Name of Interviewee: Kim Jordan
Date of Interview: April 3, 2019
Name of Interviewer: Theresa McCulla
Length of Interview: 01:12:31 minutes

Theresa McCulla: It's April 3, 2019. This is Theresa McCulla of the National Museum of American History. I am interviewing Kim Jordan, co-founder and board chair of New Belgium Brewing Company. We are meeting at the museum in Washington, D.C. And this interview is part of the American Brewing History Initiative, a project to document and collect the history of beer and brewing in America. So, Kim, when and where were you born?

Kim Jordan: I was born on October 14th, 1958, in Providence, Rhode Island.

TM: And what are your parents' names?

KJ: Carmel and Fred Jordan.

TM: And what did your parents do?

KJ: My mom was a social worker in her first career. And her second career was as a tour guide in Washington, D.C. And my dad worked in public policy administration. He was Pat Brown's press secretary when he was governor of California. And then we moved to Washington, D.C. because Pat Brown lost to Ronald Reagan. And Lindon Johnson, who was then President, was hiring Democrats.

TM: And so, um, at, how much time did you spend in Rhode Island when you were growing up?

KJ: Only two years.

TM: Okay.

KJ: We moved to Sacramento when I was two.

TM: Okay. And then, uh, how long did you live in Sacramento then?

KJ: Until the fourth grade when we moved to Washington, D.C.

00:01:23 TM: And what are your memories of growing up in Sacramento and in Washington?

KJ: Um, oh, you know. Typical kid memories. We lived in, Sacramento we lived in a suburban, uh, neighborhood, you know, where we would play games and hang out. Um, my family was always pretty political, though. So, in addition to

the typical kid things that one does, we walked with Cesar Chavez for Viva la Huelga, years ago. And then here in D.C. we, um, were fairly involved in, not the March on Washington, but marches subsequent to that. That was a time with a lot of political, um, activity. Especially for what was, what that and would've been called Democrats. Um, I don't think the liberal label really came until a bit later. [Clears Throat] Excuse me.

00:02:22 TM: How do you remember your parents encouraging a sense of activism at home? Was it primarily in participation? These kinds of activities? Or conversations?

KJ: That's a good question. In the context of brewing, no one's really ever asked me about that. But I was very, uh, I'm, I'm kind of a dork I guess. I was very politically active. I would come down, we lived in Takoma Park, and also Silver Spring. So, kind of in that part of Montgomery County, Maryland. And I would come down to D.C. and, um, you know, sell stickers for Eugene McCarthy, who was running for President, on the street corner. And, you know, gather up all this money and take it back to the Montgomery County headquarters. Um, and I worked on a lot of environmental things. And I, um, did door to door canvassing for, um, politicians in Montgomery County. Um, same thing for Edmund Muskie later. So, um, it just was something that, um, was important to me then. And I am involved differently in politics now, but I'm still fairly, um, involved and attuned to the political climate.

00:03:43 TM: And you mentioned after the move to D.C. that your mom had a second career. Uh, what prompted her shift into a second career?

KJ: Well, she had been a social worker here in the D.C. area. She worked in Prince George's County. So, she had a full, you know, at the point where she was supposed to retire in her early sixties. She decided she wanted to, um, that she used to say, "I think I was always meant to be a librarian, not a social worker." And I think the act of, um, reading about the buildings and monuments in D.C. and the history of the place was really, um, intriguing for her. And so, she turned that into, um, she worked for another, she worked in, she's 89 now, and she probably stopped giving tours for money when she turned about 80. 78 or 80. So, she did that literally as a whole second career. And now where she lives, they organize, um, bus tours so she doesn't have to walk, 'cause she can't see very well. But, um, it's, that's an interesting addition for her because most of the people on the tours are people who lived in D.C. And so, they, you know, the standard, like, this is the Vietnam Memorial, she needs to kind of go deeper than she used to go. And she's, you know, really taken to that as well and continues to read and sort of refine her touring program. So, she takes a group out once a month.

00:05:33 TM: And, so, when you were growing up, um, what would you say you remember eating and drinking at home?

KJ: Well, we lived, um, as I said, in Sacramento for a number of years. Excuse me. [Coughs] And so, we ate typical California kinds of foods. Tacos, avocados, things that when we moved to D.C. were not really a part of, you know, the food landscape so much. My mom was a pretty good cook. We would watch the Julia Child, the Sunday episode of, um, Julia Child and, um, that was really before, um, chef celebrities were, were some, were a thing. So, that was really kind of the only. I, I don't think Jacques Pepin was even around in those earliest days. And, um, so, you know, we ate, my mom being from California, was very conversant in Mexican food. So, we ate typical American fare. Some French things thrown in. And then, you know, things like artichokes and avocados that were kind of exotic for other people.

00:06:56 TM: Do you, to what extent do you remember beer being part of your? Was it on your table at home? Was it part of your family's social life?

KJ: Um, beer was always a part of, um, the eating experience, obviously for the adults. Um, but it, really I think there was more of a focus on wine. And even then [coughs] my parents didn't drink expensive, you know. They drank Gallo jug wine mostly. So.

TM: But, what kinds of beer did they drink? Do you remember the brands?

KJ: Um, standard American, you know, light lagers and lagers.

00:07:40 TM: And so, where did you go to high school and college? And what did you study?

