



Media Contact: Heidi Fendos, PR Counsel
414.403.0744 cell or heidi@fendospr.com

Sprecher Brewery Sales are up more than 250 Percent in Three Years Since New Owners Stepped In

Company's Product, which used to be only in the Midwest, now in 42 States

GLENDALE, Wis. -- When Randy Sprecher sold his brewery in January 2020 to a group of local investors, the brewery itself was often referred to as Milwaukee's best kept secret. It had opened in 1985 as Milwaukee's first craft brewery since the prohibition, but had kept a relatively low profile. Its root beer, which Sprecher had debuted in 1985 for kids on the brewery tour, was popular in Wisconsin. However, outside of the Midwest, the brewery and its products were pretty much unknown.

Growth

Under the new leadership of CEO and President Sharad Chadha, the new owners recognized this brewery's opportunity for its beers but more so its craft sodas and started to put things in place to increase its distribution. Today, three years later, the brewery has experienced an average growth rate of 35 percent year over year (CAGR) and sales have nearly tripled. Leading the way is Sprecher's hand-crafted fire brewed root beer and 20+ other craft soda flavors, which are consistently outperforming their competitors, making Sprecher one of the fastest growing craft soda brands in America according to IRI, a data analytics and market research company that provide consumer, shopper and retail intelligence.

Milwaukee's best kept secret is now in 42 states and can be found in retailers and channels such as Walmart, Meijer, Costco, Target, Kroger, Albertson, Safeway, Cub Foods, Jewel Osco, Hyvee, Dollar Tree, Total Wine, 7 Eleven, Kwik Trip, Menards, Ace Hardware, Blain's Farm and Fleet, and more.

According to Chadha, "In total over three years we have experienced a 270% percent increase in distribution. We're in more than 20,000 stores and have 100's of new accounts and expanded accounts."

To account for this growth the company had to upgrade its bottle line and added a new canning line and additional warehouse space. The number of employees has more than doubled 120 people, and the company has gone from running less than one shift to running two shifts per week, (four days, 10 hours per day) to meet demand.

What Makes Sprecher Unique

In a day and age when securing retail shelf space is highly competitive, what makes Sprecher craft sodas so desirable?

According to Chadha, "In today's world, people want an affordable indulgence. A special experience they can share with family and friends at parties and special events. Sprecher's craft sodas deliver this."

"I like to say, Sprecher represents happiness in a bottle."

He's not alone with this feeling. Nationally, Sprecher's Root Beer was recognized by the *New York Times* as the "No. 1 Root Beer" citing it as "A wonderfully balanced and complex brew."

In 2022, *Tasting Table*, a trendy cultural blog also rated Sprecher Root Beer number one; *Uproxxx*, a national culture digital magazine named Sprecher's Cherry Cola number one; and *Sporked*, the internet's source for the best food rankings, ranked Sprecher's Ginger Ale number two. All impressive honors.

Sprecher's craft sodas use superior, locally sourced ingredients, including pure raw wild-flower honey, that is uniquely fire-brewed in small batch kettles to deliver its "Best in Class" bold flavor.

This fire-brewing process, which is common for beers but almost unheard of for sodas, caramelizes the sugars inside the fire-brewed kettle, combining and releasing the high-quality ingredients that ultimately create its superior taste experience.

According to Chadha, this taste is unmatched in the craft soda category which is why Sprecher's craft sodas are consistently outselling other craft brands two to one in stores where it is sold.

Other Changes Helping with Success

Chadha says that while Sprecher Brewery is an endeared brand in Milwaukee for its distinct fire-brewed taste, several other changes are helping to ensure the company's positive reception with new customers throughout the US before they taste the product.

For instance, in January 2022, Sprecher transitioned all of its beer styles from bottles to cans with new labels as part of a brand refresh. According to Chadha, the cans weigh less and are easier to ship. They are appealing to consumers because they are more sustainable, more recyclable and easier to take to the beach, poolside or other areas where glass is no longer allowed.

The company has also introduced new craft soda flavors and recently unveiled 16 ounce cans for nine of its flavors – root beer, cream, orange, cherry cola, black cherry, Green River and three low-calorie options root beer, cream, and orange.

In addition to expanding the Sprecher product line, the company has acquired a number of small soda brands during the past three years including six soda brands from a Chicago-based company, including Green River, Black Bear, Caruso. Recently it acquired Olde Brooklyn a

regional craft soda brand. This helps Sprecher to enter into new markets by being affiliated with locals brands.

Looking Forward

When it comes to looking toward the future, Chadha is quick to recognize that while beer is how the company started, its best opportunity for future growth is in craft sodas and other craft beverages.

“We have a brewery license, distiller permit, winery license, and a SQF II food safety certification to create many kinds of craft beverages including sodas, beers, RTDS, hard seltzers, flavored malt beverages and more.

Plus, we are unique in that we are a vertically integrated brewery, production facility, bottle line, can line, warehouse and sales company. This allows us to do things faster with higher quality. We are adaptable to change in these uncertain times.

“Our goal is to have a Sprecher sip on every lip in America and with our rate of growth over the past three years and looking to the future we know this is achievable.”