

MBDA

DEFENDERS OF THE DISTRIBUTOR

Words & Photo Carl Samuels

This past April, from the 27th to the 29th, representatives of beer distributors, brewers, importers, and allied trade suppliers from Pennsylvania and beyond made the journey to Somerset County for the Malt Beverage Distributors Association's 82nd Annual Convention, hosted this year at Seven Springs Mountain Resort. The weekend started with The Brewski Festival on Friday, where over 100 beers from 54 breweries were available to be sampled in the resort's ski bar, The Foggy Goggle. This included Pennsylvania natives like Arsenal Cider House, Rivertowne Brewing, Sobel's Obscure Brewery, Levity Brewing Company, Erie Brewing, Fat Head's, and many, many more. And if that wasn't enough, the adjacent Foggy Brews Restaurant was open for dining and featured live acoustic entertainment. It was a great way to kick off the weekend and a perfect reminder as to why organizations like the MBDA are so important to the longevity and success of the craft beer industry.

What is the MBDA?

The Malt Beverage Distributors Association of Pennsylvania is a trade organization comprised of over 350 members from across the state. Their mission is to provide one unified voice for distributors and wholesalers by advocating for appropriate legislature and reforms, ensuring these institutions remain autonomous. They are the political voice, advancing the goals and welfare of businesses and their consumers by providing lobbying, trade, and public relations services.

Led by president Frank Pistella of Pistella Beer Distributor here in the Steel City, the organization has intensely fought for and against various legislative reforms that impact the current retail scene of the Pennsylvania beer industry. Their accomplishments include: the passing of legislation to allow on-premise beer tastings; extending hours of operation to include Sundays so you can get your suds after Mass; continued opposition of an increase in the excise tax on beer; allowing the sale of 12-packs so you can scratch that import itch without gouging your wallet; and leading the

advocacy of Act 166, which gave PA distributors total package reform and allowed them to sell singles, six-packs, growlers, and crowlers. They also vehemently oppose bills and legislation that would allow grocery and convenience stores to cross into distributor territory, which includes alcohol sales over 192 ounces or the simultaneous sale of multiple 12-packs. Such changes would weaken the ability of distributors to provide their low prices and broad selections to the consumer.

Distributors have always offered beer drinkers what they want: beer, reasonably priced and in large quantities. But the national market changes, and so do the tastes and preferences of the consumer. The MBDA is the response to a fluctuating and evolving industry. And for 82 years, they have met annually to determine how to preserve and improve business to better meet the needs of the consumer.

Slope-side Seminar

After two days of beer and banquets, representatives from distributors across the state convened on Sunday morning in the main lodge beneath the snowless slopes of Seven Springs to discuss general business and legislative updates. Several panel speakers were scheduled for the morning business session and these included John Bodnovich, executive director of American Beverage Licensees; Warren Scheidt, owner of Cork Liquors in Columbus, IN; and Ed Mulvihill, owner of Peco's Liquor Store in Wilmington, DE.

Mr. Bodnovich began with legislative updates and economic concerns that are expected to impact the beer industry nationwide. He covered the Trump Administration's aluminum and steel tariffs, which are expected to increase the cost of production for aluminum cans—a surge that will undoubtedly land on the consumer. Heritage and main street stores were also a concern in the wake of giants like Amazon, Walmart, and other online retailers. Over 7,000 brick-and-mortar businesses closed in 2017, jeopardizing the retail worker and threatening to completely change the way modern Americans shop. When this is combined with mobile



Warren Scheidt, John Bodnovich, Ed Mulvihill

alcohol ordering apps like Thirstie, Brewdrop, and Drizly, distributors nationwide need to find a way to deal with the increasingly solitary and online-focused ways consumers are engaging with the marketplace.

Warren Scheidt and Ed Mulvihill discussed the history of their respective franchises and the sometimes arbitrary laws and legislation they had to overcome in their states as distributors in order to reach and maintain success. As the session drew to a close, the floor was opened for questions from the crowd and, interestingly enough, conversation returned several times to the same concern: marijuana. As the nation is struck by a green fever, more states have or are expected to legalize weed for medicinal or recreational use—and it's the idea of legally getting high after work that draws concern. In states where the product is widely available to the consumer, there has been an observed impact on beer sales—and it's a negative one. Mr. Bodnovich's reason: people only have so much money to spend on recreational substances. But while smoking a bowl of

Blue Diesel and watching Mr. Bean's Holiday in absolute perplexity is a great time (*don't fight me on this*), it is nothing like drinking a lager with a burger or sucking down a pale ale in the shower (*don't fight me on that, either*).

After the business session, I stopped upstairs at the trade show to grab some brews for myself. I stopped for a Peachy Pilsner from Sobel's Obscure Brewery which smelled exactly like a freshly opened bag of peach candy rings, and I was an immediate fan. I took my beer and sat down to talk with Ryan Federbusch, the MBDA convention chairman and owner of Beer Express in Crafton. I asked him about the MBDA, what they do, and about the event itself.

"We're always looking out for the distributor," he tells me. "We're just trying to keep people's doors open."

We also talked about the six years he's spent with the MBDA and the legislative and lobby work the organization does.

"We use all the money raised at events like this to support the organization throughout the year. They're fun and when you're here, it's nice because you're building relationships in the industry."

"Most people don't even know there's an organization out there fighting for the rights of beer distributors and the consumers," Ryan told me before we parted. And he's right. But the MBDA is out there; they keep the doors of the brick-and-mortar, heritage, main street distributor open. They do it with fervor. And they do a damn fine job.



Malt Beverage Distributors
Association of Pennsylvania