KJ: Um, I went to high school, um, at Sandy Spring Friends School in Sandy Spring, Maryland, which is a Quaker school. Which really fundamentally sort of formed some of my thinking. Growing up in a liberal family, business was always something to be a little bit suspicious of. And, um, the profit motive was, you know, commerce. All of that was kind of, um, I don't wanna say unseemly because it wasn't that severe. But, it just, that's not who we were as a family. And, so, it, it, being able to sort of take that part of business and combine it with. [Coughs] Excuse me. Um, um, sense of purpose and a, a strong set of values was, uh, really fundamental to who I was. Um, I then went, years later, I went on a non-traditional path to Colorado State University. Um, and studied social work. And it turns out that social work is a really good degree and field of study for, um, people who are, it's a, it's a generalist degree with a lot of systems thinking. And that's really a lot of what CEOs do. And so, it was a great platform for thinking about leadership and designing a business to be inclusive and as egalitarian as a business can be. So.

00:09:30 TM: And, and what prompted you to study social work? Was it?

KJ: You know, I actually don't know. I think it was, you know, it must have in part been influenced by my mother's work. But, I don't ever remember thinking, "Oh, I'm gonna do what my mom did." I think it was more, um, that I liked the generalist nature of it. I had done, I was a non-traditional age student. And I had done a lot of really varied jobs. I worked for the Fish and Wildlife Service as a small mammal trapper and bird surveyor across the west. I would travel around and do that work. Um, I worked as a caretaker of a racehorse ranch. I drove a ski bus in, uh, Beaver Creek's first year of opening. [Clears Throat] I was a fire fighter. So, I've done a lot of different things. And I think that generalist approach, um, for me seemed congruent with sort of how I operate in the world. So.

00:10:36 TM: And so, your, your path that led you to these various kinds of positions, um, what prompted you to move from one to the other?

KJ: Serendipity mostly. You know? Opportunity that seemed interesting. You know? With the, uh, Fish and Wildlife Service. [Coughs] Sorry. That's gonna happen here and there. Um, you know, it just seemed like a really interesting opportunity to learn how to survey birds and identify different kinds of birds and travel around the west and, um. So, it was often that kind of, you know, something came knocking. Getting a job was never an issue for me. Supporting myself was never an issue. And I just took some interesting opportunities.

00:11:29 TM: One of the, uh, research themes that has interested us in the food history project generally here has been this idea of American regions and, and, you know, to what extent those continue to be important and distinct and, um, so, clearly you started in California, you grew up on the east coast and, and did the west feel different to you when you moved?

KJ: Um, I always knew when we moved from California to D.C. that I would move back to the west at some point. It was really more my, I wanna say, speed I guess. You know, I think there's a difference in the pace of things. Especially back in the seventies when I moved. Um, so, so it wasn't, I just knew that I felt more, both of my parents are from the west. My dad's from New Mexico. And as I said, my mom's from San Francisco. So, it, um, just felt like my people and my, and that sense of place was mine.

00:12:36 TM: And so, when did you come, when did you move to Colorado State to attend Colorado State?

KJ: Um, gosh, I went over a number of years. So, I started in the early eighties. Um, and then finished in '88. Yeah.

TM: And what was that part of Colo-, Colorado like at the time? The culture?

KJ: Fort Collins, Colorado, um, was, uh, pretty, it, it's a university town. Colorado State University is there and, um, the Peace Corps was ori-, originally conceptualized at CSU. So, it was a mix of ranchers and farmers and university professors and, you know, and everyone else. Um, that was fairly small town. You know, sometimes people wax nostalgic about the good ol' days. And I used to always think, like, yeah, no. We didn't have good restaurants. We had only the occasional big name. Bob Dylan came. The Rolling Stones came. But generally speaking, the music, live music, um, selection wasn't that great. So, um, but I had moved there and started to make friends and put down roots. So, um, you know, you, you deal the hand that you've dealt for yourself, really. Um, and I, you know, had friends and enjoyed that. So.

00:14:23 TM: And so, so then, what was your path like from there to beer? From studying social work to beer?

KJ: Um, I was a single parent living in Fort Collins. And I, Jeff and I met at a party. And he was single and we, he came by one day, you know, a couple of weeks after we'd met with a six-pack of Sam Adams. And, um, he was a homebrewer. And beer was always what I drank. Um, and we started dating and hanging out. And I, I honestly believe that for Jeff, he's a very classic engineer type. Um, very bright, very shy, and I honestly think that he had been con-, I, I know he had been conceptualizing a brewery. And when we started dating more seriously, I think he felt like, well, she can run the front of the house. You know? Because there are two parts to any hospitality situation. The back of the house, where the chefs and the brewers are. And the front of the house. And so, um, that was in fact what we did. And, um, we started, we had a house together by the time we, um, started the brewery.

TM: And so, what year, what year did you meet him, and?

KJ: We met in 1988. And we got married in 1990. And we started planning. We got married in September of 1990. And we started planning the brewery, um, at like, pretty much immediately. Probably actually before we even got married. Um, and we broke ground on it in, in the basement of our house. We added a wing to our house that was, um, a basement, a living room, and then two bedrooms upstairs. And, um, the basement was the brewery. We broke ground in March and we were selling beer by June. So, it was all very quick. Jeff did all of the, um, design of the equipment. There was a tiny bit of automation that he had designed. But it was, um, pretty, you know, bootstrapped. We took a second mortgage out on the house. Um, we, uh, had a bottling line that was really from parts, from a company in Fort Collins that made music stands. And we cobbled them all together in a way that made a place that you could put four twenty-two ounce bottles on there with, um, food grade silicon tubing that would drop the beer into the bottles. And then we'd label them while they were up on this tray. And, um, hand cap them. So, so it, our skill sets were really, um, well, uh, met really well, because I had a lot of experience with working with groups of people

and, um, thinking about, uh, sort of how, about the governance, essentially, of an organization. Who are we? What do we stand for? You know, what do we want to be when we grow up? And he had a lot of experience in both homebrewing and sort of designing equipment. So, it worked out well because our, our skills didn't overlap all that much.

