# Audio file

[Sierra Nevada Brewing Company Ken Grossman 1.mp3](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

# [Transcript](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:00:00 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Hey really quick before we start the show, we're launching a regular video conversation every Friday at 12 noon Eastern Time with a different founder to talk about creative ways to build resiliency in the midst of this crisis. This week, join me and Susan Griffin, Black, co-founder of EEO products. She'll talk about all the hand sanitizer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:00:21 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[They've been making.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:00:22 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You can join the conversation and ask questions by going to facebook.com/how. I built this and you don't need a Facebook account to watch. Bring your questions for me and Susan this Friday, April 3rd at 12 noon Eastern Time facebook.com/how I built this.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:00:43 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We were out of money for I don't know the 10th time and had gone to, you know, family and said, you know, we just need another 5000 or whatever we can get the doors open. We did that a bunch of times and so we were at a point where it's like we can't go ask for money again. We've told them that this was the last time like 5.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:01:00 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Months ago and I just thought to myself, you know, we're down to this desperate of situation. We got no money we're, you know.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:01:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We're not going to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:01:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Make it.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:01:19 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[From NPR is how I built this a show about innovators, entrepreneurs, idealists and the stories behind the movements they built.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:01:30 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I'm Guy Raz, and on the show today, how Ken Grossman went from brewing batches of bitter beer in his closet to building America's third largest craft brewery, Sierra Nevada.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:01:47 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So just a few days ago, Ken Grossman and I were supposed to be sitting side by side on stage at the Sydney Goldstein Theater in San Francisco for a live how I built this show to hear how he built one of the biggest craft beer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:02 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Companies in the country.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:04 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[But instead that event, like every other event, was canceled.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:09 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[But we didn't want to miss out on getting a chance.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:11 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To hear Ken.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:12 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

['S story, because it is too good and too inspiring to wait until we can all go out again. So we asked Ken to record himself from his home just outside Chico, CA.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:24 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[By the way, that's how it's going to be for a while because our staff, our guests, me, probably many of you, we're all at home now and starting to adjust to this very weird new reality. And I'm going to confess something here. I.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I feel a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Little bit conflicted about doing a show that celebrates.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:44 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Building and creating when so many businesses are in trouble now, and so many.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:49 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[People are worried.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:02:51 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[But I also think of this show as a place of hope and possibility. This is going to be a long, challenging journey for all of us, and we're going to need stories of people who can inspire us with the challenges they've overcome and the battles they've waged and the odds they've defeated to build something truly special.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:03:11 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Like Sierra Nevada now, before we even get into Ken's story, we wanted to hear from him about how things are going with managing the crisis so far and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:03:21 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Of course, in one way the company is in better shape than most because lots of people are in need of a beer these days. So in places where they can get it, they are buying it. They're buying a lot of it. And when I spoke to Ken a few days ago, he told me his production facilities are still open, but he has no idea how long that.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:03:41 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Might last.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:03:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know, a lot of the businesses that we depend on to sell our products are severely challenged right now. And you know having this kind of financial disruption happen to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:03:54 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[10s of thousands of small, family owned and run bars. Restaurants.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:04:01 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Liquor stores across the nation is going to, you know, have a a huge toll on, you know, the lives of those people and the economies and those communities. So it's, yeah, it's been, you know, one of the most difficult and stressful weeks in our existence. I've had a lot of them for.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:04:20 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[40 years. There's been a lot of sleepless nights, but this is sort of at the pinnacle of of, you know, things for us to have to work through and and to make decisions.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:04:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[About.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:04:32 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And yes, over the course of buildings here in Nevada, Beer Ken has had a lot of sleepless nights, starting with trying to build a craft Brewing Company in his 20s with barely any money. When people didn't really know what craft beer was. In fact, when Ken introduced his now legendary Sierra Nevada Pale Ale to his friends in 1980.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:04:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Most of them thought it was undrinkable, but today his company is the third largest craft brewery in the US after Boston Beer Company and Yunling and Ken and his family own 100% of Sierra Nevada. But making money and becoming rich from beer was far from Ken's ambition.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:05:12 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[At his core.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:05:13](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[He is a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:05:14 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Beer Brewer, not a businessman totally obsessed with the process, with the hops and the barley and the malt and the strains of yeast and his interest in brewing and fermentation, actually started when he was a kid growing up in LA San Fernando Valley.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:05:30 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We had a a small neighborhood group of boys growing up through elementary school, so I met my neighbor. I think it was second grade and his father.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:05:42 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Was a you even back then was making.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:05:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Home beer and home wine and was a so a very progressive person for the time he was into cooking and baking and for manning and for the culinary arts as well as being a cyclist. So he was in the bikes, which later I got into cycling and and touring and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:05 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[He also was a a scientist. He was a metallurgist and worked for Rocketdyne. And so he sort of had all those.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:13 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Of passions of of life and and I guess it really appealed to me, so I was around fermenting beer from probably the the age of seven or 8:00 or so and seeing things boiling on the stove every weekend when he would brew and his son and I, you know, we're best buddies for many, many years. I ended up moving up to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:25 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Huh.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:35 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Chico and he attended Chico State.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:36 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[What was your friend's? What was your? What was his dad's name? What was?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[His name? That's.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah. OK.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Cal Mueller, he since passed away, but Calvin Mueller and he was as a very.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:06:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Really adopter of of the the science of growing so most home Brewers back in that day, you know, we're using English old sort of crude books on how to make cheap beer but not necessarily you know how to make great beer and how to how to do it at home with sort of science.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Raised. Yeah, so he approached.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[From a be scientific side.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:13 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So here's what I'm wondering. You are in high school and I guess from from what I've read, you bought your first home brewing kit around that time, which I think a lot a lot more high school juniors today would do it. But in in the early 70s, certainly not or late 60s, certainly not common. Did you did you want to make?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:31 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Beer cause you just like liked it and want to drink beer or like what was the what was the your thinking behind you buying a home brew kit?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:40 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know, I was young, so I couldn't buy beer, and so I just wanted to experiment with making beer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:47 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[That was it.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:49 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And you know.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:50 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Today, if you wanna prove beer, you just go on the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Internet and order.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:07:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The hops, they come and pellets and you know whatever you need. And then you just do it was it. Was it a little more complicated in 1960?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:00 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[9.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:01 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It was so there were actually some homebrew supply stores just getting started and and you could buy beer and wine making supplies at that point, home bring was still illegal, but they did, you know, nobody got arrested for for buying malt or hops. But if you, I guess, think back to that.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:21 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[There was still a bit of a carryover from Prohibition Brewing.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:25 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And so you could buy malt extract even at hardware stores, and it was sold with the croc and a package of yeast and a little block of of some pretty lousy hops. But there, there were ingredients that were still available, I guess from the prohibition area and no good information on how to make great beer at home.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:45 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It was just, you know, for those people who wanted to, you know, do a batch.