



Larry Sidor Oral History Interview, November 6, 2015

Title

“From Olympia to Deschutes to Crux: A Brewer's Life”

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Location

Valley Library, Oregon State University.

Summary

In the interview, Sidor discusses his family background and rural upbringing in La Grande, Oregon, commenting on his father's activities as an OSU Extension Agent, his own boyhood interests in mechanical work, and the life histories of his mother and his siblings. From there, Sidor recounts his undergraduate years at Oregon State University, noting his switch in majors from Mechanical Engineering to Food Science, and commenting on the curriculum then available to undergraduates in the Food Science department. Sidor likewise reflects on the research that he conducted while a student and, in particular, his interest in winemaking during that time.

From there, Sidor details the circumstances by which he declined a handful of job opportunities in the wine industry, opted instead to travel for a year in Europe, and began considering a career in brewing as a result of his experiences in Germany. He then traces his first connection with the Olympia Brewing Company; outlines his advancement within the company from packing quality control technician, to assistant brewmaster, to operations manager; shares his perspective on the brewing culture then prevalent at Olympia; and speaks of the connections that he made with hop growers in Washington and Oregon.

Sidor next provides an overview of his years working at the S.S. Steiner company, shares his memories of the rise of microbreweries in the 1980s and 1990s, and reflects on the relationships that Steiner maintained with agricultural scientists at OSU. He also discusses his own forays into grape growing and winemaking during his years in Yakima.

The remainder of the interview is devoted to Sidor's career as a brewmaster at Deschutes Brewery and, later, at the Crux Fermentation Project, which he founded. As he reviews these two chapters of his life, Sidor comments on the push for experimentation at Deschutes, as well as his key involvement in the establishment of the Deschutes Portland pub. He likewise reflects on his departure from Deschutes and the subsequent founding of Crux, noting the increased capacity for experimentation that this shift has afforded. The session concludes with Sidor's thoughts on the future of craft brewing; reflections on the importance of his connection with OSU; and points of pride looking back.

Interviewee

Larry Sidor

Interviewer

Tiah Edmunson-Morton

Website

<http://scarc.library.oregonstate.edu/oh150/sidor/>

Transcript

Tiah Edmunson-Morton: So today we are interviewing Larry Sidor, the founder and brewer at Crux Fermentation currently. It is November 6, 2015, and Tiah Edmunson-Morton is the interviewer. Thank you. [She acknowledges a nod from Sidor.] So you were born in Corvallis. We are in Corvallis. How long did you live in Corvallis?

Larry Sidor: Five years, so five years, and then Dad was going to school and then moved to Albany, his first position with the Extension Department. Then we moved to La Grande. I was there about ten years, moved back to Corvallis and finished my last two years of high school in Corvallis, and then went on to Oregon State.

TEM: Was your dad an Extension agent while he was here? Was he a Benton County Extension agent?

LS: No, no, he never was. His first assignment was in Linn County.

TEM: And his name was Ted? Is that right?

LS: Yeah.

TEM: And he was also an OSU alum, along with your uncle?

LS: Correct, yeah.

TEM: Are they the only two of that generation that were here?

LS: Yes, yes, yeah, that was a big deal to go from the farm to Oregon State; so yeah, that was a big deal.

TEM: Did they grow up in Oregon?

LS: Yeah, both of them did, yeah.

TEM: So, you were in La Grande for your elementary. Do you remember living in Corvallis before that?

LS: Oh, yeah, yeah.

TEM: What are your early, early memories of Corvallis?

LS: Oh, you know. We had a dog, Rags the dog, you know, and anyway we had him, and I remember that, and I remember we lived down—boy—around 18th Street, Harrison, that kind of area. I kind of remember that because my daughter is living on 18th, right in there. I'm going, like, I think our house was like two blocks away. So you know, small world.

TEM: For sure. So then when you were in La Grande, what was that transition like? Did you like moving to La Grande?

LS: Well, you know, I was starting grade school, so I didn't know any different. That was, it was, a new adventure. It was all, yeah, it was La Grande was La Grande.

TEM: Were you happy to come back to Corvallis?