00:18:21 TM: And when he first, when he first proposed this idea of opening a professional brewery, uh, what, what, what was your reaction?

KJ: I was, um, totally supportive when he first proposed the idea. We were either just getting married or had been married for, like, literally a number of days. And I remember thinking, there is no way that I'm gonna say to someone who has this dream, like, "No, we're not doing that." I had a kid. Um. We wanted to have a second kid. And I wasn't gonna say, like, "No, you need to be in an engineer." And I always figured, well, if this doesn't work out, he can go back to being an engineer and I can go back to being a social worker. And I actually continued my job until our second kid was born because, um, I had good insurance and we wanted to have a kid and, you know, that's a story that lots of entrepreneurs will tell you. So, I ended up working four days a week. And at night, I would go to, after the, after Zach went to bed, I would go to Kinko's and, you know, make point of sale and work on the books and all of those kinds of things. And then on the weekday that I didn't work as a social worker, I would call all of our accounts in the morning and take their orders for beer. And I would deliver beer all afternoon. And on the weekend, we'd go to beer festivals, bottle beer, you know, do all the, I mean, it was that entrepreneurial push.

TM: Around the clock.

KJ: Yeah. Yup.

TM: And so you mentioned, um.

KJ: [Coughs]

00:20:11 TM: Having these conversations at the very start about, um, I guess, more the phil-, philosophy of the business or what you wanted it to be. Um, what, what were those conversations like?

KJ: Um, I think this is absolutely fundamental to who we are. Um, we went on a hike in Rocky Mountain National Park and sat down with our notebooks, you know. We talked about the notebook that is here at the Smithsonian. Notebooks were a part of our existence. You, you know, kept them in sequence. And we sat down and wrote out, um, um, sort of a, a manifest, wasn't really a manifesto, but what are the four things that are gonna be important to us. And those were to produce world class beer in the Belgium style. To promote beer culture and the responsible enjoyment of beer. To be environmental stewards. And to have fun.

Um, there was nothing in there about co-workers or customers because at that point we didn't have either of those things. And honestly, it didn't really occur to us to think about how, what that would look like. So, we circled back later and did that. But, but, you know, I speak to a lot of people about business and the power of business to create change. And I'm very literal. We had set up these goals for ourselves. And they really, you know, we sort of measured everything against, are we doing these things? And at the time, it seemed audacious to be the first craft brewer in the United States to specialize in Belgian style beers. So, to say that we were going to make world class beers was, like, yeah right. And, and we do. We make world class beers. So, um, you know. I encourage people to really think about who it is they wanna be going forward.

00:22:28 TM: Did you, to what extent did you feel like American consumers were ready for Belgian beer. Or did you want to lead them into Belgian beer?

KJ: They weren't ready, at all. And we thought that our flagship beer, um, would be, would Abbey, which is a Dubbel. And a Dubbel is a very complicated style. It's very malty in a, it's dark in color. It's malty and then the hop, or, I'm sorry, the yeast variety that you use is very estery. So, it has a strong, um, set of flavors around bananas and juicy fruit gum and cloves. And so, it's a really big, you know, it kind of explodes in your mouth. We thought that would be our flagship beer and people were, like, this, “I don't like this. This is just too weird.” So.

00:23:21 TM: Those were, were those local, um, your first customers, they were local consumers at the time?

KJ: Yeah. We, um, at, so, that particular, um, episode that makes me think about that was a bluegrass festival that's held every year in Fort Collins. And we brought Abbey and we also brought Fat Tire and, um, you know, we passed out free samples to people. And even Fat Tire, you know, it was not, you know, some American light lager. And so, people, you know, really had to kinda warm up to the idea of it.

00:23:58 TM: At the time, were you, did you feel like you were part of a, a kind of nascent culture? I'm thinking of Boulder Beer and, and some other early, early brewers, or?

KJ: In Fort Collins, we had Odell's. Um, and they specialized in keg beer. Uh, to sell out in the marketplace to bars and restaurants. And we had CooperSmith's, which was a brewpub. So, we were kind of the third leg of that stool because we started out only packaging beer in twenty-two ounce bottles. [Coughs] Um, and we had among the three of us, some community. Um, we were close with both of those groups of breweries. Um, Jeff knew the folks at Boulder Beer and he knew Charlie Papazian. And had, he had been doing judging. So, he knew, you know, sort of the broader circle of, um, of national and international beer judges. But, we were in Fort Collins, which was a little bit isolated, I suppose, compared to, say,

being in Denver or Boulder. And we also had, uh, little kids. And, you know, little kids take up a lot of your focus. And when you, and the business is like a little kid, too, in those early years. So, we had our hands full just doing those basic things. So, so our friendships were really focused in Fort Collins, professionally.

00:25:33 TM: Sure. At what point was it obvious to you that your career would turn definitively toward beer?

