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Beer Goggles: Looking at Colorado’s Cultural, Economic, and Social Developments in the Late Twentieth Century through the Lens of its Brewing Industry

By
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A rush of both refreshment and relaxation follow the sip of a freshly poured beer. But the essence of beer transcends these simple sensations. The differences in a beer’s production, ingredients, and origin, in many ways defines, not only the taste of the beverage, but also those responsible for brewing it and those who drink it. The sentiment, “You are what you eat or drink,” echoes the idea that what one consumes reflects the values, beliefs, and habits that person holds. Indeed, one can learn a lot about a person by looking at the beer that she or he drinks. One of the places renowned for the brewing and consuming of beer in the United States is Colorado.

In Colorado, beer production now commands a position as one of the highest job growth sectors in the state. How this industry rose to such prominence as well as how beer became important both as an economic stimulator for the state and as a cultural marker presents a fascinating point of inquiry. Although Coors initially comes to mind when discussing Colorado beer, citizens of the Rocky Mountain state continually assert the importance of craft brewing as part of the state’s identity. Through the study of Colorado’s beer industry, one can see the change from blue-collar saloon, to hippy basement, to yuppie bar, finally culminating into an established part of Colorado’s cultural and economic landscape. These changes reflect the broader social and economic transformations of Colorado between 1978 and 2000. The history of beer serves as a lens to better understand the cultural, economic, and social changes that took place in Colorado during the second half of the twentieth century.

Before Prohibition banned the sale of alcohol in 1920, both Colorado and the United States had numerous artisanal and local breweries. During the 13 years of Prohibition, breweries that used their manufacturing plants for other goods or expended grains for things besides alcohol, such as ceramics and malted milk products withstood Prohibition. When they could legally produce beer again in 1933, these breweries, such as Anheuser-Busch, Miller, and Coors,
swiftly became the giants of the modern beer industry. Increasing competition for market share pushed these companies into expensive advertising and sponsorship campaigns. These campaigns primarily targeted sports such as baseball, football, and stock car racing to create a romantic image that drinking beer manifested a true American activity. Yet while the big beer companies have persisted to fight for economic growth and market domination, their substitution of cheaper ingredients lowered the quality of their products.¹

In the 1960s, popular counter-cultural movements such as “Back to the Land” inspired consumers to question big beer’s monopolization. In response, more people began to make beer in their homes and imitate the complex styles of European beers. Homebrewing became part of the counter-cultural movement and continued to flourish throughout the 1970s. In 1978, the U.S. Congress legalized homebrewing for personal use. The change in the law enabled the establishment of homebrewing clubs, associations, and magazines discussing ingredients, techniques, and philosophies. The community empowered homebrewers to expand their talents commercially into their own craft breweries. In California during 1969, Fritz Maytag bought and revitalized the Anchor Brewing Company. The brewery opened in 1896 and had served as a local community favorite in San Francisco, yet was declining in profitability with threat of closure until Maytag’s purchase.² Years later in 1978, with Maytag’s philosophy for local beer as inspiration, Jack McAuliffe founded the nation’s first microbrewery since Prohibition, New

Albion, in Sonoma California. In Colorado, a state with a strong presence of homebrewers, the
growth of both the population and economic opportunities throughout the 1970s and 1980s
created a beneficial environment for these new craft breweries to thrive. The rapid rise of craft
breweries rose nationally from Anchor Brewing and New Albion as the only two in 1978 to
1,509 across the United States in 2000. By the early 2000s during an American economic
decline, so many brewers had flooded the market and increased competition that more breweries
closed and merged than opened since the first years of Prohibition. Although the massive number
of breweries in 2000 pressured some breweries to merge or close, the surge of craft breweries
returned so that by 2016 there were 5,234 breweries in the United States. Colorado grew from
one craft brewery in 1979 to 334 in 2016. It currently ranks second only to California for number
of craft breweries in the country.

In order to study craft beer, it is important to define key segments of the industry, such as
craft beer, microbrewery, brewpubs, regional craft breweries, and large breweries. According to
the Brewer’s Association, “a craft brewer is small, independent, and traditional.” The
characteristic “small” requires that breweries produce no more than six million barrels (about
186 million gallons) of beer or less per year, whereas a “large brewery” produces more than six
million barrels of beer annually. To qualify as a craft brewery, breweries must be independent,
meaning no other industry member owns more than 25 percent of the brewery and traditional, which the Brewers Association defines as, “a brewery that has a majority of its total beverage alcohol volume in beers whose flavor derives from traditional or innovative brewing ingredients and their fermentation.” ⁸ In addition to the craft beer requirements, a microbrewery must produce less than 15,000 barrels of beer annually. Beyond breweries, brewpubs operate both as restaurants and breweries. Although they can sell 25 percent of their beer from the brewpub, they must brew most of their beer for the purposes of the restaurant. Finally, a regional craft brewery is independent and makes 15,000 to 6,000,000 barrels of “innovative” or “traditional” beer.⁹ Colorado is home to each of the industry market segments including examples like Our Mutual Friend Brewing, a microbrewery, Wynkoop Brewing, a brewpub, New Belgium, a regional craft brewery, and Coors Brewing, a large brewery.

Colorado’s early beer history reflects the frontier environment of the Colorado Territory. In the mid-nineteenth century, beer provided a safer option than the regularly polluted drinking water. Two years following its original settlement in 1859, pioneers had opened six breweries in Colorado. Twenty years later, there were 32 in Denver.¹⁰ Because the late nineteenth century lacked adequate roads or railroads, transporting fresh beer across long distances was illogical. These smaller breweries in Colorado, similar to breweries across the United States, served their local population which compares to the local philosophy craft breweries maintain today.¹¹ Colorado’ most famous brewery, Coors Brewing Company, opened in 1873 with German

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⁸ “Craft Brewer Defined,” Brewer’s Association.
⁹ “Market Segments,” Brewer’s Association.
¹¹ Maureen Ogle, Ambitious Brew, 16.
immigrants, Adolph Coors and Jacob Schueler as its founders. The partners marketed their superior use of fresh Rocky Mountain spring water, and soon Coors became so popular that early Coloradans called it, “Miner’s Banquet.” Saloons sold both Coors amongst other Colorado beers. In 1890, while Denver, Colorado’s largest city, had 81 churches and 46 schools, 319 saloons covered the city. Both the rise of saloons and popularity of Coors shows the immense presence of beer in Colorado’s early frontier history.

Despite its popularity, citizens throughout Colorado pushed for the prohibited sale of alcohol in their individual towns until the entire state entered Prohibition in 1916, three years before federal Prohibition. While Fort Collins, a town about 65 miles north of Denver, had 13 saloons and five brothels in 1880, the clients of these businesses increasingly caused issues for the town. Courts convicted some customers of arson, adultery, and theft while wives protested how much of their paychecks their husbands spent at the saloons. The negative connotation surrounding the effects of alcohol took hold, and The Women’s Christian Temperance Union and Carrie Nation’s Anti-Saloon League organized in Fort Collins and throughout Colorado. When Fort Collins and the rest of the state granted women the right to vote in 1893, citizens quickly legislated prohibition 24 years before the federal Eighteenth Amendment. Fort Collins’s ban on alcohol lasted from 1895 to 1969. The push to outlaw alcohol spread throughout Colorado until legislation passed prohibition law in 1916. Unable to operate legally, prohibition ultimately closed saloons, breweries, and decimated Colorado’s early microbrewing scene.

