Name of Interviewees: Peter Egelston and Joanne Francis
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Name of Interviewer: Theresa McCulla
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00:00:04 Theresa McCulla: It's April 7, 2018. This is Theresa McCulla of the National Museum of American History and I am interviewing Peter Egelston. Did I pronounce that correctly?

Peter Egelston: You did.

McCulla: Founder and president of the Portsmouth Brewery. And Joanne Francis, marketing and creative director of Portsmouth Brewery. Peter and Joanne are also former owners of Smuttynose Brewing Company. And we're meeting at Smuttynose Brewing Company in Hampton, New Hampshire. This interview is part of the American Brewing History Initiative, which is a project to document and collect the history of beer and brewing in America. So, thank you so much for your time. I have some questions to start about your, your early life. And Joanne, I'd, I'd love to start with you. When and where were you born?

00:00:41 Joanne Francis: I was born in Worcester, Massachusetts in 1959. I was raised in Millbury, Massachusetts, just outside of Worcester.

McCulla: And who were your parents and what did they do?

Francis: My mother is Dorothy Francis. Her maiden name is Dorothy Zailsky And my father's name, they're both still with us, is Richard Francis. And he was born in Worcester, Massachusetts. They're, they're almost 90 and 86, still living in the home that I was brought up in. My dad was a salesman in the dental industry and my mom was a stay-at-home mom.

McCulla: And what was it like growing up in that community?

Francis: Millbury is still, oddly, a very insulated, not ethnically diverse town, in spite of being right next to Worcester, Massachusetts, where there's a lot of diversity. And it was, you know, the kind of town that you could freely ride your bike and be out way past dark as a kid, and roam the neighborhood, and just a really rich child life, childhood, and, you do, you do all kinds of stuff that you now, you know, nostalgically look at in movies and, yeah. It was, I did, I did a lot of student government in, in high school. I played sports in every junior high, high school, and, college semester. And went to, you know, art, I majored in art in a small college in Paxton, Massachusetts. Art and design. Fine art, and, and commercial design.

McCulla: What drew you to that subject?

Francis: My life as a child was constantly making things in the back yard, and in the woods, and, and decorating, designing, making. I learned to make clothes by my, my babcia, my Polish grandmother, who worked in a sewing factory. And so, she taught my sister and I to, to sew at a early age. And, my mom is still an amazing cook. I was learning how to cook at a young age. And, it just, it, there didn't even seem to be a, a, any other ideas in my mind, that it would just be, I would be an artist. I would go to art school. I had a ability in that department.

00:03:26 McCulla: And do you remember the food and drink in your household when you were growing up. What was that like?

Francis: Oh my! Yeah. I'm, I speak about that all the time, because, you know, I, I had good friends that would come over and raid my mom's refrigerator because we always had the best food of all my pals. My mom cooked Middle Eastern food. My dad is Lebanese. And, and with her Polish-Lithuanian ancestry, there was just great food. The, the cooking jumped a generation and my, my babcia was a horrible cook. She only made good Sunday pork chops and pierogis and the rest of it my mom learned from her grandmother. And my mom just had a lot of beautiful food, and, you know, we also learned, it was the sixties, so T.V. dinners were sort of a cool thing. And, we did have that, and canned soup, but at the same time I was bringing, you know, leftover *golumpkis* to school lunch. And, you know, massive homemade turkey sandwiches, when the kids next to me were eating peanut butter and jelly. And, so, food was always just a big part of, yeah, not just in our household, but again, growing up in a community in Worcester where there were restaurants that celebrated a lot of the people that lived in the communities, a lot of the neighborhoods. And, and when I moved to the Portsmouth area in 1991, I was rather surprised at the narrow scope there was at the time in, in rest-, in the restaurant business around here.

00:05:16 McCulla: Do you recall, was beer part of growing up where you, where you were?

Francis: Alcohol in general, because it was also that sort of *Mad Men* era. You know, my dad was a salesman and he always was, had to have different bottles of scotch or bourbon for people that would come visit. Lots of wine to go with meals and absolutely, there was beer. But, you know, again, sixties, seventies, it was not a lot of selection. I started, I understood, I mean, I, I absolutely remember my first, and I might be jumping ahead for your questions, but my first craft beer I bought from a gourmet shop in Stockbridge, Massachusetts, when I was out with my boyfriend at the time. We went camping and I remember buying Anchor Steam Beer. And drinking that with him, camping, thinking, I had never had anything like that. I, I did use to sneak beer with my best friend behind, you know, the schoolyard, which was always a canned beer, of, I don't know, Budweiser, Coors, Miller, whatever it was we could get our hands on. So when I had that Anchor Steam, it was, I do recall being amazed by its taste. And then, I brewed with a co-worker a batch of beer, it was 1986 or '87, a young man. I was, I

was an art director at a magazine and he was a photographer and we brewed some beer. And, it was pretty cool. And I had never thought of that before, but.

McCulla: The Anchor Steam, do you, do you recall what year that was?

Francis: That would have been, yes, with Bobby Killoran, I would say that was around 1983 or ‘4.

McCulla: And how would you describe the taste of that beer?

Francis: The taste of it was the nuance of the, the, you, you could, it lit up in your mouth in a way that anything before that I had had was simply, you drank it to get a buzz. It was just, you weren't drinking it because you liked the taste of it. This was something that was separate and it, and it honestly, it was like, *wow*. Yeah, it just lit up. It was, it had a, a richness in a flavor that I hadn't before then associated with beer. And I, and I didn't have the vocabulary to be able to say, this is malty or hoppy or anything. I, that part I couldn't parse that for you, this, you know, this much time away, but I just knew that it was pretty fabulous.

McCulla: Great. We'll switch to Peter now.

Francis: Yeah.

00:08:16 McCulla: So, Peter, can you tell us when and where were you born?

Egelston: Yeah, I was born in 1958 in Darby, Pennsylvania, which is a suburb of Philadelphia. My father was in Wharton Business School at University of Pennsylvania getting his MBA at the time. He had been recently out of the Army at that point. So, when he finished his degree, he had a job lined up with a company that was based in Los Angeles that was in investment management. I mean, they still are. They're still around. And they sold mutual funds. So, he got hired out of Wharton, packed up his young family, which, at that time, just consisted of him and my mother and my older sister and myself. And we moved to California where we lived for, 'til 1963. And then he got transferred to New York. So, we lived in New York City from '63 to '66, and obviously I was a small child. So, I had very, sort of, small person memories of New York City from, from the mid-sixties. We moved back to California in '66.

McCulla: Where in California?

Egelston: Southern California. Just outside of Pasadena, on the east side of L.A. And, I lived in California 'til I was 19, when I decided I wasn't really a Californian after all, and I wanted to pack up and start over again. So, I moved to New York, 'cause it was a place I had some, some passing familiarity with. And I went back to school. By that time, I'd dropped in and out of three different colleges starting with U.C. Berkeley, where I spent a year. And interestingly,

Joanne mentioned her first experience with craft beer. My first experience was also with Anchor Steam Beer. It was a little earlier than that. It would have been in either late '76 or early '77. I was living with my cousin, because I couldn't get into student housing at Cal and he had an extra room in his apartment. He was a few years older than me, and he worked in "the city," in San Francisco. And he came home from work one night with a six-pack of this strange beer that someone had told him to try. And it was Anchor Steam Beer. And we both tried it. And we were sort of puzzled by it, 'cause it didn't really taste like what we sort of expected beer would taste like. And we, we had it. We enjoyed it. I don't think it was the, the revelatory experience that Joanne described. Partly because I think our frame of reference was different. Partly because I was probably still 17 at that point, 'cause that's how old I was when I went off to college.

Francis: And you weren't in love with Bobby Killoran, camping with him in the Berkshires.

Egelston: That's true.

Francis: Which is how I had mine. [Chuckles]

Egelston: Although I was pretty fond of my cousin, David.