KJ: Maybe when Nick, our second son, was born. Um, you know, I quit the other job. And, and we still had some, I had to borrow money from my parents to make payroll once. And we were living on credit cards for a while. Um, turns out, you know, engineers get a lot of those, um, unsolicited mail, you know. "You've been pre-approved for a line of credit." And we took some of those. And they had outrageous interest rates on them. Um, but, that was part of how we patched it all together until things really got going. So, that would've been, um, the fall of '92. Somewhere in there. Couple of years in I think we knew we could, well, I was able to pay the loan back from my parents fairly quickly. And I think that was a real confidence boost that, you know, we were able to stand on our own two feet.

00:26:47 TM: One more question about the very early days. Um, why do you feel like far fewer women than men were homebrewers at the time when Jeff and others were homebrewing?

KJ: That's a good question. One, I think the population of people who were homebrewing were single people. And so, um, you know, I think it was an activity that single guys who were especially in STEM fields, primarily engineering, um, were, uh, sort of enamored of. Why didn't women? My guess is there were more women than we might know, but they were busy, you know, in the background washing bottles and all the things. You know, there's a lot of cleaning and prepping and sterilizing that has to be done. And my guess is girlfriends who were around for that kind of thing. [Coughs]

00:27:59 TM: It seems to be something that's, that's partly a social, uh, you know, partly about social nature and also.

KJ: Yep.

TM: Yeah.

KJ: Yeah, I think, uh, a lot of guys, um, Jeff was a part of a homebrew club. And, and they were even, you know, they were, it wasn't, he was also a part of an actual club. But most of his brewing he did with, like, five or six guys who had a name for themselves. The Hog River Outing Club, which is some river in the Midwest somewhere. And, those five or six guys got together every few weeks. And it was a social thing for them.

00:28:41 TM: Um, so, as, as New Belgium then began to grow, what, what would you say were the most challenging aspects to learn about, first about brewing, but also about running a business?

KJ: Um, one thing that was challenging that is still challenging is really figuring out how you express your brand in a way that's, um, that resonates with people. My, my general feeling about that is you do it by being authentic and telling a, a real story. Um, but it's not like engineering. It's, there, there is no one right answer. Um, we have a mythical seven as the answer to any question we can't exactly answer. Um, so, it, you know, that, it's not that it's hard. It's just messy. And it, you're never quite sure if you're on the right footing. The rest of it is really, um, finance was certainly, you know, how do we position ourselves well for the bank? Or, and we always used traditional financing. We didn't bring in partners, um, because we felt like the bank was a pretty straight forward, you know, they didn't want to run a brewery. They didn't really wanna tell us what to do. They wanted to loan us money and have us pay them back. And that seemed to us like the best opportunity. And we plowed a lot of our retained earnings back into the company. Um, so, probably what was the most hard was just keeping up with all of it. Um, you know, you're kind of running behind the thing all the time.

00:30:42 TM: And so, that certainly implies that customers did quickly become a fan of the, the taste, the flavor profiles of your beer. And what, how, how did that happen? How did, um, interest pick up?

KJ: Um, that was, so that was in the early nineties. Um, in Fort Collins. As I said, there was Odell's and CooperSmith. So, there was sort of a nascent, um, ecology, for what it was we were doing. We filled a niche that was different than either of those other entities. So, that was helpful. Um, Colorado, the front range of Colorado, is, um, fairly highly educated. And that then implies people who travel and like adventure and, um, so you had people who had been places where they had tried either craft beer or they'd been to Europe and tried sort of more interesting, full, more full flavored styles of beer. Um, so, you know, we were in the right place at the right time. Um, we worked really hard. I think the bike on the Fat Tire label was an amazing, um, stroke of, you know, luck and timing. The, phonetically, the name Fat Tire is easy for our mouths to say because you have the hard stop on the "T". And then the "T" of tire. And, um, I have heard hundreds of stories about bikes and beer over the years that, um, lead me to believe both for bikes and for beer, that there is almost a archetypal, young [unintelligible] kind of, um, cultural touchstone that we have about both of those things. And so, combining them I think was really, um, fortuitous for us.

TM: And could you explain the, the meaning of the bike to, to the company's history?

KJ: Um, sure. Uh, when Jeff went to Europe, to, he was there for an engineering trip for the company that he worked for. He brought his mountain bike over to

Europe to do some riding while he was there. And in those days, a mountain bike was called a fat tire bike. And one of the things I'm sure you've noticed in interviewing people is that homebrewers like to give their homebrews sort of fanciful names. So, he came back from that trip, um, and decided he wanted to emulate a beer that he had tasted while he was there. And he named it Fat Tire. And so, when we first started, um, brewing, one of the beers we decided that we wanted to make was Fat Tire. And I mentioned that we wanted to be environmental stewards. And for us, riding bikes, both as a form of transportation and also exercise and fun and. Um, underwriting that kind of activity became a big part of our marketing because it mattered to us. We were both bike riders. Um, and it also seemed like a way to sort of be congruent with what we believed in. And so, that bike culture really started to take hold in the company.

00:34:31 TM: And I'm sorry, I think I interrupted you. You had been, you had also been talking about the general growth of the, of the brand in central Colorado.

