small local and regional companies, making traditional brands. Unfortunately, their local markets did not support them and they were too small to compete with the larger national brands. They were often viewed as old-fashioned brews by the younger market.

Most of these breweries went out of business in the 1970s and early 1980s. And, just a few years later, these craft brewers began their meteoric rise in popularity. Suddenly, everyone is creating microbrews.

All those regional breweries were authentic companies, with a lot of history. Some of them had been brewing for 150 years.

The fact is, most of those breweries that went out of business were fine companies with a history of brewing good beer for decades. But it's hard to go against the tide.

When I was with National, and our sales were declining, we developed ad campaigns that focused on our Maryland heritage and our local involvement. We coined the slogan "National beer from the land of pleasant living." Unfortunately, no one really cared. It was, "what the hell are you talking about? Give me a Bud."

Before you knew it, everything was Bud, Schlitz and Miller. And then it was just Bud and Miller and Coors. Schlitz made a big mistake. They started doing their 24-hour brewing thing. The distributors told them "Hey, this stuff tastes terrible." And by the time they realized the distributors were right, and they had a serious product problem, the damage was done. The moral of that story is that breweries should listen to their distributors.

You shifted over to the imports at a certain point. Did you shift over because you saw the decline of the regional breweries?

Well, I was recruited by an import company. So I can't claim to be so insightful that I could predict the demise of some of these breweries. When I started in the business in the 1960s, the sale of imported beer probably accounted for 1% or less of the total market. The major import brands at that time were Lowenbrau and Heineken. You had Guinness, San Miguel and Carlsberg, along with some of the better German brands. The distribution was primarily in the coastal cities, East and West, and the Mexican beers were nonexistent.

Today, Mexican beers are 40% of the

segment. I find it astounding that Mexico, a country that suffers from somewhat negative imagery of their water, could gain such a signifiant share of the U.S. market. Logic would dictate that brewers from Germany and Canada would rock and roll given what meticulous brewers they are, and the reputation for purity of their products.

When I was with Kronenbourg I tried to slow Corona's momentum with an ad campaign that said "If your beer needs a lime it's a lemon." I may even have succeeded for a month or two [laughs].

I think the growth in imports can be attributed to consumers who became more image conscious and more willing to try more products. There was also a great increase in ethnic restaurants, and this helped to establish a volume base for many brands. Thirty years ago, no one would have thought that there would be more Thai and Indian restaurants that German ones. Today, the majority of Thai and Indian beers are sold on-premise in those restaurants.

Obviously, the increase in our Hispanic population has had a huge impact on the growth of imports. When Presidente can sell almost a million cases of beer within the Dominican enclaves—and when importers can sell four or five containers of products from Ecuador or El Salvador, it is impressive.

Back in the late 1980s, imports were five percent, and I predicted they would reach 10 percent. Now, they are approximately 11 percent and I think they have the capability to get to 15% within the next ten years, despite their relatively flat performance in recent years.

Are there obstacles to reaching that level?

Of course. The strength of the dollar, the growth of the ethnic market and innovations and new products by domestic brewers could all affect the growth of imports. In addition, it will be difficult for many imported brands to achieve on-premise distirbution.

When I started in the business, there were very few franchises. You didn't have Outback, and Bennigan's and TGIF. Today, you go in to one of those accounts, you've got to call the ir buyer for authorization, and he's out in San Francisco or Chicago.

In the past, brewers had national accounts managers, but they mainly concerned themselves with sports arenas and race-tracks. Today, a key part of the on-premise business is franchise accounts.

And there are special obstacles for smaller impoorters. In today's environment, the small importer finds it difficult to compete. Usually they lack marketing support, and therefore can't get a lot of attention from distributors.

In addition, the market is shifting under our feet. The Euro has reached an all-time high; the pound could go to two dollars. Many smaller importers are working on $1 or $2 per case margin, while the distrbutors are working on $5 or $6 per case. Distributors simply don't realize the small margin that importers have. When the mark, Euro and pound are that strong against the dollar, and when freight costs has skyrocketed, it really puts a squeeze on the small importer.

