

TRU COLORS: A VISION OF SOCIAL TRANSFORMATION TAKES FORM IN A BREWERY



TOPIC: NEW BREWERY & EXPANSIONS

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We all know that a brewery is more than bricks, mortar, and stainless steel, just as its brands are more than malt, hops, yeast, and water. A successful brewery's brands are also made of intangibles – attitudes, values, and ideas – that connect them to people in ways that their physical aspects never can.

In parallel with construction of its new facility in Wilmington, North Carolina, TRU Colors Brewing Company is building a brand on a set of ideas that owner George Taylor believes can change American life for the better.

Deeply troubled by a gang-related shooting just blocks from his office in 2016, Taylor set out to learn more about the root causes of inner-city violence and what he might be able to do about it. Through the local District Attorney, he arranged to meet with gang leaders, and eventually other gang members, and what he learned ran counter to almost all his expectations. His key revelation: “Instead of being the problem, gangs are the solution.”

Taylor explained “This [idea] in America that gangs and violence are correlated, it’s false... If you read their vision statements and mission statements, the top leaders aren’t with any of this violence, and nowhere does it mention guns or drugs.” Instead, “the things that drive violence are economic issues and societal exclusion.”



“There’s so much good in these gangs, in the organizational structure and the code they live by,” Taylor continued. “If you can begin to work within that structure, you can impact really important social issues in urban America. The groups that are the most organized and have the most influence in these areas are the gangs.”

He began developing a plan for a new start-up that would employ active gang members – active, because once someone leaves a gang, they no longer have influence over members. But would rival gang members be willing and able to work together? In one of those first meetings with the gangs, Taylor was told “Opportunity is the great equalizer.”

It quickly became apparent that the new startup should be a brewery. As the chairman of the beer rating app Untappd (which he has since exited), Taylor chose brewing over other potential business ventures for both philosophical and practical reasons. Not only does beer “start conversations and bring people together,” it’s a great source of jobs. “We knew we were going to be hiring a lot of guys who had varying skills if skills at all, and we wanted to have a variety of places we could place them in.” And given his objective for the business to be national in scope within 24 months of opening, the breadth and depth of his existing relationships in beer and related categories meant that these could be leveraged to scale the brewery quickly.

Yet by his own admission Taylor “certainly didn’t know how to build a brewery,” and so he partnered with First Key Consulting to develop the building and the brewing operation. “First Key was instrumental,” Taylor said. First Key worked with TRU Colors on the early market analysis, engineering, equipment selection and installation, and recipe development. “I didn’t have that background and we didn’t have anyone on our team who did.”



First Key’s Mark Benzaquen described his first meeting with Taylor as “amazing and awe-inspiring.” “[Taylor] is a guy who, when he says something, he means it. He follows through on every word.”

Taylor had purchased a former textile factory because the brewery would clearly have to be in the community, and there were only a handful of buildings in the downtown urban area with the necessary square footage and available outdoor space. It would eventually be transformed into a sparkling new brewery. But as Benzaquen noted on his first visit to the site “It needed a lot of work. It was run down... It didn’t have a lot of the basic infrastructure. The drainage had to be upgraded. A lot had to be redone from scratch.”

But the most problematic features were the low ceilings. “We had to look at ways around it, and that’s why we went to an outdoor tank farm. The brewhouse is also tall, so we had to bump up one section, working with the architect to design a pop-up. Now it’s all glass windows.”

Mike Gerhart, another First Key technical advisor who joined Benzaquen on the project, found himself facing unfamiliar challenges as well. By his own admission, Taylor was then a “start-up guy” more so than a beer guy, and so as Gerhart explained “Everything brewery technical-related was on our shoulders... with many of our clients, there’s already an in-house packaging manager or a cellar manager or a head brewer. At TRU Colors, supporting and mentoring an enthusiastic team that was new to brewing was a key part of our role.”

