

# Pittsburgh Brewing Aims to Return to Glory Days

CHRIS FLEISHER, Pittsburgh Tribune-Review

PITTSBURGH (AP) — Brian Walsh was hired to lead Pittsburgh Brewing Co. into the future, but he thinks often about its past.

Iron City beer was brewed the same year Abraham Lincoln was inaugurated president. It is the first point Walsh raised in an interview one recent morning, as he sat in his office inside the original brick brewery in Lawrenceville.

"We've been around since 1861," said Walsh, CEO of the company that makes Iron City and I.C. Light. "This is really an iconic brand that is deeply embedded in the Pittsburgh community."

The longevity of one of Western Pennsylvania's most famous exports isn't merely an interesting anecdote. Walsh considers it the most valuable asset as he tries to restore the brewery to its former glory.

Once a regional powerhouse that produced more than a million barrels of beer per year, Pittsburgh Brewing Co. is a shell of its former self that has struggled under a series of ownership changes — there have been four owners since 1991 — and evolving consumer tastes.

This year, the company is on track to produce at least 90,000 barrels of beer, mostly the flagship brands Iron City and I.C. Light. The volume is one-tenth of its output 30 years ago.

Among American brewers, Pittsburgh Brewing Co. was ranked 47th by sales volume last year, falling from 37th the year before, according to the Brewers Association. It was the fastest one-year drop of any brewer on the list.

"It is a tragedy," said Cris Hoel, an attorney specializing in the beer industry, and a former Pittsburgh Brewing employee. "It was a great brewery that was supported by its community."

A longtime executive in the beer industry, Walsh was hired last year after spending six years at Long Trail Brewing Co., a Vermont craft brewery that more than doubled its volume and revenue during his tenure. A cornerstone of Walsh's turnaround plan for Pittsburgh has been to rebuild the connection with the community by promoting its authenticity as a city icon.

"What we established last year, is we want to be a strong local brand that is considered a regional brewery in western Pennsylvania," Walsh said. "We want to be a strong regional brewery tied to the local community."

The strategy required some changes. Where previous management looked to

## **Pittsburgh Brewing Aims to Return to Glory Days**

Published on Food Manufacturing (<http://www.foodmanufacturing.com>)

---

expand sales in the Northeast and even overseas, Walsh wanted an intense focus on Pennsylvania and neighboring states. Previous owners tried to drive sales through marketing; Walsh wanted more people supporting the wholesalers as they promoted products to bars and restaurants. He cut the marketing department to a third of its size and grew his sales staff from one person before his arrival to a total of 10 today, seven of those in Pittsburgh.

Distributors have noticed.

"They have a new force and some new folks on the street that were not there in the past," said Ken Vecenie, of Vecenie Distributing Co. "People on the street is always a good thing."

The brewery has boosted its visibility around Pittsburgh through sponsoring fish fries during Lent, participating in beer festivals and building on its connections with Pittsburgh teams, particularly through its sponsorship deal with the Pirates.

But others question whether the company can sell itself as a Pittsburgh institution without having its brewing operations here. In 2009, the previous owners moved brewing to the former Rolling Rock facility in Latrobe.

Not only would the city's iconic beer not be made in Pittsburgh, but it wouldn't be made by the company's employees anymore. Iron City is "contract brewed," made by another brewery to Pittsburgh Brewing Co.'s specifications.

Pittsburgh employs its own brewmaster, Mike Carota, but otherwise has no brewing staff. Many former employees went to work for City Brewing, the Wisconsin company that contract brews Iron City in Latrobe. But today, Pittsburgh Brewing Co. is essentially a marketing and sales company with 20 employees.

The decision to move to Latrobe was based on practical considerations for more modern facilities, Carota said. Still, it upset a lot of people who felt Iron City was abandoning its roots.

"I thought it was crazy to move out of Pittsburgh," said Bill Sukitch, the former sales manager at Pittsburgh Brewing Co. who has since retired to Florida. "We never stuck enough money in there to keep the equipment modern. When you subcontract the brewing out of Latrobe, it's not Pittsburgh Brewing anymore."

Carota and Walsh disagree. Latrobe is still in western Pennsylvania, they said. It is not as though Iron City is being made in St. Louis and shipped back to Pittsburgh, Carota noted.

Walsh is aware of the controversy and said he hopes to bring some brewing back to Pittsburgh, perhaps with a small "pilot" facility on which Carota could experiment with new products.

Pittsburgh Brewing Co. has just expanded into the surging high-end craft market with a pumpkin ale, part of a new brand line called Block House Brewing. It is the

## **Pittsburgh Brewing Aims to Return to Glory Days**

Published on Food Manufacturing (<http://www.foodmanufacturing.com>)

---

type of beer that Pittsburgh might one day produce in a pilot brewery in the city, Walsh said.

For his part, Carota likes the idea of brewing in Pittsburgh again.

He has been with the company through its peaks and valleys and its various ownership changes, and watched as a younger generation of drinkers turned to other brands. He would like to invite them back.

"When you spoke of Pittsburgh, you thought of Heinz ketchup, Pittsburgh Steelers, Pirates and Iron City beer," he said. "It would be great to get some of that aspect back where people were proud of the beer."

**Source URL (retrieved on 04/19/2015 - 12:00am):**

<http://www.foodmanufacturing.com/news/2014/08/pittsburgh-brewing-aims-return-glory-days>