To compound things, there have been discussions about the government inspecting all containers from abroad. If this comes to pass, there will be a fee to be paid, and someone will have to pay it. That would impact the importers bottom line.

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Do you think the weak dollar is going to last long enough to have a major effect on importers?

If it lasts another six months, a lot of little guys will be hurt. In fact, price increases may be nec-essary, and that could further slow the growth of the category.

What do you think determines the success or failure of an import brand today?

First and foremost, the quality of the product. However, that said, imagery is everything. There are some great beers that have never performed very well in the American market. You have to create a personality for your brand. If you have a knack for marketing, and you can build that per-sonality, you can sell some beer. But it's tough, and you can't always do it. I sold Kronenbourg, and was modstly successful, but it was a tough sell. It had a German father and a French mother, and probably was too sophisticated for the 18-24 year-old market.

When I was in charge of Carlsberg—and I was in charge of Carlsberg three separate times—we were doing approximately 580,000 cases in the United States. Then Anheuser-Busch took over, and they were unable to grow the brand over a million cases. There may be many reasons for this, but I think it's obvious that the brand never developed a personality. Carlsberg is a great beer from a great brewery with great heritage, but it has no distinctive personality.

It should be one of the top ten brands…

But it's not. So there is no justice. We had Ogilvy and Mather working on our ads, and there's not a better product out there. But noth-ing happened.

Anheuser-Busch didn't seem to try very hard with Carlsberg.

No, they didn't very much with it, and I'm sure their expectations were never reached. When you were a Bud distributor selling a retailer a few hundred cases of Budweiser, the salesman was probably reluctant to ask the retailer to take a few cases of Carlsberg. Often, he probably didn't even mention it. A quality product does not guarantee success.

How have the wholesalers evolved during your time in the business?

Today, there are significantly fewer whole-salers. However, those that have survived sell significantly more volume, often with many more brands. Distributors have become more profit oriented and are more aware of their business environment. In fact, I believe that most distributors have a better understanding of thier business than their suppliers. Distributors have been forced by their suppliers to become astute business men.

To an extent supplier pressure has forced them to become more efficient…

That's right, and for this the distributors should be thankful. But in my opinion, the brewery rep that calls on them isn't as committed as the rep that called on them thirty years ago. Basically there are no bad wholesalers still in the busi-ness. Sure, I guess there are a few. There are, however, a lot of unrealistic suppliers.

Today, if you are a supplier without critical mass, you have to realize you can't pressure or intimidate wholesalers. To do so is suicide. You have to be extremely realistic in your demands and goals.This is particularly true for those brands that lack significant support or a particular niche within the market.

In some markets it is increasingly difficult for a small player to even get into a wholesaler's portfolio, to fill that niche.

It's true thast it is extremely difficult for smaller brands to find a home with a large wholesaler. The fact is, these distributors simply do not need a low volume brand and additional SKUs. The exception may be a product that has a particular niche, and can be sold without a great deal of effort and produces relatively high margins.

Unfortunately, when you have your brands with a distributor that does not have a major brand, it's not just about selling beer. You often have to worry about their ability to survive. It's very difficult for a distributor without a "lead horse" to stay in business. If there is such a distributor in a given market, he is often inundated with requests from small suppliers to handle their products. Frankly, finding a viable distributor for a low volume brand is a major problem for both craft brewers and small importers.

Are they even getting in the door these days?

When visiting a large wholesaler, the average rep for a smaller brewer or importer will not get in to see the decision makers. If yo are lucky, maybe you will get to see the sales manager or route supervisor.

The basic function of the brewery or importer rep is to get disproportionate share of mind. If you can't do that, then you are destined to fail. If I am under one percent of your total volume, I'd like 3-4% of your time. It has to be disproportionate. How do you get that? You have to communicate and motivate. And today, you have to be totally honest and realistic and maintain a sense of humor.