In these intermediate years, the brewing landscape of Colorado changed dramatically. The barren and illegal market of Prohibition-era forced small but previously thriving breweries to close. Coors Brewing Company became the only Colorado brewery to withstand Prohibition because their facilities continued production, but sold ceramics and malted milk products instead of beer.\textsuperscript{16} To withstand Prohibition, Adolph Coors both lobbied to counter the movement and diversified into real estate, cement, and pottery made from the clay near his brewery.\textsuperscript{17}

When the federal government lifted prohibition in 1933, Coors Brewing Company quickly restarted beer production. By 1938, Coors tested interstate shipping to Arizona, California, Nevada, Wyoming, New Mexico, Kansas, and Oklahoma.\textsuperscript{18} They soon dominated the western United States market and sold their beer in cans for better freshness.\textsuperscript{19} In subsequent years, Coors, smaller than their large competitors, marketed themselves as more selective and prestigious than Anheuser-Busch and Miller. Adolphus Coors Jr. insisted on the use of rice instead of corn, a cheap ingredient A-B and Miller used, because of the better flavor it provided. In developing a new beer, both Adolphus Coors Jr. and his son, Bill, created a beer that was less fattening than their competitor’s, and in 1941 they released Coors Light Beer to the market. They grew to keep up with popular demand and continued with innovation. In 1950, they started cultivating their own strand of barley near the brewery, and in 1959, Bill Coors designed the word’s first mass produced aluminum beverage can.\textsuperscript{20} Coors Brewing Company set the standard for both light beer and canned beer earning their way to the top of the nation’s beer sales.

\textsuperscript{16} Kreck, ““The Napa Valley of Beer,”” 39.
\textsuperscript{17} Baum, \textit{Citizen Coors}, 11.
\textsuperscript{18} Ibid., 18.
\textsuperscript{20} Baum, \textit{Citizen Coors}, 149.
Following years of Coors’ dominance in the West, economic advances in Colorado and the post-Vietnam counterculture encouraged a change in the beer industry. The 1970s were an economically prosperous decade for Colorado. While the increasing price of oil from the 1973 Arab oil embargo stressed pieces of the national economy, it afforded Colorado with the unique opportunity to market their oil reserves. Colorado saw a huge increase in oil, gas, and energy companies, which invested in the oil shale ventures of western Colorado and built skyscrapers in Denver to be their headquarters.21 The investments from these companies multiplied both income and consumer spending throughout Colorado, thus building up the economic strength of the state.

In addition to the economic growth in Colorado, the post-Vietnam hippie culture of the United States manifested itself within Colorado’s borders. Nationally, the “Back to the Land Movement” gained popularity in the 1970s as a counteraction to American industrial farming and the monoculture and disconnection with nature it perpetuates. People escaped back to the land in the form of moving away from cities to a life of farming, ultimately trying to live a simple life away from what they viewed as an oppressive government and society.22 In this period, people became more aware of where their food came from, what was in it, and who was making it. Although many saw the movement as extreme, similar ideas spread throughout the United States. After pro-environmental literature like the New York Times bestseller, Silent Spring, by Rachel Carson in 1962, student protests, and public outcry following a huge oil spill in Santa Barbara, changes took shape in the creation of Earth Day in 1970, the Environmental

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Protection Agency in 1970, and the Consumer Product Safety Commission in 1972. Both Earth Day and these agencies worked to inform consumers about products and their effects on the environment and public health. While the “Back to the Land Movement” represented a drastic choice for people to counter culture by physically moving out of an urban environment, their ideas sparked a national cultural change throughout the 1970s affording more people a chance to participate.

Consequently, as the developing awareness of conscious consumerism filtered through the United States, it funneled into Colorado. As more of Colorado’s urban populations transitioned into the progressive cultural era, Boulder, Colorado began to embody this lifestyle. Boulder changed tremendously in the 1970s as a result of lifestyle politics, micropolitan urbanism, and hip-capitalism. According to historian, Amy Scott, the lifestyle liberals, which she defines as, “a coalition of college students, hippies, and urban environmentalists,” redefined Boulder with their embrace of “local participatory democracy, human-scale institutions, culturally authentic experiences, and recognition of environmental limits.” She argues that a majority of Boulder consumers developed a “consciousness commerce” where they grew to believe their product choices affected the environment, health, and social conditions. Consciousness commerce inspired companies such as Boulder Brands, and Horizon Organic to

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23 “The History of Earth Day,” Earth Day Network, accessed December 8, 2017, https://www.earthday.org/about/the-history-of-earth-day/?gclid=CjwKCAiAu4nRBRBKEiwANms5Wy3sfAF8MV5dG4uxC9kQvpneQuibRYxySnlkqyF6BhzFwOYEwsuQxBcQYQQAvD_BwE.
24 Acitelli, The Audacity of Hops, 35.
26 Scott, “Remaking Urban in the American West,” 2.
offer customers ethical products. Increasingly, the change in products and consumerism emulated how Colorado began to participate in the larger post-Vietnam counter culturalism.

Despite its dominating presence in Colorado, Coloradans and those who followed Coors Brewing publicly protested some of the companies and owners’ practices. Since its less prosperous days during Prohibition, Coors Brewing had strongly suppressed the strikes and formation of unions by their workers. Heavy opposition to this policy began when David Sickler, a business agent for Local 366, and the AFL-CIO, both who had worked in California on strikes run by Cesar Chavez, began a strike of Coors. Despite their efforts, Bill and Joe Coors outmaneuvered their strike in 1976 and maintain the policy today. As a result, Sickler and his colleagues spread word of Coors’ refusal to allow unions, its discriminatory practices against hiring homosexuals, Hispanics, and African Americans, and mounting support of conservative politicians and organizations. The AFL-CIO’s actions fueled a previous boycott which had started in 1966. A pamphlet describing the boycott asked readers, “Why Boycott Coors?” It proceeded to explain, “If you support civil liberties,” “If you oppose discrimination,” and “If you support the right of workers to organize” then you should boycott Coors. The publishers pushed readers to spread the word, not to buy Coors beer, to send letters to Joseph Coors, and to purchase “I DON’T DRINK COORS BEER” t-shirts. Those who boycotted Coors did not only boycott their discriminatory practices, but also their political affiliations. Dan Baum, a reporter for the New Yorker, writes in his monograph, Citizen Coors,

The Coors brothers, with Joe in the forefront, were dedicating millions to undoing the social, racial, environmental, and sexual revolutions of the late twentieth century. Joe had created the Heritage Foundation and a right-wing TV network, and he was one of Ronald Reagan’s first big backers. Moreover, Joe was

