

What's next for Shmaltz after selling its Saratoga County brewery last year

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Jeremy Cowan, owner of Shmaltz Brewing Co., is figuring out a path after selling the Clifton Park brewery last year and shifting focus to tap rooms instead of brewery operations.

Shmaltz Brewing Co. is changing its wholesale distributor, switching its packaging to cans and searching for a contract brewer as the beer company seeks to shift its strategy.

Founder and owner Jeremy Cowan said the brewery is moving to DeCrescente Distributing Co. from Saratoga Eagle Sales & Service. Switching wholesalers can be an expensive decision for brewers that might be looking for better shelf space or more visibility.

It is just one of the ways Shmaltz Brewing is figuring out its path after selling its Clifton Park brewery last year and shifting focus to tap rooms instead of brewery operations. The changes include moving from bottled beers to cans, following the national trend that is slowly making its way to this region. The craft beer scene in the Albany region and across the country is getting more competitive, and brewers like Shmaltz have been looking at ways to cut costs while increasing sales to compete.

“The challenge is how do you push on sales and marketing in a crowded marketplace. That is a huge reason for switching to contract brewing and starting with a new wholesaler,” Cowan said. “We are focused on sales and marketing and rebranding the whole portfolio. When you’re worried about details of a 40,000-square-foot factory, it’s hard to take a breath and a step back and work on the creative side.”

Cowan sold the assets of its Saratoga County brewery to Rich Buceta, owner of SingleCut Beersmiths in Queens. The deal included the equipment and the facility at 6 Fairchild Square in Clifton Park.

Shmaltz has continued to brew, package and operate at the brewery until the company finds a contract brewer, likely sometime in the spring. Cowan said the switch has been taking a while as they find the right brewer who can package and ship the materials across the country for Shmaltz.

Cowan established Shmaltz in San Francisco in 1996 and moved to upstate New York in 2013 with the \$3 million brewery.

Shmaltz brewed about 26,000 barrels of beer in 2017 and 23,000 barrels in 2016. It started with brewing 8,000 barrels in 2013.

The craft beer industry has evolved and matured over the last few years.

The industry is no longer growing at the double-digit rates of a few years back, though it still sees modest gains. Through the third quarter of 2018, the craft industry saw sales of around \$2.44 billion, according to a report by the Brewers Association, a trade group for small and independent craft brewers.