I have to tell you something. In forty years in the beer business, I've never had anyone ask me for a Norwegian beer. Now, at Collins we're handling a beer from Norway. So I recently put out the memo announcing its availability and saying "this is the beer that gave Erik the Red his ruddy complexion—the beer that gave the Vikings their courage to raid and pillage." At least now these guys are smiling, and not shaking their heads and saying "frigging Wilson and another brand we've never heard of."

Distributors have an immediate resistance to new products. They don't need it. They don't need another SKU. So you go in joking, but you tell them, they can sell a container of this stuff if they get behind it. The product is right, the pricing is right. You have to have that conviction.

There are some brands that you can't sell a container of. They know it. And if you try to tell them that they can, they will lose respect for you. They judge brands right away. If you walk in with a German beer that's got something going for it, they might say, "I've got another German beer, but this has low carbs, so I think I can sell this." But walk in with just another German or English beer, they've already got 15 of them.

It's hard to get distributors enthusiastic about the potential of a given product. Because they know that this "potential" is geared upon their time, their effort, their ability to get distribution, and their ability to work on minimum margin so that I can get the pricing. And this has to be conveyed to their sales guys. I know all the principals. They'll lend me money, take me on trips and buy me lunch. But when it gets down to their sales guys, it's a different story.

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In the US market today, due to the changing ethnic make-up of the country, you can make a living selling beer from Latin America, Poland, Russia… These brands you couldn't give away. You go into Brighton Beach in Brooklyn, and these guys are drinking beer, and it's Russian Beer.

When I was selling O'Keefe, I used to say, all I need is a couple of thousand Canadian restaurants. I don't care if they sell Mooseburgers or what [laughs]. I was getting killed!

There's a guy down here in Washington, and he tells me he's selling 21 cases of wine a month to six Ethiopian restaurants. Maybe I've been sheltered, but I've never met an Ethiopian. [laughs]. Let me ask you a question. How many German restaurants do you think there are there in New York City?

Aren't there a bunch on the East Side?

Germantown? Two or three. There are five or less in the whole city. Forty years ago, there were a few dozen. There were lots of German restaurants, and German beer was considered to be very special. If I had told the editor of Modern Brewery Age in 1965 that someday there would be a lot more Thai restaurants than German restaurants, he'd have said "Tie, Tie what?" [laughs] But you can't transfer this logic to all beers. If you could, Italian beers would be hugely popular.

When I was working for Kingfisher, they were selling it for $6-7 bucks a six-pack, and 98% of it was sold on-premise. They were moving over 100,000 cases. It is significant.

You mentioned other big changes you have seen in the business…

Obviously, the on-premise change from independents to franchises. The other major change is packaging. Returnables are disappearing. Back then you had 12-ounce stubbies, 12- and 16-ounce returnables and quarts. Today, you have the 12-packs, 18-packs and 30-packs. The packaging has changed dramatically.

Another dramatic change is franchise law. This has had an enormous impact, greater than many people realize. When I appoint distributors, I tell them I want to be loved, because divorce is expensive. And today, in some cases, divorce is impossible. You have to approach these situations with logic. The brand might have no substantial volume, and there's no ecumenical feeling from the distributor, but they still seem to want to keep you in bondage. You have to go to them and say "you've got more breakage in your warehouse than we're moving, please, sign the release." [laughs]. The breakage line sometimes works, and maybe you can get them to sign, but it is difficult.

You mention that you were an ale guy. How have you seen the categories evolve?

You have to remember that 40 years ago, there was no light beer. No light beer! Now, three out of five of the top five brands are light. That is incredible. Light beer came in and became the favored beer of the American consumer. Secondly, imports went from nothing to 11-12% of the market. Add on the malternatives, with three percent of the market, and craft brewers, with another three percent. So the advent of craft brewing, light beer, and imports has transformed the market.