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27 Baum, Citizen Coors, 13.
28 Ibid., 177.
29 “Every Can Counts,” Pamphlet from the History Colorado Center Archives.
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strikingly public about his politics and philanthropy. He had made himself the
poster boy of the conservative movement, and now his company was replacing
grapes and lettuce as America’s most prominent boycott target. Segments of the
left that had either ignored or disparaged each other in the 1960s and 1970s –
blacks and feminists, union and gays, greens and migrant workers – were coming
together to bash Coors. Through its dedication to the politics of the Right, Coors
was ironically becoming the Left’s best organizing tool since the Vietnam War.30

The political practices of Coors’ owners severely collided with many of those
who practiced social and political activism in Colorado. In 1987, the congressional
committee called Joe Coors in to testify during their investigation on the Iran-Contra
affair. Growing awareness of their support to Nicaraguan contras had led to more public
denunciation, seen in an advertisement stating, “When you buy Coors products, do you
help them turn back civil rights, censure high school textbooks, weaken labor laws and
environmental protections, promote homophobia, and meddle in foreign affairs? Why did
Joe Coors himself for example, buy an aircraft for the Nicaraguan contras?” 31 The
official boycott lasted until 1987 when the AFL-CIO32 and Coors settled their
disagreements regarding the screening of homosexuals during the hiring process. Despite
this reconciliation, the more than ten years of strikes had an enormous impact on both
Coors’ reputation and Colorado beer. Coors’ share in California’s state beer market
decreased from 40 percent in 1977 to 14 percent in 1984. 33 As the cultural movements of
the 1970s affected how people chose what to consume, the demand for Coors decreased.

30 Baum, *Citizen Coors*, xii.
32 The American Federation of Labor and Congress of Industrial Organizations
Other options for beer were Anheuser-Busch, Miller, Schlitz, Pabst, 36 smaller German-styled breweries, expensive imports, or to make it oneself. The Coors boycott signals the rising awareness across the United States of who crafted products and whether they held up with the culture’s tightening standards.

Consequently, homebrewing emerged as a reflection of the cultural atmosphere of Colorado in the 1970s. Homebrewing simply existed as a smaller and cheaper “do it yourself” hobby enabling producers to know the ingredients they put into their own beer. However, even into the 1970s in accordance with Prohibition era law, it was not legal until October 14th, 1978, when President Jimmy Carter signed HR 1337 into law. The legislation enabled homebrewing fanatics, Charlie Papazian and Charlie Matzen, to establish a legitimate organization concerned with specialty beer. They created both the American Homebrewers Association and Zymurgy Magazine in Boulder, Colorado. The partners had met through their common interest in homebrewing and decided to make an organization that helped others navigate the tedious hobby. Homebrewing existed as the only domestic option for beer that was not similar to beer from Coors, Bud, or Miller. Although stores imported European beers, they were both incredibly expensive and not as fresh as something brewed at home. Papazian and Matzen found a dedicated audience in Colorado of about 1,000 homebrewers. Through Zymurgy, the pair reported news of new techniques, new recipes, and ultimately stimulated the knowledge and progression of

34 Maureen Ogle, Ambitious Brew, 300.
the growing microbrewing rebirth. The magazine, homebrewing clubs, and homebrew-centered events, enabled the hobby to mature and reflect Colorado’s hippie culture.

_Zymurgy_ and Beer and Steer parties echoed the hippie and homebrewing culture. _Zymurgy_ not only offered recipes and instructions for homebrewers, but also came with editorials. In their second volume during the summer of 1979, Papazian and Matzen wrote, “Traveling with Homebrew.” They argued that taking homebrew on adventures was practical and refreshing. The pair connect craft beer with the outdoorsy and adventurous characteristics of both Colorado and hippie active and outdoorsy lifestyle. While they negate the myth that only commercial beers’ cans can go on road trips and outdoor adventures, they affirm that home brewing could appeal to the active person too.

They put their theories into action during outdoor festivals like the “Beer and Steer.” In the foothills of Boulder, the event would host both homebrewers and beer enthusiasts while providing homebrewed beer. The festival grew and became an event where people could share techniques and recipes. In the back to nature spirit, participants roasted meat on an open fire and kept beers cold with snow transported from the mountains. In an interview with Charlie Papazian and Colorado Public Radio, Papazian stated, “It was an event that brought a community together, and that community didn’t exist until then.”

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37 Ogle, _Ambitious Brew_, 317.
As the number of attendees exceeded the capacity of Beer and Steer, Papazian and Matzen saw how essential an event-driven community was to the development of homebrewing, and they subsequently decided to take their events nationally. In 1979 they created the First Annual National Homebrew Competition.\(^{40}\) Both the competition’s tremendous popularity and the rising microbrewing trend inspired Papazian to start the Great American Beer Festival in 1982, which still occurs each fall in Colorado. The GABF enabled brewers and beer fanatics to share recipes, stories, and ideas. Speaking to the culture of homebrewing at the second annual Great American Beer Festival, Steve Harrison from Sierra Nevada Brewing said, “Basically, the whole idea of homebrewing and microbrewing is a reaction against the Budweiserization of America. There’s nothing wrong with Budweiser Beer. There’s nothing wrong with McDonald’s’s hamburgers or Holiday Inns, either. It’s just that every beer today tastes exactly like Bud and every hotel looks exactly like a Holiday Inn.”\(^{41}\) Through magazines like *Zymurgy* and events like the National Homebrew Competition, conferences, and the GABF, the culture of craft brewing and homebrewing in Colorado matured.

Papazian’s events provided an atmosphere where homebrewers could both meet and become aspiring commercial brewers. Two members of the American Homebrewer’s Association started Colorado’s first craft brewery since Prohibition, The Boulder Brewing Company. The two homebrewers, Randolph “Stick” Ware and David Hummer decided to start a brewery based off their increasing homebrew talent. They moved from homebrewing in their basements to their friend, Al Nelson’s, goat shed near Boulder. With handmade six-pack cartons,

\(^{40}\) Acitelli, *The Audacity of Hops*, 83.
\(^{41}\) Ibid., 108.
bottles, some simple labels, and their first three beers, (porter, bitter, and stout) they created Boulder Brewing.\(^{42}\) Although Stick and David were novices to craft beer, the limited number of experts set out to help them. The famous English beer writer, Michael Jackson, helped with recipes, Jack McAuliffe, the founder of New Albion in California offered advice on starting in the brewery business, and Jeff Coors offered his old bottling line, lab equipment, and some ingredients. In an interview with Tess McFadden, she stated, “Coors did not want to squash it, they really just wanted to help.”\(^{43}\) Not only did Coors want to help a new brewery, but Jeff Coors supported the brewery because he thought having two breweries in Colorado could benefit their legislative lobbying purposes.\(^{44}\) After settling in and entering the first American Homebrewers Association national competition, Boulder Brewing won a blue ribbon for their stout. In 1982, they joined 23 other breweries and attended the first GABF in Boulder. With their blooming success, Boulder Brewing built a new brewery and, in 1985 they moved from the goat shed to their current location on Wilderness Place in Boulder.\(^{45}\)

Boulder Brewing Company’s origins reflect the importance of homebrewing within the craft beer revolution. Papazian discussed,

> It’s remarkable that so many homebrewers have discovered their calling as professional brewers or have found careers in the beer industry through homebrewing. I’ve met hundreds if not thousands of beer distributors, bar owners, waiters, brewers, brewing engineers and marketing people who contributed to their knowledge and expertise through homebrewing. I’ve met professionals who work in some of the smallest and largest breweries in the world who began their career path through homebrewing.\(^{46}\)

