



AT THE BAR WITH BOWDITCH

A Legal Blog for the Craft Brewing Community

A Place to Call Home: Displaced Brewers Turn to Tenant Brewing During Unexpected Move

BY JARED OTTE • JULY 21, 2015

Anyone who has produced his or her own beer knows that an essential ingredient to the brewing process is space. Tanks, fermenters, storage, oak barrels, bottling lines – the list goes on, and floor space quickly diminishes. A craft brewery's move into a larger facility is typically accompanied by fanfare and promises of increased brewing capacity. But what happens when a brewer's space unexpectedly disappears?

Two Boston-area beer brands, Idle Hands Craft Ales and Enlightenment Ales, were forced from their shared brewing space last month as a part of the groundwork for the Everett Wynn Casino project. The two breweries, [according to this Boston Magazine article](#), will be off-line for the time it takes to find a new location and navigate the complex licensing and permitting process associated with any move. In the meantime, Idle Hands will produce batches of its beer in tenancy at the nearby Night Shift Brewing.

While tenant brewing certainly presents an opportunity for the uprooted brewer to continue operation and retain control of the brewing process, it is not the only option. Some popular brewers with limited space have successfully engaged larger beer outfits with contract brewing agreements to continue or increase production. Contract brewing can provide a brewer with a facility and the equipment to produce beer without the large start-up costs of working from scratch. However, with contract brewing comes the difficulties of being subject to the host-brewer's production schedule and, without the space for customers to visit and taste beer, a contract brewer loses some marketing and branding opportunity. Also, by contracting with another brewer to brew its beer, the displaced brewer's personal touch and control over the brewing process is at risk. With many breweries outgrowing their present facilities and facing the significant challenges and delays associated with opening in a new location, we have seen that space, or lack thereof, has become a major theme in the business of craft beer.