KJ: Yeah. So, we, you know, started in Fort Collins delivering all the beer we could make. And then we got a little bigger and said, okay, we, and by that time we had moved to our second brewery. So, we moved out of the basement to, um, 350 Linden Street, which is just down the street from where we are currently. And we were there for three years. [Coughs] We bought a bigger brewhouse and put in just an insane amount of equipment to really help us use every square inch of that building to make beer. Um, and so, we got a distributor in Denver. And then a distributor that did Boulder and Longmont. And people, um, there was a, a liquor store in Telluride and they would put up signs that said, you know, "If you're going to Fort Collins, let us know. We'll pay for your gas if you'll pick up," you know, "ten cases of New Belgium beer to bring back." So, you know, it was a phenomenon at a time when, um, you know, this whole industry was getting going. Just like I mentioned, I've heard hundreds of stories about beers and bikes. I've heard lots of people talk about their first Fat Tire. And it usually, if they're at, from outside of Colorado, it usually involves coming to Colorado for a vacation and getting it at a, you know, Osprey ski, you know, opportunity, or.

TM: So, it sounds like the, that beer is often linked to place in people's minds.

KJ: Yeah. Yup. In fact, we, years later, did some consumer research to kind of understand what Fat, Fat Tire meant to people and you often use comparative brands to kind of see where people are. And people could remember more distinctly their Fat Tire experience than many other brands that we would ask them about. So, yeah.

00:36:50 TM: Well, and still on this, this subject of brand, um, the aesthetic of, of the, the beer and the, and label art is very distinctive as well. And so, could you talk a bit about the history of the, the artistic presentation of your beer?

KJ: Sure, um, yeah, that would've been the other thing I would say about why were we successful. At that particular time, I think the watercolor look that we used was, um, whimsical and, um, aesthetically pleasing for people. I've worked with it so long there are times for me, it's like, ooh, I really want to change things from that kind of a look. But at the, in the beginning, it was novel to have that much color and detail on a label. Um, we had a neighbor, Anne Fitch, who was a professional artist. She did a lot of work for a company in Santa Barbara. And, um, she, you know, I said to her one day, "Hey, you know, we're talking about." Actually, it started with labels for our wedding. She made some beer labels, um, for our wedding beers. And when we, when we decided we were going to, you know, start brewing commercially, uh, she and I got together and talked about what those labels would look like. And I had a friend who was a graphic designer who gave me some good basic advice about, you know, fonts and logo lockups and, um, so, among the three of us we, um, put together these labels. And, for a very long time, Anne did all of our labels.

00:38:42 TM: There are several other, several other aspects of the business that, um, that I would say certainly distinguish New Belgium from other companies. And, and you note these on your website. And, and some of these things include a policy of fiscal transparency. Could you please talk about that and how, how you decided that that was the best way to go?

KJ: Sure. Um, so, we had a retreat every year. The first retreat, I use air quotes for that, um, would've been when Jeff and I went hiking in Rocky Mountain National Park. And then the next year we had one co-worker and he came with us. Um, to plan who, where we were going, and what we wanted to focus on. And, and in part I think, because of my social work background, and in part because I was married to my business partner and we had kids, it was clear to me that we needed to involve our co-workers. The biggest driver for me was that I believe people want to be involved in something bigger than just their one job. And this was a way to help people sort of understand both the complexity and the context of the business. So, in 1995, really, also serendipitously, I read a book called The Great Game of Business by Jack Stack. And Jack Stack is the father of the Open Book Management Movement. He was the CEO of a very unsexy business in Springfield, um, Missouri. And I thought, huh, that's really interesting. Um, you know, he's opened up the books so that everyone can see them. Um, and it's really helped the success of his business. But I was nervous about doing that. And so, I decided I would give my co-workers a little quiz. There, at that point, there were probably forty of us. And we were having a retreat. [Coughs] And I said, okay. Um, we took in a hundred dollars. And we spent some of that on malt and hops and yeast and bottles and all the raw materials you need to make beer. And then labor and all of the other things a business needs to have. Stamps. Um, how much money did we have left at the end of, of those expenses? And the average number that people put on this little quiz was $60. Which is a huge amount. When I speak to people who are business people, they often laugh because, you know, having a sixty percent margin would be amazing and wonderful. And what that did for me

was show me that people are making stories anyway. And so, you might as well tell them the truth. So, we embarked on, um, a, it, we, you have to work with people, a lot of our co-workers were semi-skilled or unskilled, you know, kind of walk-in people that we hired because they loved beer or they loved homebrewing. So, we did a lot of work on financial acumen. You know, training people to be able to read the three parts of a financial statement. The balance sheet, the profit and loss statement, and the cashflow statement. And how they all work together and why. Um, and then we, every month, we would, you know, say okay, this is where we are. This is what our, what we all agree our goals were. These are the things we need to do to get there. And we continue to do that to this day. Um, we have since, as you know, added ownership to that mix. Um, which started in 1996 as a ten percent pot of ownership that was a gift. It was, um, phantom stock. There was, there was no tax benefit to us. But I wanted our co-workers to feel like they were building the value of this company and that they would get some return on that. We would get return and they would get return, too. And then we were in S-Corp in, um, '98, unbeknownst to us. The IRS rules changed and S-corps could have ESOPs. So, in 2000, when we learned that, we put in place, um, we bought some shares that we had given to a, a sweat equity, our first employee. We, we bought those and we sold the company twenty-two percent of our ownership, so our co-workers then owned thirty-two percent. And then my sons and I in 2012 sold the balance of our ownership to our co-workers through the ESOP. So, um, that combination, what we call high involvement culture, which is the annual planning process and the monthly sort of reporting out of where we are, with open book management where everyone sees where all the money goes. And ownership, um, was an incredibly powerful engine for us. And for me personally, it was really interesting to think about, you know, Americans, the average American doesn't get to own much these days. And I wanted people to feel both the rights and their responsibilities of building equity.

