

Is there room for another craft brewer?

By John Remakel and Marcus Urlaub

Q As a long-time home brewer, I'm wondering if there's any space left in the Twin Cities market for another craft brewery, and if so what advice would you give me if I decide to quit my day job and brew for a living?

A Competition is significant. While trendy areas of town such as Northeast Minneapolis and Downtown/West 7th St. Paul may be reaching saturation, there are still pockets in metro neighborhoods and surrounding suburbs for craft breweries that have something unique to offer a specific neighborhood. With that being said, your beer has to add something to the market that isn't already over poured. In other words, you have to be really good at something—whether it's the newer sours and barrel-aged beers or locally sourced ingredients that combine for a fresh flavor profile. In addition, limited, high-quality batches, are a good way to provide some uniqueness.

We feel like there's less space for a production brewery that concentrates

on volume and distribution, because shelf space is limited (and competitive), plus we continue to see out-of-state breweries entering our market. These out-of-state offerings do not have a local taproom, but they are taking up shelf space in liquor stores and taps in restaurants and bars. Because retail sales produce higher margins, we are also seeing an increased focus on taproom quality and ways to keep patrons captive longer. Unique games nights, dog-friendly spaces and increased attention to food are ways to increase retail revenue. Greater focus on food, including scratch kitchens offering a limited menu or a symbiotic relationship with distinct food truck vendors help create an atmosphere where customers want to spend time (and money) at.

If you have the resources and skill, another option is to get licensed as a brewpub, where you can have an extensive menu and sell other beer, wine, and spirits. A successful brewpub will be food-forward with the ability to pair beer with the menu and attract beer and non-beer drinkers alike. For this arrangement to work, however, you need a restaurant concept that can succeed and you have to do beer really well.

A couple other bits of advice include: on the marketing side, become an integral part of your community/neighborhood and tie your brewery into community events such as Art-a-Whirl or other seasonal community gatherings; for real estate, consider looking into developers working on mixed-use properties; for funding, continue talking to community banks, private funding with private placements, crowd-funding and friends

and family, paired with traditional lenders. (Be wary of using credit cards and other high interest debt for funding.)

Q I have a really clever name for one of my small batch beers, should I get it trademarked?

A It's the "wild west" in terms of naming rights. There are only so many ways to say "hops" and "blonde."

And it's tough to come up with unique names that meet the trademark or copyright requirements. However, if you're selling your beer through retail outlets, you should look into getting the names trademarked. For nonproduction breweries that focus on retail sales, you may be able to get away with just trademarking your flagship beers. But do be aware of what other breweries are naming their beers and don't copy their names too closely. There are a lot of cease-and-desist letters floating around the industry, and you don't want to be one of the recipients. A thorough search on the front-end can save a big headache down the road. **FSN**

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