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:49 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Of home brew.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:49 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And how how how? How were your early batches? I mean were they with you? Drinkable? Terrible. OK, right. Like you put them in a closet in your house. Or, like, where did you? Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:54 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Terrible.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:08:58 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I well, I had to hide them from hide them from my mother.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:03 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And actually made a batch of of wine first, which was pretty tragic, which was out of Welches canned Welches grape juice and some baking yeast.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Hmm, a can of Welches grape juice. They don't even make it in cans anymore. OK, wow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:16 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, let's see. Yeah. And then then I got some all extract and and then a bunch of east and a plastic bucket and and started.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:28 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Growing a little bit.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:29 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[How did you not not? How did you know you weren't like, making like you know, you know botulinum or anthrax or something?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:37 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, I guess one of the the things about beer making is that things like that don't grow in beer. So the alcohol, the pH and the hops are all inhibitory to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:43 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I got you. OK, fine. Good, good to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:45 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Know.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:50 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Toxins. Not that you can't make bad beer, but it's pretty impossible to make beer that's got those kind of toxins, yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:56 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To kill yourself.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:09:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[All right. So you, you're, you know, doing homebrewing and and I guess when you graduate high school in 1972, you decide that college isn't really gonna be a thing that you, you, you wanna kind of just get out of LA, move up to Northern California and you go.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:10:15 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You end up in Chico, CA, a small town in the foothills of the Sierra Nevada. The idea is that's where you wanted to be for a while.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:10:24](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:10:25 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So so I.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:10:25 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Got a job at a bicycle shop which was a a family owned business with the father and two sons working there in a pretty frictional environment. The dynamic was not great and after I don't know less than a couple of months I sort of had a change of heart and say.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:10:37](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Hmm.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:10:45 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Maybe I should go to school. And so I applied at the Junior college to study chemistry and ended up basically transferring to Chico State and continued to take science classes. I met my girlfriend and then later wife through a mutual friend about the same time.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:11:03 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[This is this is your wife, Katie, that you met. You met her at Butte Community College.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:11:07 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, I met her. She was going to Chico State and and I was transferring to Chico State and we connected and been together ever since.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:11:16 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[All right. Katie will factor back into the story later on and we should just mention here that she, when you met her. And I think to this day does not drink alcohol. She's a teetotaler, right. Is that right? OK.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:11:28 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Important to know, important point to know the third largest craft brewery in America, the founder, his wife doesn't drink, OK?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:11:36 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[All right. So you meet Katie, 73. You're, gosh, you guys are. You're a baby. You're, like, 18 years old. It's great. I mean, you were so young, and I guess I I guess you you got a job in that area around Chico in a town called Oroville managing a bike shop for a while.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:11:44 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yep.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:11:53 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, I had my F my parents got divorced. You know, I didn't get a lot of support. I think I got $100 a month. Go go to school. And so I had to keep working. So I kept a part time job. As I went to school. And then eventually I I got the opportunity to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:14 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Go manage one of the bike shops that the the owner in Chico had recently purchased in the town of Oroville, and so the two of us got a dinky little one room house, sort of in the foothills of Oroville. And I ran that shop for a few years and our daughter was born Sierra.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And born at that house at at home, we had all of our kids home birth and then I had a neighbor who loved my homebrew and convinced me that I should open up a homebrew supply store.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:46 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And this is your name for Ron and and what was.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:48 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[His name? Last.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Line for Jesus.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:49 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Name Rhonda Jesus. OK, so he's your neighbor.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:53 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And I guess you should point this.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Out. You, you.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Are like.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:55 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[2021, still home brewing. Presumably you've gotten better over the five years, six years that you've been doing it and you, because most people, probably in 197675 are drinking like mass produced beer, right?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:12:58 Speaker 3](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yep.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:02](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:12 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[In America, they're they're they're.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:13 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right. It's just like the big Budweiser.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:15 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right. Is that what most?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:16 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[People drink.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:17 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, it was pretty much the approaching the low point of the US brewing industry, the the breweries that had survived prohibition the, you know, the family.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:26 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Owned regional breweries were in very difficult place with trying to compete with the national brands and so the the beer industry was consolidating very, very rapidly through the when they since prohibition, but 50-60 seventies hundreds and hundreds of breweries went out of business and it got down to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right about the the year we started 1980 for the brewing for the brewery, got down to the low point of 43 independent brewing country here America whole US and that included the biggest and the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:13:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[In the US, it's amazing.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:00 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[A small amount of small Brewers that hung on there.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:02 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So but going.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:03 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Back to to this time in like the mid 70s, right, like when Ron to Jesus, when your neighbor like when you met him he would have before he met you he would have just normally been drinking like Budweiser probably or one of those people.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:16 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Probably not even anything that expensive. So you know, again, we were young and didn't have a lot of money, so we were probably drinking, you know, Buckhorn and the spring beer out of Meyer Brewing Company and in Los Angeles. I mean, there were a handful of of cheaper beers that were probably what our age group.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:35 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Be drinking?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:36 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And these were not high quality gears. It's just like.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:39 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[There were certainly not interesting beers. I mean, the US brewing industry has had a history of making, you know, generate good quality products, but they're not necessarily products that have a lot of character.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:41 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I got you. OK, got you. Alright, alright.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So he he meets you and you're brewing this beer. And what? What was the style of the beer you were brewing at home?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:14:59 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I I I was probably fairly advanced by that time, so I was doing a little bit of roasting my own grains in the oven and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:15:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Sprouting my own wheat to make wheat beer and and so I I was pretty experimental and at that point my wife and I were sort of back to the Landers. We had a small herd of goats. We had chickens and we were making cheese and bacon bread and so making.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:15:28 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Here sort of fit into our lifestyle.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:15:30 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So your neighbor Ron says, hey, you're you're this beer is great. You should sell it. And I guess that's sort of what from from what I understand, it sort of inspired you to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:15:41 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To open up like a home brewing business, like a little shop where you could sit like supply people, right. Is that, is that right?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:15:50 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yep. So we found a little teeny building and and and what had been an old downtown hotel in Chico that was being converted into a bunch of little shops and studios. And so for I think it was about $60.00 a month rent. We could rent this little little room.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:07](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And it was just a bare shell, which we ended up getting them doing all the woodwork and finishing up and turning into just a little shop, you know, next to us was a Potter.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:21 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And a A used record shop and jewelry store and a little tiny antique store. And so we're just a bunch of little artists and crafts and shops up there.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:30 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Sounds so idyllic, especially from from 2020.