[Laughter]

00:11:26 Egelston: He, he, I, he was my hero at the time. So, anyway. So, so anyway, I, I found myself in New York at age 19 and, just kind of living by myself, going to NYU, had my own apartment, and worked for a number of years as a hotel doorman on weekends. And eventually, after I graduated from college, I decided as a recently minted college graduate working as a hotel doorman was somehow beneath me, even though I was making a crap ton of money and was in the union and I got great benefits. So, I, I had this succession of more dignified jobs that paid about a third as much, and [Chuckles] that's, I don't know. In retrospect, that was not a good decision. But, anyway, one of the things I ended up doing, one of the many jobs I had during that time was I, I started teaching English as a second language at a little private language school in Times Square. And I really, really enjoyed teaching. I never had any concept of myself as a teacher until I got that job and I really took to it. So, I actually went back to school to get my master's degree in education and worked towards getting a permanent assign-, you know, a permanent appointment to a teaching position in the city schools. And I did. I, I was a high school teacher for a brief period of time in, in the New York public school system. And during that time, somewhere in that time, an old high school classmate of mine had moved to New York and the two of us had reconnected, and right around the time I graduated from college, he and I scraped together some money that we had and we bought a little apartment building in Brooklyn, in a neighborhood that, back in the, back at that point they just referred to as South Brooklyn, but, you know, today is Park Slope. And it was in a

neighborhood that was very distressed. Every third building on that, on that, on Fifth Avenue was a burned-out shell at that point, which is why a couple of twenty-something-year-olds could afford to buy a building there. And that became my home base. And during that same period of time, we drank a lot of beer, during those years. Again, we were young men in our early twenties. We had a couple of upstairs neighbors who were from St. Louis, Missouri, so they were devoted Busch beer fans. The Brothers Grimm. They were brothers, and their name was Grimm. And we had, we had one, we had a very rare thing in New York City, which was a back yard. So, we had these amazing cookouts with all of our friends. And again, lots of beer. But mostly, you know, back then beer was, I, I always describe it as beer with a lower case "b." It was a commodity. It was, you know, there really was no difference between, you know, even the regional beers like Rheingold and Schaefer and Schmidt's and all that. I mean, when I was in high school I drank a lot of beer, too. And back then it was Schlitz. That was a popular, that was the number one brand in the country in the, in the, you know, first half of the seventies. We had Mexican beer in southern California, but generally, unless you were a surfer and you went down to Baja, the only time people drank Mexican beer is when they went to a Mexican restaurant.

00:15:32 McCulla: Do you remember what brands?

Egelston: I do, actually. When we went to Mexico, 'cause we did that a lot, too, in high school, we would just, again, this is the seventies when parents would let a bunch of teenagers take off for a long weekend [Laughs] and go to Baja with no parental supervision. We were all feral children I think in the seventies. We would cross the border, we would buy cases of, Carta Blanca was a popular one. And that was kinda cool because the bottles were designed where you could open your next beer with, with the little, it had a little gnarled shape on the bottom of the glass bottle. So, you'd put your new bottle underneath and use the old bottle to twist the cap off. That, that was chain drinking, I think. We drank a lot of Bohemia, which is still my single favorite Mexican beer because it is still the most authentic, it still kinda represents the, the true, like, continental style, roots. Dos Equis was the beer that you would see in every Mexican restaurant, although it wasn't all that popular south of the border. And it was back then a true Vienna style lager, so when you poured it in a glass it was that lovely, you know, kind of brownish, amber, copper colored beer. They've, they've tweaked it and tinkered it to, to align with American tastes over the years, so it really doesn't remotely resemble the, the beer that I was drinking in the, in the seventies. The, the other Mexican beers that are popular today, especially Corona, Corona was, was the cheap beer that the surfers drank, 'cause it was really cheap and really bad. Same with Tecate. And those are beers that if you had a few extra pennies, you did not buy those beers. And, and I've always found it amusing over the years to see how, someone who grew up in that environment would see how Corona has become such a phenomenal thing in this country, which it's sort of a sidebar, but, but the, the ability for a beer to, to reinvent itself when it crosses an international border is, is kind of remarkable. You know, ask an Australian if they drink Foster's, and

they'll laugh in your face. Of course, they don't drink Foster's, you know? When we were, when Joanne and I were in Ireland, God, that was probably fifteen years ago, and back then we were told that Guinness had a real image problem in Ireland, 'cause all the young people thought it wa-, thought of it as the beer their grandfather drank. And the beer that everyone was drinking in the bars at that point during that visit was Miller Genuine Draft. But you had to get it in a bottle, because you wanted to show everyone how sophisticated you were with this, this bottle of beer. And that's the way Heineken built their business in the United States, was that little short green bottle. It was, you know, you'd never see Heineken on draft because what's the point? You want people to see that distinctive bottle. Anyway, sidebar. So.

00:18:55 McCulla: I wanted to back up, if you don't mind, ask two questions. One is, what appealed to you about teaching when you were a teacher?

Egelston: I think part of it was, when I think about it, I think part of it was that I always enjoyed being a student. And I always liked the give and take of the classroom. And I think that, that transitioned pretty normally. I also, philosophically, and, and this was actually equally true whether I was teaching ESL to, primarily to young adults who were in-, all recent immigrants to the country from, from all over the place, whether it was the Middle East or Asia or, or Latin America. A lot of it had to do with, with helping to empower people. And in the case of ESL, you're obviously empowering them with, not only language skills, but it's also a point of entry into the culture. Because a lot of what you talk about in an ESL class is, is, is cultural stuff, you know, 'cause that's the, you know, easiest subject matter to discuss. And, and teaching in, in, in just in a more conventional environment as well, a lot of it has to do with empowerment. And especially when you're teaching in the inner city with, with kids who, who are coming from, for the most part, very under-privileged backgrounds. It's very problematic in many cases, but, you know, at the time I was teaching, one of the things that I encountered, I mean I was a babe in the woods, and one of the things I encountered was people who had been promoted through the grades just, just 'cause that's, that was just easier to do that, and, than to actually make sure that they were getting equipped with the education and the skills that they would really need. And there, there are few things in my view more, kind of, disconcerting than seeing, usually it's a young man, you know, 16 years old, who's starting to look at the world as an adult more than a child and he realizes that he's 16, he's a junior in high school, and he can't read. And, and the kind of rage that, that, that expresses itself in someone in that situation and frustration, I mean, that's, that's a, it's a hard thing for a 24-year-old kid who, who's the teacher, you know, in that environment, to really even know what to do with, you know? But I, but I did find just the, the give-and-take, the interaction with students and that whole notion of empowerment is, 'cause I don't really subscribe to teaching as kind of opening the little lid and pouring information into people's brains. I mean, that's not, that's not really how people learn and it's certainly, in my opinion, isn't how people should be educated. But, I found that, that, and Joanne can probably,

you know, speak to this, too, that I've, I've found that over the years, being in business is, has also given me a great opportunity to serve as a, as a teacher, but in a different context. And, you know, something I'll say, I would mention, too, Joanne pursued a career in art. When I was in high school, I had this idea that I would be an artist as well. You know, I took all these art classes in high school and in college as well. But I came to the conclusion at a certain point that I had perhaps the temperament to be an artist, but I didn't have the talent. [Laughs] And I think that, I think that starting a small business in some ways gave me the opportunity to at least express that, that artistic urge in a, in a context where I actually did have some, some ability, as opposed to in a, in a context where I really was never going to excel. And, so just as a, I, I think, I think Joanne and I both have, have a kind of a creative temperament, although she has, she has access and, and has, has learned much more effective ways of expressing that, you know, that creative impulse. In my case it's, it's kind of always sort of bouncing around looking for a way to express itself.

Francis: Yeah, but sweetie, you do the, a lot of interpretive dancing around the house.

[Chuckles]

Egelston: That's right. No one was supposed to know that.

[Chuckles]

Egelston: I mean, so, so, I am kinda bouncin' around all over the place. We were, we were talking about kind of my career and beer and, and so on, so, I should.

00:24:09 McCulla: Yeah, and my, and the second question was how, to what extent the subject of your studies or that work led you into brewing?

Egelston: Well, I really blundered into brewing, really, really by accident. It was really on a lark. My, my former high school classmate, with whom we bought this building, he and I were roommates in Brooklyn for a number of years. And we saw an ad in the back of a magazine, and it was probably around 1980, or '81. Probably '81. Saw an ad for a homebrew kit. And neither one of us had ever heard of homebrewing before. And we thought, wow, geez, you can make your own beer? We, we thought it was just a really stupid idea, but we were intrigued, so we scraped together whatever it was, it was probably fifteen, twenty bucks, and sent away for this kit. And we got a big box in the mail, and it had a, a plastic 5-gallon tub with a lid and some plastic hose and a can of malt syrup, a little envelope of, of freeze-dried Red Star yeast, and this little plastic baggie full of, just, these awful, kind of desiccated hop flowers. [Laughs] It was, in retrospect, we were doomed from the start. But we followed the directions. The beer was really awful. I remember, I remember, I could probably conjure up exactly what it tasted like. It was a dark beer. It was very, very thin and over-attenuated. Slightly infected, so it