LS: Well, you know, no. I really didn't want to move to Corvallis. I had all my grade school friends, junior high friends and my new high school friends, and you know, being entrenched in the community and everything, it was kind of brutal. But you know, Corvallis High School was fantastic. At that time they only had one high school. I was a straight-A student in La Grande schools, and when I moved to Corvallis, I think my first quarter I was a straight-C student. So that was a little bit of a shock and it took me a few years to kind of—or a couple years—to get my grades back up to A status, kind of thing, so big difference between eastern Oregon educational system and Corvallis educational system, at least at the time.

TEM: What were you interested in when you were middle school, high school age?

LS: Oh, mechanical things. I was doing a lot of farm work, that type of thing, so tractors, combines, plows, you know, all that kind of stuff. Big, big interest. And my dad had pulled me into doing a lot of work for him, you know. La Grande is a huge seed area, growing grass seeds and carrot seeds and that type of thing, so he'd always give me the keys to the car and go, "Hey, go sample seed bags at all the local storage facilities." So I'd go do that for a day. And so, stuff like that.

TEM: Did he have a farm? You said that he did have a farm in Corvallis. Was that something that he continued when you guys moved to La Grande?

LS: No, no, not at all. He had a cattle/dairy farm over in the Peoria area. And anyway, he was just kind of fresh out of the war, and I think he didn't have really a desire to go back to the university at that time.

[0:05:00]

TEM: So he was doing—at the time that he was in La Grande—was that when he was starting to do community development work? Was that kind of always his focus in Extension?

LS: I don't think it was always. I think that's where it started. When he was in La Grande, he started with community development, land use planning type thing, and you know, as we talked earlier, I mean he was a very social guy, a thespian type guy, and so he always made sure that he worked with both the people in the community as well as the political folks doing what they do.

TEM: What was that like? I have ideas of Extension agents as being so integrated into the community, whether that's farming, 4-H, livestock. What was it like to be in a family where that was obviously what your dad's job was? Did you also feel really integrated into the community, sort of personally on a family level?

LS: Too much. Too much, you know. I mean being—growing up and being—a teenage boy, everything was reported to the local donut shop at 6:30 a.m. every day, and then when I'd see my dad next, he'd go like, "Hey, I heard you were up at Morgan Lake last night," so there was no good deed shall go unpunished, type thing. But, being integrated into the community was, it was very interesting because there was literally no place I could go in the county that they didn't know me or didn't know my dad. It was really, it was kind of a neat deal, and there was always that link, that connection between the farming community, which La Grande was. That's what it is. It's, besides forestry, it was really an ag community. So everybody was looking like what, how can the university help us, type thing.

TEM: And how did he So was there a sort of positive reception? Did you feel like the Extension was really vital and part of—did they see the value and the benefit of the research that was here?

LS: Oh, absolutely. That's beyond a doubt. I think that within the farm community there's always that, "Oh, yeah, sure, they're doing all the research at the university, and how does that relate to what I'm doing on the farm, getting up at four o'clock in the morning to go move an irrigation pipe or something."

But when the help—it was obvious that the transfer of information from the university to the farm really helped—it was way appreciated. And, of course, you know, I mean there are the early adopters obviously, in anything, whether it's computers or whatever. You know, those early adopters are out there, and the early adopters were the ones who really embraced the Extension, and they were always the ones who'd, "Hey, come on over for dinner" type thing.

And then there were the ones that, you know, "Hey, we've been doing this for three hundred years, so why are we going to change" kind of a thing. But I think it's real obvious. In fact, in ag, I mean when you see one field that the county Extension agent has given advice to, and it's producing a hundred bushels an acre and there's no lodging in their wheat, and then the neighbor over is using a different cultivar and he's getting forty bushels and everything is lodged, huh. You know, there might be something to the Extension service, you know.

TEM: Yeah, what about brothers and sisters?

LS: I've got one brother.

TEM: One brother.

LS: Yep, and he was also an Oregon State grad. He, of all things, he was a political science major, which I still can't figure out. But the great thing about that was, that it was mid-Vietnam War, that he was here and he got drafted and so he went into the Naval ROTC. I can never imagine my brother being in the service. I mean he is the pacifist of the two. But when you really look at it, who do you want on the end of the trigger, you know? Do you want someone like my brother or the gung-ho guy? So, it was—but he went on, I mean he was a Navy pilot, and I think his highest thing, he was in charge of the nuclear strategic planning for the southern oceans. And I used to always ask him about things, and he was kind of like, "Well, I can't talk about that," you know, type deal. But then I would see it in the newspaper later on, what was really going on. So that was a time when, remember New Zealand and, oh, who is it? The ... I can't think of the name. Oh, yeah, the Rainbow Warrior. Help me here. Who was that dude?