Upon his first visit to the pilot brewery, Gerhart realized “it was a garage of used brewing equipment, but a brewery it was not. It all had to be put together, plumbed, glycol systems – ‘where are the fittings?’ For the first brew, the kettle wouldn’t boil, and we had to trouble-shoot what seemed like a thousand wiring connections before finding the loose connection. And then we started heating up the mash for the early pilot brews”

The Covid-19 situation, not surprisingly, created its own set of challenges. With much of the equipment being international, where restrictions on manufacturing and transportation were more severe, the project timeline faced several delays in getting what it needed on a timely basis. More than once Benzaquen found himself using his experience and his powers of persuasion to get already stretched suppliers to accommodate the project’s needs.

“There were some bumps in the road, but First Key handled it so well I never sweated it,” Taylor said. “From the get-go it was clear – they built trust with us very quickly, and because of that we relied on them for everything. They’ve negotiated on our behalf with vendors and contractors, and they’ve saved us quite a bit of money.”



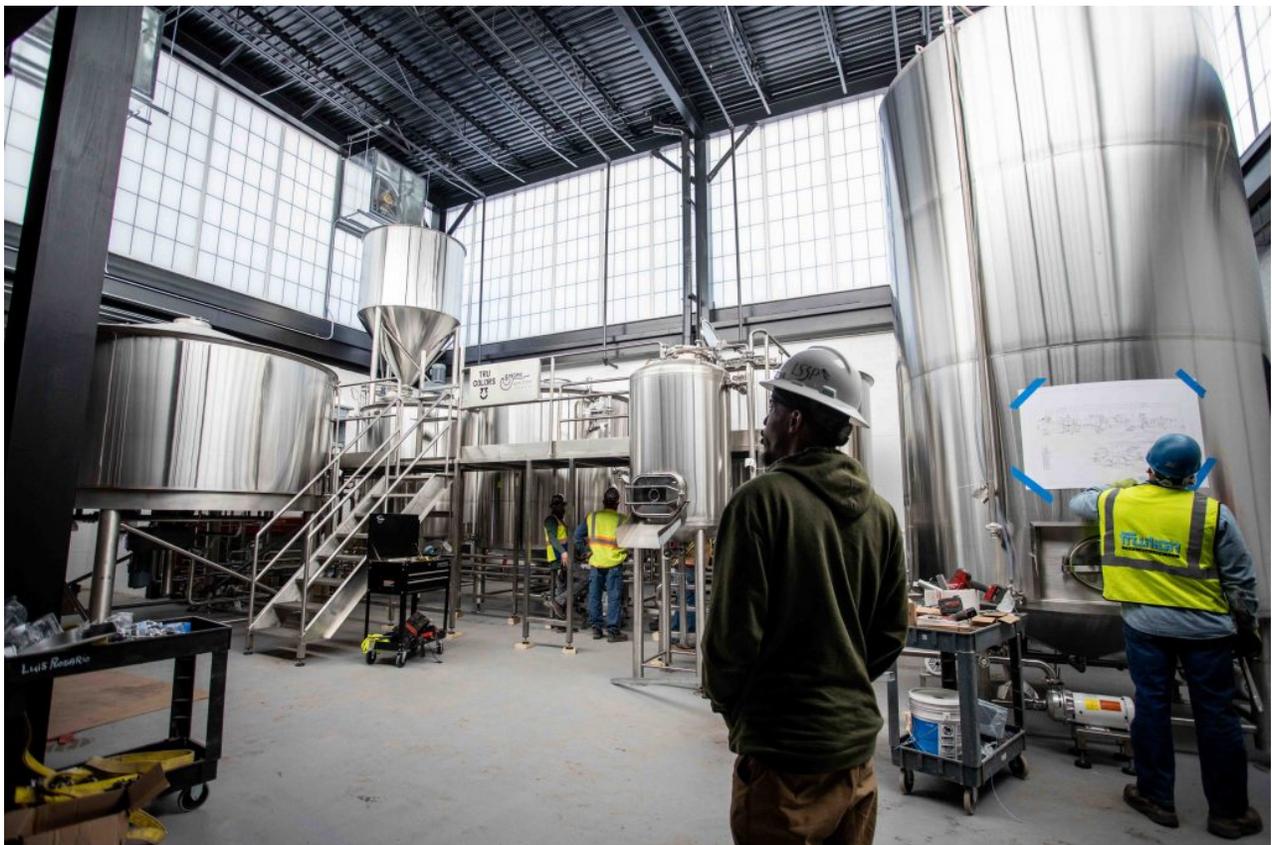
Taylor and the TRU Colors model have already had some demonstrable success stories, even before brewing their first batch of beer for commercial release. That model includes a two-month “DisruptU” training program in which gang members learn much more than how to brew. It addresses attitudes and beliefs, life skills, entrepreneurial skills, and even physical fitness. The model also allows for team members to take advantage of talents or interests they may already have, supporting the twin goals of education and empowerment that are central to TRU’s mission. Thus, besides classrooms, the building design includes a community space, an in-house gym, and a fully equipped studio where music, podcasts, and videos can be recorded.