\(^{42}\) Tess McFadden (Director of Marketing at Boulder Beer) in discussion with the author, July 25, 2017.
\(^{43}\) Tess McFadden (Director of Marketing at Boulder Beer) in discussion with the author, July 25, 2017.
\(^{44}\) Acitelli, \textit{The Audacity of Hops}, 77.
\(^{45}\) Tess McFadden (Director of Marketing at Boulder Beer) in discussion with the author, July 25, 2017.
\(^{46}\) Scheppach, “30 years of the AHA and Zymurgy,” 36.
Papazian strongly believed in this craft beer culture that in 1981, he held a brewing conference where panelists from Boulder Brewing and Cartwright Brewing from Portland, Oregon, spoke in a session called, “The Small Commercial Micro-Brewery in America—It’s Revival.” The brewers spoke about their experience opening a brewery. More importantly, the audience was eager to listen and learn how they could participate in this craft brewing renaissance.47

The second half of the 1980s saw a stifling recession which changed the landscape of Colorado’s economy. The same oil and gas boom that built the skyscrapers of downtown Denver and spilled wealth across the state came to a halt. As oil prices fell, oil companies decreased employment by one half and subsequently vacated office buildings around Colorado. When they increasingly lost these customers, the hospitality and service industries which catered to the oil workers, faced bankruptcy and foreclosure. Other industries soon followed.48 Airlines like Frontier, headquartered in Colorado met financial challenges and failures.49 Manufacturing businesses including iron, steel, leather, and rubber relocated away from Denver. In the agricultural sector, farmers and ranchers struggled with high land, energy, and interest costs, and the sugar beet industry collapsed.50 Not only did this downward trend have drastic effects on companies and industries in Colorado, but it also saw about 30,000 Coloradans lose their jobs between 1984 and 1986. The unemployment rate of Colorado rose to 8.5 percent, and the state GDP per capita fell drastically.51 The 1980s recession had a crippling effect on Colorado’s economy, saw the extinction of many Colorado industries, and challenged its citizens.

47 Ogle, Ambitious Brew, 317.
51 Ibid., 11.
Despite their increasing recognition, Boulder Brewing Company was not immune to the consequences of the economic breakdown of the mid 1980s in Colorado. Within this economic fall, Boulder Brewing Company lost $15,000 in revenue. In a 2009 interview with the local newspaper, Boulder Daily Camera, Ware reflected and said, “We were trying to make beer, we weren’t thinking about business or profits. We just wanted to make good beer.” Both founders, Stick and David, sold their shares of the company to investors who kept the company private and believed in its future.

Although Colorado’s recession in the late 1980s deeply affected the economy and population, the economy eventually started to improve in the early 1990s, and ignited the entrepreneurial spirit of Coloradans. The unemployed workforce, low housing prices, and low commercial real estate prices decreased the costs of starting a business in Colorado. The combination of the economic climate, landscape, and lifestyle enticed companies to move to and do business in Colorado. In an effort to rejuvenate the economy, the building of the Denver International Airport from 1989 to 1995 became the state’s largest construction project. With a budget of five billion dollars, it served to attract new businesses and people. The Denver Chamber of Commerce emerged as a group committed to the improvement of Colorado’s economy. In the 1993 Denver Post article, “Fortune 500 Spread Touts Joys of Denver,” Jeffrey Leib exuberantly states:

“The most interesting aspect of Fortune magazine's best-read issue is not the handful of Colorado-based companies in the list, but the $400,000 nine-page advertising supplement touting the economic wonders of metro Denver to readers around the world. Last year, Greater Denver Chamber of Commerce officials decided to use the annual Fortune issue to promote Denver International Airport

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and the recovery of the metro Denver economy to the international business community.”

The Denver Chamber of Commerce drastically pushed to advertise the state as an appealing and emerging community to start or relocate a company both for the prices and the active lifestyle Colorado offered. This period of economic revival welcomed new businesses, and invited the immense progress of the technology industry. IBM, Hewlett-Packard, Comcast, Quest, and Lockheed Martin represented the growing number of television, computer software, and biotechnology businesses that moved to Colorado. An extreme transition in Colorado jobs occurred in the 1980s as extraction occupations decreased while technology and high skilled jobs increased.

As the number of Coloradans employed in technology jobs doubled between January 1990 and January 2000, so did their incomes. With the economic boom of the 1990s, Coloradans saw a rise in personal wealth, and it became the highest ranked state in the United States for personal income growth. Money from real estate developments, technology, telecommunications, cable, and banking financed new affluent Denver and Boulder neighborhoods. The effect of the economic boom in Colorado included both an increase in tourists and people who moved to Colorado. The developing ski resorts of Vail, Aspen, Breckenridge, and Telluride attracted people from all around the globe, and increased knowledge of Colorado’s attractions. The recognition spread the word about Colorado’s low cost of living and outdoorsy lifestyle. From April 1990 to 2000, Colorado’s population grew by 30.6 percent.

from 3,294,394 to 4,301,261. Through the 1990s, Colorado experienced a transformative economic boom which bore new business ventures and increased both the wealth and number of its citizens.

The revitalization of the brewing industry reflected the economic upsurge in Colorado and its increased opportunity for new businesses. Although the breweries operated locally in Colorado, the expansion of craft beer in Colorado mirrored the waves of craft brewing across the country. The reinvigoration of Anchor Brewing in California in the 1970s stood alone in the first wave, while the second wave included breweries which opened in the late 1970s and early 1980s. In 1983, the Brewer’s Association (stemmed from the American Homebrewer’s Association) created the magazine, The New Brewer, to aid commercial start up breweries. Although many second wave breweries, like Boulder Brewing, had to sell, close, or readapt their businesses in the middle of the 1980s, the late 1980s and early 1990s saw an increase of investment and a massive growth of craft breweries constructing the third wave.

From 1984 to 1996, the craft breweries across the nation grew at a rate of more than 16 percent. Colorado’s advancement was slow prior to 1988 because Colorado prohibited breweries to distribute directly from their location. The breweries could not sell their products because they had to follow the three tier system of distribution, a system developed post-

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Prohibition to limit the influence of illegal alcohol producers. The three tiers include the producer (the brewery), the distributor (the warehouse and truck level), and the retailer (the liquor store). Three tier prohibited breweries from acting as retailer and producer. Following a change in three tier law in 1988, it became easier to operate and sustain a brewery because they could sell both directly on site and to a liquor store themselves.