[0:10:44]

Chris Petersen: Greenpeace.

LS: Greenpeace, thank you. Yeah, anyway Greenpeace was active down in New Zealand, and they were barring any nuclear ships down in that area, and my brother was intensely involved in that. So it was, you know, great. He lives in Hawaii now. He's retired but he teaches commercial aviation, and he's got a floor covering, wall covering business and takes a lot of aerial photos. So he's three years older than I am and just as active or more active.

TEM: And he's living in Hawaii.

LS: Yeah, but you have to have three jobs to live in Hawaii.

TEM: What about your mom?

LS: Well, she passed away. She passed away, oh boy, geez. That would have been in the late seventies, so very early on. She was a Reed graduate, so she was very on the left side of the scale, you know, but she was a fantastic woman. My dad needed to get his master's, and he went to Michigan State University, so we traveled out there. Mom just went through the library like crazy for months before we went, and as we drove out, I mean it was like, "Ted, turn left here."

"Well, that's a dirt road, where are we going?"

Anyway, so we go in there and there'd be some historical site or whatever it was at the time they'd be showing. So this was great, and when Dad was going to class, she was plotting our next moves. Every spring break, every Christmas, I mean we were off to, you know, whether it was Gettysburg or Washington DC or wherever, on a thing.

When Dad graduated and we left [Oregon], we came across the northern part of the US into Michigan and took all our little forays during the year out, and then when we came back to Oregon, we went up to Maine, Washington DC, clear down to Florida and back through, and every place we stopped was a university. You know, I mean it was kind of Dad who had that plan. Mom had the historical thing planned, and Dad had the historical stuff planned, and it's kind of like my family right now. When we're ever out adventuring, we stop by breweries. And my kids just like point, like "Oh, Dad," you know, and the last time I really got them is we were over—my son went to University of Montana—and so we were taking him over to class, or maybe we were looking at exploring universities at the time, and we're coming back and we're going through Idaho Falls. And you know, obviously, from the name, there's falls in the city, and so we let the kids out and they go explore the falls and whatever, and I said, "We're going to be over in that brown building over there."

"Oh, great."

Anyway, my daughter comes in, and she just goes, "Oh, Dad, this is a brewery, isn't it?"

So anyway, I had the same reaction with my dad. I mean I think I've been in almost every university, major university, well almost every major land grant university in the nation, and just because of that trip. And I think by the time I was probably nineteen, I'd been in all fifty states, just because of that trip and then subsequent other ones.

TEM: So was there ever a question when you were thinking about going to schools—you know, you'd seen lots of other places, lots of other universities—was there ever a question of whether you would go to OSU?

LS: Well, that's kind of a loaded question, isn't it? Yeah.

TEM: Not intentionally.

LS: No, no, that's a fair question. No, I literally, I only applied to two universities. One was the University of Washington and then Oregon State. I was accepted at both and I was looking at aeronautical engineering and that's what I wanted to get into. You know when I really sat down, analyzed it, looked at the money and all that type of thing, and it's almost laughable now, I think my first quarter at Oregon State was ninety-two dollars for tuition or something like that. It wasn't much, you know. But anyway, I remember that the University of Washington was much more expensive and really having to go to the big city, so my choice was Oregon State, which I'm glad I did.

[0:15:48]

TEM: Was that the point where your uncle advised you to not going into engineering? Or, did you start as an engineering major?

LS: Yeah, I started as a mechanical engineer and that was just about the time that Boeing was in a severe depression and the famous sign going out of Seattle was, "Would the last person out please turn off the lights?"

And I remember I was—my uncle had a house up on Mercer Island on Lake Washington, and it was after my first year—I was at a party at his house, and we were just talking and he advised me that if I didn't want to be a very transient person and move around a lot, I might want to take a look at another major. So that's what, you know, I came back from that, and I enrolled in Food Science just as soon as I returned.

TEM: How'd you decide?

LS: My advisor. Very simple. You know I'm a practical guy. I went to my advisor and said, "Who gets the most job offers on campus?" He didn't even stop. He just said, "Food Science." And I thought, "Oh, that sounds good," and so I went over to the Food Science Department and looked around and whatever, and I went, "Oh. I know why they get the most offers. There's none of them."