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:34 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, we couldn't. We couldn't pay the rent some months and so we worked out a deal where we'd be the janitors for the for the place in lieu of rent. So Kate and I did that.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:44 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[For a while.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:44 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You couldn't. You couldn't sell 60 bucks worth of brew supplies a month.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It was, you know, we could sell $60.00 without being a really big day, but out of the $60.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:54 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Made maybe 20 and then you had to pay the lights and sure.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:16:59 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know a little bit of money to take home and so now we didn't make a lot of money selling homebrew supplies.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:17:04 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And and what we're home brew supplies in 1976.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:17:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So it was, you know, malt syrup primarily. Although we were pushing and and teaching classes and trying to get people to actually prove from grain, which is the back to the beginning of the process, you buy malted barley, which is barley that's been silk sprouted and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:17:28 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Terminated and dried in a maltster and that creates the base for, then converting the the malt into sugars and then.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:17:36 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Sugars are boiled with hops and and so we stocked hydrometers and procs and tubs to brew in and glass carboys.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:17:45 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So which you could brew which you could brew the the beer in. I got you. Here's here's I'm wondering, Ken, right in in the in the late 70s, right, this is still a subculture like like Craft Brewing today, right? Like half of half of half the staff of how I built this goes to craft brewing festivals, right? Like it's just a very mainstream thing like every bar.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:17:47 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right from. Thank you, Darren.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:18:06 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Worth its salt has craft brews on tap or.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:18:09 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[In bottles right in 1976. This is this is a subculture of people like like, like Dungeons and Dragons. So I'm just trying to understand something because obviously you've proved everybody right. But when people said to you and they're like, Ken, this is just like gross. I don't what? What do you like about this? What? Why do you like the taste of this? What would you?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:18:15 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:18:29 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, yeah, there was no knowledge of craft beer and home brew was, you know, not necessarily viewed in a positive light and and you know, based sort of on what most people had tasted, if they ever tasted home brew, it was highly alcoholic, acidic and it looked murky and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:18:49 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Which today is in again, but back then you know, beer was supposed to be clear. And so most people were pretty put off by it. But I made some pretty decent beer and and I started to have a following of friends who.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:05 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wanted my home bro.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:06 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, what did you like about it? Like, here's that's what I wanna know. Like when I talked to somebody who was really into wine. Right. There's just the the complexity and the different flavors and the. It's almost like it's like, it's like somebody who's who's really interested in, in, like, mysteries. They're they're they love the nuances.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:25 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Is that what?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:26 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Here was like for you like making it. I don't know.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:29 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, I mean part of it, I think was the allure.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:31 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Of the alchemy.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know, just the ability to take things such as disparate as you know, a bitter leaf off of a plant, the the hop.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:40 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And the sweet malt from barley and yeast and sort of see that magic happen of of converting those basic raw ingredients into something that has lots of nuances and character and flavor and can bring joy and the social setting. And so I think the the process.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:19:57 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:00 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[This is as intriguing as the the finished product.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:03 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Because in the late 70s it would have been an unusual taste, right? Like our taste buds were not attuned to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:12 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Do you know multi hoppy beer?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:15 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[No, they weren't. And you know, I don't know what percentage of my friends actually like the beer or the ones that told me they did, but I'm sure it was off putting for the majority of people who are used to drinking, you know, regular lager beer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It was even.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[That way, when we first started the brewery and you'd go to a tasting.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:36 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And 90% of the people were like, wow, this is way too better. I I can't drink this or I don't like this and but then you'd find somebody just like God, I just love that bitter character. And so the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:42 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:49 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Human palate certainly interprets those flavors differently, and I think as craft brewing and as beer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:20:58 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Culture evolved. I think people became much more appreciative of of of beer styles that really have a lot of character.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:04](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:07 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[All right, so you've got this little storefront.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[At what point did you think you know? Maybe I should actually make beer and sell beer. Was there, like, a conversation that somebody encourage you to do this was there.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:22 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Because you've got the store and it's presumably like you know, you could make that your career like we could be talking today and you could have started the, you know, a chain of home brew supply shops, right. But but at what point did you think maybe I should just sell?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:36 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Here.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:37 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, I actually I went down to a conference in Oakland and on that trip we arranged a tour to go see Fritz Maytag at the Anchor Brewery.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:50 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Fritz Maytag was the guy who founded Anchor Brewery, which makes anchor Steam, right?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:55 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, he didn't find it. So he he purchased it so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:21:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It's an old brewery. He purchased it. Yeah. It's an old old brewery, but he kind of he kind of revamped and made it into what? Yeah, revamped it, right.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:22:05 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So he helped sort of create what is now the craft brewing industry by.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:22:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Realizing that if you're going to be a small boutique brewery in this country, you better one produce a unique product and and two figure out how to charge enough of a price that you can survive as a small producer. Well, I didn't need him. The conference actually went over to his brewery.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:22:25 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So you meet him, you meet him.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:22:27 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[At this, at this conference in Oakland.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:22:31 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And he gave me a tour with me and a small group of folks and pretty primitive at that time. It was a lot of no automation and not a lot of sophistication in the brewery. And I was fairly sophisticated, sophisticated as a home Brewer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:22:49 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And culturing some of our own yeasts and and doing things like that and making 20 gallon batches. And I think at that point he was making maybe 50 barrel batches and that sort of inspired me a bit that you know, maybe you could do it as a as a start up as a home Brewer. And then I went and visited New Albion.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:23:05 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Huh.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:23:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Which was really the the. Yeah, Jack McAuliffe, who started that parade and and he had sort of gone pretty much homebrew and opened up a commercial brewery with all home built, primitive basic equipment, very small batches, about 45 gallons per bag.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:23:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[In Sonoma, right.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:23:28 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Which and after seeing his operation, realized that, you know it was feasible to do as an independent glorified homebrew setup and sell beer commercially.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:23:39 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So you were actively kind of exploring the possibility of doing this when you contacted, you know, Fritz, or when you went to go visit new.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:23:48 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Again, did you say, hey, I'm thinking about doing this myself. Can I? Can I come talk to you? Or did you just say ohh I I I've got this shop where we sell equipment. Can I come check you out like.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:23:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[What was your? What was your approach?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:00 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, you know, thinking back then with Fritzi, I don't think I I yet had the notion that I wanted to try to to go commercial when I went and visited Jack, it was starting to gel. That yeah, this is maybe something I can do. And I got together with one of my homebrew shop.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:19 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Customers.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:21 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Mozy and he was buying homebrew supplies for me and from from other homebrew suppliers and and you know, we decided to. Let's see if we can raise some money and open a brewery.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:33 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow. So that so basically you thought, alright, this guy seems to know what he's doing. And you knew what you were.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:38 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Doing and because.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:39 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You were like, I don't know, 23/20/20 2:23 at this point. And I read that you, you, you guys sat down, you wrote a business plan like a pretty detailed business plan and you figured it, you figured that you need.