Following the change in legislation in 1988 and the increasing support of Colorado entrepreneurs, the third wave of Colorado craft brewing began with Wynkoop Brewing and the brewpub revolution. Four friends, John Hickenlooper, Russ Schehrer, Jerry Williams, and Mark Schiffler started the iconic Wynkoop Brewing Company in Lower Downtown Denver. Victims of the bust of the oil and gas boom, John Hickenlooper and Jerry Williams, both geologists, had to sell their failed oil company. Russ Schehrer, an avid homebrewer, came from his position as a computer programmer, and Mark Schiffler previously worked as a chef for a different restaurant. The group designated Schiffler as the head chef of the restaurant portion and Schehrer as brewmaster. Schehrer had recently won “Homebrewer of the Year” from the Annual National Homebrews Conference in Denver beating 700 competitors. Despite Schehrer’s experience in homebrewing beer, Hickenlooper conceived the idea of starting a brewpub after his trip to Berkeley, California. He toured Triple Rock and noticed that the beers from the pub contained less fizz and more flavor than the macro beers. After he convinced his friends to join in, they combined their finances. Hickenlooper used money from his failed oil company and a $125,000 loan from the city of Denver. Although becoming the first brewpub in Colorado created a sense of excitement, the brewers still had difficulty in convincing banks to finance

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66 Kreck, ““The Napa Valley of Beer,”” 40.
them in Denver’s economic state. Russ’s wife, Barbara Schehrer in an interview with *The Colorado Springs Gazette* stated, “It was hard to sell the idea. You tell the bankers that you’re doing a restaurant in Denver and they show you the door.” Even Hickenlooper’s mother refused to finance his idea. Finally, the Women’s Bank, an institution that was willing to take a higher risk than other banks to fund entrepreneurial ideas, agreed to invest in the brewpub. Hickenlooper continued to convince 33 investors to join. In 1988, after the legalization of brewpubs, the Wynkoop Brewing Company successfully established itself as the first brewpub in Colorado.

Following its creation, Wynkoop became a massive success and a model for the subsequent craft breweries in Colorado that could afford to open because of the maturing strength of the Colorado economy. Patrons flocked to the brewpub and within only two months of opening, it turned a profit. Sixteen months later, the brewers had returned a third of their $500,000 debt. In an interview with the *Rocky Mountain News* in 1990, Hickenlooper called his success a “novelty.” They increased notoriety especially in 1993 when Pope John Paul II visited Denver. During his visit, Wynkoop brewed Pontiff Porter, Basilica Bitter, Papal Pale Ale and Ale Mary, each an allusion to the Pope’s visit.

Shocked with their success, other Colorado entrepreneurs and beer fanatics followed Wynkoop’s lead. On the other side of the Rocky Mountains in Durango, Carver Brewing Company opened in 1988. An hour away from Denver in Fort Collins, both CooperSmith’s Pub

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67 Ansorge, “Brewpub Taps Denver Public.”
68 Ibid.
69 Steve Caulk, “Brew Pubs Starting to Pour Heady Return for Investors.”
70 Ibid.
and Brewing and the Old Colorado Brewing Company opened in 1989. The trend continued in the mountains as Breckenridge Brewing and Pub and Vail Brewing Company opened. The founders of Vail Brewing Company spoke to The Denver Post about the expanding popularity of specialty beers and brewpubs. They felt that the act of pouring fresh, custom-made beers right in front of customers stimulated the popularity of the flourishing trend. The founders planned to make their brewery the resort’s most popular tourist attraction aside from the ski slopes. They relied on the developing tourism of Vail where tourists could pay more for their desire to taste local beers. The brewpub business expanded across Colorado and the United States as the economy flourished. From 1988 to 1993, 55 microbreweries in the United States opened while brewpubs represented two-thirds of that growth. Colorado stood second to California in number of brewpubs.

Some Colorado entrepreneurs not only opened brewpubs, but also saw a unique opportunity in the spreading popularity of craft beer. Frank Day owned Concept Restaurants and founded the restaurants Old Chicago, Rock Bottom, and the Walnut Brewery. Although he ran Rock Bottom and Walnut as brewpubs, which brewed their own beer, Old Chicago featured the existing craft beer in Colorado. Old Chicago gradually provided more opportunities for consumers to try craft beer than in other restaurants. Day aimed to have both a wide variety beer and food menus in his restaurant. In 1990, Frank Day and his wife, Gina Day, purchased Boulder Brewing Company. As Gina ensured Boulder Brewing stayed independent of Concept Restaurants, she helped add a full service restaurant to the brewery and renamed it Rockies

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74 Caulk, “Brew Pubs Starting to Pour Heady Return for Investors.”
Brewing Company after the baseball team, Colorado Rockies. Her team changed the business model and began to sell out of state.\textsuperscript{75} Instead of increasing competition, the brewpub trend appealed to more people and drew them in to drink craft beer. In both Denver and Fort Collins, they generated more awareness of craft beer and, subsequently, more customers.\textsuperscript{76} Although the brewpub revolution started out small, rising numbers of entrepreneurs saw the success of both Wynkoop Brewing Company and the Days’ innovation, thus aiming to emulate their success in their own attempt at brewing craft beer.

Growing simultaneously with brewpubs, microbreweries opened in Colorado and developed the European, gourmet, and connoisseur characteristics of beer. The increasing number of people writing on the craft beer revolution classified microbreweries as “America’s incarceration of the European tradition.”\textsuperscript{77} The combination of the improved economy of the United States and the deregulation of the airline industry enabled more people to travel abroad. Increasing amounts of Americans could fly to European countries. While on their travels abroad, many people discussed their experiences in European pubs or breweries tasting the best existing beers in the world.\textsuperscript{78} Returning from their journeys, these travelers longed to have access to that beer again. Increasingly, the preference for craft beer grew into a preference for the taste, and the European influence. This concept manifested into two of the biggest craft breweries in Colorado, Odell Brewing Company and New Belgium Brewing Company.

\textsuperscript{75} Tess McFadden (Director of Marketing at Boulder Beer) in discussion with the author, July 25, 2017.
\textsuperscript{77} Ealy, “Getting Ahead Brewpub Biz.”
\textsuperscript{78} Acitelli, \textit{The Audacity of Hops}, 116.
Gathering inspiration from the United Kingdom, Odell Brewing Company became the first non-brewpub microbrewery in Fort Collins. In 1978, Doug Odell, found himself in San Francisco working for Anchor Brewing Company. He eventually left Anchor, finished school, and moved to Seattle where he met his wife, Wynne. After bonding over their affection for craft breweries in the area, they honeymooned to the United Kingdom in 1986. As they tried the diverse selection of beers in England, Scotland, and Ireland, they developed a deep passion for the English style of beer. The English style was typically an ale, a darker colored beer with more flavor than the lagers from Coors, Bud, or Miller. Their honeymoon inspired them to start a brewery, but they felt that the craft brewing market in Seattle was too saturated. Considering where to open a brewery, they contemplated Fort Collins, Colorado because Doug’s sister lived there, the economy was improving, the water quality exceeded expectations, and the presence of Colorado State University provided a populated consumer base for their brewery. After moving, Wynne applied to Hewlett-Packard while Doug started the brewery full time. They held a grand opening celebration at Old Chicago in Fort Collins in 1989 and by 1994, they had enough success that they could build a larger and brand new facility. The establishment of Odell Brewing Company shows how craft brewers found inspiration from European styles of beer and how Colorado’s amenities and economy attracted entrepreneurs.

Only two years later, the founders of New Belgium also experienced a European revelation. While working in Europe, Jeff Lebesch traveled to Belgium where he toured the

79 Having soft water, meaning barely any minerals, is essential in the brewing process. Fort Collins has impeccable water because of its proximity to the Cache la Poudre River which flows down from the Rocky Mountains and has no industrial use before Fort Collins.

