

>> Owners Gary and Scott Graham (front row, left and right) have helped grow Kohler Distributing Co. into one of the largest beer distributors in northeast New Jersey.

Perfecting Its Craft

As the largest beer distributor in northeast New Jersey, Kohler Distributing has the policies, procedures and people in place to ensure continued success. By Kathryn Jones

eer and wine distribution is a highly competitive industry, especially in the Northeast, but Kohler Distributing Co. proves that progressive companies who care about their suppliers, customers, employees and surrounding communities always take the leading position.

Headquartered in Hawthorne, N.J., Kohler is the largest beer distributor in the northeast New Jersey territory of Bergen, Passaic, Sussex and Morris counties; and with recent expansion into Union, Essex and Hudson counties, it now sells more beer than its competitors combined.

When Andy and Irene Graham purchased Kohler Distributing Co. in 1947, the company was selling 50,000 cases of beer annually and doubled that number by the time their sons, Gary and Scott, took over the business in 1983. The ensuing consolidation of brewing companies, brands and wholesalers prompted the brothers to take proactive steps to grow the company. By 1990, Kohler was selling more than 3 million cases annually.

"This year, we will do two things," says Frank Politano, vice president of sales and marketing. "We will have surpassed 6 million cases in annual sales, and we will have something that I think is unheard of in this business – and one of the things we're most proud of – it will be our 20th consecutive year of growth. Even in a tough economy, we still showed positive growth last year."

Recipe for Success

There are a number of explanations for Kohler's continuous growth, Politano says. For starters, "We have a portfolio that is perfect for our demographic," he maintains. "We have the Coors portfolio, and Coors Light is the No. 1 light

company profile

Kohler Distributing Co www.kohlerdist.com

www.konierotist.com
Annual revenues: \$110 million+
HQ: Hawthome, NJ.
Employees: 175
Specialty: Beer and wine
Frank Politano, vice president of
sales and marketing: "We are
proud of what we've accomplished!"

beer in New Jersey. And in a marketplace where the imports are at a high index, we have the top two – Corona and Heineken. We also have a strong craft beer market, taking the lead with Sam Adams and Sierra Nevada.

"We have one more brand that has been an all-star player for us, Yuengling, which we have had almost double-digit growth for 10 consecutive years," he adds. "So it starts with having the right brands in the right place at the right time, but that's just the start. On top of that, our infrastructure is very progressive."

Kohler works with approximately 20 suppliers and represents about 70 different brands. Approximately 75 percent of its sales are from its off-premise division – liquor stores – and 25 percent are from the on-premise division – restaurants and bars. "We have a good combination of experienced sales veterans and young, aggressive sales reps who are

eager to learn," Politano says. "Together, they make for a great selling culture.

"So we have the right brands, infrastructure and sales support, and with our office people and operations working together, we far exceed our customers' expectations," he says.

Community Ties

Kohler also is progressive when it comes to sustainability, Politano says. The company's new facility, which opened in 2004, was designed with state-of-the-art, energy-efficient heating, ventilation and air-conditioning systems. Two acres of the facility's riverfront property remain in their natural state, acting as a flood buffer. Its fleet of 50 delivery trucks is outfitted with low-emission technology.

The company's environmental awareness is a reflection of its commitment to the health of its surrounding communities. Kohler also is involved in campaigns to promote responsible consumption of alcohol and has been the nation's No. I fundraising distributor for St. Jude Children's Hospital for the past IO years. "We like to think we are part of more than just selling beer," Politano remarks.

The company started a wine distribution division three years ago that currently sells about 10,000 cases each year. Looking forward, Kohler would like to increase its wine portfolio. "We would also like to get more crafts and niche imports into our expanded territories and focus on any consolidation opportunities that might be out there," Politano says. "Overall, we are proud of what we've accomplished. We've got a good process, good partners and sales people, and a great teamwork atmosphere that's making us love what we're doing right now." FD



