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New Belgium Brewing Case

1. New Belgium Brewing is a company founded in sustainability. They have, since creation, tried to take as little as possible from the planet, and give as much as possible back to the community. Anheuser-Busch InBev (AB InBev) is the largest brewing company in the world, holding the triple bottom line (people, planet, profit) in high regard. They aim to be the best beer company bringing people together for a better world.

New Belgium Brewing and AB InBev are both very concerned with being as environmentally sustainable as possible. They both belong to the Beverage Industry Environmental Roundtable (BIER), “a technical coalition of leading global beverage companies working to advance environmental sustainability.” (Sustainable Brands, 2015) This company has a big emphasis on lowering the water usage in making beer, a major goal of both companies. Recycling of water is key in keeping the water consumption down in both companies. New Belgium recycles their water in many ways including; reusing the water from rinsing the bottles to clean them after they are filled, capturing and using the steam produced from boiling the wart to preheat the next kettle, and they process their waste water into methane gas. AB InBev is working with its suppliers and has launched programs with 78% of their key barley-growing regions to improve water management. According to Mike Hower, AB InBev has achieved the lowest water use ratio of 3.2 hectoliters per 1 hectoliter of production, making them the most water-efficient brewer in the world. (Hower, 2015)

While these companies share many attributes they also differ in quite a few ways. Each company is concerned with sustainability but focus their efforts in different areas. New Belgium’s main focus is on energy consumption. According to Karen Crofton, “New Belgium [was] the first brewery to power all the electrical needs of its business with electricity generated with wind power.” (Crofton, 2014) They have prioritized their entire business structure to have the lowest energy consumption possible in every aspect, from reducing lighting costs by having an abundance of natural light in their buildings, to recycling their waste products for their energy potential. AB InBev on the other hand concentrates hardest on their supplier’s sustainability.

Since they are the largest brewer in the world, they have the ability to greatly influence the practices their suppliers implement. They have started the Pilot programs to work toward helping their hops suppliers on lowering water consumption.

New Belgium is more philanthropic than AB InBev, joining such programs as 1% for the Planet and giving $1 of every barrel of beer sold back to the community. (Chriest, 2015) They also provide employee perks to their employees who volunteer.

2. I do believe that New Belgium's focus on social responsibility provides them a competitive advantage. I especially think that since environmental sustainability is a core part of how the company has always operated, they are better positioned than most breweries to sustain higher profits. Every decision they have made on the production side has been to recycle and reuse as much as possible. They will not need to overhaul all of their facilities to accommodate any new industry standards that might require breweries to achieve certain energy or water usage levels.

As today's society is becoming more and more environmentally and socially responsible, companies like New Belgium will stand out and receive positive media as already having these values. New Belgium has effectively positioned themselves as a responsible company, making the consumer feel better about themselves by choosing their product, especially in an industry that has such a controversial image as the alcoholic industry.

3. I believe that New Belgium's actions and goals are indicative of a socially responsible corporation. In every decision they make, they ask if it is beneficial to the environment and society first and foremost. In the triple bottom line, profit is their third concern behind people and planet. They give $1 for every barrel of beer they sell to different philanthropic causes within its distribution territories, and are a part of 1% for the Planet; a company interested in profits first would not just give out money in such manner without a guaranteed marginal increase in profits.

New Belgium is entirely employee owned and strives to give back to both the community but also its employees. New Belgium has some great employee benefit programs beside the standard health and retirement benefits including; reimbursement for volunteer work, free beer at the end of each work day, on site climbing wall, free bike after a year of employment, and

many more. Even in this era of so many corporations trying to brand themselves as employee centric, New Belgium stands out as a company that truly does care about, and more importantly care for, their employees' well-being.

I don't agree that companies that sell alcohol cannot be socially responsible organizations solely because of the type of product they sell. Yes, their product can be harmful, but that is up to the consumer of their product and how they use it. It is the responsibility of the company to inform the consumer of any possible ill effects or consequences of using their product, which every brewery does in any of their advertisements and on each individual bottle or can. If the consumer decides to not take heed of said warnings then the outcome is entirely their responsibility. The outcomes of consumer's not heeding the warning should not take away from all the good the company has done for society. In my opinion, New Belgium has given more to society than their product has taken away from it.

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