Brea Hoffman (author of *Fort Collins Beer: A History of Brewing on the Front Range*) in discussion with the author, August 9, 2017.

country by bicycle. Quickly, the beer culture of Belgium captivated him, and he began to understand how deeply Belgian culture both cherished and celebrated beer. Returning from Europe, Jeff grew frustrated that he no longer had access to the Belgian-style beer. To remedy his frustration, he began homebrewing. He joined the Liquid Poets, a Fort Collins homebrewing society, alongside Doug Odell and other homebrewers. He grew to perfect his homebrews and entered the American Homebrewing National Competition winning both first and second place.\textsuperscript{81}

In 1991, both Jeff and his wife, Kim Jordan, founded the New Belgium Brewing Company in their basement. Following Odell’s draft-only and CooperSmith’s on premise-only approach, New Belgium made themselves unique by only selling bottles and focusing on Belgian style ales. Not only was this style unique to Fort Collins, it was unique to the United States. When New Belgium entered the Great American Beer Festival in 1993, there was no category that could include their style of beer. Scrambling, the Great American Beer Festival committee created a “Mixed, Specialty” category, and New Belgium’s Abbey beer earned the brewery its first GABF gold medal.\textsuperscript{82} By 1994, New Belgium ascended from the designation of “microbrewery” to the term “regional brewery” as they started brewing 28,000 barrels of beer annually.\textsuperscript{83}

The increasing success and popularity of craft beer inspired more and more breweries to open, but as more microbreweries opened with European inspiration, it limited the options of which new style to bring to the United States. In a 1993 \textit{Denver Post} article, Jeffrey Lieb wrote, “Microbreweries and brewpubs that produce fine European-style ales are no longer novel in

\textsuperscript{81} Brian Callahan (first employee at New Belgium Brewing Co.) in discussion with the author, August 9, 2017.
\textsuperscript{82} Acitelli, \textit{The Audacity of Hops}, 194.
\textsuperscript{83} Dick Kreck, “Fort Collins Breweries Friendly Rivals,” \textit{The Denver Post} (Denver, CO), December 21, 1994.
Colorado.” In response to this circumstance, Jeff Mendel, Eric Warner, Mark Lupa, and George Barela decided to open Tabernash Brewing Company, Colorado’s first microbrewery with a German theme. Although lagers, the beers which Coors, Budweiser, and Miller brewed, were not revolutionary to the United States in the same way as Odell’s or New Belgium’s ales, critics claimed the macro beers lacked both taste and color. Tabernash Brewing Company desired to make a lager more tasteful and dynamic than the macro lagers. They expanded into all Bavarian style beers, including lagers and Weiss beers, and claimed success at their first Great American Beer Festival. Tabernash’s establishment illustrates the transition from opening up breweries to bring European style to American to opening up breweries to complement the expanding desire for a gourmet and more complex taste in beer.

By the middle of the 1990s, the continuously improving economy of Colorado and the massive growth of craft breweries created prosperous pockets of microbreweries. In 1996, 71 breweries operated in Colorado qualifying Colorado as the state with the most breweries per capita. It contributed about one million dollars in excise taxes and added 3,000 jobs to Colorado from 1993 to 1996. Breweries became destinations for both tourists and locals. Specifically, in Denver, Wynkoop Brewing Company brought more people to Lower Downtown. Nothing else at the time drew them to that section of the city because it contained abandoned steel, iron, and grain buildings. The addition of brewpubs such as Rock Bottom and The Chophouse transformed the area into a popular bar scene creating the construction, “LoDo” from Lower Downtown.

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85 Leib, “Microbrewer Heady on Lager.”
86 Ibid.
87 Dick Kreck, “We’re No. 1 in Breweries, and Guild Aims to Spread Word,” *The Denver Post* (Denver, CO), May 22, 1996.
Furthermore, Coors Brewing agreed to sponsor the Colorado Rockies’ new downtown baseball stadium, Coors Field, in LoDo. The areas around Coors Field erupted with breweries so that in 1995, when Coors Field opened, Sandlot Brewing, Broadway Brewing Company, Champions, Denver Chophouse, Great Divide, Mercury Café, Rock Bottom, Tabernash, Wynkoop, and Breckenridge Brewery’s new Denver location all surrounded the stadium. The development of a brewing cluster benefitted this area in Denver as it brought consumers to an area previously subjected to disinvestment and deindustrialization. The presence of these breweries reflected Denver’s bourgeoning investment and entrepreneurship.

Similarly, in Fort Collins, the brewery count continued to increase. In 1995, the population of 95,000 people had six breweries. Five craft breweries stood in the shadow of the Anheuser-Busch’s warehouse that could cover 17 football fields. Although the Anheuser-Busch plant produced 510 kegs of beer an hour when craft breweries might produce one, the two coexisted peacefully. The craft brewers solicited both technological and business advice from Anheuser-Busch. The relationship was symbiotic because Anheuser-Busch pushed consistency and quality, while the Fort Collins craft breweries pushed experimentation and complex taste. The difference attracted different consumers depending on their desire for either consistency or experimentation. From chili beer, chestnut beer, Belgium sours, and English Ales, the Fort Collins craft breweries excited their consumers and grew in popularity.

Following this prosperity, in 1995, several Colorado brewers collectively established the Colorado Brewer’s Guild and cemented the communal nature of the craft brewers of Colorado. Tara Dunn from Great Divide and Jeff Mendel from Tabernash Brewing wanted the guild to

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89 Kreck, “Fort Collins Breweries Friendly Rivals.”
build recognition of Colorado craft beer both within and outside of the state. The creation of the Colorado Brewer’s Guild signified the emergence of Colorado craft brewing as an industry with more credibility than a handful of new microbreweries. Although the increasing advancement of Colorado’s economy and popularity of beer connoisseurship allowed for this recognition, a different and vital piece of the industry consequently grew in importance, the consumer.

As both the supply and demand of Colorado craft beer flourished in the 1990s, the change echoed an economic and cultural shift in the people of Colorado. As previously discussed, the average income and wealth of Coloradans increased in the decade between 1990 and 2000. More wealth afforded further Coloradans with the economic opportunities to pick and choose their products, sometimes demanding higher quality. In discussing Wynkoop’s success, Hickenlooper explained that with the expansion of Colorado’s middle class, consumers could afford to pay 20 percent more for a beer that “they perceived to be a high quality product.” An expanding economy and personal wealth allowed consumers to buy craft products in Colorado.