You know, I mean I think at the time when I joined, I had twenty-one, I think twenty-one different classmates, and I think I graduated with eighteen. So yeah, so that's why we got the most job offers. There were none of us.

TEM: Was it still in—or was it in Wiegand then?

LS: Yeah, yeah.

TEM: It's always been?

LS: Oh, yeah.

TEM: What was the—was there an area of Food Science that drew you the most? I think the answer is not immediately brewing, but ...

LS: No, no.

TEM: What was it that you really were excited about besides the job offers?

LS: Well, no, I was excited about taking that raw agricultural product and transforming it into something else. I mean I, you know, I very obviously had been around the original, you know. Here's the product that we grow, here's the wheat, here's the barley, and then, "Okay, what do we do with it now?"

And I have to admit I was bitten a little by the You know, my friends—I grew up with that—were sons of farmers, and so on and so forth. Their biggest ambition was to get off the farm. You know they, even though their parents owned a thousand or two thousand acres or whatever, it was like, "Well, I'm going to go to the big city or whatever."

So I was bitten a little by that, and I looked at Food Science and that type of thing as, "Wow. There's opportunities all over the world for that."

And I think that was the biggest thing. And plus, you know, I'm a real mechanical guy. I get intrigued by processing and what can do you with something, you know. You've got a widget here, then what's the next step for it? So that's what really got me, got me excited.

TEM: What was the curriculum like?

LS: Oh, lots of chemistry, lots of microbiology. Yeah, that's pretty much it, and then you have specialized Food Science courses, whether it's food engineering or it's, you know, I think I took Vegetable 101. And I can't, that's not the real name but, I can't really remember. But I mean a lot of stuff like that. You had meat science courses; you had sensory analysis courses, you know, all that type of thing, the whole gamut of.... I mean think of any food product and say, how did it get to this state, and that's pretty much what we studied.

TEM: Was there a lot of lab work that went into it?

[0:19:49]

LS: Yeah. You know, the—my peers kind of know me as the fastest lab guy in the world. I had a friend, a guy named Rod Hansen that we went to class together, and we did a lot of labs together, and we would plot when we had a lab coming up. It's like, "Okay, Larry, you get all the glassware; you do all this. I will set up the process," and then bam, I'd bring all the stuff and he'd be putting it together, and we would literally be out of a lab in half the time of other people. And the other half of the lab, we were down at wherever, drinking beer and having a good time. In fact, this guy that I'm talking about, Rod Hansen, he ended up going to work at Olympia Brewing Company, and that's how I ended up going to Olympia. So yeah, I am, you know, I am somewhat of an impatient person, and the laboratory takes very dedicated, very regimented processes. I can do that. I respect that, but I get very antsy during the process.

TEM: What are some of the I'm so curious about that time in Food Science. It's so interesting for so many reasons for the department, but what are some of the things that you remember about the work that the faculty were doing? Like were there pet projects that people were working on? Did they share that with the students? With only twenty people, it seems like you could have functioned almost more like graduate students.

LS: Well, in fact, that's what I did. I—there was a, a fella, and I don't recall his name right now, and it's unfortunate because he passed away, and he was—I felt that college when I was here at university, when I was here, was not all that demanding of my time. I mean it just, you know, I'm the guy that would get up at three o'clock in the morning, go out, change irrigation pipe, go into school, change irrigation pipe, get up in the middle of the night, change irrigation pipe, and then do all my other stuff in between. And so I found that university was pretty low-key. I'll put it that way.

So anyway, so one of my professors, as you mentioned, asked—there was a project to make maple syrup in the state of Oregon—could it be done? And you know, I'll do that. You know, "Hey, cool."

And anyway, so I would—they had contacted some Forestry people, I think it was a joint process between Forestry and Food Science, and anyway so the Forestry students went out and got the syrup and whatever and I'd bring it back and then I would boil it down. I had one of these—have you ever been in a commercial kitchen? They have these great big boilers that are like this big [holds arms straight out to the sides] and they're on a gimbal so you can pour out whatever. So anyway, I'd take this maple syrup and reduce it from fifty, a hundred gallons, down to five gallons or whatever, you know, and then they'd test it and do consumer studies on it and determine if it was a viable project. And it turned out, it wasn't. It was pretty hard for Oregon to compete with the Northeast at the time.

