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WINE INDUSTRY BUSINESS JOURNAL: Winery Exchange wins contract to market Bavaria Beer portfolio

by [Jeff Quackenbush](#)
Staff Reporter

NOVATO – Winery Exchange has inked a U.S. import deal with a large European beer maker that will expand the alcoholic beverage developer's reach beyond the wine world and farther into the world of national-brand management.

At the beginning of this year, Winery Exchange's World Brews beer division picked up the contract to help redesign, reposition and market the portfolio of Holland-based Bavaria Beer, according to Harry Snyder, vice president of World Brews.

"We were selling over 1 million cases in the U.S., so this more than doubles the scale of World Brews overnight," Mr. Snyder said.

At some 80 million cases produced last year, Bavaria Beer is the second-largest Dutch brewing company, well behind the leader, Heineken. World Brews is marketing, promoting and distributing the Bavaria, Hollandia, Dutch Windmill, Dutch Crown and Bavaria Light brands.

"This is a shift," Mr. Snyder said. "In the past we've done corporate brand beers. Now we're getting into national brands with Bavaria Beer."

Corporate brands World Brews has created include Corona-competitor Cerveza Caguama and craft brew Tap Room No. 21 for The Kroger Company, the San Lucas brand for Albertsons and Taurino, Tesco's answer to Corona.

"Corona and Heineken are driving the import segment, and now we have brands that compete directly with them," Mr. Snyder said.

This private-label beer brand work prompted Winery Exchange, which was developing wine and spirits labels, in 2005 to merge with what was then called Latin Brews. Central American beer maker Cerveceria La Constancia hired Mr. Snyder in 1999 to build a U.S. distributorship called Latin Brews.

Winery Exchange has come a long way since its founders – CEO and President Peter Byck,

CFO and Business Development Vice President John Crean and Senior Vice President of Sales Phillip Hurst – left Golden State Vintners, which is now owned by The Wine Group. When they started Winery Exchange in 1999 it was a business-to-business Internet portal backed by \$25 million in venture funding.

A downturn in the wine industry over the next several years forced the founders to retool the company as private-label wine and spirits company at a time when retailers were clamoring for the higher profit margins that come with such control labels.

Today the company supplies more than 330 wines, spirits and beers to retailers and consumers in 22 countries. Revenue last year was more than \$40 million, and the company employs about 70.

Another \$5 million in funding came in October 2007.

For more information, call 415-382-6900 or visit www.wineryexchange.com or www.worldbrews.com.