had a kind of a medicinal taste to it. And, and we, we obviously didn't get the priming quite right when we bottled it, because it was also not really well carbonated either. It was pretty disastrous. And my roommate lost interest immediately. He was just like, "I'm done with this. It's too messy. It's too time-consuming. And I can go across to the bodega and get a, you know, six-pack of, of Busch beer any time I want it." But I was intrigued and I, I started doing homebrewing from time to time, and at the time, there was only one place in New York City where you could buy homebrew supplies, and that was a winemaking shop on Mulberry St. in Little Italy. And they had all these winemaking supplies. And then way in the back of the shop, there was one shelf that had homebrew supplies. And, and again it was just malt syrup, powdered malt extracts, and, similar kind of hops. Just, you know, dried hop pellets or hop flowers. And, and more Red Star yeast. I mean, I think everybody back then used Red Star yeast, 'cause it really was the only available yeast for, for homebrewers at the time. And, and I bought a number of homebrew books, and I actually still have them. I, it's funny, I was, I was packing stuff up the other day and I found them. And, you know, so I've been thinking about the beer, the craft beer business, and the, the different ways it's evolved over time. And I know you're gonna ask about this later, so I can save some of this for later, but at the time, homebrewers were really focused on, well, I'll, I'll, the, the, the title of one of the books I bought sort of sums it up. It was called, it was a British book, 'cause there weren't any American homebrew books at the time. And this is long before Charlie Papazian wrote his *Complete Joy of Homebrewing*. So, the homebrewing books you bought were likely to be British, and the title of one of them was called *Brewing Beers Like the Ones You Can Buy* [*Brewing Beers Like Those You Buy*]. And, and, and early homebrewing, and I actually think this is an important thing, early homebrewing was all about emulating established, if not specific beer brands, specific styles. And a lot of homebrewers at the time, and, and the first generation of craft brewers who came out of that, that generation of homebrewers, really prided themselves on having mastered a fairly small repertoire of kind of classic beer styles. You know, a classic British ESB or, or, or a, or a best bitter, or a mild. Or a porter or a stout. If you were more adventurous, you might get into continental styles. Lager beers. Or, or continental ales, like Altbiers and Kölschs. But, but those are trickier because homebrewers don't really have access to very sophisticated refrigeration, so the idea of doing a cold fermentation, and again, this is long before people were setting up actually really sophisticated breweries in their, in their basements. So, that's why a lot of the, the, the first generation of brewers were really focused on, and, and Anchor's a good example, you know, they, they made this beautiful beer. They didn't call it an IPA at the time, but Liberty Ale was in fact a classic India Pale Ale style. And, I mean, nobody thought about Belgian beers back then. They were just way too exotic and impossible to, kind of, capture and emulate. And as, as, as homebrewing and craft brewing has gone through successive evolutionary stages, the focus has become sort of different. I think today, and I'll, I'll jump ahead just for this one thing that I'll say, this'll, this'll be me talkin' about the kids on his lawn. But, I think today we, we are looking at a generation of brewers who are coming in who are, who

are running before they can walk. You know? Someone will be interviewed before they, before they've brewed a drop of beer, and they'll ask what, what kind of beer they wanna make, and they'll, they'll say something like, "Well, you know, I wanna focus on, on barrel-aged fermentation." You know? "With, with wild yeasts and, and, and do, do kettle sour beers with lactobacillus," and all that. And, and my thought coming from that, that earlier place is, well yeah, but can you make a, a really great pale ale? And, I don't know if they can or not, but they're, they're, they're, they're sort of skipping past that, that concept of mastery. And, and with a culinary background I imagine you, you can probably see how if, if you don't have mastery in kind of the, you know, whether, whether you take the French cooking approach, and you master your basic sauces, or you, or you're doing something else, you, you, mastery has to be part of that, that, part of that early education, I think. And we're looking at a, at a whole generation of brewers that, that are just leapfrogging that process of mastery. And I think that the industry is going to pay a price for that. But again, we can talk about that later. But.

00:32:00 McCulla: So, in these early years, how did you evolve as a brewer?

Egelston: You know, I can't really say that I evolved a lot, except for the fact that I got certain basic things down, like, like the right amount of priming sugar when I bottled my beer, you know? I didn't, I didn't blow up bottles in the basement. You always hear that story. "Oh, my uncle Jeb used to homebrew. And, we remember those exploding bottles in the basement." Yeah, I, I managed to avoid the exploding bottles and the flat beer. So, I got the priming down. I got a little better at the sanitation. And, so I wasn't making infected beer. And I really was only just starting to dabble in things like, like, all-grain brewing when my homebrewing career came to an abrupt halt and I woke up one morning as a professional brewer. And that's where, you know, my, my story kinda takes a, an abrupt turn because I was teaching high school in, in New York, had a full-time job at a local high school. I was finishing up my master's degree. By that time, I was married, my, my former partner in the building had moved back to California and I had bought his half of the building from him. And my wife and I were living in the building. And I was on a career track, I figured, you know, this is what I'm gonna do. I have a home right in the city that I own. You know? I'm married. I'm on a career track. And then my younger sister and her boyfriend passed through town, and they were working for a company that, that promoted music tours, and they were, this was a big gig they had. They were doing the merchandising for the Jackson brothers' Victory Tour, which was in 1986 [1984], when Michael Jackson got together with his, with his other four brothers, and the Jackson 5 came back, and they toured the country, and they were playing, like, four nights at Giants Stadium. And Janet and Mark were running the merchandising for that. It was a big deal. So, we were sitting around my kitchen one night, drinking some homebrewed beer, and, and that reminded them of these places that they'd seen out in California that were little bars that made their own beer. And they were telling me how great these places were. There was one that had just opened up in,

they live in San Francisco, so they knew of a place in Berkeley. They had seen a place up in Mendocino County in Hopland. And one down in Santa Cruz. Those are the three places. Oh, the fourth one, which is the original one: Buffalo Bill's down in Hayward, on the East Bay. And so, we got to talking and by the end of the night we were saying, "God, you know, someone should do that on the east coast. And, and it should be us!" [Chuckles] Of course we had no experience. We had no knowledge. We had no money. It was kind of a stupid idea on the surface. But, a year later we were, we opened a brewpub in.

McCulla: [unintelligible].

00:35:25 Egelston: In, in 1987. In western Massachusetts in Northampton. And my sister still owns that place. And of course, a lot of stuff happened between that conversation at the kitchen table and a year later. But it happened pretty quickly. For me personally, it involved, you know, abandoning my career and my master's degree that I never finished. It was very expensive, 'cause it was at NYU and I paid for student loans for about ten years after that for a degree I never got. And, but it was really mostly Janet, but, but, but right after her, her boyfriend Mark, who did most of the legwork, you know, writing letters, making phone calls, taking field trips, you know, obviously way before there was an internet. And, and realizing that, jeez, maybe this is something we can do. In the, in the mid-eighties, it was a lot easier to borrow money. The economy was booming and banks were lending money to, what it seemed like at the time, anyone and every-, they lent money to *us*, they were truly lending money to anybody. And we chose Northampton because we had a, a, some family history there. My sisters and my mother grew up just outside of Northampton, and so our grandparents had lived there all throughout our childhoods. You know, our grandparents at that point were, were no longer in the picture. But, we knew that area really well. It, it's a college area. And it just seemed like a, a good place to, to start that business. So, we, we found a piece of real estate. An old brick carriage house that was slated to be demolished and just turned into a parking lot. And, we bought it and didn't turn it into a parking lot. And, built our brewpub there. Now, I became a professional brewer overnight because out of the, the four original partners, which were Janet and Mark and myself and my, that, at the time, wife, ultimately ex-wife, Cora, I was the only one who knew anything about making beer. And my knowledge was, was, you know, just a half an inch deep at that point. But, what is it they say? In the land of the blind the one-eyed man is king. So, I was the one-eyed man. And I was the, I was the, the brewmaster for that reason. So, I was on a really, really, really steep learning curve initially. And, but you know, at the time, everybody was. When we opened the Northampton Brewery in '87, there were, I think we were the 74th or 75th small brewery in the country. We all knew each other at that point, and frankly, with, with a few exceptions, we were all just wingin' it. You know? And, you know, the standout exception at the time, who is still a standout exception, was Ken Grossman at Sierra Nevada. I mean he came out of homebrewing, and he ran a homebrew shop, and you've probably spent time with him, but he's always known what he was doing. [Laughs] Or at least

he's given that illusion. And probably even when he didn't, everybody else thought he did. But for the most part, the rest of us were just kind of muddling our way through. And it was kind of a fun time, because everyone sort of had their own little superpower, whether it was getting suppliers to pick up the phone and answer their calls. That was a superpower, 'cause most of the suppliers wouldn't even want to talk to small brewers. They didn't see the point. So, most of us were buying our supplies from homebrew shops. And, but if someone got an inside track, like my friend Greg Noonan up in Vermont who I became very close with over the years, 'cause he opened his brewpub in '88, the year after we opened ours, but he was already kind of a superstar in homebrew circles, 'cause he'd written some amazing books on brewing that a lot of professional brewers, you know, were using as, as, like, operator's manuals. I certainly did. But Greg had a, had gotten, he'd lined up a, a, a, an arrangement with a maltster up in, up in Montreal to buy Two-Row Canadian malt. And that was amazing. So, we used to go up to Montreal and buy truckloads of bagged malt up there for our brewpubs. She's gotta go rescue these little monsters.
[Referring to dogs needing to be taken outside]

[Pause]

Egelston: Anyway, you know, someone else might've figured out how to use isinglass to, to clarify their beer. Someone else might've figured out how to effectively do, you know, things that most brewers don't even need to do today, like washing your yeast.