00:44:31 TM: You mentioned at the very beginning of our conversation your, your start in a Quaker school and, and feeling like over time, I mean, it seems like this kind of philosophy.

KJ: Comes right out of that. Yeah. Absolutely.

TM: Yeah.

KJ: And it was also just, you know, linked a bit, I said that in my family, we were not business people. It was also really linked to this feeling, like, well, if we're gonna be in business and we're gonna do this thing, let's make sure that we're doing, that we're pioneers. That we're taking a road that not many people have taken. And that, you know, we're serving as a living, learning laboratory for how business can effect change in the world.

00:45:18 TM: So, from the co-worker side, what, how would you, what is it like to be a co-worker at New Belgium now? Um.

KJ: Um, I have a lot of people tell me that, um, you know, it's always hard for me to exactly characterize that because I'm a co-worker of one, in that no one else inside the organization is a co-founder. Um, but I have a lot of people tell me that the energy at New Belgium is palpable. That when you go there, you really get this sense that people love being there. Our purpose when we sort of, when we refined our four core values to ten, excuse me, to ten, we added a purpose and then also a mission. And our purpose in part is to make our love and talent manifest. So, we really encourage, you know, warm, loving relationships among, you, we spend a lot of time at this thing that's work. And it feels like it oughta matter, and that you like it. [Coughs] So, um, all of those things were ways for us to, um, conceptualize a different form of business.

00:46:42 TM: I believe you also, one of your values and beliefs is to have fun. Is that right?

KJ: Uh huh. Yeah.

TM: And, uh, I certainly felt when I visited the brewery, you also used the word whimsical earlier, and that, that was apparent to me just in the, in, in the art that is apparent around the brewery and, you know, the brewery is a beautiful space.

KJ: Thank you.

TM: Remembering the brewhouses. The mosaics on the floor around them.

KJ: Uh huh.

TM: Um, and so how, how do you encourage a sense of fun among consumers as well as, uh, co-workers?

KJ: Um, there was something that I wanted to, oh, I was talking about, you asked me how people, um, who work at New Belgium, what it, what their experience is like. The other thing that I've heard people say over many years is that they're amazed by how much people know. You know, you can ask them questions, my co-workers. And they have answers, because not only do they see the books and they help build the strategy, but we talk about the state of the business all the time. So, um, so that's the end of that subject. What's it like to be them. Actually it's not. There's one more thing, which is that I think we always struggle with that balance of rights and responsibilities. Um, I think it's much easier for people to feel the rights side of being owners than it is, for them in the same way that I feel, the responsibility side. I think it's harder for them to really feel that sort of deep in their core. So, now that's the end of that subject. What is that whimsical expression, um, for our customers? For beer drinkers? [Coughs] Well, I think certainly if you come to New Belgium, either in Asheville or Fort Collins, um, because our co-workers are so engaged, you get a really palpable sense of, of heightened energy there and, and people are into it. We are also a visually rich

brand, and always have been, way back to those watercolors. So, whether it's the mosaics around the Fort Collins brewhouse, um, vessels. Or in Asheville, we picked a couple of different, um, you know, its tiles that look like hops or like grain. And those are around, they were made by a local artisan, and those are around the vessels there. Or, you know, all of the artwork that we hang up that you get this feeling of, I think, high energy, that is, um, people say it feels welcoming and intriguing.

00:49:42 TM: Um, so, over your time at the, at the company, New Belgium has grown into one of the largest craft breweries in the United States. Um, how would you describe your attitude toward the optimal scale of a brewery during this time, which is, um, it's very competitive, but a time of growth in the industry?

KJ: Yeah. Um, you know, hindsight is always a part at, part of the human condition. What would I do differently? Gee, we should've made that decision differently. And, um, and at the same time, here we are. And you can't do anything about that. Um, so, it is a competitive landscape now. I think had we had the ability to forecast what we're seeing now in the industry, there are so many small, it, the model of having a tasting room that really functions a lot like a bar. Um, and in some states, actually, can be a bar. You can serve things other than your own beer. Um, with food trucks. So, you have all of the benefit of food at your location. And almost none of the overhead that come, comes with that the way a brewpub would. [Coughs] That's a fairly new phenomenon in craft brewing. And so, we started planning the Asheville brewery in probably 2011, 2012. Had we had the benefit of that, um, foresight, at, you know, would we have built a second brewery? I don't know. It's hard to say now, um, whether that would've made sense. It certainly, um, causes us to really be thinking about our, um, you know, capabilities and our go forward strategy. Um, because the landscape of craft brewing has changed and there's also a lot of evidence to suggest that broadly people, from young people through people my age, are drinking less. Um, and they're and cra-, they're potentially drinking less craft beer, too. So, that combination of things has really changed, uh, how the industry functions these days.

00:52:27 TM: And kind of related to this theme being an entrepreneur always involves risk, um, how would you, again, looking at the course of your career, how would you say risk is different in 2019 versus in 1991 or even a decade into the, the brewery?

KJ: It's just, I, I think the biggest risk is that it's just so much more competitive than it was then. And so, you know, you're dealing in a marketplace. And, and that competition has a flavor that's very local. So, if you're a national brewery [clears throat] one of the things we have going for us is that, um, we have a strong and interesting brand story. And really high quality beers. Um, but when you're a local player and people can go to your brewery, um, and see the owners brewing beer or serving beer or just being in the place, you know, I think there's, um, marketplace, um, that's an attractive proposition for people.

