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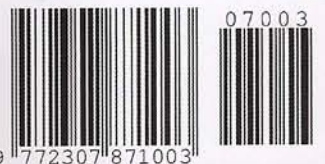
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SMACK IN THE EYE OF A BREWING STORM

Two engineers and a communications manager followed their passion and opened the only microbrewery in the inner city of Johannesburg.

By Gareth Cotterell

David Martin works in the mines during the day; but at night puts away the hard hat and blue prints to tackle his passion with pipes, hops and malt.

Martin, an industrial engineer, his brother Andrew, a communications manager and Grant York, an aeronautical engineer, are trying to live their dream. The three entrepreneurs have opened up their own brewery, SMACK! Republic, a bright new addition to the ballooning craft beer market in South Africa that has already won an award.

All three chipped into the brewery in the hope it will be their lives.

"Beer has been part of our lives for many years, since late school days. The passion started when we started home brewing. What's nice about beer is it gives you the opportunity to brew awesome beer in your garage at your house. Wine is a bit more sophisticated and spirits need some distillers. The ease of getting into the hobby is why we developed a love for it," says Martin.

"We started with kit brews in little plastic fermenters and then moved up to all grain brewing. We then started experimenting and

decided to take it to the next level."

That experimentation makes their beer stand out from the rest. The three are not afraid to use strange ingredients: black pepper, coffee and naartjie; a South African citrus fruit, in their brews.

On the morning of our interview, SMACK! Republic launched their latest offering, a brew of rooibos tea and honey. The flavors may sound odd but the first customer seemed to approve at 10AM.

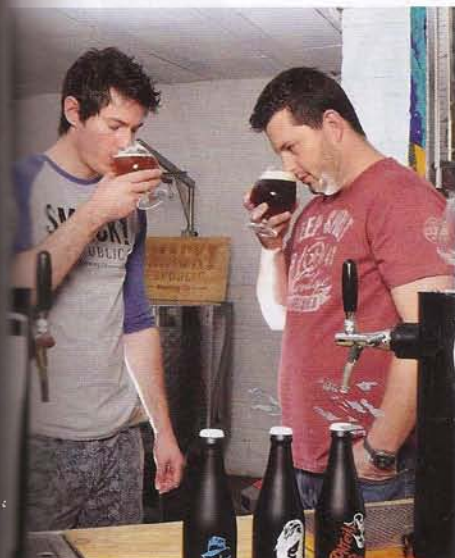
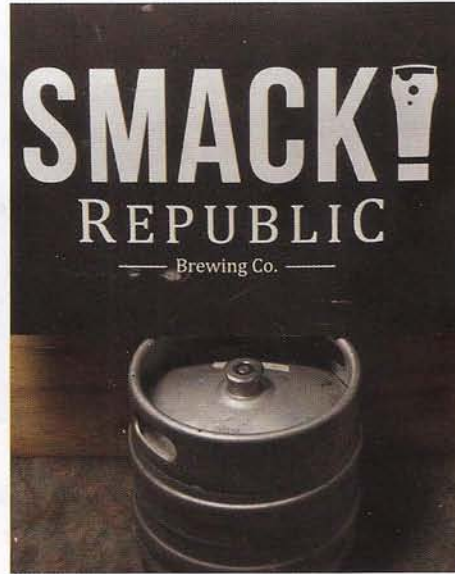
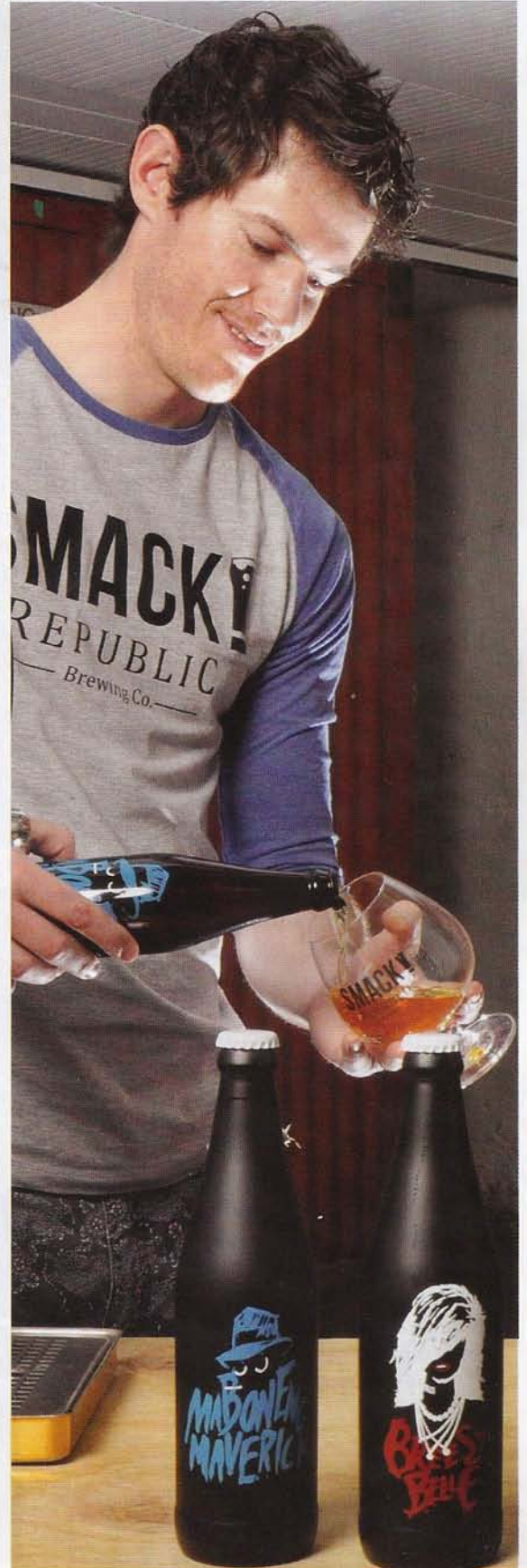
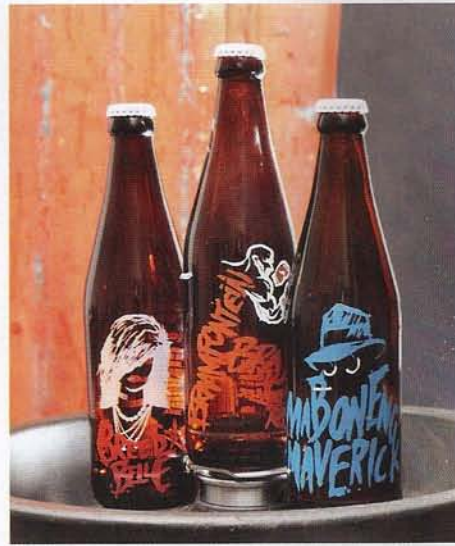
"This is the perfect breakfast beer," he remarks with a grin.

