Brewery tapped out

Flat sales call closing time for Louisiana Brewing Co.

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BREAUX BRIDGE — The Louisiana Brewing Co. is looking for an investor who can keep alive the dreams of its founders.

In the meantime, the Breaux Bridge-area brewery is no longer producing Plantation Ale, Cypress Golden Ale or the other labels it created during its four-year run, which began during the heyday of microbrewery startups.

"We didn't, in my opinion, have the right product for this area," said George Harris of Louisiana Brewing Co. "This is a Bud Light and Coors Light area."

The beer made fans in Acadiana, but by the time the company carved a place for itself on the shelves of local supermarkets and liquor stores, it was too late.

The company is now advertising on the Internet's Real Beer Web for an investor. Harris said the business, for all its troubles, has no outstanding debt and still has all its equipment intact.

"All you need is grain and some yeast," Harris said. You'll also need $325,000, although that figure is negotiable, Harris said.

Tapping in

Louisiana Brewing Co. was incorporated in October 1994 by Harris, fellow home brewer Ed Boudreaux and Caleen Lopez, former owner of the City Cafe on Jefferson Street.

They began with two brands — Plantation Ale, a brown ale that used Steen's Molasses for local flavor, and Vermilion Ale, a red ale. The company made its debut at the 1995 Festival Acadiens.

Quality Brands, which handles major brewery products in Acadiana, signed on as a distributor. As time progressed, Louisiana Brewing began making special label beers for the festivals like the German Fest in Roberts Cove and the Breaux Bridge Crawfish Festival. At the 1997 Crawfish Festival, Harris said, Louisiana Brewing Co. sold 26 kegs of its products.

The company also made private label beers for Lafayette restaurants like Deano's and Don's Seafood. Eventually, Harris said, private label beers made up nearly half the company's business, providing inroads into Florida Panhandle markets.

Karl Breaux, with Breaux’s Mart on Moss Street, removes the last two six packs of Breaux Bridge Beer Thursday from the shelves.

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Louisiana Brewing also expanded its own brand-name line to include beers like Cypress Amber Ale and Breaux Bridge Beer.

But the brewery's troubles began not long after its products began appearing on store shelves.

Trouble brewing

By the end of 1995, Lopez was out of the business and suing her former partners. In a lawsuit in 15th Judicial District Court in Lafayette, Lopez said the company's board had agreed to offer options on up to 25,001 shares of Louisiana Brewing at about 48 cents a share to the original incorporators in exchange for...
“sweat equity” needed to start the business.

Lopez said the company refused to sell her the options to which she was entitled. The company responded by saying Lopez had put up neither the sweat equity nor the $12,000 initial investment required of the original incorporators.

The lawsuit lasted nearly three years before the parties settled in June. The terms weren’t disclosed.

The company also faced another fight, this one for space on retail shelves.

Karl Breaux, owner of Breaux’s Mart on Moss Street and a self-described fan of Louisiana Brewing’s Plantation Ale, describes the challenge this way:

“I’ve got a 10-door cooler, which is probably the standard for grocery stores,” Breaux said. “We sell a thousand cases of beer a week, so if we’re going to carry it, it has to sell.”

Harris said the company switched to Reliable Marketing Inc., a Lafayette distributor specializing in wine and micro-brewery products like Shiner Bock and Abita’s Purple Haze.

With help from Reliable, the company increased its company label sales in retail outlets, Harris said. “But by then, our operating capital was gone.”

David Foote, who handled Louisiana Brewing’s account for Reliable Marketing, said he sometimes wondered if the company was suffering from what he called “management by committee” with no person clearly in charge.

“In a business, you need somebody to crack the whip,” Foote said.

Beyond the company itself, the heyday of microbrewery beer was going flat.

When Louisiana Brewing began, the Association of Brewers estimated the country had about 570 microbreweries and brewpubs, with a failure rate of less than 7 percent. The association said breweries that closed tended to be restaurant-brewery operations for which the failure could be blamed on the restaurant side of the business.

Now, Foote said, “there’s been a shakeout in the microbrewery business. It went from 700 to 800 microbreweries to 3,000 or 4,000. In the last year, it seems that about half of them have closed.

“In every region you have a strong regional beer. In Texas it’s Shiner Bock. In our region, it’s Abita.”