00:53:41 TM: So, in thinking again about the, the big picture of the industry now, what do you feel like consumers want now in terms of flavor profile? And where, what do you think they will want in the future?

KJ: That's a, you know, that's the big question. And, um, my boyfriend, Dick Cantwell, who's also in the brewing industry, and you guys have met before, uh, says that when people say to him, "So, what's after IPA?" His response is, "There is no after IPA." And he, I think he's probably right about that. I mean, there will be other things that, you know, Goses have grown in style a bit. Saisons always look like they might, you know, bust out a little bit. Um, Triples are another beer style that, that we've found our Triple has grown in popularity. Um, but I think people really like the resiny, um, nature of hops. And it's maybe somewhat related to marijuana. Which is sort of an interesting, and I, I don't mean that in terms of people who like IPAs automatically smoke marijuana. Or that, you know, just they are, they're related as plants. And they're both, they both have a resiny, grassy, green characteristic that we seem to like as human beings. So, um, I don't think the IPA phenomenon is going anywhere.

TM: Sure. Um, would you, would you say that you, you now have locations in Asheville, as you mentioned and in, and in Fort Collins. This sense of region to American beer. Is it, is it important to, ingredients to consumer markets? Or do you feel like we are in a, a more national era of beer consumption?

KJ: Um, I think, I think we have both going on. At, and where I think it plays out well for people like New Belgium is in the off premise trade. So, getting beer in a grocery store and taking it home. We have, um, invested millions and millions and millions of dollars in high quality equipment, both brewing, fermentation, and most especially packaging. And that means that our beer, at, and then the last piece is, you know, after market quality. That means that our beer is, um, consistently of high quality. And that's not an easy feat. And for some more local breweries, they have also invested in those kinds of things. And so they're doing a great job of that. For others, you know, they're using sort of, um, packaging systems that aren't optimal for beer. And so, I think that's a place where larger brewers, um, who are really committed to that level of investment for quality. Um, can play and be strong. Um, in the on premise, you hear a lot of bar owners say that their beer trade is going away. That people tend to go to a tasting room to buy beer to drink there. And they don't go, you know, to a bar somewhere. Um, at least if the, if the drinking occasion is beer. And so, I think that benefits local people in terms of ingredients. I think in the U.S., you know, we have sophisticated shipping. And, uh, growing situations where you can pretty much get anything you want. If you go to South America, they end, you know, they have more trouble getting grains that they want. And they have more trouble getting hops that they want. So, you, you can go places where you see that that's an issue. But I don't really think that it is in the U.S.

00:58:17 TM: Right. Um, related to packaging, do you see a, a definitive turn toward canning for the industry?

KJ: Totally. So, that's another really interesting, like, just, where, New Belgium was actually the first large craft brewer. Um, Oskar Blues, which is also in, in Colorado, um, was much smaller than they are now when they started canning. So, we were the first, you know, number ten and, and larger, um, brewery to invest in canning. And in the beginning, it was like, okay, we've made this investment and that's great. But there really isn't a lot of demand for it. And then, one day, mmm, maybe eighteen months ago, people really started saying, "I want my beer in cans."

TM: Wow, that's pretty recent.

KJ: It's pretty recent. Yeah. And it's pretty, um, it, you know, we had these three tiers to the system. So, you have to have the distributor saying, "Okay, I get it. People are saying they want cans now more." And then you've got the grocery stores, or liquor stores, and they've also gotta say, "Okay, I get it. People want cans more." And that's a bit of a clunky process, because to get us all to see the same thing at the same time is not easy. But it has, in the case of cans, been sort of an ama-, amazing convergence of, like, trying to do what beer drinkers want.

TM: Right. Right. Interesting. Okay, well I have a, as, as we start to wrap up I have a few big picture questions.

KJ: Okay.

01:00:00 TM: And, so, throughout your career you, you've been very involved in uniting and organizing brewers and entities, like the Brewer's Association. And, I was hoping, um, you might be able to talk a bit about the process of developing and voting on this definition of a craft brewer.

KJ: Um, the definition, the def-, you know. By definition, definitions are problematic.

TM: Sure.

KJ: Because they, you have winners and losers and people that you include. And people that you exclude. And, um, I get why that bothers people. And I think it's important to remember that we're not defining craft beer. We're defining craft brewers. And somebody, you know, and why not, the trade association, had to sort of put some parameters around that. So, that when you ask or the New York Times asks or somebody who's gathering statistics asks, we have a, a definite set of, you know, it can't be amorphous. And so, we looked at, um, what does that mean? And originally we had some, um, definition of beer style as well. Essentially that it, it was kind of a funny thing because it was, um, traditional.

Well, traditional, you know, has, that was messy as well. So, so we really eventually landed more on, uh, size and ownership structure. Which isn't sexy, but it does give us a way to understand who we are. And, as, as we all know, it's also somewhat problematic because you have people who, um, they're in that group. And then maybe they get bought by a large brewer. And then they're no longer in our numbers. So, if you're looking at our numbers, they can very fairly significantly, depending on the size of a brewery, based on that ownership definition. Which really has nothing to do with how much, how much market share do we collectively have? 'Cause that's more on the beer side. Um, but in terms of, as a group of, as a group, as a trade, craft brewers' size collectively can be, can be changed significantly by people coming in or leaving.

TM: And what, so, as a, a CEO, um, why do you, what do you feel the value is of, of being able to unite under this, um, definition. But also within an association like the BA?