And then the other one was, they had an enologist on staff, a fellow named Dr. Hoya Yang, and he was looking for somebody to work on a winery project. They were growing grapes and vineyards and wineries. I think there were two wineries in the state, maybe three wineries in the state. One of the problems with Oregon wines is that they have a pretty high acid level in them, just naturally occurring because of the growing cycle, the heat units and the soil and such. And, conversely, California has the opposite problem; they don't have enough. Wines that are too acidic, are very sharp and

very drying; and wines that are the opposite of that are kind of flabby. I mean, they just sit under your palette, and they go nowhere.

Anyway, what Dr. Yang was trying to do was develop yeast strains that would reduce the acid and be more acceptable for Oregon wines. So I'd go out to the vineyards during crush, and I'd get different amounts of must, bring them back and ferment them, and then put them in a bottle and do what he wanted. So that was great, and that's really how I got into the beer industry, because I was starting out to be a wine maker.

[0:25:10]

TEM: Did you ever go to Chuck Curry's vineyard—

LS: No.

TEM: —during that time?

LS: No, no, that doesn't—

TEM: Nothing too far north.

LS: Yeah.

TEM: Were you working primarily with southern Willamette Valley? Was it—

LS: There was one in the summer, the southern area, and I forget their name, and then we were also, there was one up in the Yamhill area.

TEM: And then it exploded.

LS: Yeah, yeah, I don't know how many. How many wineries do we have now in the state? Do we have like 800 or a 1,000?

TEM: Something like that, yeah.

LS: Yeah, yeah.

TEM: It's—yeah, to think that there are more of those than breweries, how is that possible?

LS: Yeah.

TEM: Was there a relationship between Food Science and Crop and Soils, thinking about the development of doing testing on vineyards, doing testing on hops? Did you see a crossover between the two departments?

LS: Not at the time. I mean there was no fermentation science at the time. You know, I was aware; I didn't know, but I was aware of the USDA Oregon State Hop research that was going on, but, you know I was going to make wine. I wasn't that interested in beer at the time, you know. Yeah, so no, I was just not aware of that. I mean, I was aware of, I think I recall some filbert research being done, and there was a joint thing between there, and there was also some, gosh, I want to say prunes or something like that that they were working on, genetics of the crop versus how well they do. But I think at the time that was pretty small. There wasn't much of a relationship.

TEM: You were focused more on the food product, the food.

LS: Yeah.

TEM: As it was done as food.

LS: Yeah.

TEM: So what else did you do while you were here?

LS: Oh, boy.

TEM: You were a Delta Chi, right?

LS: Yeah, you know, I was bound and determined to graduate in four years, and so I was, you know, I kind of get a kick out of my daughter going, "Oh, I'm taking sixteen hours this term," and I go like, "Hmm, I can re—I think the least I ever took was twenty or twenty-one." I was a pretty serious student, and I was working; I was working quite a bit in the Food Science Department. And I did a lot of steelhead fishing, a lot of blueback fishing. You know, I like the outdoors, and so I'd make forays over to central Oregon and go chucker hunting, and I'd go back La Grande and go pheasant hunting and that type of thing.

TEM: Were your parents living in Albany at that point? Were they still living—

LS: No, no, they were living in Corvallis at the time.

TEM: Oh, okay.

LS: Yeah, well part of the time, My mom was living here the total time, but then Dad had gone off to Washington DC and was working for the Department of Ag.

TEM: And then he came—but he came back.

LS: Yeah, he came back.

TEM: What was that transition like? So you graduated in 1972. You were Were you at that point bound and determined to be a wine maker?

LS: Yes, that's what I was going to do. I mean no doubt about it; I was going to be a fully integrated winery. I was going to grow the grapes. I mean I had, I had never grown grapes in my life, but I was thinking at the time, how hard would that be? I mean I've grown wheat. I've grown barley. I've grown peas. I've grown, you know, I mean like, "Hey, this can't be too bad."

So I was more interested in the processing side of growing grapes. And so yeah, so I was bound and determined, and I graduated—I mean while I was graduating, or before, I was writing a business plan. I wish I had gone over to the school of business and said, "Hey, I need some help here," you know. But I didn't do that, and so I went out and made a pitch. I found some money but it wasn't really enough money to really have an operating winery, and so my next step was, I headed down to California. I had a job offer from Gallo, and so I went down to take a look at it, and say, "Hey, what's going on here?"

