Action needed for cask to prosper

03/08/2024 by Roger Protz

Opinion



I’m frightened to read the business pages these days for fear some new horror has been inflicted on the brewing industry. The global brewing giants which dominate British brewing have shuttered Caledonian, Jennings, Ringwood and Wychwood. In 2022 a merger created the cumbersome and unlikely Carlsberg Marston’s Brewing Company. What could a Danish lager brewer have in common with a revered maker of such fine ales as Pedigree? The answer is: not much. Carlsberg controlled 60 per cent of the new group and it showed its intentions by axing three of the breweries listed above. In January, it announced it was closing the historic union set fermenters at Marston’s Burton plant. Before that wound had healed, Marston’s last month sold its brewing interests to the Danes and will now become a pub company, ending more than a century of making Burton ales. What drives the likes of Carlsberg and Heineken to wield the axe at breweries of historic importance and long records of producing award-winning beers? SIBA (Society of Independent Brewers and Associates) chief executive Andy Slee put it well in the trade paper the Morning Advertiser. He said the global brewers want to sell identical products in every country in the world. Those products are filtered and pasteurised lagers with long shelf life, requiring no greater skill in a bar or pub than connecting a keg to a gas cylinder. Confronted by ale breweries, the globals’ attitude would be like one of the droll monologues of the American comedian Bob Newhart, who died last month. “Are you saying these guys make beer that leaves the brewery unfinished, continues to ferment in pub cellars and when it’s finally ready has to be served within two or three days as it oxidises? Get outta here!” The priorities of the global brewers can be seen in this cautionary tale. In 2009 Jennings brewery in Cockermouth, Cumbria, was flooded when two adjacent rivers burst their banks. Brewing vessels floated on a bed of filthy water while malts and hops were ruined. Marston’s MD Stephen Oliver told Jennings manager Gaynor Green: “We’ll have you up and running as soon as possible, whatever the cost.” Three months later Jennings had been refurbished and decorated, brewing vessels restored and supplies of ingredients in store. The cost was £1m. I had the pleasure of being asked to press the button to start the first brew and soon pubs had fresh supplies of such popular beers as Cumberland Ale and Sneck Lifter. Scroll forward a decade. The deal that created CMBC was still hot off the press when the new group announced the peremptory closure of Jennings. No floods this time, just the Grim Reaper in Northampton, Carlsberg’s lager factory where it’s investing £10m. If you question that enormous sum while Jennings is closing, you will be told ale breweries have to go as a result of the decline of cask beer. The same mantra comes from Heineken, which has closed Caledonian in Edinburgh while spending £1m on a new brand, Heineken Silver. The decline of cask depends on who you talk to. SIBA says its members are reporting a 10 per cent increase in cask sales this year and they are returning to pre-Covid levels of production. Timothy Taylor in Yorkshire says it’s brewing more beer now than before the pandemic. It’s hardly a micro. It brews 70,000 barrels a year of which more than 80 per cent is cask, with Landlord accounting for 80 per cent of output. Theakston’s, also in God’s Own County, reports equally strong trading. In Manchester, JW Lees, which will celebrate 200 years of brewing in 2028, says its pubs are performing beyond expectation. All the way down to St Austell in Cornwall, the same message is heard loud and clear: cask is reviving and doing well. The reason is simple: the independents have a passion for cask ale and promote it with fervour. For the globals, it’s just a pesky nuisance. What can be done? The new government should appoint a minister for Pubs and Beer. There may be a case for an investigation by the competition authorities of an industry where just four companies – AB InBev, Carlsberg, Heineken and Molson Coors – produce 88 per cent of all the beer made and sold in Britain. Add in Asahi of Japan, owner of Fuller’s, and Diageo, which includes Guinness, and the figure rises to 90 per cent. It doesn’t leave much of the market for independent producers. Excise duty for draught beer needs to be cut again while the government must end the absurd situation where supermarkets claim back VAT on alcohol. During the Euros, I found it difficult to get into my local branch of Morrisons, with the entrance packed with boxes of lager, 12 cans for £11 or £12, as cheap as bottled water. Is it any wonder that pubs and smaller breweries are going out of business? Action is needed before any more horrors happen. Carlsberg now owns the two remaining Marston’s breweries in Burton and Wolverhampton. Would it have the chutzpah to close historic Burton and produce a few parodies of once great ales in Wolverhampton? Don’t hold your breath