# What is hip?

## Newer, smaller breweries steal some of the 'cool' from old guard

by
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As new nano-sized breweries open for business at a breakneck pace, and as beer drinkers become increasingly surrounded by a plethora of small-label offerings that they've never tasted before, it beckons one to ask: Are big craft breweries cool anymore?

The short answer is *yes*. Breweries like Sierra Nevada, Dogfish Head, New Belgium, Stone, Lagunitas and 21st Amendment are still cool, even though they've ballooned from their microbrewing beginnings, and some of them (e.g., Dogfish Head and Lagunitas) have merged with or sold out to larger companies. These breweries, after all, still make the same beers that drew us in in the first place, and if something appealed to us 20 years ago, why shouldn't it do so now?

But, the longer answer is *no*. Big breweries aren't as "cool" as little ones. Small breweries, for starters, often are relatively new, making them novel and exciting to those who have never seen their name or tasted their beer. Smaller breweries tend to be owned by members of the communities they serve, which makes them personally approachable. Because small breweries often serve their beer directly from the brewpub and nowhere else, a fresh beer is all but guaranteed. (I've tasted many a stale beer from big craft brands I won't name.)

More important, small breweries tend to release a nonstop stream of new beers in small batches—a distinction from large companies that often are defined by a relatively narrow spectrum of core brands. Anchor Brewing Co. in San Francisco was one such larger brewery for years, but has managed recently to break out of its confinement to four or five brands and release a steady flow of new beers. Anchor's new identity has surely appealed to beer drinkers who expect diversity, and new beers, all the time.

Many large companies are following similar strategies in making new beers.

"They're trying to stay relevant," said Tom McCormick, executive director of the California Craft Brewers Association, who cited Sierra Nevada Brewing Co.'s hazy IPAs as an example of larger breweries trying to keep pace with beer trends driven by the nano-sector—which the Chico brewery's popular Hazy Little Thing arguably has.

McCormick says consumers are becoming conditioned to expect new flavors, styles and labels, making brand loyalty a dying concept in the craft beer market. There simply are too many choices to justify not exploring the options.

Little breweries are perfectly built to provide new beers at a pace satisfactory to the fast-twitch attention spans of modern drinkers. As McCormick says, "they're more nimble." At smaller economies of scale, smaller breweries have less production inertia behind any given brand, and releasing a new beer is often hardly more difficult than getting out the stepladder and writing it onto the chalkboard menu.

Ballast Point Brewing Co. is a clear example of a craft brewery that, saturated by size and success, nosedived. Briefly, Constellation Brands—owner of Corona—featured the San Diego brewery in its portfolio, having purchased it for a stupid and staggering $1 billion in 2015.

Then, people stopped buying Ballast Point's beer (notably, its flagship Sculpin IPA). McCormick thinks many consumers could actually taste the difference—a drop in quality due to production changes after the buyout. Many other consumers surely quit buying the beer simply because their beloved Sculpin was now a shelf-mate to Corona lager. Ballast Point was no longer cool. (More recently, a small brewery in Illinois bought Ballast Point for $18 million—and it's not clear just yet what this means for the cool factor.)

While large breweries like Sierra Nevada and Stone have the advantage of name recognition/reputation alongside experimental spirits, the smaller breweries are, to many consumers, new and novel. Often, that's all it takes to be "cool." □