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### *Milwaukee Talks: Milwaukee Brewing Co's Jim McCabe*

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The Milwaukee Brewing Company started 17 years ago as a small craft brewing operation inside the Milwaukee Ale House, 223 N. Water St.

According to co-owner Jim McCabe, packaging beer at an off-site facility was always part of the vision, but one that took a bit longer to achieve than originally planned.

Six years ago, McCabe – who now owns the business with Jim Hughes – finally opened a craft brewery, Milwaukee Brewing Co., at 613 S. 2nd St.



"We always wanted to open a brewery in Milwaukee and do what the Klich brothers (from Lakefront Brewery) were doing or the Sprecher stuff back in the '80s," says McCabe.

The brewery was founded on principles of crafting and creating beers using local ingredients and suppliers in a sustainable, creative and innovative environment.

Today, the brewery offers 19 different beers and produces about 12,000 barrels annually.

Recently, OnMilwaukee.com sat down with McCabe and talked Milwaukee, family, big decisions and, of course, beer.

OnMilwaukee.com: You were working for a decade as an engineer before you went into the brewing business. How did this major career change evolve?

Jim McCabe: Yes, I was an environmental engineer for 10 years for CH2M Hill and I often traveled for business and for fun to Oregon, the state of Washington and Denver. I saw what was happening with craft beer in those places and as an engineer and a lover of the products, I couldn't believe Milwaukee – such a great beer town – was falling behind.

I wanted to take the West Coast beers and give them a Midwest slant. But in the '90s, it was tough. It was clear that if you wanted to just package craft beer, you would have to keep your day job. And I didn't want to do that, so we opened the brew pub. Then, it was really the only way to do it.

The brew pub was an excellent way to introduce people to full-flavor beer and to get our toe in the water and establish ourselves.

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OMC: Why was it so tough to sell craft beer in the '90s? Did consumers' tastes change that much over the years?

JM: I don't think the consumers changed. They were trending in the right direction at a fairly steady pace. The problem was retail stores had no where to put craft beer – or they weren't willing to make space for it. So there was little access and distributors didn't care much about it.

The other issue was there were a lot of breweries making bad beer, which turned people off so they went back to their yellow, fizzy stuff.

But slowly, people's tastes kept evolving and their interest in better beer continued to be there.

In the early 2000s, imports helped the craft movement with effective marketing and, in some cases, really good beer.

During this time, craft beer got better, had a chance to get its thing together, and people became used to spending a little more on beer because they were buying more imports.

Finally, the distributors started handling it and the consumer demand went up and the age demographic expanded. People of all ages were interested in drinking better beer.

But it was a long haul. When we opened the Ale House, we would try to serve a Louie's Demise – roughly a 39-degree ale – and people wanted it in a frosted mug. They thought it was too warm. It was brutal in those days. But now, it's totally different. Consumers are so much more knowledgeable. They pay more attention to beer.

It's really exciting. It's no longer a fad or a trend – it's a complete change in people's attitudes and understanding of craft beer.

OMC: So do you still own the Milwaukee Ale House?

JM: I do. I do not own the Grafton location anymore, however. We sold the business and the rights to the name.

OMC: Where did you grow up?

JM: Buffalo, N.Y. It was a great place to grow up. It has a similar climate to Milwaukee – it has a little more terrain – and a lot of square-block neighborhoods like Bay View or Riverwest or the East Side.

My dad was an engineer for Morton Salt and he was transferred to the Midwest, so we moved to the suburbs of Chicago. That's where I went to high school.

I moved to Milwaukee when I started at Marquette University. I loved the urban campus. I loved being in the middle of the city.

When I attended, Marquette was more of a commuter college than it is now, so most of the people I became fast friends with were from Milwaukee and they took me on a "back door" tour

of the city. I got to know Milwaukee in a very visceral, hometown sort of way. And I fell in love with the city and decided to make a career here.

I always thought I would move to the mountains. I really love Denver and the Seattle area. Then I had the chance to move there – I was offered what I thought was my dream job and the chance to transfer to Denver.

I thought about it. I had no kids at the time. All I had was myself. I knew that it was time to either move to Denver or to do something else, something completely different.

Few people (in the engineering world) understood my decision at the time. But now they get it. They see I'm working my ass off, but I'm having a lot of fun.

OMC: What were some of the reasons why you decided to stay and open a brew pub instead of move to Denver and take your dream job?

JM: I loved the idea of waking up in the mountains, but there just isn't the same vibe as there is here. And there's a permanence here that I really like. It seemed like there was a lot of transience in these other cities. Most of Seattle was made up of Californians and Denver was filled with people from all over.

And I kept thinking that Milwaukee had such a strong beer history, but very little exposure to craft beer at the time. I wanted to help introduce Milwaukee to the types of products I was falling in love with.

So, I decided to stay here and I figured I could always go back if this thing doesn't work out. People thought we were nuts, but I quit my day job in early summer and opened the Ale House in October.

OMC: Why did you pick Walker's Point for the location of the brewery?

JM: I really love this area. And at the time, there was so much happening on Kinnickinnic – in Bay View – and Walker's Point became this connector between KK and Downtown. With everything happening at the time, it just really made sense, even though it was years before the neighborhood became the foodie neighborhood it is today.

OMC: Where do you live with your family?

JM: We live in Mequon. We moved when my wife was pregnant with our oldest daughter. We now have three girls, ages 13, 11 and 10.

OMC: So you're the only dude in the house?

JM: Yep. Dad's got the ultimate garage brewery and a house full of women. Even the dog's a female. It's five women and me.

The girls are at the perfect ages. I really can't spend enough time with them.

OMC: Does being in the beer business and being a parent ever conflict?

