

# That Other Budweiser

## The world-renowned Czech lager will now be widely available in the U.S.—as Czechvar.

By Peter V.K. Reid

**B**udweiser Budvar and Anheuser-Busch remain locked in dozens of trademark cases around the world, based on the inconvenient fact that both want to sell a beer called Budweiser. Each company has chalked up legal victories in recent years, but the machinery of litigation grinds on, country by country. Whatever the outcome of the various cases, it is a certainty that the Czech Budweiser will never wear its "Budweiser" name in the U.S. (This due to a 1939 agreement in which the Czech brewery relinquished any use of the brand name in North America). However, the doughty Czechs have still managed to invade Anheuser's home turf, albeit under the brand name "Czechvar."

Distinguished Brands International (DBI) of Littleton, CO, recently took over U.S. import rights for Czechvar, and the company flew a group of journalists and wholesale reps (including the author) to visit the brewery that makes the mythic "Czech Budweiser."

The Budweiser brand story is long and convoluted, and varies according to whether you are talking to someone in St. Louis or the Czech Republic. However, certain aspects are historic fact. The city of Ceske Budejovice was founded in 1265 by a Czech king. As a result, the city was not bound by the normal feudal strictures, and had special privileges to brew beer. And brew beer they did. By the 1400s, there were 44 breweries in Ceske Budejovice. The beers they were making were probably murky, top-fermented brews, but by the mid-19th century Czech brewers had developed pale, bottom-fermenting pilsners, and these promptly took the world by storm.

What is now the Czech Republic was part of the Austro-Hungarian empire, and ethnic Germans were scattered throughout the region. Ceske Budejovice was half German, and half Czech, so the Czech name for the city was often transcribed as the Germanic Budweis. In turn, the beer that came from

Budweis was called Budweiser.

Then it starts to get complicated. In 1876, in St. Louis, Missouri, U.S.A., the German immigrant entrepreneurs Carl Conrad and Adolphus Busch decided to emulate the beers of Budweis. Busch brewed it, and Conrad bottled and sold it. In 1878, Conrad trademarked Budweiser, and in 1883, Anheuser-Busch took over the rights.

At the time, several American brewers made Budweiser brand beers, including the Frederick Miller Brewing Company. By 1894, the first first Budweiser trademark suits were already roiling American courts. A-B prevailed in its early suits, but the little DuBois Brewing Co. of DuBois, PA, continued making its own Budweiser until 1972, defeating several court challenges by A-B. DuBois was bought by Pittsburgh Brewing Co. in '72, after which the DuBois Budweiser brand was no longer made.

Over in Ceske Budejovice, there were also many Budweisers. In 1795, two breweries in Ceske Budejovice merged to form the Citizen's Brewery, renamed Burgerbrau. This company is still extant, and still makes a beer called Budweiser. Trade documents indicate that a Budweiser beer was exported from Ceske Budejovice to the United States as early as 1872. It is thought that a Czech delegation also brought samples of Budweiser beers to the great Philadelphia Centennial



The Budvar brewhouse, a temple in copper.



A familiar brand name on the Czech skyline.

Exposition in 1876.

Nonetheless, the Czech brewery that today calls itself Budweiser Budvar was not incorporated until 1895. It had its first run-in with Anheuser-Busch soon thereafter. In 1911, an agreement was concluded in which the brewers could sell their respective Budweiser beers, and Budvar could call itself the "original" in the world market.

The onset of World War I, followed by U.S. Prohibition and the great Depression, rendered the trademark dispute somewhat moot. Moot, that is, until 1937, when Budweiser Budvar tried to patent their Budweiser beer in the United States. Negotiations followed, and the companies came to agreement in 1939, just as Nazi armies were massing to occupy Czechoslovakia. Under the terms of the agreement, Budvar signed away all rights to its name in North America for a modest payment. The Czechs, who maintain a long historical memory, are still bitter about this agreement, feeling that it was made under the duress of imminent war. On the Czech scale of infamy, it ranks below Neville Chamberlain's "peace in our time" betrayal, but not too far below. A week after the papers were signed, German troops rolled in, and Czechoslovakia ceased to exist for the next five years.

During World War II, the Budvar brewery continued to operate, although they had to cheapen their domestic beers through the addition of sugar. (Interestingly, even as world war raged, the German occupiers mandated that beers exported to Germany must continue to meet the Reinheitsgebot, with no sugar added).