[0:30:09]

So I took a look at Gallo, and I really wasn't impressed. I didn't think that's what I wanted to do, plus I don't know if you've ever been to Modesto, but just being an Oregon boy, it wasn't really my cup of tea. Anyway, so I wandered up the coast, stopped by and just knocked on doors of Beringer and Christian Brothers and you know, those type of wineries. And it became very obvious that I could work there a lifetime and simply just be dragging hoses around. At least that's what it appeared like at the time. And that didn't exactly appeal to me either.

While I was down there a friend of mine called me up and said, "Hey, let's go to Europe," and so I ended up being in Europe for a year just traveling around, looking, having a vacation or a time off that I'd never had in my life, you know. It was pretty fun. At that time in the early seventies there were a significant amount of Americans and Canadians who were making their way around Europe on a five dollars a day type thing. So it was a great adventure. And it was—I think it might even have led into the whole beer making thing because, obviously, I stopped by a lot of breweries, and it really peaked my interest when I stopped by those breweries and saw what they did.

TEM: What—did you spend time in Germany? Did you ...

LS: Oh, yeah.

TEM: The sort of, the trajectory—I hear this from brewers—that there's a bug that people get in Germany and bring back.

LS: Yeah, so one of my bugs was, I had a flight from, I think it was from Seattle to Frankfurt, and we got off the plane and it was probably two, three o'clock in the morning, and all excited and, okay, so we were going to meet some friends in Munich. We jump on the train and we get off the train in Munich at five-thirty, six o'clock in the morning, and I'm going by and here's a guy with a stand-up table which looked like it had a wine barrel or a beer barrel with a flat table on top, and he's having a Weisswurst and a beer. I go like, "Geez, I'm hungry, I should, you know, this sounds like a good idea."

So we stopped and had a beer and a Weisswurst, and it was like heaven. I mean it was like the best beer experience I'd ever had in my life. So I think that, that started; it started the bug. And, of course, we went to Oktoberfest; we were there for that, which was great, and then just the beer halls in Munich.

And to have that experience, that was great, because it still hangs with me today in a lot of, you know, led to a lot of decisions that we have going on at Crux right now, and that is we like the communal tables. Just like going to a beer hall in Munich—well, in all, most all, of Europe, I mean things are communal. And so you sit down at a table with five strangers and you leave with five new friends. So yeah, it did; it really had an impact.

Also, I happened to have a friend in Ireland and we went to the Guinness brewery when we were there. You go to most European breweries, and particularly German ones, and they're very, you know, cut, dried, well-engineered and so on and so forth, and very efficient. I went into the Guinness brewery and here were these mash tuns that had mash in them that were like six, seven, eight feet deep, and it took twenty hours to run off this thing where, for example, a German one is like two feet deep and takes two hours and one minute, you know, type thing. And so that was a real wow. There's different ways to make beer here. You know, it was a real eye-opener for me. So I brought it back. I definitely brought it back, but I was still kind of on the wine.

[0:35:08]

TEM: So did you visit vineyards when you were there too? Did you travel through Italy, France?

LS: We did. No, we—I did do Italy but I can't really say I got involved in the wine scene there. I was on the Rhine River in Germany and spent some time there and actually did some work at a winery there. We were traveling through and the owner of the vineyard winery said, "You guys need some work?" and, "Yeah, sure, great." So we helped him with a crush and stayed there for a week or two. So I got a little bit of insight there.

TEM: Culturally, where did you feel like you fit more? Wine and beer culture can be different. Did you feel at that point more of a draw towards one or the other, personally and culturally?

LS: Oh, definitely, beer. I mean it's, you know, I think wine is more—a good English major does well in the wine industry, and it's not because Wine, you have one opportunity a year for a new vintage. I mean that's it. Mother Nature has dealt the cards. That's what you get, and you ferment it and it's sitting in a tank and that's it. If it's maybe a little different from normal, well then it takes an English major to write about it and say, "Okay, this is why. You know that on July 15th we had a thunderstorm and something happened," and this and that type of thing where the brewer is never happy.

We had a—when I worked for the Olympia Brewing Company, we had a plant psychologist, and you take the test, personality test and whatever. The guy's name was Dr. Jack, and Dr. Jack came into my office a month or so after I took my personality test, and he said, "Larry, are you ever happy?" and I said, "Yeah, I'm happy all the time."