00:41:02 McCulla: What was the hardest thing to learn about brewing?

Egelston: You know, I think part of it, when I think about it, part of it with brewing is, brewing in some ways is not unlike baking. And baking, we were just talking about this over dinner the other night, about how baking and cooking, they're both things you do in a kitchen, but they're very different disciplines. Good cooks aren't always good bakers. In fact, they rarely are. 'Cause baking is a very exacting thing, you know? It's, it's, it's about being respectful of the recipes and, and adhering to procedures and so on, and, and, you know, Joanne is someone who's, I think one of those rare people whose both a really good cook like her mother and a really good baker. But, brewing in my view is more like baking than cooking. So, I think that, that part of brewing that you have to learn is, is learning the discipline, and learning that you, you can't play with multiple var-, variables at once, because if you come up with something you like, you, you don't necessarily know why you did it. At least back then, when everyone was kind of making it up as they went along, part of it, too, with, with, with brewing go-, making the transition from homebrewing to brewing on a professional scale with professional equipment is to also shed some of the habits that homebrewers acquire. One of them is, you know, homebrewers are obsessive with sanitation, as they should be, and as any brewer should be. But on the other hand, the solution that many homebrewers come up with, and I think we can, we can thank Charlie Papazian

for this, 'cause Charlie loves his bleach. [Chuckles] And, and, and homebrewers tend to use bleach like holy water, and bleach the bejesus out of everything, which will certainly solve your, your sanitation challenges. But on the other hand, when you're, when you're brewing on a, on a larger scale, and you're using professional equipment, you have to be very careful of, of how you clean and sanitize things. You can't use this thing where it says, well, if the instructions say, you know, an ounce and a half is, is the recommended dose, I'll just throw in another half-ounce for good measure. You, you can't do that. You've gotta, if, if the manufacturer's recommendations say dilute your, your, your chemicals to this ratio, you need to do it, 'cause they know what they're doing. And, and the outcome of improvising in that area is, is not gonna be good. But, some of the other things that I think, that I really value as a brewer, again, are things that I'm not really sure are valued as much at this precise moment in time in the market. Product integrity, which, which starts with quality and consistency, and consistency more than anything else. I remember when we first started selling beer at, at Smuttynose, you know, our wholesalers were always saying, "Your beer has to be consistent. Consumers want consistency." And I think they still do. But on the other hand, a lot of, there's, there's this idea that, that there's this sort of charming aspect of, like, you know, the, the inconsistencies, and, you know. Charming up to a point. But at a certain point, if you're going out and spending, you know, eighteen bucks on a four-pack of beer, and it doesn't taste like the same beer you bought the last time, you won't spend the eighteen bucks on that four-pack again. And, I think that's the other thing, too, that, that professional brewers, at least of a, of a certain generation, moved consistency way up to the top of the, the, you know, the list of priorities. Whereas, with a homebrewer, you, you're constantly tinkering around, and playing around. And it's, it's a very different set of imperatives, I guess. So, those are, those are some of the things that I think I, I learned that were different from, between homebrewing and professional brewing.

00:45:43 McCulla: Could you tell me about the, the founding of Portsmouth Brewery and then Smuttynose Brewing Company?

Egelston: Sure. I'll try and keep this as condensed as possible. When we opened the Northampton Brewery in the summer of '87, we, we felt like we were, we were on to something, you know? First of all, the concept of a brewpub was very novel in, in New England. There was one other brewpub in New England, which was the Commonwealth Brewery in Boston. So, this idea of this place that made its own beer was, you know, kind of put us on the map right off the bat. And we started to think that we, we wanted to do it again. We wanted to open a second location. That was easier said than done at the time, because at the time, brewpubs still weren't legal in most states. And in fact, strictly speaking, they weren't even legal in Massachusetts. We had opened under, with this sort of jerry-rigged provision, where we had two corporations, and separate entrances into the buildings, and we had all this stuff all vetted out in advance. And then the first, we opened in August, and when our licenses came up for renewal that, that same December, the Massachusetts liquor commission announced that they'd changed

their mind and they didn't want to renew our licenses after all. And that created this whole, you know, it was terrifying, 'cause, you know, our business was about to go up in smoke. We had to address that, which we did. And, we looked all over the place for an opportunity to open a second location. And until the legality was resolved in Massachusetts, you know, we looked in other places. We looked up in the Berkshires. We looked out on the Cape. Interestingly, we looked in Worcester. And, had some promising locations, but, but, until the, the legal issue was resolved, there was really no way, no reason to pursue that. So, we looked in Rhode Island. We looked in Connecticut. You know? And, kept coming up dry. Someone finally told us we should check out Portsmouth. And I was only aware of Portsmouth as that little town you looked at off the bridge as you headed up the interstate up to Maine. First thing I did was I called the New Hampshire state liquor commission, and the person on the other end of the line, who I got to know really well over the years, he just retired a couple years ago, he said, "You know, we've been waiting for someone to call us and ask about a brewpub." He says, "And matter of fact, they are legal in this state. And here's how you do it. If you, if you get a brewery license, a brewery license is also allowed to have a restaurant license for an onsite restaurant. And that's how you open your brewpub. You have two licenses." I said, "Okay." And he says, "Yeah." You know? He was very open, and very welcoming, which was not the response I'd been getting from other licensing authorities in other states. We came to Portsmouth and looked around and we were probably here for ten minutes when we realized it was, you know, an amazing, cool little city. And, and it was really where we were meant to be. We, at the time, was, were, still my sister, her former-boyfriend now husband, Mark, and so it was the three of us in the partnership. My, my ex-wife had left the partnership a number of years before. Portsmouth at the time was undergoing a, a pretty significant economic downturn. So, we actually had local people telling us to run the other way. That, that this was a city that had no future. That the Air Force base had just closed down, the Navy Yard had had a big reduction in forces, and Portsmouth, which had always been a company town, and the company was the military, and the, the real estate market was, was in a mess, and banks were on the run. It wasn't a good time in this area. We were the naïve outsiders. All we could see was what a great city it was. And we, we had an opportunity to purchase a building right in the center of town, 'cause the owners of the building just wanted out. And, so that's how we ended up in Portsmouth. We, we started construction on the Portsmouth Brewery in January of 1991 and we were open for business on June the first of 1991. So, it was a pretty short time horizon. And then fast forward to December of '93. I had read in the paper about a bankruptcy auction. There was a little brewery that had opened up about a year before in Portsmouth. They had started out as a contract brewer, and they had, they had acquired the name of an historic brewery that had operated in Portsmouth in the late 19th and early 20th centuries called the Frank Jones Brewing Company. And, by the way, there's, there's a tremendous amount of Frank Jones Brewing from the original Frank Jones Brewing, kind of, breweriana stuff, you know, circulating around. So, it won't be hard for you to find things like kit trays and foam scrapers and, all that kind of cool old Frank Jones branded stuff. But the, the modern

iteration of Frank Jones Brewing, they, they sort of got over-extended. They, they made some kind of poor decisions strategically in how they worked with their distributors. And one thing led to another and they ended up filing for bankruptcy in December of '93. And I went to the auction just to see who would buy this equipment, and the result was by the end of the day I had formed this ad hoc partnership with another, owners of another brewery down in the south, or North Shore of Massachusetts. Just, just about, probably, twenty-five miles from where we are, to submit a bid to buy the equipment. And lo and behold, we did. So, we, I, I tell people that we started Smuttynose in exactly the most opposite way you would normally want to start a business, you know? Most businesses start the way the Northampton Brewery did, with a conversation around a kitchen table, and you sort of evolve the idea, and you proof it out, and do a plan, and, you know. The last thing you do is buy a bunch of equipment and then lease a building, you know? We did that first, and then had to backfill everything else. And, but, you know, we, we hit the ground running pretty quickly, I think. And Joanne had come onboard a few years before that, but her focus was the Portsmouth Brewery, initially. But it was a kind of a logical, I mean the opportunity for her to essentially create this brand from, from scratch, from thin air, was pretty remarkable to see how she ran with that.

00:53:47 McCulla: And that's what I, I wanted to ask about the role of, what is a brand when it comes to a beer company in particular? And how did you go about creating that?

Francis: Well, the, I don't know if you covered the name of the.

McCulla: No.

Francis: Brewery. So.