Getting to this point has been difficult. The initial cost to set up the brewery and obtain a license took its toll.

"The capital required to start a brewery is generally quite a lot. A lot of the equipment is imported because local suppliers aren't yet at a stage where they can supply this because it is a fairly new industry on a micro scale," says Martin.

They also had to vault bureaucratic hurdles. The license delayed their launch by two months.

"The liquor board claim it is a three month turnaround to claim a manufacturer's license.



It took us eight months and that was with an agent who facilitated the process. We had to set up this brewery in a building that was not built for a brewery. We needed to change a few things inside to get through the health inspection and other legal issues.”

Besides the steep expenses and administrative nightmares, the lack of sleep took its toll.

“We opened in March [2013]. Up until recently all three of us had day jobs. We work from 8AM to 5PM, come to the brewery at 6PM and then go home at 2AM. Doing that for six months is hectic. You have to be passionate about beer to do it. It is seven days a week of something that is a business but also a passion at the same time,” says Martin.

As of September, Martin’s brother, Andrew, started working fulltime. This has taken a lot of the pressure off as he can now brew during office hours. It allows the other two to focus on selling beer at their brewery and at events on weekends.

“It is more fun now because we have normal hours during the week,” says Martin.

As fun as it may be, opening a microbrewery in a market that is dominated by South African Breweries (SAB) is risky. A lot of money has been invested into the business and failure will be equivalent to pouring their painstakingly crafted beer down the drain. To avoid this, SMACK! Republic did their homework before opening.

“We did research in the local market and spoke to other brewers for around 18 months. We then came up with a business plan,” says Martin.

“There is a risk but we based ourselves in an area, in Maboneng, which is very open to craft beer and the people that come here want something different to drink. We get a constant supply of thirsty customers, especially on the weekends.”

The Maboneng Precinct is an arty area, full of galleries, sidewalk cafes and trendy restaurants which attracts the young, the restless and the affluent.

“They want something a little bit left of center and craft beer fits that mold perfectly. They come for a connection with the inner city. This building is over 100 years old. It is old Joburg but with life breathed into it. What we are doing is beer that has been around for thousands of years but we are

providing a fresh twist. That paradox is what complements the area quite well.”

The names of their beers are drawn from the inner city: the Braamfontein Brawler; the Maboneng Maverick and the Bree Street Belle. Is it too close to home?

“It won’t affect national sales. It’s a Jozi brand and we are known for that now. We wanted to tie our idea into the city and the urban vibe. People understand that,” says Martin.

The rapid growth of the craft beer scene in South Africa means that consumers are no longer solely drinking the mass-produced SAB products.

“For years SAB have run a monopoly. At the moment they are supporting local craft breweries and supply the local hops and malts at cost. They also support most of the festivals. Craft beer is such a small segment at the moment. They are trying to understand the new beer movement. They had a reputation for being against anything new or small but their attitude has definitely changed,” he says.

Compared to the international trend, SAB does not have to look over their shoulder any time soon.

“At the moment they shouldn’t be worried. If you compare the market in the United States (US) with that in South Africa, the US market has been going for 20 years and only

takes a 5% share of the overall market. They have over 2000 breweries,” says Martin.

Rocks Griessel, the organizer of the South African Microbrewers Association and Guild also thinks that SAB should not be worried.

“It is a different market. We provide beer for a premium market, while SAB cater to the mass market,” he says.

According to the beer enthusiast, it is the wine farms that need to be concerned. Consumers could now be leaving their bottles of chardonnay in the cellar to gather dust so they can test their palates on the various flavors that craft beers are offering.

How South Africa’s major beverage companies view microbreweries is unclear. Both SAB and Brandhouse were not available for comment.

Is it the perfect time to open a micro-brewery then?

“We are right at the start of the curve. The demand from restaurants, bars and bottle stores is incredible. It’s in line with the craft beer booms around the world. In the next 15 to 20 years there will be a lot of growth,” Martin predicts.

SMACK! Republic are on their way to proving Martin right. In November, they were winners of the best beer from a new brewery at the inaugural South African National Craft Brewers Championship. It shows small beer can go a long way. **B**