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[$50,000 to actually start a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:57](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[A.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:24:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[A beer company, a Brewing Company. Uh. So you went to the banks, right? And and. And what did the bank say when you showed them the plan?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:25:04 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, I mean, I guess in hindsight, it was not a pretty detailed business plan after seeing you know more formal business plans. It was what we thought was a good business plan. So we had to, you know, printed off articles of of sort of the trends that were happening.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:25:19 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And beer, you know, one on Fritz Maytag and one on sort of what was happening in the import space starting to grow in the US and the the demise of sort of much choice in the beer industry we thought would give us a a small slice of of the pie that.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:25:37 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Rapidly being cut up. So I think we wrote several drafts of that business plan. The original 1, I think, called for $50,000 total and went to banks and we we actually started. So we started to pool our money. I started to buy equipment and I started to build equipment. I enrolled back at the junior.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:25:56 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Knowledge at Butte in welding classes, machine shops, anything that that gave me access to use forklifts and drill presses and welders and everything else I needed to to Weld all the pieces.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:26:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The other took some business classes, took refrigeration repair. It took a couple semesters of that, started just to build skills and started to build the equipment as we were trying to raise money. The banks pretty much said there's no way, and if you were a banker of.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:26:29 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Of any sort back then and you researched the US brewing industry, you would have seen that it was pretty rapidly declining, at least small Brewers were.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:26:38 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You would not have given a loan a not only.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:26:41 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To a a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:26:42 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Craft brewing coming but two like 2 guys in their 20s trying to start a craft brewing. Yeah, right.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:26:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, who had no experience, no experience in the brewing industry. You know, we'd never worked today for a brewery or a beer distributor or anything like that. So yeah, not a very likely investment to make from a banker standpoint.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:02 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Got it. So you need 50K. How much money did you and Paul have?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:05 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Between you.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:06 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So we had assembled $17,000 and I between the two of us, so I had.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Between the two.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:13 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Sold my homebrew shop for 3000 or $4000 and I had some savings and my grandfather had given me some bonds to go to college. I cashed all those in and Paul had them somewhere sort of all his savings. Not a lot of money.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:32 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So how did you get the rest of the 50K that you still need like 35K and?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:37 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, so we went to all of our family and eventually some friends and got, you know, 5000 dollar $10,000 investments and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:47](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:27:47 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Thought we had enough money several times, but kept running out of money and we were, you know, so low on cash that we did not hire pretty much anything out. So we did the framing, the sheet rocking, I did the plumbing, I did all the electrical, I did all the refrigeration.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:28:06 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah. Where was the location? Where was the? Where was the site that you found?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:28:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We found a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:28:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Little Metal Warehouse building, 3000 square feet empty shell had been a like a sheetrock warehouse in in Chico and so we came in.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:28:17 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Chico, right.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:28:22 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[In order to keep sanitation and quality in a brewing world, you need floor drains and you need separation between the the brewing rooms and the fermenting rooms. And so we went in and I've been out to the landlord. We jackhammered through the floor, so sod.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:28:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And put in drainage and then poured sloped floors on top of that. And but we did all that ourselves, and it took a really long time. I was.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:28:51 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Taking my 57 Chevy and driving up and down the Sacramento Valley up into Oregon and Washington and looking for oil pumps and pipe and tanks and and things that we could scrounge for basically pennies on the dollar to use to build the brewing equipment.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:29:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[No.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:29:12 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And I got pretty lucky and the the daring industry was also sort of at a a tough point where these little family dairies were closing and there were hundreds of them scattered throughout that would have one milk tank. And it was sort of a a side job. I get a lead that, you know, go down this road and you might find.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:29:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So and sold sold dairy. So knock on the door and asked if they had any old equipment and they picked me up the barn and there'd be a dusty pile of pipe and a maybe a pump. And occasionally I get a tank and 300 bucks or 500 bucks. I'd buy it all from.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:29:49 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right, this is an important point and I want I want you to to to explain this to me because I I I I think that people are going to be confused and think that I hope they're not that you just kind of figure it out as you went along, which is partially true, but you actually did a lot of research like you actually went to UC Davis which is a huge, it has a huge agricultural.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:30:09 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Department and you, uh, like met with professor there and and went to the research library to learn about brewing. What did what like what did you do there?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:30:19 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So yeah, we were fortunate. So UC Davis had one of the only university brewing schools in the nation. It was started, you know, have a a big wine program there as well. But they they started a beer program quite a few years back and we availed ourselves of of both their library.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:30:34](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Hey.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:30:39 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And I would go down with stacks of quarters.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:30:42 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I would either read there or photocopy everything I could get my hands on.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:30:48 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Like scientific journals like like scientific academic papers.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:30:50 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yes, and I still got boxes of them today and there were a couple of really important scientific brewing texts available, and they weren't, you know, weren't home brewing texts. They were. If you're a brewing scientist, you know 4 or 500 page tomes on, you know, every.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:31:10 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Aspect of of being a professional Brewer and I read them cover to cover. And so I was a fan.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:31:16 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Really learned Brewer from at least the literature side as we went into into bring commercially.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:31:24 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And it also.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:31:25 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Sounds like in the this this two year period cause it was like really two years right 78 to 80 when you were kind of ramp working on ramping up here in Nevada and and really going public I mean selling it public to the public that the other guys like the other folks in, in the craft brewing industry were really collegial like Fritz, Maytag and anchor.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:31:44 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Team and like.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:31:45 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Like you went to these folks for advice and they were really. They were like, yeah, I mean, I'm just. I'm just wondering, were they just good people like it because you were, you know, in your early 20s? I mean, they could have just, I don't know, looked at you and thought this this kid like, why are we taking this guy seriously? But what? What explains? Because they were right. There was a lot of like you go and ask.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:32:04 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah. Yeah. And I think that, you know, Fritz was probably the the first one. I leaned on a bit and and he had had the same experience. So when he was starting out, when he bought Acre, he didn't know anything about brewing or the brewing industry.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:32:05 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Them for tips and stuff, right?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:32:21 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And he would go and visit other Brewers and. And he was shocked at how open and supportive they were. But we did have a a really, I guess, open relationship with pretty much anybody in the brewing industry. I joined the Master Brothers Association, which was really, you know, the big Brewers.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:32:42 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Technical group very early.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:32:44 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[On, but you could call up a technical person at another Berry, whether it was Coors or Anheuser-Busch and or Miller and and ask a question and they would talk to you and you know the the commercial guys, the guys who were some would be on the streets, they they didn't have the same relationship but the the technical side of.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:32:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow. Wow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:33:04 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Growing Brewers tend to stick together and to help solve problems.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:33:09 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So in this 2.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:33:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Year period when you're ramping up, right. What does Katie think of you?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:33:13 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[My daughter, a baby girl. Was was she like? I don't know. Was Katie ever ever like you can't like. This is nuts. What are you doing?