In 1945, the Russians stormed in (although Patton's U.S. 3rd Army helped liberate western Czechoslovakia) and soon communism overtook Czechoslovakia. Conditions were grim, and police-state repression even reached its



Ing. Josef Tolar

## Josef Tolar, guardian of Budvar's tradition

**I**ng. Josef Tolar has worked at Budvar since 1965, and has served as head brewer since 1985. The brewhouse has been modernized extensively in recent years, but still uses open lautering. "Many breweries use closed lautering," he says, "but for Czech beer, for golden beer, we believe that limited oxidation of wort is positive. That is why we use the older process, even as we have modernized the brewhouse." Bags of Saazer hops are also stacked by the kettles. "We use 100% Saaz," he says. "No pellets, no extracts. These methods are more economical, but we are of the opinion that the 100% compressed hop cone is superior." The brewery is equipped with 14 2000-hl fermenters added in the 1990s. The use of open fermenting cellars ceased in 1998. Ing. Tolar insists on a production cycle of 100 days, including a 90-day cold maturation process. "Lagering for 90 days makes the taste very stable," he says. "This has a good impact on the quality of the beer. We use vertical tanks only for the first maturation, but special horizontal tanks for lagering." One of Mr. Tolar's first jobs with the brewery was cleaning the old wooden casks that were used to age the beer. A worker had to crawl through a tiny aperture to gain access to the casks. "I had a chance to see how it was done," he laughed. "I would crawl in—and not with a flashlight—but with a candle, to clean the casks." These wooden casks were retired in 1967. A new cellar was built in 1999, with four floors of tanks, for capacity of 160,000-hl. This, in addition to the old cellar, with capacity of 130,000-hl. The new 3,770-hl tanks were made by Ziemann-Bauer GmbH of Germany. Approximately half the brewery's production is sold in kegs, and 46% of the output is exported. Two versions of Budvar are sold on draught in the Czech Republic, one of them krausened. And a new dark draught beer, dryish and light-bodied, was introduced in the domestic market in April.

tentacles into the brewery. Employees who did not show the proper political attitude could be fired. Opportunities for educational advancement were also limited for brewery personnel, since they could not visit the West to learn about new brewing developments.

Nonetheless, beer remained popular, and Budvar found export markets in Western and Eastern Europe. Since the brewery made an export grade product, it was a valued source of hard currency, and the brewery was modernized accordingly. Under one of the periodic upgrades, the last wooden lagering barrels were removed in 1969.

In the wake of the Velvet Revolution, modernization has continued apace. Open fermenters were replaced with cylindro-conical tanks in 1998, and a new Simonazzi filling line was purchased. A new filtration plant was installed, and a large investment was made in horizontal stainless-steel lagering tanks.

Anheuser-Busch began making overtures to Budvar almost as soon as the Iron Curtain came down. The American company sought more freedom in Western European markets, and so began a lengthy courtship to acquire a stake. The St. Louisians built a Czech/American community center in Ceske Budejovice, and various legal disputes were put on hold. The Czechs even have an unusual photo of August Busch III laughing uproariously during a visit to the brewery. Unfortunately, initial good feelings degenerated into acrimony, and talks ended in 1996.

In subsequent years, legal battles between the two companies have been fought on almost every continent, as Budvar has somehow mustered the legal resources to litigate with Anheuser-Busch. Budvar's trademark battle has a Quixotic feel to it, but the Czechs are a proud people, and they have found allies around the globe. Many Western European beer drinkers have been fond of the Czech Budweiser for decades, and CAMRA (The campaign for real ale in the U.K.) has been a vociferous champion of Budvar.

Americans can enjoy Czechvar on its merits, but it also holds interest as a sort of historical artifact. This is because Czechvar is probably very similar in profile to earlier incarnations of the American Budweiser. Czechvar has 20 IBUs (International Bittering Units) and uses all Saaz hops. (Until the 1970s, American Budweiser probably had around 18 IBUs and used Saaz as well. A-B's Budweiser was still at 15 IBU as late as 1981; Now it is at 10 IBU or lower, and the hop blend has also changed). Another major

difference: Czechvar is all-malt, while the U.S. Budweiser has employed rice as an adjunct for some time (Budweiser labels in 1901 make no mention of rice, but by 1933, rice is listed).

The Czechvar name was derived from the combination of two words, Czech and "Pivovar," which means brewery. The label notes that the beer is made by BBNC, which stands for the Budweiser Budvar National Corp.

Poured in the glass, Budvar has a fresh malty palate, with subtle but pleasing Saaz aroma. There seems to be a hint of apple, perhaps a character of the yeast. Interestingly, this is a trait shared with the U.S. Budweiser.

In the best of all possible worlds, the American and Czech Budweisers could have co-existed side by side. Had A-B been successful in its quest for a stake back in '91-'92, the company could have added Budvar to its portfolio in the mid-1990s, giving U.S. wholesalers a potent import to sell. But that never happened, and Czechvar now has a strong U.S. partner in DBI.

Privatization for Budvar remains likely at some point in the future. When that happens, the brewery will not be lacking for suitors, and Anheuser-Busch will be at the forefront. But based on history, the proud and independent Czechs will be resistant to the St. Louisian overtures. Of one thing there's no doubt: Other international brewers will be jostling for the chance to own a Budweiser of their very own. ■