Egelston: I'll go get a glass of water.

Francis: Sure. So, the, at the Portsmouth Brewery, and by the way, Peter is never allowed to go to an auction ever again. So, when, when that happened, there was a, there was a cook, and I think it was before we were all calling each other, or, you know, staff in the kitchen were cooks and line cooks instead of executive chefs and sous chefs and, but Greta, she was sitting at the bar one day, and there was a conversation with, you know, staff and customers, regulars at the Portsmouth Brewery about what to call this new brewery. And there were some names that were floated around that didn't resonate with anyone. And Greta had, I think she might have had a connection with Smuttynose, which is an island off the coast of Maine and New Hampshire. There's a little string or archipelago out about seven miles offshore. And she suggested Smuttynose and that was kind of like, well, that's fun. Sure. Why not? And, you know, again, without the complete, saturated landscape that we're looking at now, back in '94, when this conversation was being had, it was, it was not the tremendous amount of thought you would

give it today, right? And, it had a, the relationship, of course, was the sea coast, and from my viewpoint, keep in mind, I, I was the staff, the entire art department. And, so, you sort of, you don't have a lot of time to think about this stuff. But, so, Smuttynose. Hmm. It's an island. Hmm. Okay, there are seagulls out there. There's, there're cute little harbor seals. There's ocean. There's. So, the thought process was putting together, you know, I did some logos which I actually found not that long ago. The old, setting them up on a board, you know, a matte board with a little slipcover and a cover sheet. And, so, I think not all, but several did have, featured a harbor seal. And, it, the story, the narrative just wrote itself, really. You, you are given this gift of this beautiful location, and this visual, and who doesn't love a cute harbor seal? Except a lot of people over the years confused it with either an earless cat or an owl. Like, "Oh, you have an owl as your logo. Oh, owls are so cool!" And, whatever it is you see, but it is a harbor seal. It's got little spots on it. And, so, the, and then the, I don't know, the first, you know, the Old Brown Dog. I just happened to have a brown dog. I had a puppy when Peter and I met. She was brown and available and again, you're working with no budget, zero, zero money in the coffers to be doing anything other than using what you already own and have. So, Olive became the model for the Old Brown Dog. And, that, that was a really fun photoshoot. Chris Navin who's, was a photographer I worked with in my past, in, a lot of my past was in editorial design work, he was a great, and still is, a really great photographer based out of central Massachusetts, and in Boston. So, Chris took a lot of our iconic labels over the years. So, Chris and I, before you could photoshop red curtains, I needed to find red curtains, and brought, brought a beer barrel to W.P.I. in Worcester and used their stage because they had red velvet curtains. And brought Olive to their auditorium, and Chris and I spent the better part of an afternoon taking photos for that, for that label. And Peter and I took a boat ride out to the Isles of Shoals as, just to, you know, just to go look at opportunities for label images. And George, gosh, what was George's last name? The photographer who did Shoals Pale Ale? Well, George and his wife.

Egelston: I'll have to think about it.

00:59:03 Francis: And Peter and I, and the person whose boat we went out on, went out and it was black-backed seagull mating season. And the image that you see on the Shoals Pale Ale of the Haley House, which is the old homestead on the island, which, Smuttynose has a lot of rich folklore and history. So, we were attacked by the seagulls because they're, they were nesting in the tall grass. And, it was, you know, just tragedy plus time is comedy. So, it's hilarious now at the time. You know, we were, it was like our own little, you know, *Birds* scene. And, so, you, you, I, I can't say that there was a brand plan so much as designing around these elements that were here and it was a, it was more of a, sometimes this sort of, yes, thoughtful process, but then, sort of, just desperation and, and so, yeah, and you, you are, you're, you're designing and branding by the seat of your pants in that time when, also, you didn't have, except for the big breweries, you didn't have a lot of other examples by which to measure yourself. So, and at the same time, I

think it was in '90, I actually, before that, before, in '92, I believe, we started the Great New England Brewers Festival.

Egelston: That's right. We started it before we started Smuttynose.

Francis: It was, we started that with Janet and her, or maybe it was '93, but I think it might have been '92. So, Janet and her husband at the, or actually boyfriend, I think maybe Chris and she were dating, she and Mark split up. And Chris and Janet and you and I founded and ran for eight years the Great New England Brewers Festival, in, in Northampton, Mass. And it was a three-day, huge beer festival, which, again, we were, you know, each took a aspect of running it. I was doing posters and design and while we're still, you know, running the Portsmouth Brewery, and then as we continued for eight years doing that, by that point Smuttynose was born in '94 and there was a lot, there was, there's, and sometimes I got to hire photographers and, and, and illustrators. And sometimes I did a lot of combing through antiquarian bookstores for old prints. And when we introduced the great, the Big Beer Series at Smuttynose, all of that imagery was basically dictated by what I could find in old bookplates, in old etchings, that were in, you know, old engravings that depicted brewing or hop growing. And it was really fun because, again, in the mid-nineties, there were still some really good antiquarian bookstores. And ephemera shows that I would go to, and you would just, hours and hours there. There was no eBay, there was no, you know, web, internet, you know, the world wide web wasn't around for imagery. So, yeah. And then, and then good old fashioned art direction, which, again, sort of brought in the, the scratch board artist who did the harbor seal was based out of Florida. And I found him through, you know, a few different channels.

01:03:12 McCulla: I think, so, as you've described it, it's, I would say, certainly Smuttynose in particular has come to be identified very much with the local geography and history of the region. Do you, to what extent do you think region matters to American beer? Are there, are there regional styles? Are there regional cultures to American beer?

Francis: I think it, I, I mean, I, I absolutely think in today's climate it matters. For a while, a little bit earlier on, it, it, it mattered not to those who, well, I gu- I guess I should say it, it connotated and had romance, so if you were from somewhere else, you love the sea coast here, New England sea coast, and the, this region certainly is romanticized by people who don't come from here. Much like when, you know, we all go on vacation and bring back something of that trip. So, yeah, I think that it, it certainly mattered.

Egelston: [Whispers] I gotta put these guys in my truck. [Referring to dogs]

Francis: Okay.

Egelston: [Whispers] They're just being awful.

Francis: And then for a while, I think, I think it, I don't know, it maybe didn't matter because it was just all about the style of beer. And now I believe that we've come back because of the oversaturation of so many breweries in this, in this country, that what is meant as local might have had a bigger scope, you know? Maybe it had a two-hundred-mile radius, and now it's down to a five-mile radius. And, it, it's required a lot of nimble, quick thinking and, and being able to, kind of, just, understand and not overcalculate, not underestimate. It, it, it's mind-boggling. I mean, I think that we, we are living, and this becomes a bigger conversation about the culture in which we're living and inhabiting, so many choices. And then how many choices are enough? And then you just can't, and you just reach for the easiest thing.

01:05:37 McCulla: And, and also, I'll start to wrap up with some bigger questions, but, it could, from your perspective and your position, could you speak about, a little bit about the evolution of consumer taste over time? Consumer preference?

Francis: I can give you my perspective as, well, I'll, I'll jump in and say as a female in the beer industry, for twenty-seven years working in this, in this, what has been a very male-centric business, it's only been, you know, when, when I first went to, you know, the Craft Brewers Conference, the, probably the first one I went to might've been in San Diego, you know, there weren't a lot of women in the room. And then you go to the next one and each year that presence grows. But, it's, it's been a conversation that even as a partner, the, the tastings, the bringing new beer to market, has been very dominated by the male brewers, the male, the, the account reps, the meetings with distributors. And, you know, looking at that as the, sometimes the tail wagging the dog, having your distributors tell you what to brew, because it's what they believe they can sell the best. And, is that, you know, how, if you were a painter would you want a gallery owner telling you what to paint? No. It, it, it, you know, it's, that kind of calculation is not how I believe, from a creative standpoint, and that's, you know, of course what we've talked about where I'm coming from, it, it absolutely sort of makes my, you know, it makes me bristle. So, I, I, personally have never been a hop head. When I was still living in central Massachusetts, a regular pilgrimage I made, and this was sort of jumping to probably 1987, or so, I would go to Harvard Square and go to a place called the Wursthaus. And, it was a German bar, and it had probably sixty beers on draft. And back in the eighties, that was unheard of. And my dear friend Lily and I went as often as we could, and I would, well, we both would drink Belgian beer, because it was our favorite. And I had never had anything like that. And so, Lindemans was just such a beautiful beer to me. And years later, when Peter and I went to Belgium and went there on a rainy, raw day, and went to Lindemans, and pulled a bottle off the line before it was bottle-pasteurized, it was pretty cool. From my perspective, I, I see the, just, the mono-focus on IPAs, hoppy beers. It's not particularly interesting to me. I know that it's, it's tremendously interesting to a lot of people, for many reasons. From, from my standpoint, there's so many other, and there, and as we know there are so many

other styles of beer that are absolutely being, you know, beautifully made, thank goodness. Yeah.