Were there imports in 1960? Yes. Were they marketed properly? No. In those days, I'm not so sure that people in Mississipi would drink an import. Now, they will, and they do. The demographics are right, and there are affluent people in every market. When I was at

All-Brands, we started to see that trend. We did a film showing how imports were growing in West Virginia and Iowa.

And the old urban strongholds for imports are even stronger. When I was in Boston recently, they were telling me that as much as 20% of the market belongs to imports and craft. So, if imports have 12% national share, you've got markets where they are performing well above that level.

The change in the import companies has been startling. I ran a few of them, and in those days they were all run by Americans. I don't think any of the major import companies today are run by American executives. OK, except Barton. But even ten years ago, these companies were looking for U.S. chief executives and sales guys. Not anymore. Many of these international guys are very talented, but they have some unrealistic views of the U.S. market.

It's a whole different kind of operation these days, given the fact that the parent companies now own these importers.

Sure it's a global business now, and they take a global view.

What would be your advice to smaller brewers and importers?

You've go to be extremely flexible. You have to look at different products. You have to ride the crest. We mentioned malternatives before. I had a product called malt duck in the 1970s.

Where was that produced?

National Brewing Co. It was the first true malternative, and it was reasonably successful. I sold 20,000 cases a month in some markets. Problem was, malt duck was actually created to take advantage of the cold duck craze. And before you knew it, the cold duck craze had dissipated. If we had called it a malt cooler, we'd probably still be in business. And malt duck used red dye number ten, which literally stains your teeth red.

I used to go into a market in Virginia, and I'd meet the manager of this account, and he'd smile, and I'd say, "you're a malt duck drinker, aren't you?" And he'd say, "how'd you know that?" And I'd say, "I'm just good." [laughs] So we had to change the formula. But it did well, and it was ahead of its time.

Right now, innovation in the beer market is pretty limited. Malternatives are not really new, craft brews are not new. Even low-carb beers are not new. Gablinger's from Rheingold was low carb, and Holsten Dry was a low-carb from Germany, sold in the U.S. in the 1980s.

I'll admit I never thought IPAs would sell what they are. Turns out there are a lot of hop-heads out there. When I started in the business, Rainier and Ballantine were the only real ale brewers.

Let me tell you, that old Ballantine India Pale Ale was strong. You open a bottle and smoke would come out. I was once selling Ballantine to the Duck Inn on Long Island, and the wife of the owner said to me, "Do you have any small bottles?" I said yes. Of course, the only ones in the small bottles I had were IPA, so I sold her a few cases. And five years later, I go back in, the husband is there, guy named Murphy. And I ask, "Hey, do have any Ballantine India Pale Ale?" And the guy says "Funny you should ask," and he produces one of these little bottles of IPA. And he says, "Some goddam salesman sold my wife this stuff a few years ago. I come back, and she's laying on the floor." And I took a sip of the beer and said, "you don't say." [laughs].

Ballantine India Pale Ale was great. If Ballantine had held on another 20 years, they would have been a craft brew.

Sure, they were in the top five. But Falstaff got them, and then Pabst, and it was over.

You said that despite change in the business, the fundamentals remain the same…

Yes, that's true. It's probably not as much fun today. When I started, drinking was an approved social thing. I remember when I started with Ballantine, I had $100 a week to spend. This was more than my salary. We made $75 and I got $100. In those days, a 7-ounce draft beer was a dime, and a bottle of beer was a quarter. So you could buy something like a 1000 drafts in a week. I gained 16 pounds in the first couple of months. We tried to buy the consumer. If it had worked, there would be no television today. We'd just be giving out quarters.

When I was a newly-minted sales supervisor for Ballantine, I was really proud of my new job. And go into this place. And I say, you got any Ballantine? And he says, "sure do." And I say "are they cold?" And he says "They should be, they've been in here about a year."[laughs] I didn't need that. But it's the same old story.

The industry is changing—strategic alliances, consolidation, franchise laws, new categories. It's not as much fun, and it's more of a business. But that's fine. The distributors today are much more advanced. They've got brand managers, and supervisors and computer systems. Now their knowledge pool is so great, when the brewery rep walks in, they know more than him.

