» Global Edition

INTELLIGENCE FOR THE GLOBAL DRINKS BUSINESS

OCTOBER 15, 2009

## BEVERAGEWORLD

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of the Irish

Dublin, and the rest of the world, raise a glass to toast 250 years of Guinness.

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FERGAL MURRAY, Guinness brew master

## A Winning Team

Peerless Beverage Co. strives to deliver the best service and brands in New Jersey. By Jennifer Cirillo

HEADQUARTERS: Union, N.J., USA

SOALS: To exceed the expectations of its customers, its

'08 CASE VOLUME: 7+ million

suppliers and its employees.

EMPLOYEES: 200+



eerless Beverage Co. prides itself on two things: the quality of its 200-plus employees and the quality of its portfolio of brands.

Dating back to 1933, Peerless Beverage Co., based in Union, N.J., USA, located just minutes from Newark Airport, has a long beverage history that involves the partnership of the Salzman and Beim families. Today, Scott Beim, president, and Chuck Salzman, vice president, serve as the third generations to lead the company.

Naturally, over the years, Peerless has grown. The company distributes nearly 7 million cases of beer annually along with non-alcohol brands. Peerless' beer portfolio is comprised of products from Coors and Diageo, Samuel Adams, Corona, Yuengling, and also includes a variety of micro brews and imports.

Last year, the company bought out its non-alcohol business partner to create Crescent Beverage, which is now a separate

THE THIRD GENERATIONS of the Salzman and Beim families now lead Peerless Beverage Co. Scott Beim, president, (I) and Chuck Salzman, vice president, strive to deliver quality brands while making personal connections with their customers.

division of Peerless Beverage Co. with a separate sales force. Crescent distributes non-alcohol products such as water, iced tea, lemonade, carbonated soft drinks, energy drinks and fruit drinks to more than half of the state of New Jersey.

"Our focus [with Crescent] is primarily on high-end organic and natural beverages," says Beim. Recently, the company

took on the distribution for Boylan soda in northern New Jersey.

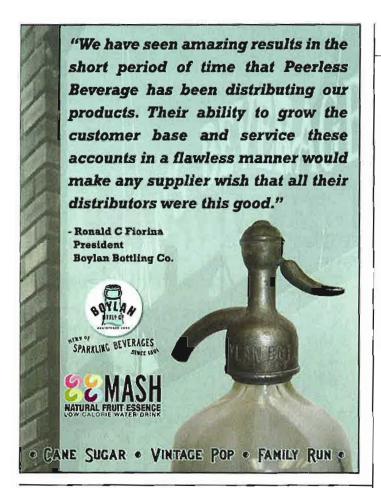
To best handle its up-and-downthe-street accounts, Peerless implements what Beim refers to as a "rigid" approach to distribution.

"Basically, the same approach we've taken with Peerless, our beer distribution, we've taken with our non-alcohol business in that we

have what we consider and strive towards is a high quality approach—high quality staff and high quality software and equipment," explains Beim. "Which means just a lot of hard work and a lot of consistent effort in the street."

Dave Caneschi, field sales manager for Crescent Beverage, says that the success of the growth of the company thus far has been a result of three fundamental ingredients: quality people, quality service and quality products.

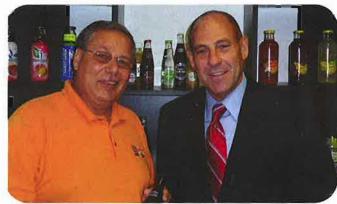
"We are certainly in a growth mode," says Beim. "We are trying to look into the future and to make sure we are situated to take whatever comes. We take the quality of these beverages very seriously and we think that will give us the desired results in terms of the consumer. The consumer recognizes quality." Beim anticipates case volume for Crescent to reach around 300,000 by 2010.





Turn it Over" 100% Natural Turn it Over" 100% Natural T Made with Pure Corne Singer Made with Pure Care Singer Made with Pure Corne Singer Made with Pure Corne Singer Made

## [UPCLOSE]



« DAVE CANESCHI, field sales manager for Crescent Beverage, (i) and Tom Brucker, general sales manager, are two key employees of the Peerless operation.

It's no surprise that the fundamentals Caneschi refers to, which revolve around quality, stem from Peerless. The company won Diageo's Quality Award three years in a tow (2006, 2007, 2008) for Guinness, which is based on the pouring of Guinness in draft accounts. Last month, Peerless also was the winner of the 2009 Guinness Golden Bar award for "Beer Excellence."

"If there is one word that I would use to describe how we see ourselves, it's quality—our attempt to run a quality operation throughout, everywhere from the employees and the caliber of employees that we have here, to the products that we put on the street and our attention to freshness," Beim says.

To ensure that theme is continued and improved upon, Salzman created a business analyst position two years ago. "Our quality outlook extends into our data management," says Salzman. "We made a decision to create a business analyst position to help process our data and support the company."

The company also has made efforts to "green" its operation. "Our goal is to be able to contain costs without compromising our sales efforts," notes Beim. Peerless has been transitioning its entire facility to energy-efficient lighting systems and collaborated with Waste Management, a provider of trash and waste removal, recycling and environmentally safe waste management services, to develop an expanded recycling program, that has, says Beim, significantly reduced its mixed waste. The company also is researching alternative energy resources like solar energy.

With the cost savings, Peerless has reinvested in the company, namely in employee training programming, employee incentive programming and display and merchandising activity.

"We have highly committed employees," says Beim, noting that the company has little attrition. "We are investing in people, which we think is our best resource."