01:09:14 McCulla: What, and, and what are some of those styles that have really built your, your brands or your businesses?

Francis: Oh, the Finestkind IPA by far is our biggest brand, and, and the, the evolution of that label and the imagery was really a great story.

McCulla: Can you tell it quickly?

Francis: Yeah, sure. Yeah. Yeah.

McCulla: Not.

Francis: I, near our house, I would jog by a trailer about a mile from our house. I needed to do a label for this Smuttynose IPA. I thought why don't we get a couple of old geezers in lawn chairs and stick 'em in front of the trailer, and Chris, again, who had taken a number of our label photos, was called upon to come and take a photo. And.

McCulla: Did they, you explain what the purpose of their, the photo was?

Francis: Yes, they absolutely knew. Cy was 91 at the time. He was the littler of the two gentlemen. And Paul, who's still with us, was the other gentleman. He was the photographer's father-in-law. Our call for geezers in a local paper turned up a lot of scary, rednecky, kind of terrifying guys that I un-, poor Peter was left holding that bag, 'cause I, I went on vacation, and I said, "Oh honey, by the way, can you interview some of these people? 'Cause I gotta go." So, in the eleventh hour when nothing came of that, we, we found Cy and Paul. And they were adorable and they were great. And that beer was originally called Smuttynose IPA, and in tiny type underneath their photos, we, just for the fun of it, had Paul using the phrase, which is sort of a New England word for, "it's really good," he says, "Finestkind," in quotes. And underneath Cy, he says, "Ayuh." And, little by little, as the beer was appearing on draft or in bottles in different accounts all over New England, people started asking for Finestkind. So, we decided to just call it Finestkind. So, that is, yeah. And nobody, you know, a lot of people didn't get, like, no one's gonna buy a beer with a couple old farts on the label. Like, that is, that's kinda weird. And like, well, it's the anti-Heineken, buxom women thing. And, it's kind of funny. And, we, I, as, as part of the narrative, prefer to sort of have some humor as much as we can lease it into everything. And, and create a narrative that has a story and a, and a bigger, I don't know. When you, you don't want it always explained to you, right? You would, you would like to just sort of wonder, like, what are these two guys doing here and how did they get here? And, and it, and so it, yeah. That's what that was about.

01:12:25 Egelston: I think that, if I could just jump in parenthetically really quickly. I think one of the things that Joanne brought really from the very beginning was a very different approach to the whole concept of a beer label or a beer logo. And, and, this is my, my personal theory is that all the big American brewers, and there aren't a lot of them left, obviously, but even, even then, let's say in the, in the early nineties, there were still a few of them around. They all came of age in the, you know, second half of the nineteenth century. So, if you look at a Miller logo, or an Anheuser-Busch logo, or even Coors, just three obvious examples, and then you look at all the, the regional ones that have fallen by the wayside. They all have very, very obvious, kind of, Vic-, Victorian design aesthetic, you know. With the scrolls and the oak leaves and the, and the, you know, heraldic eagles and all that stuff. Which was very, very much of its time. And, and it actually, to me, the, the Budweiser logo is wonderful. It's classic for that reason. And a lot of the early craft brewers were kind of mimicking that look. Again, if you look at a lot of, a lot of early craft beer labels, they had shields and scrolls and leaf clusters, and all that same stuff. Because that was just the aesthetic that was associated with, with, with beer at the time. Interestingly, if you look at the wine industry, they had already busted loose from that aesthetic. I mean, if you look at French wine labels, they're very stodgy. Mostly. The ones that aren't stodgy are trying to imitate California wine labels from, like, the seventies and eighties. But beer hadn't broken loose of that aesthetic constraint. And, I, I, I like to give Joanne credit for being the very first person to use photography on beer labels in a way that wasn't sort of a novelty joke. Like, like, the, the, who was it who made Olde Frothingslosh? Was that the Lion in Wilkes-Barre? You know, they made a novelty beer every year called Olde Frothingslosh, and it had a picture of, you know, a grotesquely obese woman on it. And, and it was a novelty product they released once a year. I think starting in the fifties. I'm sure they don't still do it. [Laughs] But, I can't think of a single beer before Old Brown Dog and Shoals Pale Ale that used a, a photograph on the label.

Francis: Well.

Egelston: And that was a real breakthrough.

Francis: You know, and, and so you, you, you write what you know. And going from a, my background in mostly editorial, and it was sort of a, a, you know, I had, I had been doing a lot of commercial displays. I did a lot of visual merchandising in tandem with when I was doing editorial design work in, in art direction for magazines and, and publications. And, and that background, telling a story, you know, through photography, in particular, was a natural medium that I favored for a lot of reasons. But, it just, I had on hand good photographers. My, my mind worked in, you know, in, in telling a story through photos. Not to say I didn't, you know, like and use a lot of illustration, but, yeah, I, I've had a strong feeling about designing with that in mind.

01:16:47 McCulla: Makes sense. Alright, I have two, two questions to wrap up. And these are questions for both of you. The first is about our current moment in American craft beer and, which is a moment of upheaval and transitions and change and, just if you could, if you could speak to that and your recent experiences and what it, what it is seeming to mean? I know you're still very much in the midst of it.

Egelston: Wanna jump in first?

Francis: No, 'cause you'll give the, the, you'll give the complete and long answer.

Egelston: I'll suck all the air out the room.

Francis: And I, I might be able to, like, add a pithy comment at the end.

Egelston: Alright. Well, I'll try and stay as concise as I can. And, and I, I will say this and then it, it's possible that someone may detect a, a trace of bitterness in what I'm gonna say. But, that's okay. There is. [Chuckles] At, and, and, you get to a certain age and you start to recognize that a lot of things run in cycles. And, and so, it's easy to, to take a little slice of time and just go, well this is it. This is where it's at. It's easier to do that when you're young because you haven't seen the, the wheel turn once or twice or multiple times. So, I'm gonna frame what I talk about, about the way the beer market is today as, as a moment in time. But part of, of a bigger series of, of cycles. I mean, I started by saying that, that, the early craft brewers were focused on emulating classic beer styles. And, you know, I mentioned Sierra Nevada, and I can't think of a better example of that than Sierra Nevada Pale Ale. It's, it's a classic interpretation, American interpretation, of, of, of a traditional British beer style, but with American hops and kind of tweaked for, for an American palate. And you can find others as well. You know, Boston Beer Company's, you know, Samuel Adams Boston Lager is a, is a pretty classic, you know, Vienna style lager. And, from there the, the, the, the, the movement sort of evolved and started moving towards what was called, for a while, extreme beers. But again, those started with traditional styles: bock beers, imperial stouts, double bocks. And then it started to kind of expand, you know: barleywines and, and so on. And then, and then the, the, the watch word became extreme. So, it was extremes in flavor. But mostly extremes in alcohol. [Chuckles] You know? Let's face it. You know, that wave washed up on shore and started to recede, and the next wave that came up was the obsession with hops and, and what I would say, it's beyond obsession, it's sort of a fetishization of hops. That wave, too, will wash up and start to recede, as I believe it already is. Currently, there's a lot of little sub-trends like, you know, sour beers and, and, kind of, ancient beers like, like gruits and, and so on. Goses and things like that. You know, Belgian beers have always been kinda dancing around on the periphery, but, but I don't think that there's ever been a fully blown Belgian-style beer movement. They kind of got subsumed into these other things. You know, extreme beers and so on. And now it's, it's very, very eclectic. We're already seeing early signs of, of a coming back full circle and a return to more classic beer styles. We're already seeing

consumers, especially, getting kind of tired of, of all this endless choice and kind of rolling the dice when you go into a bar and you look at the, the line-up of beers and you see no old friends on the beer list. I mean, that's become a very common experience for me. I'll go into a bar and see thirty beers on tap and no old friends. You know? That, doesn't have to be a Smuttynose beer, I just, I don't see an Allagash White or a Sierra Pale or a, or a Victory Prima Pils or, you know. The old friends will vary where, region to region. But instead there's this, there's this attempt to kind of, you know, of one-upmanship from one establishment to the other to have the most esoteric, you know, whether it's hyper local or, or just hard to find beers. That's exhausting for consumers. It really is.

Francis: Well it's exhausting for the, the, the bar managers and the beer buyers.

