

Lots of ‘craft’ beer is brewed by Anheuser-Busch. Here’s how to spot the real stuff.

By **Caitlin Dewey** July 4

As Big Beer has snapped up craft breweries, it’s grown harder to tell who the true indies are. But a new industry effort hopes to clear up the confusion by declaring their ownership right on the bottle.

More than 800 breweries — including Sam Adams, Sierra Nevada and New Belgium — will soon begin printing seals on their beers that identify them as “Certified Independent Craft.” The initiative, which was spearheaded by the trade group for independent craft brewers, is intended to differentiate “true” craft beers from those made by the likes of MillerCoors, Anheuser-Busch and Heineken.

To qualify to use the seal, breweries cannot be more than 25 percent owned or controlled by any alcohol company that’s not itself a craft brewer. Its annual production also can’t exceed six million barrels.

The growth of the craft beer segment, once in the double digits, has slowed dramatically since those multinationals entered the fray: from 18 percent in 2013 to eight percent three years later. Some believe they could stem some of that decline if consumers realized some “crafty”-looking beers weren’t actually made by independent brewers.

“We’ve been hearing from our members for almost two years that there is a lot of confusion in the marketplace, fueled by the Big Beer acquisitions,” said Bob Pease, the chief executive of the Brewers Association, which represents the independents. “This is a way to give beer drinkers more transparency and more information.”

Small breweries have grown increasingly anxious about Big Beer’s incursion on their limited turf. Five international conglomerates — Anheuser-Busch InBev, MillerCoors, Constellation/Crown Imports, Heineken and Pabst — already control more than 80 percent of the U.S. beer market, according to the National Beer Wholesalers Association.

That market dominance has given the big corporate brewers significant advantages over their independent competition. On the brewing side, large companies can leverage their volume, and their capital, to score more and better hops. Thanks to the fact that these companies brew at multiple facilities in different markets, they can also react more quickly to local demand and, theoretically, supply a fresher product.

The larger issue, however, lies in distribution. Because the five Big Beer firms represent the majority of business for the middlemen who move beer from breweries to taplines and retail stores, they exercise enormous influence over how their beer is displayed and promoted.

Distribution contracts frequently allow major beer brands to dictate where their beer is placed on shelves, for instance. And Big Beer has successfully driven independent beers out of some stadiums, music venues and chain restaurants by asking distributors to stock their crafts brands instead of independents.

In Massachusetts and California, investigators have accused Anheuser-Busch with bribing stores to give their beers better placement. In Massachusetts alone, the company gave away equipment worth \$942,200 to more than 400 retailers, according to a 14-month probe that concluded in May. In California, the company settled with local regulators for \$400,000.

“Our companies have completely different business dynamics,” said Sam Calagione, the founder of Delaware-based Dogfish Head. “They don’t have the challenges of access to distribution, capital and raw ingredients that we have. It’s not a level playing field, and that’s capitalism — but to pretend they’re the same type of business, when they’re actually brewed by a multinational conglomerate? It’s not apples to apples.”

Brewers say these concerns have only been exacerbated by Big Beer’s incursion into craft. The acquisition of independent breweries, they argue, has eroded the few advantages the indies had: higher-quality beers in different styles and a cooler, vastly less corporate brand.

Since 2011, Anheuser-Busch has bought Goose Island, Blue Point, Karbach, Golden Road, Devil’s Backbone, Elysian, Ten Barrel, Breckenridge, Four Peaks and Wicked Weed. MillerCoors now owns Terrapin; Heineken has Lagunitas, and Constellation owns Ballast Point Brewery.

“If I walk into a farmers market, I assume the produce was grown by an independent, local farmer,” said Daniel Kleban, the co-founder and brewer at Freeport’s Maine Beer Company. “If I found out that stuff actually came from Dole, I’d be upset, personally.”

Big brewers have, for their part, downplayed these concerns. Jim McGreevy, the president of the Beer Institute, which represents large companies, said he was “disappointed” that the Brewer’s Association was “trying to create more divisions and distinctions” within the industry. The complaints of indie brewers disguise the fact that the segment’s generally doing well, he added — a point also made by João Castro Neves, the president of Anheuser-Busch’s North American division, in a May interview with The Post.

Over [the past five years](#), the number of craft breweries in the U.S. has more than doubled — as has the segment’s share of beer sales, in dollars, which grew to 22 percent this year from 10 percent in 2012. That growth has stalled in the past two years, however, largely among the nationally distributed craft brewers, such as Sierra Nevada and Sam Adams, who compete with Big Beer most directly.

Since 2011, 16 independent craft breweries have been acquired by Big Beer, of the more than 5,000 in the U.S.

“It’s a very small number, whereas craft brewing has exploded,” Castro Neves said. “ ... I understand where critics are coming from, but I can’t put together what they’re saying with the facts or the reality of the market.”

Ultimately, craft brewers say, they just want the realities of that market to be clearer: that way, when consumers reach for a six-pack or order at a bar, they know whether they’re really drinking independently brewed beer. Calagione, the founder of Dogfish Head, admits many drinkers won’t care.

But he suspects some passionate minority will — and in an increasingly competitive industry, that could make all the difference.

“People are already seeking out fair-trade coffee and organic vegetables,” he said.

Now he, and other brewers, hope that “Certified Independent” craft beer will be next.

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