JM: Not really. They get it. Although there was a picture that one of them drew for a open house that was of dad drinking a beverage and the word "beer" with an arrow pointing at my glass. Fortunately, their teachers know what I do for a living and that gets me a pass, I think, and the teachers aren't going to call social services.

OMC: Do you ever drink a "yellow fizzy beer?"

JM: Sure. I'll have a Pabst or a High Life occasionally. But it has to be the first beer of the day.

OMC: What is your relationship with other craft brewers in the city?

JM: I've known the Klisch guys forever. I love to see how they've grown. They make me proud as a commercial brewer. They were smaller than the Ale House once and it's really fun to be acquainted with their success. They are on their way to being in the top 50 for sales in the country. That's big.

Brenner Brewing just opened in the neighborhood, and I can't wait to see what (owner Mike Brenner) is doing. We love Mike and we've known him forever.

He popped in here when his brewery really started to come together and he asked how we felt about another brewery three blocks away. I told him it was great. We're creating a brewery district in Walker's Point. This is great for the neighborhood. For the city.

OMC: Can we have too many craft breweries?

JM: I don't know. As long as people do their own thing, I think there's plenty of room. People ask us all the time when we're doing a gluten free beer. We're never doing a gluten-free beer, nor a widely available root beer. If you want a gluten-free beer, try Lakefront New Grist. And Sprecher, of course, for root beer.

There are some markets where people are crowding in on each other and they end up in price wars and the craft market doesn't need that right now.

OMC: You recently rented space in your building to the Central Standard Craft Distillery. Can you share more about that?

JM: Yes. We thought about using the space as a tasting room for our products, but we thought this was a better plan.

They're running a micro still – similar to Great Lakes Distillery, but specializing in different products – and also serving our beer as well as other beer.

It's a great fit for us and helps to leverage the flow of the tour traffic or serve as a place to go for a drink when people just want to pop in, get a T-shirt and have a drink but not necessarily do the whole tour thing.

OMC: Your tour is different from other brewery tours. For one, you don't have a ticket system for beers and people can, more or less, sample as much as they want. I'm not complaining, but why is this?

JM: The main reason is because we want feedback on our beers. If we give them three tickets, chances are most people will pick the beers we already know our consumers like. We want to hear if they love or hate a beer we brewed on Thursday.

Does our system lead to abuse? It can. But we're careful. We know when to pour less.

It's very common to have someone show up to our tour wearing a Miller, Sprecher and Lakefront wristband. Sometimes we have to make a judgment call on whether they can have even one more beer.

But I also know that 20 percent of every tour is going to be our customer for life. That means a lot.

We also charge a little more for our tours. They are \$10. This slows it down. We need people coming who are truly interested in trying new beers, not just getting cheap drinks. And most people are there for the right reasons and loving it.

OMC: Your tour has a lot of interesting technical information, but not everyone appreciates that. How do you know how to provide in-depth info without boring half the crowd?

JM: That's part of the reason why we have a beer-in-hand tour. People aren't waiting for the end of the tour to have a drink. Also, we always make it clear people can leave the group and hang out at the bar if they prefer. Our philosophy is that we're gonna give you as much info as you can stomach – both technical info on brewing as well as the sustainability of our brewery – because we want people to walk away really understanding our mission.

OMC: Elaborate on the sustainability aspects of Milwaukee Brewing Co.

JM: Brewing is fundamentally resource intensive. Large quantities of water, huge heating and cooling needs, and packaging materials are unavoidable facts of our industry.

We've done a lot to counter this.

One of our boilers uses waste vegetable oil from the Milwaukee Ale House and other local restaurants which provides VOC-free energy. (VOC stands for "volatile organic compound.") In 2011 this furnished about 30 percent of the heating needs, and we continue to seek new sources of dirty vegetable oil.

The largest consumed resource in the brewery is electricity. We installed a system that reduces refrigeration electrical needs. The system combines all facility cooling needs into a central

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system that matches cooling production to the exact needs. Previously, every cooler or piece of equipment had individual systems that operate far more inefficiently.

The opportunity to purchase barley and other grains locally dramatically reduces the carbon footprint of shipping from far away. Our grains are sourced with Briess malting company, 75 minutes north of Milwaukee. Because of Milwaukee's historical brewing prominence, we are fortunate to have a leading supplier that can be considered local.

Although brown glass is the standard package for craft beer, centered on the consumer perception that it is the best package for beer quality and stability, unfortunately, returnable bottles are part of brewery history, as all glass is now single use.

The opportunity for responsible bottling is in the other support packaging. We source all of our printed six-packs, labels and boxes in the Midwest, mostly in Wisconsin.

The most exciting movement for us is the acceptance of the Craft Can. We installed the first "micro-canning" system in Wisconsin.

OMC: What's in the future for Milwaukee Brewing Company?

JM: We plan to remain fiercely regional. We cannot sell where we cannot drive in half a day. I'd also like to put some bees on the roof.

OMC: Is Louie's Demise your top seller?

JM: Technically, but just barely now. It's an awesome food beer and one of our original beers, but everything's catching up with it now and I think by next spring it will be in second or third place.

OMC: What do you like to do when you're not working?

JM: As I mentioned, I love spending time with the family. And I love Wisconsin's climate at any time of year and being outdoors. I love fishing, biking and actually, any time I get to pluck on the guitar after the kids go to sleep is always nice.

OMC: So, it's safe to presume you feel like you made the right choice, staying in Milwaukee and opening the brew pub and later the brewery instead of moving to the mountains?

JM: Yes. Milwaukee is the perfect sized city to be an entrepreneur. It's big enough to test what you're thinking but small enough that you aren't going to get steam rolled. Here you're always going to have a voice and an opportunity.