01:22:00 Egelston: Well, more to the point, you're right, it is exhausting, but it's also not very profitable. You know, these guys are carrying massive amounts of money tied up in inventory that's getting long in the tooth, because these, these beers don't turn over as quickly. And, so we're going to start to see that wheel start to turn, and, and, and a return to some semblance of, of balance. Right now, when they, when they do surveys, you know, you, you go to the Craft Brewers Conference and sit through the interminable sessions they have there. But some of them are interesting, you know? And they, they do consum-, consumer surveys, and they'll ask people what, what are the attributes that people value when they're selecting a beer. A few years ago, the, the highest valued attributes were quality and consistency. They've dropped down. People will now seek out novelty over quality or consistency. That is not a sustainable model. [Chuckles] You know? I, I think quality and consistency will, will rise back up, and that will, that will favor brewers like Smuttynose because this company has invested in the best tools and has the most experienced staff. And, and, you know, if you, if, well, it's not a work day today, but if you went around and, and rounded up, you know, the fellow who works in this office, Greg, he's, he's got twenty years in this business. Our, our head brewer Dan is almost twenty years. Our brewmaster, Steve, is probably twenty-five years in this industry. We have centuries of experience under this roof, literally. At this precise moment in time, the consumer culture does not value that. It's sad. It really is. But I don't think that's a permanent situation. It's, it's partly a function of, of just the fact that there's this massive influx, you know, it's, it's, it's a demographic thing that, that big bell curve of, of population. There's millions and millions of people who've just aged into the beer-drinking cohort, you know, the, the Gen-X, or the millennial generation is enormous compared to the Gen-X which was a very small generational cohort. So, when you've got a lot of beer drinkers who are, say, under twenty-five years old, and they're really driving the cart, when you're under twenty-five, you have a, kind of, a different set of preferential values. Those people will age out of that. They won't be goin' out to bars every night. They're gonna be going to the supermarket and buying a twelve-pack to take home and enjoy. And at that point, that, that notion of, of kind of familiarity and trust that, that more established companies have earned over time, will start to rise back up. But I'm not sure. The

other part that, that is causing a lot of turbulence, which is, is real, sort of, inside baseball, but the three-tier system, which is govern-, you know, the, the commerce in beverage alcohol since, you know, since 1933, is under full frontal assault. And I'm a believer in the three-tier system, because I think if you, if you just took a magic wand and wiped it all out, what you would see is a, a world that would favor enormous suppliers and enormous retailers. It would be Anheuser-Busch and Costco, or, you know, fill in the blank. Walmart. Wegmans. You know? And, access to market would be extremely fraught for smaller suppliers. The three-tier system is problematic in a lot of ways, because the wholesalers right now are so overwhelmed that they've, they've gone from being, acting as proxies for the, for the suppliers they represent to being these kind of gatekeepers, and they now are sort of pinching off access to market. Not by choice, but just by necessity. And, and so consequently, the three-tier system is getting eroded and a lot of these small brewers are making an end run around the, you know, the middle tier. The, where that becomes problematic, and again, it's part of what has really put, you know, what people are referring to as legacy craft brewers, like Smuttynose and others, at a competitive disadvantage is we are obligated and, and, and also fully, fully invested in working through the three-tier system, which means we only collect our supplier margin on the beer we make. So, if we ship a, a case of beer back off the loading dock and sell it to a wholesaler for $19 dollars, you know, we collect what we can collect on that $19 dollars. The little guys have managed to get a, extremely favorable treatment in the market, you know? Just, just a couple weeks ago there was a big bill that was under discussion in the state house in New Hampshire where they want to allow brewery taprooms to sell full pints of beer. And they've not been able to do that up until now. It's, it's, its bitterly opposed by the Restaurant Association, because for the very first time, restaurants are gonna have to compete head to head with, with competitors who have not been forced by law to invest in food service, which up until now in New Hampshire, if you wanna serve alcohol, you gotta serve food. This will blow that out of the water, and it will also give the, this, this sort of new generation of what, what I will call on a bad day cute brewers, and cute beer, the ability to take their mar-, their, their beer to market, distribute it themselves, and retail it themselves on-site and take all that margin for themselves instead of having to work through the system and kind of, and so, for, for those, for those who are kind of wedded to the, the more traditional system, the, they are economically at a huge disadvantage. And this is something that no one's really talking about. Because the cute brewers are cute. They're the ones who are getting all the press right now. Until something goes off the rails, like with, what happened here with Smuttynose over the last year or so, then there's all this hand-wringing and, you know, whatever. But, but for the most part, the analysis, if you can even call it that, has been very perfunctory and not particularly insightful about what actually, you know, does happen in, in cases like ours. And, I don't know, that, that's the one thing that will not necessarily run in a big cycle. You know, consumer preferences, yeah, that's all cyclical. But these structural changes in the industry, we don't know. The other big question, which is somewhat related to this, is, when Amazon acquired Whole Foods last year, you know, everybody was kind of

like, oh my god, what does that mean for the, for the grocery business? And of course, my thought is, what does this mean for the beer business? 'Cause I know what, what Amazon is doing with Whole Foods is they're just taking the lid off the retail grocery business and looking and kind of figuring out how it works. And once they've kind of figured it out, that's when they're really gonna move in. And, and it, if it weren't Amazon it would be somebody else who would make that same move. That may be the final death blow to the three-tier system as we know it, because right now, wholesalers are being forced into performing just a simple logistical function. They pick beer up, they warehouse it, they deliver it to retailers, they collect checks, and mail it back to their suppliers. They don't do as good a job as they did up until fairly recently of building brands and acting as a proxy in the market. And all those things that can make that supplier-wholesaler relationship really wonderful and successful. I mean, I like our wholesalers. I, I complain about them bitterly sometimes. But, you know, in the way you would about somebody that you work with. I have a right to complain about them, 'cause they're my partners, you know? But, Amazon is gonna look at the beer business and they're gonna say, why are we buying beer from these wholesalers who are marking up the product by thirty, thirty-five percent, when all they're doing is just delivering it to our doorstep? You know? We can get FedEx or UPS to do that for, you know, whatever their markup is, but I guarantee you it's a lot less than the what the wholesalers mark up. And they're gonna go marching off to every state house in every state of the union and petition to, to, to be able to make an end run around three-tier. That's gonna be a really scary thing, so, and a lot of these small guys who are looking to, to kind of tug on the loose strands on the three-tier system and, and unravel it, are going to wake up one morning and realize that, that they, they have just, they have just sold the rope that's gonna be used to hang them. They are, that, that, without, without some kind of structural system that, that creates order in the marketplace, you end up with a very chaotic marketplace, which is what we're seeing now. But ultimately, it'll settle out, and again, it'll favor, it'll favor the powerful. And right now, small and local is kind of regarded as, as, you know, cute and adorable and all that. But again, that bar that's pouring three beers on tap right now from the brewery that's just down the street operating out of a storefront, as soon as that brewery down the street starts selling full pints and, and taking a bite out of that bar's business, they're gonna say, "Whoa. Wait a minute. Not so fast." And that's gonna be part of this transition, too. I think small beer is going to be, is gonna undergo some, some very, very major changes. Part of is a more practical thing, too. And this'll be the last thing I'll say to that. Is that a lot of the small brewers are, are working really, really, really hard. You know? They, they're, they're brewing on a three-barrel system, they're working 70 hours a week, they're probably paying themselves $35,000 dollars a year, and right now it's fun, it's exciting. A couple years from now, it's not gonna be so fun. It's not gonna be so exciting. And, and the one thing that, that the beer is, if nothing else, it's a real estate business. And in order to grow out of that 70-hour week, $35,000 dollar thing, you've gotta get your beer out into more real estate. And the one thing the wholesalers and bigger brewers are gonna fight like hell is to not give up an inch of that real estate. All that real estate's already spoken for. Every inch of,

of linear space in the retail trade has been claimed by somebody and the only way that these small guys are gonna be able to grow is by finding a way to muscle in to that real estate that is gonna be guarded, you know, ruthlessly, by, by the people who already own it. Including companies like Smuttynose, you know. The, the real estate that Smuttynose occupies in the trade, you know, is not gonna be given up easily. And, you know, multiply that by hundreds and hundreds of, you know, established regional brewers. So, I'm anticipating, I don't know, I'm not a, I'm not sure I'll call it a blood bath, but I will say it's, things are, things, the, the Brewers Conference, the keynote speech at the Brewers Conference, or when Paul Gatza gets up and does all of his thing at the beginning of every Brewers Conference, for many, many years it's just been this unalloyed happy talk. You know? You've probably been to the last few Brewers Conferences. The tone has gotten a little bit darker, that-, it's gonna change a lot in the next few years. And I don't wanna sound like, too much like I'm experiencing some schadenfreude, but, but there's a little bit of that. To be honest, Joanne and I are, are likely to be, you know, as part of our transition, kind of, moving back to our brewpub up in Portsmouth, and, you know, maybe just pulling up the drawbridge and manning the ramparts, you know? [Laughs] But, and, and from that perspective, we'll have a good view out over the, you know, at, at the bloodbath that's gonna be happening, 'cause we won't be in that real estate battle, you know? We get to control our customers' experience completely within our four walls there. But, I'm.