I was in a Safeway a few years ago, selling some craft beers. And the guy asks me how this one brand is doing. And I say, "We put it in Charlottesville, and it's flying." And he takes out this printout, and he runs down the list and he says "They did three six-packs last week." And I paused for a second, and then I said, "That's flying! Most people do just one!" [laughs] What was I supposed to say? The computer has taken all the fun out of it. You can't even bullshit anymore.

That is unfortunate.

Especially for me [laughs]. If you have the volume, you have the clout, and you get the share-of-mind. If you get the share-of-mind you get what you want.

You've got to have conviction. I think that if Heineken had put the Heineken name on Amstel Light, they might have had some cannibalization, but they'd probably have more total sales. You can't be timid. Anheuser-Busch has had a lot of failures, but they regroup and try again. Just because you're a big company, it doesn't mean you're going to be successful. Look at Captain Morgan, and all these failed malternatives…

A lot of these small importers are in tough shape now. But how can you do it when the currencies are like they are? Plus you have shipping problems, no support from the breweries, on top of all the unrealistic expectations from the brewery. Unless the brewer is willing to support the importer—at least to the extent of co-oping something—importers can't come in with new products. No distributor wants to help you build a brand from scratch anymore. I'm not saying never—you'll always have these ethnic brands that can find a niche—but it is getting tougher and tougher.

I think there is a real need for the independent all-other wholesalers. They could even arise as spin-offs from the Miller/Coors guys. They are inundated with brands, and they are under pressure to get rid of brands, so they could just start another operation. They could just spin them off to subsidiary operations. Distributors realize that there is a market for almost everything—big or small. I don't know any marketer who knows which product is going to be successful, so you have to continue to put things out there.

I think we will see more resistance to wholesaler consolidation. Coors and Miller sometimes consolidated to the benefit of one, and not to the other. A few years back, a Miller wholesaler would combine with a Coors house, and they became a Coors wholesaler. Now with

Miller as hot as they are, and Coors cooling off, they are going back to being Miller wholesalers. The combinations made sense, because they needed that critical mass. But I'm not quite sure that it's beneficial to both parties today.

Do you see Miller buying Coors?
Could happen. You've got Miller's twenty percent plus 10-11 percent, so you're talking thirty percent, and A-B with 50%. It's all at the top today. When Sam Adams is the number five brewer in America, it tells you something.

What else do you see happening out there?
We've been hearing a lot about how the major brewers are losing share to wine and spirits. And this is a real concern. I was in a New York nightclub not too long ago. People are buying vodka and Red Bull. They are buying high-end Vodkas, like Grey Goose, and mixing it with Red Bull. And the guy was getting $15 for it.

I see popular price coming back. It's 50 million barrels, so you can't discard that. Super premium is reviving Michelob came back from the dead, and they're doing a great job. Budweiser has been soft for a decade. I see craft brewers continuing to grow.

Some of the pricing out there puzzles me. I see St. Pauli Girl at $16.99 a case, and I don't know how they do it; I see Sam Adams at $5.99. That is a great deal. I see price beers at the same price they were thirty years ago. I see a case of National Bohemian for $7.99, and you can find 30-packs for $9.99. Milk, juice, all that stuff is more expensive than beer.

Despite price increases, beer is underpriced.
No question. I think the Belgian beers have been able to deliver the message that on a per-ounce basis beer is not that expensive. I don't think that most of the brewers and importers have done that. Go to a restaurant, and pay $20-30 bucks for a 750ml bottle of wine. Maybe you get 5-6 glasses out of it. You can get a great draft from a top U.S. microbrewery or a great European brewery. You charge $7.99 for a beer, and people get concerned, but they shouldn't be.