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:33:21 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, it was tough and we made a lot of sacrifices. He made a lot of sacrifices. You know, we didn't have any money, and I was working all the time. So if I wasn't studying, if I wasn't welding, if I wasn't working because I was still having to work on the job.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:33:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I wasn't building at the brewery. I mean, I was. It was seven days a week, 12 hours.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:33:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And I had the I guess the early opportunity right when I was committing to build the brewery, to actually buy one of the bike shops I had worked in, the owner was getting out of the business and and he would have sold it to me, probably preferentially if I said I wanted to do that. And there was a point where I thought.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:34:06 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know, I could buy this bike shop and probably make a decent living and it's a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:34:12 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Other thing, but I was, you know, in my mind thinking, you know, am I going to then question could I have ever really pulled off building a brewery and being a Brewer for my livelihood instead of a bike mechanic? And so we had a a thoughtful discussion. Katie and I about what should we do or what should I do?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:34:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And came down to, you know, I think you got to fall.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:34:35 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, your your passion and you know, see if if that's what you want.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:34:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To do, you should do that. Read that you you you have. You've heard a book about about these early days and you wrote that by September 1980. You're running out of money quickly. And this is a quote from your book. You and Paul were starting to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:34:55 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Breakdown. What? What? What do you mean? What? Just from the stress of of watching.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:35:00 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know, nothing happened. The money going out like, what was the breakdown?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:35:03 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, there were a few points of desperation and and we were getting there. We were out of money for, I don't know, the 10th time and and had gone to, you know, family and said, you know, we just need another 5000 or 2000 or whatever we can get the doors open. We did that a bunch of times and so we were at a point where it's like we can't go ask for money.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:35:24 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Again, we've, you know, we've told him that this was the last time, like five times ago, you know, we'd spent everything we had. And I said we'd borrowed enough that, you know, not going forward would have certainly been a big failure.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:35:36 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So it was like now we got to do this and we just, you know, didn't have everything together to start growing. And I needed a cold box refrigeration system for where we're going to age the beer. And I remember a friend of mine said, well, I know this.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:35:56 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Backyard Butcher shop that the county shut down. That's got a old refrigeration system with the coil on it, and you'll probably have it or get it for a few bucks. So went over there and and in his backyard he would butcher chickens and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:36:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Hogs and things for for neighbors illegally and and there was a little cold blocks there, so I took it to the brewery and started to clean it up and it was covered in blood and feathers and it was just completely corroded. And I'm sitting there cleaning it up and I just thought to myself, you know, we're down to this desperate.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:36:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Of a situation we got no money making making beer still a few weeks off.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:36:40 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We're not going.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:36:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To make it.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:36:43 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[When we come back now, Ken finally brewed his first batch of beer to sell the public and how people began to buy it not by the keg, not even by the six pack, but bottle by bottle by bottle. Stay with us. I'm Guy Raz. You're listening to how I built this.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:37:03 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[From NPR.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:37:15 Speaker 4](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Support for this podcast and the following message come from the American Jewish World Service working together for more than 30 years to build a more just and equitable world. Learn more at ajws.org.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:37:29 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Thanks also to better help online counseling by licensed professional counselors specializing in isolation, depression, stress and anxiety, visit betterhelp.com/built to learn more and get 10% off your first month.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:37:49 Speaker 5](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[When the economy goes haywire, planet money is here to make sense of it for you. From the big bailouts to the tiny details of a vaccine stockpile.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:37:57 Speaker 3](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[One of the first thing we did was secure a large number of chicken flocks.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:01 Speaker 5](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So these are like hard working government chickens.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:04 Speaker 3](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[They are hard working government chickens.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:06 Speaker 5](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[That's NPR's Planet Money podcast. Listen now.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:11 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Hey, welcome back to how I built this. I'm Guy Raz. So it's the fall of 1980. And Ken and his partner, Paul Camusi have basically Jerry rigged an entire brewery out of hand, me down dairy tanks and random pieces of scrap metal. They're almost out of money, and they're totally stressed out.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:31 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[But they're also almost ready to make beer. Except Ken needs one more thing.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:38 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I needed the hop strainer and I've been trying to find a suitable.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Use tank or container to use for a hop strainer and wasn't able to find one and didn't.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Really have the money for it.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:38:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[A few pieces of scrap metal, stainless steel leftover from something else, and I said OK, this is it. I'm going to Weld up Bob Straight. We're going to book here tomorrow. And so sort of the last piece or two, we just sort of made do and made five barrels of stout, November 15th, 1980 and learned a few things.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:39:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It went OK, it took, I don't know, 12 or 13 hours to make 150 gallons of beer and more hours to clean up than.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:39:16 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[But at least we were sort of on our way. And then I started building pale ale the two days later and started to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:39:25 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Realize we were not able to make batch after batch taste the same. They weren't bad, they were just, you know, pale. L3 was actually pretty good. I remember. And we were bottling a little bit and sharing it with friends saying I think we're there or we're really close. And we brewed pale 4 and it wasn't quite right. And then we brewed pale ale 5 and it was.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:39:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Reference and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:39:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We ended up dumping all those beers.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:39:49 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wait, can I just can I just pause on it because this is this is your most famous beer right here in Nevada, Pale Ale is. Yep. And I think it still accounts for, like, most of your sales today. The majority of your sales over half this beer is a is is got four things in it. Water, malt, yeast and hop.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:06 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Is it? Is it I got OK.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:08 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I got the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:08 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Recipe right for people who don't know anything about fear, right? Like what was it about? I mean, you're you're sitting, you're going through a bunch of batches of that beer, right?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:21 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[What were you looking for? Right? Because you said the first wasn't quite right. The second wasn't right. The third was OK. The fourth was right. Like what? What were the criteria you were using in your mind?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:30 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, why we? We knew we.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Needed to be consistent and I think that's probably as big of an issue as as anything. It's just that they didn't taste the same. So some of them fermented faster, some fermented slower, so they had different nuances in the aromas and character.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Sure. So I I think our our concern was we couldn't make the same beer batch after batch and we better.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:54 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Figure that out first.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:40:55 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So here's here's now another question about this right, which is if you go to Germany right, they've got this law where all German beers are certain kind of German beer has to have.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:06 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Water malts.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah. Whatever. Malls hops in east.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So let's see a German purity law.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:12 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The German period. Right. But when you go to Germany and you drink a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:16 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Lot of their beers, like a coal shore.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:19 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Or like certain brands like Warsteiner or Bitburg, they're loggers, right? They're very clean. Clear, light loggers. You're using the same four ingredients, but.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:30 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You were introducing or you were you were bringing into your beer a like the happiness was like that was going to be really intense like this.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:39 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[For some people, the flavor was even going to be slightly or not more more than slightly bitter, right? Like was that. Was that something that most beers at the time just weren't focusing on the hoppiness of the beer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Mm-hmm.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:41:52 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, if you go actually back to Germany in that era, there were places in Germany making really hoppy beers.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:01 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And what and what is it?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:02 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[About the hops, that makes the beer taste more bitter.