01:36:09 McCulla: Do you have any thoughts to add to the, this, this?

Francis: You know, so, when you're, when you're sitting around a conference table trying to dream up new ways to reach consumers and be relevant, for me, one of the most obvious forgotten populat-, part of the population, is women. And it's, I, I personally have kind of felt like, you know, just, nobody's listening. The 21 to 35-year-old male has always been what everybody in the room and everybody out there talks about, is reaching that same demographic, year after year. And, I, so, beer drinking, culturally, has been shared by men and women, all over the world, whatever style of beer they drink. You know, after a certain, I mean, Guinness used to, you know, promote breast-feeding women should drink beer, right? But, for, breast milk. And, it's only been in the last half of, say, the twentieth century that it, you know, imagery, advertising, was very male-centric or, you know, exploiting imagery of women, making it appealing to men only men-only. And so, women, I think we're sort of taught that, oh, beer isn't for women. Which is a bunch of hooey. Because that never was the case until, you know, contemporary advertising took control of that. And, I've never believed that, I absolutely know that women love beer because I always loved beer when I was younger and all of my girlfriends loved beer. So, there's, there's no merit to that. I, I, you know, the, the new frontier is to be paying attention to the female consumer because you, it's, it's waiting to be paid attention to, and, and have beer made for. And, and you don't even have to particularly make a different beer. You just have to, you know, sell it to them and make them feel like part of the

consumer interest, in the consumer's stor-, or the, the, the manufacturer's story. And like, why, why would I support a business that has either no interest in my business or contempt for me? And, so, you know, I, I still feel like there's, there's plenty of, you know, fertile ground there to, to explore and, you know, of course we've, I completely, you know, Peter understands it infinitely better than I do and can, and can elaborate better than I can, but, you know, to have been witness to all of, all of that, yes, it's new, it's not an exaggeration to call it a bloodbath, or, and you know, it's, it's a battlefield. The guys, the women who work in sales, they're in the trenches every day. It's, phew. It's remarkable.

01:39:31 Egelston: So, do you think, you know, I was talking about the, the market eventually circling back to more traditional, kind of, user-friendly beer styles. Is that a, a potentially positive development for female beer drinkers?

Francis: I think female beer drinkers have, they have very sophisticated palates. There are as many hop fanciers in, in the, you know, female realm as men, you know. I, I think that part of the culture that, you know, this sort of feeding frenzy that's happened, and I'm gonna, I'm gonna make a really crazy commentary here, but, if you think about the competitive nature of men versus women, women aren't that, they're, we're not wired that way. And so, this, this sort of clamoring for more hops, more, more robust, more crazy, more hardcore, more ABV, to a large part comes from a, the, a male-centric way of just being and thinking and the competitiveness, even if you look at sports, you know, there's how, how, you know, women's teams might have a different approach to a game than a, you know, men in a game. And the, the situation in which we find ourselves right now, I think is part of the having paid way too much attention to only a male audience. And I know that sounds like a, but, but, I mean there's, there's a, way smarter people than me can, can talk about the psychology of what's happened in the industry. And, but it, you know, that, that singular focus on the male consumer which has, has laid up this field in which we operate, which is this, you know, "More, more, more! Rrrr!" Does that make sense? Did, did that?

McCulla: Yes. Yes, it does. Yes it. Yeah.

Egelston: [Chuckles]

McCulla: Well put.

Francis: I don't know how well put, but that, it's, it's something that, you know, I, I certainly have been in the middle of it and watching it at the same time.

01:42:02 McCulla: I have one final question, if, for each of you. If you had to name an object that has been fundamental to your career, to the evolution of your career or to your philosophy, with relation to the brewing industry, what might that be?

Francis: An object?

McCulla: It could be something you have created, or something, a tool you have used, you know, in your, in your design or your brewing.

[Long Pause]

Francis: Just from a designer standpoint, I mean, a computer is, you know, to go back and doing paste-up and speccing type is, it's, it's romantic and it's nice, but the speed at which you can, you know, when you're tryin' to come up with a name for a beer in today's oversaturated business, it's pretty nice to be able to go to a few key sites and decide, eh, the name's already taken. So, you can, yeah, you can certainly argue that as a, as a designer, and P.S., you know, my, my work, when you change from being an art director into a creative director and having had Chris Hamer, the man that's been working as our art director for the last four plus years, you know, his work is, I mean, he sits at a computer all day long. And, yeah, I don't know where, that has nothing to do with brewing beer, but it has everything to do with how you, how you tell the world about your product and social media. Which I don't partake in. That's why you have other people that work for you doing that. And, and, Peter can tell you that I cannot stand sitting at a computer, but it's that, that one tool that has really changed what my work has been about.

McCulla: Makes sense. And what about you?

01:44:20 Egelston: You know, it's funny, as I was thinking about, and hearing what Joanne was saying, I too thought of a computer because I do spend an inordinate amount of time in front of a computer and use it for a bunch of things. But, for me, and Joanne can attest to this, the more meaningful tool for me is, is that. I.

McCulla: And what is this?

Egelston: It's a, well, this is, I, I refer to this as my brain, because I have to write everything down here that I need to remember because I just don't remember things, like, even simple stuff. But, but more to the point, I.

McCulla: Let me, for the benefit of the recording, it's a small.

Egelston: Oh, yeah.

McCulla: Pocket-sized notebook.

Egelston: Yes. Yeah. [Laughs] I forget. Yes, this is a, not a visual medium. But, you know, I, I take, I mean, page after page of, of handwritten notes, you know. I sit through meetings and, I, I started collecting all these yellow legal pads that have, that were stacked up. I, I had a stack of yellow legal pads in, in the old office at the old brewery that was probably two and a half feet high. And I, I spent

a half a day one day, we, we got this nifty little high-speed scanner, and I, I just, I scanned them all in so I, 'cause I was gonna throw them out. I said, I can't throw these out 'cause who knows, I might need to look at 'em someday. But, prior to that, I, I was scribbling stuff in you know, the old fashioned spiral bound notebooks like you would've used in college, and I'm, I'm an obsessive notetaker. And it's, it's how I, I tend to sort of form a lot of my thinking. And I don't know if I picked that up, my father was like that. He was an obsessive notetaker and I may have just, just picked that habit up from him. But I'll, I'll, I'll actually sit down with this little notebook every, periodically, and thumb through it to jog my memory of things that I wrote down. I, I mean I wrote down things just now, you probably saw me scribbling stuff down, that was coming to my mind as, as, as this conversation was taking place. Again, sort of echoing Joanne, it's not brewery specific. Actually, one of the things I am gonna send you, and I, I wish I had it here, I just packed it up and, and took it home, literally two days ago, was something that was in this bookcase that I didn't wanna accidentally leave behind. When we first opened the Portsmouth Brewery, one of the people who was coming in to have beers, pretty much every day, but he, he wasn't around long, 'cause he, he was very elderly and he passed away shortly after we opened. He was the last brewmaster at Frank Jones Brewing, which closed its doors for the last time in 1947. So, from '47 to '91, what is that, forty-one years? Yeah. So, he had stopped, you know, he had left, he'd lost his job at Frank Jones forty-one years ago. And he was probably, I'm guessing, he, he might have been 90 when he started coming in. But he gave me his little notebook that he had kept from when he was in brewing school. And I've never had any use for it, but I've carried a-, it around with me ever since. It's a little three-ring binder. So, I'll be happy to put that in a mailer and send it to you.

McCulla: Thank You.

Egelston: 'Cause it, it's a, it's a neat little artifact. And it's got, you know, his little handwritten notes, you know, about brewing chemistry and so on and so forth. And, and so, you know, and again, that's just sort of this, this notion of the, the notation. Because again, I think I, you know, as a brewer, keeping good records is absolutely essential. And, and I used to be very diligent when I was the, the head brewer at the Northampton Brewery, which was for the first four years. I haven't brewed a batch of beer, well, since we set up the Portsmouth Brewery, 'cause I built that brewery and got it up and running. And then hired a brewer and that was probably the last time I brewed a batch of beer. I don't think they'd even let me touch the equipment here. [Laughs] The brewers here would tell me to get lost if I went down there, and started monkeying around with the equipment. But, I would love, I would love to come in and spend a day shadowing the brewers, though. And maybe I'll get that opportunity now. But, but yeah. Recordkeeping, notes, all that kind of stuff is, has always been really important for me, 'cause that's just kind of how my brain is wired.

McCulla: Makes sense. Well, whether with a computer or a notebook, you know, you, you're keeping your history, which is what, what we want, so. Well, I think we'll close there, but thank you so much for your time.

Francis: You're welcome. You're welcome.