

Buyers in Craft Brewing - Doug Cycle Brewing

Beer distribution in the state of Florida, we have a standard three tier system, which is all a remnant of prohibition. We have the producers/manufacturers, the distribution companies, and then the retailers. And crossing those tiers is a very big deal. There's a lot of paperwork, a lot of taxes, and a lot of laws that get in your way.

So for us, we started our own distribution company, my sister owns the distribution company. It allows us to keep control of our product, which was extremely important to me, having worked at Cigar City and seeing-- my job is to get the beer in the kegs and onto the trucks and then it goes out into the market and I have no control over it at that point. JJ Taylor owns the product and they sell it to the retailers. They do a good job or bad job, I can't fix it. I'm not allowed to, oh, they didn't deliver a keg. I can't go pick one up at the brewery and take it to the retailer. That's against the law. I have to get JJ Taylor to do it. And then they may or may not do it.

So that was something that I wanted to avoid, especially being small. Because beer distribution companies are set up and they used to be actually owned by Miller, Coors, Budweiser, and that was deemed illegal so that kind of broke down. But that's still what they're set up for. That kind of volume.

We only have, maybe, 20 different brands and that's how our warehouse is arranged. But when you start throwing a couple of half barrels, a couple half barrels of that, maybe one [INAUDIBLE] of this, A, they don't know how to organize it in their warehouse because they're not set up for it. And B, when it comes to delivery, you're talking about delivery drivers who don't know beer. They don't know what the stuff is. They think it's on there and if it didn't get on the truck, they don't know if it's on the truck and they don't know what it is. It may just sit on the truck and not get delivered. It's really frustrating.

So being able to keep control of our product from production to the retailer was extremely important to me and that's why we went the route we did with having starting my sister's company, which is owned by her but I'm an independent contractor. So I'm actually putting the tags into my Volkswagen bus and delivering them to the retailers. It's a legal dance.