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:05 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, hops are added to to beer for their.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:10 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Alpha acids, which are the the bittering component or a major part of the bittering component of the hop, and that's something that is varietal specific. As far as those levels. So hops are a spice essentially in the brewing process and I guess you could think of them like Chili's.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:25 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right. And they're basically leaves. They're like miniature leaves that grow like, look like a Berry, which leaves. Right. Sorry. OK, I got you.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It's actually it's. It's like a flower and the alpha \*\*\*\*\*. The bitter acids and those aromatic oils.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:40 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Are geographic in some cases, so a variety that's growing in Oregon may be different. Same variety than it it tastes in Yakima or Idaho or if it's showing in France or in Australia. You know, in this country there wasn't really a A Roma signature.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:42:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I got you.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:43:01 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[From the the US hop industry until us and a few other Brewers started to focus on a a new variety called Cascade, which was bred up in at Oregon State.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:43:14 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, it was Piney and citrusy and and had some real distinct character, but it wasn't what the the German bowlers who worked at big berries were used to using, and so it really didn't find favor in the US brewing industry until, sort of our wave of craft Brewers started to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:43:35 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Punch things up with aromas and characters that were way different than what beer had been before. At least beer bird in America.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:43:45 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[All right, so you.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:43:48 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You get this beer down this pale ale, beer down. And how do you how do people respond to it when they try it? I mean, obviously, I'm sure there's.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:43:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Some people who.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:43:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Who, who sort of were sophisticated and but were there other people who were not just, you know, super sophisticated. And they tried and they thought.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:44:06 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, most like like if the. Yeah. Yeah. Well, really most people.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:44:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Most people didn't like it. Now again, if you're used to drinking in American light.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:44:14 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Blogger style and your.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:44:16 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Hit with a very aromatically, hoppy and bitter balance in your beer and and you know, just for a reference point and and the numbers are sort of going to be meaningless, but just as a relative number today, domestic lager beers might be in the 8.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:44:36 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The 10 bitterness units and there's there's outliers to that, but that's about the range. Our pale ale when it came out and it still is is at 38 bit initiative.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:44:47 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And so if you equate that to sort of Chili's, it's, you know it's quite a bit more than what people are used to drinking. And again, we were trying to feature very aromatic hops, you know, pine and citrus and all these other nuanced Romas that come out of hops so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know we.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Were producing a beer that was polarizing, to say the least.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:12 Speaker 3](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:13 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I mean, but it's interesting because we've had founders on the show who say we've said in the past, you know.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:19](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[If if.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:20 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The thing you're producing is polarizing. That might just. You might just be on on the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:24 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right track. Right? Which?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:26 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Obviously you were, but I mean this was going to be the the backbone of your business and and lots of people, most people were.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:33 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Saying oh, this is this is, I don't know about this. So how did you can how did you start to sell it? Like what was your first?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:39 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[What I mean, did you go to bars? Did you? Were you gonna sell it on tap? Were you gonna sell it to shops? What? How do?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:45 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You get people to buy it.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:45:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, you know, we looked at, you know, how are we going to go to market? We we couldn't afford 6 pack carriers. That was sort of out of our budget. So we had individual bottles and we started out in all returnable bar bottles that we would charge a nickel deposit on. So we we would buy used bar bottles at $0.85.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:46:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[A case from.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:46:10 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Bigger breweries who had surplus bottles they're willing to sell us and we would charge a a nickel a bottle. So $1.20 a case when we sold the beer, we give them a nickel back when.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:46:19 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We got the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:46:19 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Empties back and we pretty much loaded our van up. We we bought an old van from a a friend of ours took the seats out and that was our delivery van.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:46:31 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I hired an old high school friend of mine, Steve Harrison, to be our first employee and salesperson. He would help bottle during bottle days and he would drive the van around and trying to sell beer. If you go back to, you know that era.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:46:47 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[There wasn't a lot of options for draft beer, so if you went into a normal bar they might have one or two or, you know, maybe 3 taps. But it was normal just for one or two beer taps. So we actually did not go into the the bar trade at all. Initially, we at least not on draft we we just said there's not enough.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:08 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Money. There are not enough tabs.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Right.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So we priced ourselves at the the highest price we thought we could get by with. We did no market research, we just.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:18 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[What was the price?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:19 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[$0.85 a.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:19 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Bottle.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:20 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And that was at that time in 198081 that was expensive.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:24 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[For a bottle of beer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:25 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[That was what the, you know, the the higher priced inputs are selling for on the shelf. So we thought well we're going.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Price ourselves and stylistically try to be like unique import beer.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:36 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And and you were just going like, how were you distributing this? I mean, it was presumably it was just you guys, right?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:43 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, man, we we just drive around and go knock on bars, restaurants, supermarkets, wherever and try to see if we can convince them to buy a case of 24.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:55 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Models.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:47:56 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And were most of them dismissive, or were most of them like interested, or what was the reception you got?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:48:03 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[In our hometown, we we got at least quite a few of the bars and restaurants to take a case. So in the hometown and since we had been in the press a couple of times about this little brewery opening up, we were able to get some placements once we started leaving Chico and went to the Bay Area.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:48:22 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It was a real slog, you know. There was no craft knowledge that no Internet. You know, there was not a a way for a business that didn't have any money to get much notoriety. We couldn't pay for any of it. We were, you know, really fortunate that there were a few.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:48:42 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Riders who were intrigued by the whole startup of this craft beer scene and and started to write stories.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:48:48 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Including in the what in like the San Francisco Chronicle or like?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:48:51 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, San Francisco Examiner, actually, there was a, I think A5 page color spread on the the brewery, the Little Brewery in Chico. And that was just an amazing shot in the arm. We got this huge amount of publicity and we were also very fortunate there was.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:49:01 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Oh wow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:49:10 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[A beer buyer for one of the large grocery store chains whose daughter was going to Chico State, and so he would come up to visit his daughter and he was into beer. And so he'd come by the brewery and have a beer with us. And so he started.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:49:24 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To run some promotions for us without us really being involved or knowing about it, all of a sudden we get a bunch of calls from distributors with the, you know, wanting beer and and then the Grateful Dead. Actually it may somehow early on, got hooked into the beer and. And so when the dead would travel around.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:49:26](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow. Wow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:49:45 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We'd have to watch where their concert series were and and we get all these orders for beer ahead of them hitting town.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:49:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:49:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[How were you able to to produce enough beer? I mean, you right, if the demand was was starting to go up?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:01 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, so my business plan called for us to brew hopefully 2500 barrels of beer a year. I was able to brew 1210 barrel batches a month, so 3 brews a week. That was sort of for.