He said, "Boy, I wouldn't ever guess it from your personality test."

And I said, "Well, I guess I always will improve something." And I think that's the difference between a brewer and a vintner: a brewer, if they have a batch that maybe it doesn't, isn't right, they just kind of shake their shoulders and dump it

down a drain. How are we going to do it again? And then every batch is an opportunity to improve something, and that's, you know, I think that's the, if you're going to take a personality test, should you be a vintner or should you be a brewer, I think it'd be real obvious which personality goes which direction.

TEM: So, the patience in the lab person [laughter] Transitioning into Olympia, so you come back from Europe. Did you come back with the idea of working at Olympia? Did you come back and kind of camp for a bit?

LS: No, I came back from—one of my fraternity brothers, Ben Barkley, he was an engineer, he was a civil, and he was working on the Alaska pipeline. I'd talked to him and he basically said, "Well, why don't you just come up and make a bunch of money and go back and start your winery?" and I said, "Hey, that sounds like the best plan in the world." And he goes, "You know, I can" Put me on a Cat, put me on whatever and I can figure out how to run it pretty quick.

So, I was going to go up there and drive a Caterpillar for a while. I had packed all my worldly belongings in my 1965 Volvo, and I was going to store it at Seattle at a friend's and then go up to Alaska. I stopped by the Red Barn Tavern in Olympia to see my friend, Rod Hansen. And Rod and I were, you know, we had a beer or two, and he's talking about how great it is at Olympia and that, "You really need to come to work here."

And I go "No, no, Rod, I'm off on this adventure. I'm going to go this direction." We closed down the Red Barn at two o'clock in the morning, and he goes "Well, why don't you just come take a look at a brewery?"

So I said, "Yeah, that's sounds great." At two o'clock in the morning on a Friday night, well, Saturday morning by then, he takes me around Olympia Brewing Company, which had to have been, well they had I think 220 acres of all their property, and there were buildings after buildings after buildings. And I'm there at two o'clock in the morning and the happiest people I'd ever run into working were there. I mean they were just, you know, two o'clock in the morning and the place was absolutely spotlessly clean, well-maintained, well-engineered, just well-administered, and anyway, so after walking around the brewery for about two or three hours that night, I said, "Okay, Rob, I'll stay around and apply for a job."

And so I did, and so Monday morning at, I think it was ten o'clock, eleven o'clock in the morning, I had met with the owner and all the folks. They'd interviewed me. And that's how I ended up at Olympia.

[0:40:43]

TEM: How many people were employed there at that time?

LS: It was well over a thousand, thousand folks, yeah. And that was all in operations and marketing and sales and that type of thing.

TEM: So everything was, it was independently owned?

LS: No, it was a stock-owned company.

TEM: Oh, okay.

LS: The family members held pretty much the majority interest, but there were a lot of family members.

TEM: So what did you do when you started there?

LS: I was the packaging control. Yeah, packaging quality control technician, I think that was my title, and it was a new department they'd just started. I mean before that time they had kind of used the brewing laboratory to do any, you know, the brewing and the microbial laboratory to do anything, and then they had said no, no, no, no. We want our laboratory to do that. So I was down there for about, maybe about six months, seven months, something like that, but then during that period I was apprenticing in the brewing side of things. I put in my eight hours in the quality control laboratory, then I go up and follow a brewer around for a few hours and then I'd go and scrub a tank with a guy or whatever and pitch yeast and I'm just in every, pretty much every operation they did, and for hours at a time. Anyway, from there, they sent me to the

Siebel's Brewing School in Chicago, and I went through that. Then I came back and then they made me an assistant brew master, and then as an assistant brew master, then you would go and run different departments within the brewery.

TEM: So home brewing, of course, was not legal at that point, but did you experiment at home? Were you tempted to combine things that may not have been strictly allowed by federal statute?

LS: No, no, it wasn't I mean, you know, if you go back, I mean I, you know, my grandparents on my dad's side were eastern European and so a lot of fermented things, cabbage, so on and so forth. I started fermenting things when I was preteens kind of thing. And so I made a fair amount of wine before I was, probably before I was sixteen, so yeah. So yeah, and you couldn't at that time, you could not—you just couldn't get brewing materials available because, well, it just wasn't legal. So no, but then once I was at Olympia, I mean one of my first jobs was, I was the—I think they called it the project assistant brew master. So whenever something came in, like say there was a new way to stabilize beer or whatever, they'd call me up and say, "Hey, Larry, try that, try this thing out, let's go this direction." So I would brew a batch just in a very small, like a one-barrel unit. I would brew that and I would give it to the Century lab or run it through a laboratory to see if it'd get the characteristics that we wanted it to do. So yeah, I mean I've been fortunate enough in my whole life I've had the disposal to do pretty much anything I want that can be done in the brewing world.