“The skills of these guys coming off the streets are great,” Taylor explained. “One of the first steps we took was taking three guys that were really good at selling on the street and put them on the Untappd sales team selling analytical software. And it worked. They were in the top 50% of their class.” One of the three even set a sales record that still stands to this day.

But the most important success story to date has been the over 70% decrease in gang violence in Wilmington in the summer of 2017, with the support of local officials. That’s the real indication that the TRU Colors approach is on the right track.

One of the underlying reasons it all works is that the objective of “balancing gang culture and business culture” isn’t as tricky as some might assume. The two have a lot of overlap, according to Taylor. “Start-ups are very aggressive, a goal-oriented environment,” he said. “Gangs are very aggressive. They come with hierarchy and code and all this sort of thing. So, we built both into the culture at TRU Colors.”

That convergence was one of the first things Gerhart had noted about the organization. “It’s interesting, the chain of the command. It’s very similar to the military, when orders are given, and that’s how these guys are used to operating.”



At the end of September 2021, TRU Colors started shipping its beer to market, behind schedule in large part due to Covid-19 but well worth the wait. The first and for now only beer is a light lager. Gerhart led the recipe development for the “crisp lager with a slight sweetness coming from the malt.”

The future TRU Colors has mapped out is ambitious. If shipment targets are achieved, the brewery's 55,000-barrel capacity will be filled just by sales to the core states of North Carolina, Virginia, Maryland and D.C. But Taylor intends to garner national distribution within 24 months, first through contract brewing, but also by expanding into other states with both breweries and its social mission platform. Cities such as Louisville and Milwaukee are actively seeking new TRU Colors breweries. And a recently announced equity stake taken by Molson Coors will give the company access to a wide array of strategic support, whether in sales, distribution, or marketing.

But the future of TRU Colors is about much more than buildings and beer. The future of TRU Colors resides in people like Press.



Press is a TRU Colors employee who has been developing his brewing skills alongside Gerhart. He is also a gang leader. When people ask Gerhart what it's like, he shrugs and says "We brew beer together. He's just a great guy." Press and other gang members in the TRU Colors organization are also, according to Gerhart, "some of the most motivated, hungry, eager, unentitled folks I've gotten to work with in a long time."

For Press, the reasons are clear. He talks about fighting the stereotypes of gang members as "incompetent and lacking knowledge." "People seeing me for who I am, that's the big sign of success for me, changing that perception. It doesn't matter where you come from, anyone is capable of doing more." But his motivations go beyond the personal, to educating the Black community about beer. "In the Black community you find malt liquor in every single store, every single bodega. And when you have the chance to share something that's way more healthy – it's something that you never knew much about."

Gerhart speaks with admiration of the progress his TRU Colors colleagues have made. “On Day One we had to explain ‘This is a hydrometer.’ Now I personally look forward to watching their careers evolve. As the company grows and more people come on board it will be up to them to pay it forward in the industry.”

About First Key's Gerhart, Press says “I could not have anyone better [teaching me]. From the time I first met him our working relationship has been great.” Gerhart sees it as a “mentor-protégé relationship,” and he and Press still text or talk every day when he’s not physically at the brewery. Recently Gerhart texted “Hey man, think about a year from now how many people are going to be holding your beer in their hand before the Super Bowl.” That may not be the most profound standard of success for everyone involved in TRU Colors, yet in its own way it just might be the most satisfying.

*By Mike Kallenberger*

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