Some of the crafts are pushing the envelope. Sam Adams Chocolate Bock was out there for $13.99 for a 1 pt. 9-ounce bottle. But there is a barrier.
It's a historical benchmark. You can get a lot of great beers for $7.99, but when you bump it to $9.99 you lose people. I have hopes that the barrier is being raised. When Corona went up, they didn't lose any sales. In New York City, you'll pay $8.99-$9.99 in a deli. So the barrier is being pushed.

But then you have all this movement in popular price, with 30-packs for $9.99. If you are a heavy beer drinker, that is hard to beat. I don't believe that there are any brewers in America that make bad beer. Some are better than others. But if you are beer drinker, you can get a hell of a lot of value buying a case of Genesee.

> “If I was running a major brewery, I think I might be looking at making an ale...or how about a bock? I like the sound of Bud Bock. You sell it as a seasonal. Why not?”

I'd say 98% of the craft brews are ale. They don't have the time or the tankage to lager. The consumer is used to a heavier, hoppier products, but the consumer may no longer identify these products as ale.

An IPA?
That they might know, unless they've had their tongue cut out [laughs]. When they get hit with 78 bittering units. Like I said, I'm an ale man. If I was running one of these big breweries, I think I would come out with an ale. If I was running Budweiser, I think I might looking at making an ale. If you are Miller or Coors, why not look at an ale? I don't understand it. Or how about a bock beer? For fifty years, spring time was bock beer time in this country. Every brewery came out with their bock. What happened, was that the retailers realized that they only needed one or two bock beers. So brewers started coming out with bock in February. And before you knew it, Pabst came out with their bock first week in January. Consumers thought that bock was produced when brewers cleaned out their tanks. And they'd tell me that, and I'd nod and say “gee, you know a lot.” You don't destroy the myth. Michelob has an Amberbock, and they sell some of that. You have your major categories. I like the sound of Budweiser Bock. You sell that as a seasonal. Why not?

Any other thoughts that come to mind about changes in the business?
Brewery consolidation, distributor consolidation, on-premise to franchises, categories, light beer, craft brew. For forty years it stayed the same. The fundamentals—merchandising, distribution, pricing, all stayed the same. The method has changed. It used to be 99% driver sales. But you only had Ballantine on the truck, so the guy could sell it. Now it's all tel-sell, and pre-sell, and the whole bit.

The myth that I try to examine at my meetings is this—I ask everyone whether they are a salesman. As a salesman what is your responsibility? Is it to sell the products your distributors handle? And they say “yes.” And you all do that? And they say “yes.” And I say “bullshit.” Psychologists have a theory about seven rungs on the ladder—you can't do anything more than those seven things at one time, so you prioritize. And I'll look at a room of 32 people, and I'll ask “How many of you have tried Old Speckled Hen? *[Old Speckled Hen is a British brand imported by Collins International]* Does anyone even know what an Old Speckled Hen is? How many people have mentioned Old Speckled Hen in the last two weeks, and your nose will grow if you're lying.” And one guy raises his hand, and I say “your nose is growing.” And they all laugh. And I say “Your boss likes to think you're selling all his products, but it's a myth.” I ask how many brands they have? They tell me 62. How many SKUs do you have? They tell me 200. And I tell them, “If you take a minute for each brand at each account, that is an hour. Are there 62 hours in a day?” And I say “I'm not chastising you, but I ask you to sell one account this week for Old Speckled Hen. It can be to your cousin, or your best friend. I don't care. Just sell one account.”

How are these conditions impacting small importers?

Niche players have to admit we need the distributor more than they need us. That is tough to admit. You'd like to be able to say that the distributor needs you more. That could be true in some cases, but not generally. You can either remain a niche player with no clout with the distributor, or make some changes.

For example, I'm interested in the idea of private label. You can make up a brand name. You can name it Coyote Creek. It may be easier to get them to take a brand with an interesting identity than it is for them to take the fifth English beer. Critical mass creates clout, and that determines how successful you'll be.

The thing is, change is constant. You can try to be prepared for change, but the only one that really wants change is the guy standing at the parking meter with a dollar bill.

Thanks for your time, Bob ■