



THE NEW CAN THAT'S SAVING BREWERIES

SALES OF TAP BEER TO-GO—CANNED ON-SITE IN 'CROWLERS'—SKYROCKET AMID SHUTDOWN AND BEYOND

BY NICKOLAUS HINES

Wild East Brewing Co. started brewing beer in Brooklyn in late December 2019. It distributed a small amount of beer to local shops through February while working toward opening a taproom in the late spring. And then New York City shut down.

The new brewery was stuck with kegs of fresh beer and no taproom for people to drink it in. So Wild East pivoted almost entirely to “Crowler” sales. By filling 32-ounce open-top cans by a draft line and sealing them with a Crowler machine on-site, the brewery was able to open to the public despite the inability to serve on-premise. In those first weeks of business in March, Wild East was selling as many as 250 Crowler cans a weekend. “It was quite

a rollercoaster when we first started,” reports Tyler March, cofounder and head of operations.

Wild East is one of many brewers that turned to Crowler cans when nationwide shutdowns occurred. According to Google Trends data, searches for “Crowler” shot up the week of March 15 and reached an all-time high in April. Sales at Crowler Nation, which sells Crowler equipment and is a middleman between Ball Corporation and breweries for the cans, mirrored that spike, says Jeremy Rudolph, who runs Crowler Nation and was instrumental in creating the Crowler concept around 2012 when he was the packaging manager at Oskar Blues Brewery.

“March 16 was ‘Crowler cans became toilet paper day,’” Rudolph says. “That’s

SanTan Brewing in Arizona was an early adopter of Crowlers, which have proven especially appealing to millennials.

when the mad rush happened, and we had about 37 times the normal order volume that day.” By late May, sales had leveled out to about seven times the previous average amount, and Crowler Nation is selling at least one sealer machine a day.

Just as cocktails to-go became a lifeline for many bars and restaurants, Crowler machines have been a savior for some businesses.

“Crowler cans were always in our business plan, but they weren’t as big a part,” March says. “I’d say it might have been 10 percent of our projected revenue, and now because of distribution and taproom [restrictions], it was near 100 percent.”

Now that the Crowler is rapidly gaining more mainstream consumer recognition, it offers tremendous growth potential for breweries, bars, and direct-to-consumer retail shops (in states where to-go draft beer is legal) well beyond the pandemic shutdown.

THE FORMAT'S APPEAL

The term “Crowler” is a registered trademark of the Ball canning company.

The process is simple. First, a 32-ounce can without a lid is labeled and filled with draft beer. Then a sealer machine secures a pop-top to the body of the can. (The can-sealing machines are also sold by Crowler Nation; about \$4,000 for the basic version, or \$6,000 for one with additional safety ratings.) Any spillage is wiped off, and it's ready for the customer to drink by the fresh date written on the label by the business that fills it, which is usually around a week after purchase.

"In a week from when you order, you can pay off the machine" with about a thousand can sales, Rudolph says.

The draw for the consumer is that cans are lighter than glass growlers. They're also recyclable and can go places glass can't. SanTan Brewing Company in Chandler, Arizona, was one of the first breweries in the nation to adopt the format in the mid-2010s, which the brewery calls Canzillas.

"About 5 to 7 percent of customers purchase Canzillas regularly, with that number spiking to almost 15 percent during peak outdoor weather months," says Anthony Canecchia, founder and brewmaster at SanTan. "We have found that it's really a younger demographic who is drawn to them. They like the

Advantages of the Crowler are its light weight and recyclability compared to glass growlers. But the real payoff for beer lovers is simply enjoying draft beer at home; Crowlers keep beer fresh for about a week.



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– Jeremy Rudolph, Crowler Nation

convenience and the ability to easily dispose of and recycle the cans."

As is the case with other breweries, SanTan's Crowler sales increased during the nationwide shutdown as it completed sales through third-party delivery, online ordering, and curbside pickup.

Rudolph has heard success stories like this first-hand from people placing orders. During one call, Rudolph says, a brewer told him that Crowler sales were "the best thing that's ever happened to us during the worst thing that's ever happened to us."

BAR & RETAIL APPEAL AS WELL

As demand far outpaced supply, Ball and Crowler Nation introduced the "Twistee" can, a 16-ounce can with a twist-on top, which eliminates the need for a sealer. Wild East's March says that having Twistees in the lineup fits the brand better than the plastic sippy cups that some bars and restaurants in New York City have turned to for newly legal to-go drinks.

In the past, Crowler sales have largely focused on breweries because of the patchwork of state laws that regulate to-go beer sales. Rudolph says that only about 20 to 30 percent of Crowler sales were to businesses other than breweries. Yet during the recent mandatory shutdowns, many states, including California and Colorado, relaxed laws to allow retail shops to sell growlers and Crowler cans.



SanTan's "Canzilla" represents about 5 to 7 percent of the brewery's sales, but doubles over the summer.

Shangy's, in Emmaus, Pennsylvania, an off-premise-only shop with thousands of beer options, including 40 taps for growler fills, sells about 2,500 Crowlers a month. Shangy's sealing machine can seal a range of sizes, but owner Nima Hadian says the 32-ounce Crowler outsells any other size they fill 10 to one.

In addition to the Twistee cans, Crowler Nation is continuing to evolve with new offerings on sizes, colors, and pre-decorated cans. March sees Crowler sales of 32-ounce and 25-ounce cans continuing to be an integral part of Wild East's plans. Canecchia of SanTan anticipates more permissive laws for alcohol delivery, which would increase delivery sales. Rudolph estimates that sales volume for Crowler Nation in 2021 will average around three-and-a-half times more than pre-coronavirus volume.

"When they open up bars and restaurants, it's not going to be normal again," Hadian says. "You don't need to leave home anymore" for entertainment and good food. And if there's a big increase in places filling Crowlers, it'll be easy enough to crack open a fresh draft beer at home as well. ■