Although the presence of disposable income enabled people to buy craft beer, the existence of social capital pushed people, often upwardly mobile young urban professionals, to buy craft beer because of the cultural shift in the perception of drinking beer. Social capital is the sharing of norms and values which contribute to understanding and greater bonding with others. It can contribute to people’s perception that their peers are cool or innovative. As more people participate in a trendy activity, the cultural opinion of the activity changes. The prolific craft beer

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90 Dick Kreck, “We’re No. 1 in Breweries.”
91 Ibid.
supporter, Charlie Papazian, commented on the growing trend of drinking craft beer. He discussed the changing public perception and connotations of beer following the second and third waves of brewers. Papazian explained that beer did not represent “a workingman’s drink—take a six-pack to the ballgame, or sit and drink in front of the TV.” There was a development of beer as something to study or slowly taste. Comparatively, Mike Cassidy of The Mercury News in San Jose, California, wrote of the cultural shift:

See, these beers, lovingly created at small breweries and pubs that make no more than 60,000 barrels a year, are not brewskis, cold ones or suds. They do not travel down your throat on the direct path well-worn by years of Coors, Miller and Bud. They bounce around your mouth, hitting spots that no beer has hit before. You do not chug them, shotgun them or otherwise defile them. You don't even drink them, really. You taste them. Sometimes with "beer cuisine," which in no way involves peanuts or pretzels.

Cassidy described the dramatic shift in purpose and etiquette of beer from macro to micro. Craft brewing elevated the status of drinking beer as it became a craft or artistic expression from brewing to consuming. The brewers took the time and creativity to brew while the consumers tasted and savored their creations. Consumers could gradually become both connoisseurs and experts as they participated in this classy trend. The connoisseur culture pushed against those who drank Bud, Miller, and Coors, those who followed old fashioned traditions of beer. Many labeled these young urban professionals as “yuppies,” and rolled their eyes at their overpriced interests.

In the 1990s, participating in neolocalism served as a form of gaining social capital. Neolocalism is a movement which drives people to reconnect with local, personal, and unique

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94 Mike Cassidy, “Beer Boom.”
products and organizations in order to sustain an attachment to place.\textsuperscript{96} Similar to homebrewing, local products and organizations competed against national chains. The rise of farmer’s markets, “buy local” campaigns, and the establishment of farm to table organizations like Slow Foods reflected this shift.\textsuperscript{97} Buying local not only stimulated the local economy, but it contributed to one’s social capital. The social capital authorized consumers to seem more connected and dedicated to their community than someone who did not buy local. Microbreweries exemplified both local products and local organizations. Breweries could seem more local through both the names of their beers and marketing imagery. Steven Schnell and Joseph Reese write, “these names tend to reflect the places where they are brewed, and are derived from a wide array of sources: historical figures or events, local legends, landmarks, wildlife, or even climatic events.”\textsuperscript{98} Examples include Boulder Beer’s use of the Boulder Flatirons (a rock formation) on their labels and Great Divide’s allusion to the Continental Divide located in Colorado. Beside names and images, Colorado craft breweries often include maps, photos, and drawings of the state’s hiking trails, mountains, activities, and cities. Attending craft breweries became a tangible way to participate in both neolocalism and build social capital.

Despite the strong local consumer base in Colorado, non-locals could obtain Colorado’s beer by visiting or buying it in their own local liquor stores. While tourists visited the ski slopes or other attractions, they could easily stop by one of Colorado’s dozens of new breweries. The craft breweries in LoDo, Fort Collins, and Boulder along with Anheuser-Busch and Coors opened their doors for tours. One California newspaper named this the “trail to ale.” Visitors


\textsuperscript{97} Neil Reid, Ralph McLaughlin, and Michael Moore, “From Yellow Fizz to Big Bizz:” 116.

\textsuperscript{98} Steven Schnell and Joseph Reese, “Microbrews as Tools of Local Identity,” 54.
toured breweries throughout Colorado, seeing the Clydesdale horses, drinking complementary beer at the end of some tours, and learning more about the brewing process. Supplemental to beer tourism, the out of state market for Colorado craft breweries increased. In 1994, Stanley Holmes of the *Rocky Mountain News* wrote, “The booming success of Colorado's nascent microbrewery industry is old news. But what's different is that the thirst for Colorado beer has spread.” The founders of Lonetree Brewing, Jim Dallarosa and Ken Piel, told *Rocky Mountain News*, “Our first out-of-state customer was Minnesota. They came and sought us out.” Both out of state marketing and out of state request reflects the nation’s emerging desire for Colorado craft beer.

Throughout the end of the 1980s as the percentage of sales growth of craft beer increased more than big beer, the macro companies developed new strategies to engage in the change of taste. Before the third wave, big beer viewed craft beer as a fad, capable of fading away. In 1982, two companies, Anheuser-Busch and Miller, dominated 56 percent of the market for beer (A-B dominating 32 percent). But a decade later in 1992, the specialty beer sale growth from regional and microbreweries surmounted the growth percentage of major breweries. In response, major breweries studied and analyzed both the market and consumer preference. They found that their big company name recognition dissuaded consumers who positioned themselves against mass production and wanted the craft product. They also found that with the changing public opinion of alcohol in the 1980s after the increased research by the National Institute on Alcohol

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99 Carol Martinez, Something’s Brewing – Visitors to Colorado Follow the Trail to Ale,” *Daily News of Los Angeles*, (Los Angeles, CA), August 27, 1989.
103 Steven Schnell and Joseph Reese, “Microbrews as Tools of Local Identity,” 52.
Abuse and Alcoholism, people chose to enjoy one rich and tasteful beer, likely a microbrew, over binging on big beer brands.\textsuperscript{104}

As a result, macro breweries utilized several techniques. Large breweries brewed specialty beers and eventually opened their own subsidiary breweries with names resembling the idyllic style of microbreweries’ names. Distancing from the lager style, they developed wheat beers, ales, and Oktoberfest beers. Furthermore, Anheuser-Busch named their faux microbreweries Elk Mountain and Red Wolf while Miller named theirs Icehouse and Plank Road Brewery.\textsuperscript{105} In 1994, Coors opened Blue Moon Brewing Company in Denver. With its distributive power, in two years, Coors quickly distributed Blue Moon to all 50 states, something craft breweries could almost never hope to do with limited distributive access. In an attempt to distance themselves from their macro image, “Coors” never appeared on the Blue Moon labels.\textsuperscript{106} Maureen Ogle wrote, “‘They will not say Coors,’ announced a Coors official. “We want them to be disassociated from the Coors family. If people see a major brewer’s name on a micro, it loses some of the cachet that makes the beer interesting to begin with.”\textsuperscript{107} When breweries felt that they needed to go further, they started buying out smaller breweries who could use the partnership to increase productivity and expand distribution with the big breweries resources and technology. In 1994, Anheuser-Busch bought Redhook, a brewery in Washington which wanted to amplify their distribution.\textsuperscript{108} Although the specialty beers from big companies were more complex and had more flavor than their lagers, the true competition lied in the fact

\textsuperscript{104} Ogle, \textit{Ambitious Brew}, 322-326.
\textsuperscript{105} Ibid., 51.
\textsuperscript{106} Acitelli, \textit{The Audacity of Hops}, 224.
\textsuperscript{107} Ogle, \textit{Ambitious Brew}, 330.
that the opening of breweries aimed to blur the line between big beer and craft beer, thus confusing consumers who desired the craft image and taste.