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:14 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[For phase one and we had planned in an expansion to go up to 3500 barrels a year, doing some some more modifications of the facility, so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:25 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We did that pretty.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:27 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And our business model was so flawed that we couldn't survive that 3500 barrels of a beer year. It just was was not enough, you know, things cost more and there was always some financial need we hadn't planned on. So we pretty quickly realized we better we got to grow. We got to figure this out quick. And so I went.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:47 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Over to Germany, I think in.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:52 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The defunct brewery over there.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:56 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It was just a it was just like a a shut down brewery.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:50:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You just bottle their equipment out.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:51:00 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I bought their whole brewing side so didn't get their packaging equipment but bought the brew house and paid basically the scrap value $15,000 to buy all the equipment and we spent more more than that creating it and shipping it back to the US. I I went over with the high school buddy and we spent three weeks in Europe.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:51:04](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Great.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:51:20 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Them helping dismantle the equipment and getting it out of the building and and run another business plan and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:51:29 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Could not borrow money. Still, so we, you know, had this equipment sitting there in a crate, but we needed what we thought at the time was like $1,000,000 to sort of move into a new facility and to equip it with enough equipment to to use that bigger brew House. So it actually sat there for years I think.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:51:49 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Almost four years in a crate and we just came up with every way possible to expand production. So we knocked out walls, we took over other metal buildings in the little St. and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:51:50 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:52:02 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Put tanks outside and boot around the clock, so we eventually got the production up to about 12,000 barrels or a little less than 12,000 barrels in 87.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:52:14 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Were you just between 1980 and 1987, or maybe even longer? Were you just? Were you working like because you were the beer Brewer, right? You were actually the guy making the beer?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:52:26 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, I did all the brewing and all the packaging in the beginning, so I would brew three days a week and I'd package 2.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:52:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[This week and then as we got a little bit bigger, I was starting to focus on how to grow on expansion. So I was building tanks and welding pipes and adding things. And so I started to hire some growers and then hired, you know somebody to run.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:52:52 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Packaging so I could free myself up to to do all the the expansion side of the business.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:52:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Was was your day like? I don't know. What time does your day?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:01 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Start in the early days.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:03 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Oh boy.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:05 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[4:00 to 5:00.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:07 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow, you had to start brewing that early.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, start in the dark because in particularly as we grew, we needed to brew as much as we could. And so it was almost 24 hours a day. I mean, we we typically have operated 24 hours a day.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:20 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So something that we haven't discussed yet, but.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:25 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[There was, I guess, probably fair from a fairly early point, quite a bit of tension between you and Paul Camusi, your co-founder, from what I understand, like there was tension over work, work, commitment, like he, you felt like you were working 10-15 hours a day and and that he was working.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:46 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Fewer hours and and that tension seemed to kind of continue. What what happened between the two?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:52](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Thank.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:54 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:53:55 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, that, that there was certainly what what I felt and I think everybody around us who were involved in the business you know saw as well that you know there was a disproportionate amount of effort being put in. I mean my days were always longer than his and and more physical and so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:54:14 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[At one point, it became a critical issue between us and and we did end up adjusting compensation, so I was making.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:54:23 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Double what he was making. And so we we did try to address it, but you know, as the business grew and the value of the business grew and and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:54:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know, we were.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:54:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[5050 partners it it started to feel that I was doing it. Disproportionate amount of building value in the company and so we started to have.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:54:43 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Discussions in the late 80s of this is something I'm I'm not going to continue doing for much longer and we've got to come to some resolution so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:54:55 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[As we moved into the new brewery in the late 80s and in the 90s, it became, you know, a bigger and bigger sticking point and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:05](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:06 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Were you were the two of you was.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:09 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It uncomfortable at times. I mean, I imagine it was.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:13 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, it grew uncomfortable at times. Yeah. I mean, early on, he was. He lived in our house and he was just to save money. He was a roommate. But then as as things went on, it became a bigger and bigger friction friction.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:22 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:27 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Point.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:28 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You would go on to buy him out in the late 90s and I think you had to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:34 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You need to really take a bunch of loans to do that, because by that point the business was worth a lot of.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Money.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:41 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yep. So how did you do it?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:55:44 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, initially I didn't think that was a possibility. You know, I didn't have any money. And the thought of of going into debt at the kind of dollars that we were starting to have the company valued at was just it wasn't in my thought process but.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:04 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I can figure out how to do it.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:05 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[What were they valuing the company at that time in in the in the 90s, late 90s?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:09 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The valuations across the industry were absorbed all over the place, but also.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:13 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[They're going up pretty steadily and you know, 30,000,040 million, 50 million and this me buying Paul out took years to work through with attorneys. And so you know as that time went on, we were still growing and so the value of the business.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:33 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It's growing and you know, I had a really tough decision. Do I, you know, hamper the growth of the company in order to not have the number get bigger and bigger. So I could potentially forward it or do I do what I think is right for the business.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And and continue to grow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:48 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[It so yeah, it was a really.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:56:52 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Challenging time for me personally. You know, we were in a market that was sort of exploding from some of some of our competitors were making big moves and we were becoming pampered by our facility.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:57:10 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Why? What what? What was going on with that?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:57:12 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, the bury that I had designed.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:57:14 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And then in 87 and 88, when we moved into the new facility, I had designed for 60,000 barrels worth of annual capacity. You know, if I think back to to that time and that was more than anchor was producing and and they were the oldest of the sort of winners in the craft world and we had.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:57:35 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Produced a little over 11 or 1000 or 12,000 barrels or so in 87, and so I thought, you know, these if we could grow 4 times that big or more more than that, that would be an amazing achieve.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:57:47 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And so 60,000 barrels seem like a pretty lofty projection. And so our first year in the new facility, I think we brewed about 20,000 barrels or next year 30,000 barrels or next year 45,000 barrels and next year we are out of capacity again. And so we started doing.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:58:07 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Whenever we could, we put tanks outside. We added brewing equipment. We started brewing multiple times around the clock and I think we got to a point.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:58:18 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I think it was 1997. We brewed 363 days, 24 hours a day. We took Christmas and Thanksgiving off, I think and just other than that just kept going and and that's right when I was trying to figure out how to buy Paul out so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:58:37 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Very, very challenging period.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:58:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Did you have to go into into serious debt to make that happen?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:58:43 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, so we explored again. I didn't think it was possible for me to buy him out. And so we met with every.