KJ: [Coughs] Well, I think for one, it's absolutely clear to craft brewers that, um, to many craft brewers, not to all of them, that there are advantages to being owned by Anheuser-Busch or, you know, someone else. And, it, I mean, just in reach to be able to get focus from distributors and reach across the country and resources both for raw materials and marketing and, um. That's an advantage. And so, for the rest of us who are trying to figure out how we, you know, talk to beer drinkers, how we get our beer out there in the world, we want to be sure that the fact that we're independent is understood by beer drinkers, because it's important and it matters to our sustainability. You know, there is a bit of an existential threat there. Um, so that's really the, the ownership piece is really the most prominent piece. Um, because there is advantage that's conferred in being owned by a multinational corporation.

01:04:24 TM: Okay, just a few more questions. I, I do want to ask about how you would describe your experiences as a, as a woman in the brewing industry over a long period of time.

KJ: Okay. Um. [Coughs] You know, we are in a time now where there is heightened awareness of, um, both, sometimes I feel it's almost, unfortunately it's more focused on the #MeToo side that's about, um, about sexuality and someone doing something that's inappropriate. Which is important. But, I don't want that to be at the expense of women being paid the same as men. Um, not having your ideas, you know, walked over and then someone else, you know, twenty minutes later claims your idea as their own, and you're thinking, "How on earth did that happen?" [Coughs] The fact that we don't have, um, decent, uh, family leave policies in the United, I mean that, I could go on and on at the policy level. So, all of that is the context in which we currently live. It was, um, there earlier on. But, maybe not so, um, obvious as it is now. I, so, all of the, I tend to say that I think that gender bias is, um, subtle and pervasive. I know a lot of really great men who would be surprised to have me say, "That thing you just did right then was really,"

you know, "here's how it made me feel. Here's what it looks like from my vantage point." Um, and I th-, I personally think that means that we keep having the conversation. I try to do so in a way that's not, um, overly strident, just 'cause that's kind of who I am and the energy that I want to have. But yeah, you know, you see, um, you know, this is a male, white male dominated industry. And I think it's hard for those people to perhaps understand what the experience is like for people of color and for women. And perhaps, I mean I, there is a, also a small constituency of, you know, people's gender identity that, that gets thrown in there as well.

01:07:17 TM: Great. How do you think the industry can become more diverse on the producer and consumer sides?

KJ: I think you have to focus on it. I mean, that, it's generally how anything changes is when people start having conversations, setting goals. I talked at the very beginning of this conversation about how we said we wanted to produce world class beer. And at the time, when I look back on that, that seems sort of ridiculous and overly self-important in some ways. And yet, we now produce world class beers. And you have to start somewhere. You have to, you know, sort of decide what's meaningful to you at some point. And so, I think that, um, as an industry, we have to say that leaving people behind is not, um, is not a strategy that we want to embrace. That we want to embrace inclusiveness. And that that means, just by its nature, that there will be some giving and taking. And that's not always comfortable for people.

01:08:30 TM: Alright. Two questions to end on. The first is, um, is specific. The, the beer that, um, New Belgium is producing right now, what are you most excited about in your current lineup?

KJ: Um, well, we've, uh, there, you know, we have a breadth of portfolio that's rather unique given how long we've been making wood-aged and sour beers as well as, um, right now we have an agua fresca beer that we're making. So, on the, on that side of things, I think we are working with a brewery in Mexico City, Primus, on this agua fresca. And it's dry and delicious and spritzy and light. Um, and I think that's a really, the beer is called Mural. I think that's a really interesting, um, take on beer. Um, and then on the other side, we are, um, we have a wood-aged sour beer called, um, I think, I just heard the name the other day for the first time, Vanishing Violet, is I believe the name. Or, it’s something like that. Because apparently violet is a flavor that your, your palate memory is blind to. So, each time you taste it, it goes away. And then you taste it again, and it goes away. And so, you only have the memory of it while you're actually tasting it. Which I just think, from a sensory standpoint, this was speaking of women and beer, this was a beer that Lauren Limbach put together. Um, I just think that's really interesting in and of itself that, you know, we're working on, you know, just these really crazy, uh, sensory kinds of things.

TM: Well, and each of those has an interesting story, too, as well.

KJ: Yeah. Yeah.

01:10:34 TM: Okay, final question. Big, big picture question. Um, what, what would you say you value most about what you do?

KJ: Well, it's, it, most, might indicate one thing, but I think it's the totality of the thing. The combination of practicing an ancient artform. I, um, love that about what we do. I love that we make something that can't be outsourced to some other place. I love that it's ancient. I love that we hire people who, um, can work their way up through sort of a craft system. Um, to, to be journeymen in their field. I love the industry. I've met some of my very best friends are people I've met through the brewing industry. There are a lot of really interesting people. I'm sure you found that in interviewing people who've had, you know, a whole series of interesting lives before they started brewing. Um, and wrapping all of that up for New Belgium, I love the way that we've done it. I, um, am really appreciative that all of my co-workers wanted to sort of go with us on this journey of being different. Um, you know, La Folie, when we first started making that beer, no one was saying, "Wow, this beer is incredible." You know? But we took a risk and we did it anyway because it mattered to us. And that's true of ownership and lots of things. And I have loved that opportunity to kind of wrap the whole thing in our own special vibe.

TM: Well said. Well thank you so much for your time.

KJ: My pleasure. Thanks.