These strategies angered some craft brewers as they called the big beer’s attempts, “phantom micros” or “phantom crafts.” Jim Koch, the iconic founder of Boston Beer Company in 1984 which grew tremendously and became one of the first “regional breweries” in the United States, called AB’s purchase of Redhook a “declaration of war” marking the end of “the cozy, fraternal days of the microbrewing business.” Despite Koch’s resistance, more microbreweries, such as Widmer Brothers Brewing in Portland, Oregon in 1997, sold part of their shares to companies like A-B in order to grow. Ultimately once they responded to the craft brewing renaissance, the big beer companies’ establishment of phantom crafts served to amplify the competition between craft beer and big beer.

Although faced with new competition, craft breweries continued to thrive. From 1995 to 2000, the craft brewery count in the United States increased from 794 to 1,509. In *The New Brewer*, a magazine published by the Brewer’s Association, Charlie Papazian wrote, the brewers, “educated the consumer about their product and company. One by one. Each microbrewery took the responsibility to educate their customers and the beer-drinking public. That’s one of the reasons why they succeeded.” While Papazian argues that the trust and relationship between brewers and consumers maintained craft beer’s vitality, Joe Martino, a senior executive of the large brewery, G. Heileman, argued that microbreweries were “a strong indicator of a far more encompassing national trend: the consumer’s willingness to spend more—lots more—to leave

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110 Ibid., 227.
111 “Brewery Data,” Brewers Association.
their traditional brands for wholesomeness, variety and novelty.”¹¹³ He added, “people are bored with mainstream beers…with a micro, they’re not drinking a brand at all, but an idea.”¹¹⁴ Through these comments about craft breweries’ resilience to big beer’s entrance into craft brewing, it shows how consumers which still bought from craft breweries valued supporting the local brewing businesses over their taste preferences.

Entering the late 1990s and into 2000, the craft beer market in Colorado hiccupped. The rapid expansion of craft beer led to a saturation of the market. Although many in the industry predicted it, the saturation still decreased the number of craft breweries nationally by 10 percent from 1998 to 2000. In a 1994 article in *Rocky Mountain News*, craft brewers such as Tom Odell of Odell Brewing Company and Brian Callahan of New Belgium Brewing Company discussed the quick development across the state. Odell lamented,

“Five years ago, startups were home brewers who scraped the money together, borrowed from friends,” Odell said. “It was a collection of people who believed in this idea. Now, I’m seeing the money is coming from established sources, the banks, investment people just because of the success of the industry in the past decade. Now, it’s more of a business, more of a marketing and sales business. Ten years ago, the motivation was to make good beer.”¹¹⁵

Odell criticized the financially driven brewers for not having the correct intentions in opening their breweries. Too many people opened breweries for the financial success instead of the beer’s success. In 1994, Brian Callahan simply stated, “I would suspect in another five years there will be a shakeout, and competition will be real stiff. Only the strongest will survive.”¹¹⁶ As Brian predicted, the craft brewing industry in Colorado

¹¹³ Steven Schnell and Joseph Reese, “Microbrews as Tools of Local Identity,” 52.
¹¹⁵ Stanley Holmes, “Colorado Breweries Spill Over.”
¹¹⁶ Ibid.
consolidated in the late 1990s. The annual growth in the domestic specialty beer industry dropped from 51 percent in 1995 to five percent in 1997.\textsuperscript{117}

Although many breweries in Colorado closed around 2000, some merged and others adapted to survive. Tabernash Brewing Company, the maker of German-style beers merged with Left Hand Brewing in Longmont, Colorado.\textsuperscript{118} Rockies Brewing changed its name to Boulder Beer Company and revamped the marketing imagery of their beers through their “Looking Glass” series with their flagship, Dazed and Confused.\textsuperscript{119} Odell and New Belgium pushed to create more beers and appeal to the consumer’s desire for innovation and new flavors. Despite these changes, Colorado’s craft beer revitalization remained stagnant until around 2004.

In the past 17 years, Colorado craft beer continued to reflect the changes in the state of Colorado. From 2000 to 2016, Colorado’s population grew from 4.327 million to 5.541 million people.\textsuperscript{120} This increase brought new talent, tastes, and cultures. The nine major industry clusters that drive Colorado’s economy in 2017 include aerospace, aviation, beverage production, bioscience, broadcasting and telecommunications, energy, financial services, healthcare and wellness, and information technology software.\textsuperscript{121} The

\textsuperscript{117} “Left Hand Knew Right Way to Turn,” \textit{Rocky Mountain News} (Denver, CO), March 21, 1999.
\textsuperscript{118} Ibid.
\textsuperscript{119} Boulder Beer Company could not return to its original name Boulder Brewing Company because while they were Rockies Brewing Company, a coffee company trademarked Boulder Brewing. Tess McFadden (Director of Marketing at Boulder Beer) in discussion with the author, July 25, 2017.
educated population, quality of life, effective transportation, and diverse industries draw these companies to the state, and the breweries have had to keep up with these shifts. What was once the unique hippie trend of homebrewing has blossomed into a billion-dollar industry. The overall beer market nationally in 2016 was $107.6 billion while craft beer increased from 2015 to 10% of this market at $23.5 billion. Craft breweries in Colorado contribute $3,037 million to Colorado’s economy.122

In the modern craft beer age however, with an increase of customers who have grown up with craft beer, breweries must stay innovative. “I don’t think the younger drinker is loyal to one brewery, there is never the same beer in the fridge,” said Boulder Beer’s marketing director, Tess McFadden.123 Through cutting edge brewing technology, events at the breweries, new beers, catchy names, collaborations with other breweries, and festivals appearances, Colorado craft breweries fight to stay culturally and socially relative while appeasing to the changing tastes of consumers. To compete, Anheuser-Busch InBev and big brewers continue to buy other craft breweries, most notably Goose Island in Illinois and Breckenridge Brewery in Colorado. In addition, Coors acquired the Canadian beer company, Molson, in 2006, and in 2016 they merged with SABMiller to create the world’s third largest brewer which is headquartered in Colorado.124 The wine,

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123 Tess McFadden (Director of Marketing at Boulder Beer) in discussion with the author, July 25, 2017.
spirits, and marijuana industries have also recently grown as competition to beer in Colorado.\textsuperscript{125}

Although the potential for industry saturation and subsequent shakeout like the one in 2000 continues to be a popular topic surrounding the breweries, some who have studied the business believe that the local philosophy and innovative nature of modern craft brewing ensures the absence of both a limit on breweries and a consolidation.\textsuperscript{126} In an interview with Brian Callahan of New Belgium, he expressed his hope that conscious consumerism would continue, he stated, “I like to think the consumer cares about who is making their beers.”\textsuperscript{127} Mr. Callahan’s thoughts describe the correlation between consumer care and craft beer history which surpasses Colorado’s borders and into the United States. This relationship reflects how while Coors and Anheuser-Busch still dominate football, baseball, and stock car racing events, more stadiums today than in the 1970s serve craft beer from small, independent, and traditional breweries throughout the country. This echoes the culture’s shift towards something more than a desire for refreshment and relaxation, but a change in taste and a craving for something holistic, complex, and delicious, something craft.


\textsuperscript{126} Samuel Bock (Beer Historian for History Colorado Center) in discussion with the author, October 18, 2017.

\textsuperscript{127} Brian Callahan (first employee at New Belgium Brewing Co.) in discussion with the author, August 9, 2017.
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