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:58:51 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The group you could imagine, you know, venture and lots of venture funds and you know, I have lots of dinners with groups that told me they were going to be my best friend. And but I got caution from other people saying watch out, you know, if things go South, you'll be in trouble. And so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I started having real angst about, OK, so I'm going to have a an investment group in as my partner. They're going to have some really tough metrics that I've got.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:22 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To meet to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:23 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Give them the returns they're looking for, and then they're going to want out in five or seven years and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:29](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yep.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:30 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I'm going to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:30 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Be right back where I am today, but in a worse place. So I, you know, really got cold feet about doing a venture deal.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:38 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So what you decide to do?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:39 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Instead.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So I had a really great attorney in San Francisco and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[00:59:46 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We started looking at alternatives and he brought in a friend of his who was very experienced with working with banks and structural deals and it was at a time when money was relatively easy to get compared to to how it had been and we got.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:05 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Couple of proposals from some banks and put together a deal that it was as much leverage as I would ever want to have on myself and the company and sort of just roll the dice and said, you know, if this goes.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:16](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yeah, yeah.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:22 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Well, it'll work. If it doesn't. You know, I I gave it a good try, and that was right. When if you look at a graph of the trajectory of craft brewing in America, it was that year that we did the deal that the bottom fell out and the growth rate growth rate had been slowing. But it essentially went down, I think to 1%.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:34](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Oh.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:43 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Growth across the industry the next?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:44 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Here and yeah, 98 I think 9890.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:45 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow in 99.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:49 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Why? What explains that?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:49 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[9 if you.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:00:51 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I mean, we're we're sort of there today again and who knows how will will come out of our current situation with the with the industry will will look like. But you know they were starting to be a saturation of of craft players, but the the the imports will probably sort of reasserted their place in the market. And so craft had been somewhat.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:01:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The Darlings during the late 80s and mid 90s.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:01:17 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Then I think that the imported beer started to realize that they, you know, had a place in the market and and pushed. And I guess the craft industry also lost a little bit of credibility. Some of the, the bigger players back then were contract brewing, meaning they weren't growing their own bear, they were going to one of the big Brewers.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:01:37 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And having their beer made and there was sort of an expose from some of the big Brewers saying, you know, here's who's really brewing your special graph, where it's being brewed at a, you know, at a Strong's brewery or or whatever. So that was.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:01:52 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Some negative industry PR that that also probably hurt the industry a bit.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:01:58 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So you, you're super leveraged and then beer sales kind of kind of kind of.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:04 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Fall, fall flat.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:05 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We actually came out of that in a pretty good place compared to a lot of our peers and and the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:11 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And was, you know, as we were going through in 63 days that year, we were starting to ration and not ship to all of our markets and not ship all of our brands and we had some pent up demand. So when we came out of that I I did do a big expansion right during that period of buying.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:32 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Paul out, which also added stress and debt to the picture. But we pretty much double the capacity that year.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:42 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And we were able to sort of immediately go into some of that pent up demand. So we grew I think double digits when the rest of the.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:52 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Industry was flat.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:53 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Wow.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:02:55 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[So we know what happened, right, because today, Sierra Nevada is the number 3.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:03:02 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Craft Brewery after same Boston Lager Boston Beer Company that makes Sam Adams and Yan Ling based in Pennsylvania when you can, when you think about, I mean the the just the incredible journey that you know you took right and the unlikely.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:03:20 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I mean maybe not unlikely because clearly you were motivated and you, you you were learning about different things, chemistry and machining and brewing. You were learning these things all all you know in a very deliberate way. You were talking to people you were finding mentors, you were going to visit.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:03:40 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know other breweries and and reading technical journals? Yeah, but still, to me, I I I don't know if I met you and.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:03:47 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[1980, when you were 25 working on Sierra Nevada. I don't know. I would have thought. I don't know. I don't know about this guy. I don't know if I would. I don't know if I would give him. I would know if I'd part with my money for to invest in this company. But you you built the third largest craft brewery in the United States Company, which which has an.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:04:07 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Enormous valuation. And I mean, do you know, do you think that this happened because of all those things I mentioned because of your work, etc.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:04:16 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Again, your commitment to to the craft. Or do you think a lot of it just?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:04:20 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Had to do with luck.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:04:24 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The the hard work part, I think was a good component. When I opened I mentioned. I think there were six of us and the five other craft Brewers that opened in that same era have all failed. Today I'm the last man standing so.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:04:41 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[We all sort of had an equal.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:04:43 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Shot at it.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:04:44 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Yes. Yeah, timing. I think we were, you know, at the right time and sort of American culture when people were looking for better, unique, different distinctive, you know, there were coffee roasters popping up and bakeries and the restaurant scene was starting to.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:05:04 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[To grow and but it you know the the work part of it, it's it's been a lot and you know it was a lot for me but a lot for my family.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:05:16 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[I mean we.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:05:17 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[My kids grew up in the brewing industry. I have two children still active in the brewing industry. My son's out in North Carolina and my daughter Sarah's here in in Chico, so it's been a family business, but it's not an easy business. And even though a lot of people think being a Brewer is romantic.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:05:36 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[You know, it's been hard and it's going to stay hard and I think you know, we're still around because we we're passionate about beer and passion.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:05:44 Speaker 2](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[But having a great company.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:05:48 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Ken Grossman, founder of Sierra Nevada Brewing Company, the ongoing pandemic, won't be the first crisis that's impacted the company and the community. At the end of 2018, the camp fire destroyed the town of Paradise, CA, which is the next town over from Chico and about 60 employees of Sierra Nevada.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:08 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Lost their homes? Ken responded with a Relief Fund in Sierra Nevada, brewed a special beer called the Resilience IPA. All proceeds from that beer were donated to the Long term relief effort.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:25 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[And thanks so much for listening to the show this week. You can subscribe wherever you get your podcasts. And by the way, if you've got a business that's working on.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:33 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Ways to tackle.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:34 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[The global economic and health crisis, please let us know we may feature it on our how you built that segment. Go to build dot.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:42 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Npr.org to tell us your story, you can also write us at hiit@npr.org and if you want to send a tweet, it's at how I built this or at.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:44 Speaker 3](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[What?](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Guy.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:52 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Raz, our show.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:53 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[This week was produced by Neva Grant and Rachel Faulkner, with original music composed by Rentina album.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:06:59 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[Thanks also to Candace Lim, Julia Carney, Casey Herman and Jeff Rogers. Our intern is rainy toll. I'm Guy Raz, and you've been listening to how I built.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:07:09 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[This.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[01:07:13 Speaker 1](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)

[This is NPR.](https://1drv.ms/u/s!ACuE0Z-4JoB_ggM)