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Goose Island sells brewpub to Anheuser-Busch

By Josh Noel February 19, 2016

Five years after selling Goose Island's production brewery to Anheuser-Busch InBevin a deal that launched an era of consolidation in the craft beer industry, brewery founder John Hall is selling the brewpub where Goose was founded to the same global beer behemoth.

Terms were not disclosed.

Fulton Street Brewery, which operates as Goose Island Beer Co., will become the parent company of the brewpub on Clybourn Avenue, which Hall started in 1988 after a career in the corrugated box industry.

Hall said AB InBev was unable to buy the brewpub under Illinois law at the time of the first sale, in 2011, but also didn't have much interest.

"They didn't understand the value, which they do now," he said.

To comply with state law, the Clybourn brewpub will be reclassified as a taproom subsidiary of Fulton Street production brewery.

Goose Island President and General Manager Ken Stout said little will otherwise change at the Clybourn location, and that the kitchen will remain open. Eventual equipment upgrades are likely, including to the brewing equipment, which is the same as when Clybourn opened 28 years ago.

"We've got to get a handle on things, but we made this purchase with full intention of continuing John's great tradition," Stout said.

Hall said that operating as separate entities for the past five years "made it difficult to take advantage of all the things that make the (Goose Island) brand strong."

As a result of the deal, he said, there will be more collaboration between Fulton Street and Clybourn Avenue on both operations and marketing. Clybourn brewers will have access to the laboratory at Goose Island's Fulton Street brewery and its barrel aging warehouse on Sacramento Boulevard, Stout said.

The brewpub has endured in its original location despite periodic challenges. Demolition of an attached building slowed business dramatically during its second year of operation, and Hall has been on the brink of moving twice over lease disputes in 2008 and 2013. The current lease expires in 2023.

"I don't want to talk about a lease ever again in my life," he said.

Stout said it was too soon to discuss long term plans for the space.

"For the foreseeable future, there will be no seismic change," he said. "We'll see what unfolds after that."

Hall said he announced the sale to Clybourn staff Friday morning.

"As I told my employees, it's very bittersweet," he said. "It's been the best 30 years of my life. But it's kind of a natural progression."

Hall, who is 73, said he will continue to be involved with the operation in a role he joked could best be described as "grandfather."

"Quite frankly, I've got another year on me and I've got some things I want to do," he said. "I can do them now."

The deal is expected to close within 60 days.