TEM: Did you feel like Olympia—you know at that point, mid-seventies, early eighties, I mean we're starting to come into microbreweries—but did you feel like there was a company culture of innovation or experimentation? We stereotypically think or say that then, it was all yellow beer, but did you feel like from the inside there was some experimentation happening?

[0:45:13]

LS: Oh, huge, huge. I mean Olympia was always asking the question, what is the next, what is the next thing? What is the next thing we should be doing? But their scope in that was extremely limited. I mean if you take a look at what I do today is that I might take and challenge a, whatever you want to call it, a recipe or a standard procedure, and I could, I can double or triple it. I can go like two hundred percent this direction, just as a trial, because simply right now in the craft brewing community is that the customer is willing to pay for it. So if I, for example I want to make—a standard for Olympia when I first started was like .2 pounds of hops per barrel—and what I do now, my average consumption of hops at Crux is about two pounds per barrel, so significantly different. But if I want to make a beer that's got ten thousand hops per barrel at Crux, I will do it. I just, you know, I'll try it because the customer will come in and go, "Hey, I'll try that. I'll have that beer. That's sounds pretty interesting." Versus, when I was at Olympia, I—a huge swing of anything would be ten percent, you know. If I wanted to go to 2.2 pounds per barrel; "Boy, I don't know, Larry, you're going kind of a long ways."

But they would support it. I mean that wasn't the question. But their world was little tiny, tiny changes all the time. That got really derailed when, I mean the number one beer that derailed that thinking was Miller Lite. So Miller Lite is a, well a very exact beer to make. It is extremely cheap beer to make, so a way to put that in perspective is that Olympia, when I started, was 120 days from grain to glass, and when you made one barrel in the brew house, you ended up getting about one barrel in the bottle, because what you would do was, you would add a little bit of water so that you trimmed. So if you had, say, for example, the percentage of barley or malt that went into it on a dissolve basis was like 11.7. If you made it a 11.8 then you would dilute it down to 11.7. So when—by the time I had left Olympia, just to stay in business, it wasn't 120 days, it wasn't .2 pounds per barrel of hops and it wasn't 11.7 gravity or amount of barley in there. It was 10.5, it was .1 hops, and we would start with one barrel of work from the brew house, and we would end up with almost two barrels in a bottle. So we diluted it significantly. And so it was a, you know, it was a struggle to stay in business. I mean that was it. I mean Miller Lite was the watershed beer that really led to lite American lager going the wrong direction.

TEM: Do you think that was a price point thing? I mean, was it driven by the fact that it was cheaper to dilute and use fewer ingredients?

LS: Oh, absolutely.

TEM: Is that a fair assumption?

[0:50:00]

LS: Oh, no, that's exactly what it was. And the other thing—it was happening at the same time—was that Olympia was a regional brewery, so when we advertised, we advertised only, you know, we might hit the West coast advertising channel. So we'd hit ABC, NBC, CBS and we would only get California, Oregon, Washington, maybe Idaho or some of Montana, but that was costing us three dollars a barrel, where Miller, Coors, Bud—well, maybe Coors, but Budweiser, you know, they were advertising at the same level but they were getting all of the United States, and it was costing them a dollar a barrel. So, a huge, that was a huge cost issue. And so that's why they could do what they did. Plus, the other thing is they ended up just really taking all of the—well I shouldn't say taking, but reducing the cost of the beer. I mean significantly.

TEM: Well, when, what was the year that Olympia was sold to Miller?

LS: That was I think 1991. Or excuse me, 1999, 1999 or 2000. So I had left by then.

TEM: Okay.

LS: Yeah, but I had—in my experience Olympia was owned outright till, I believe it was 1981, and then they merged with the Pabst Brewing Company.

TEM: Oh, okay.

LS: And then in, I think it was ... 1987 I believe it was, they were bought by the company was called the S&P Company which owned brands like Lucky Lager and Brew 102 and Falstaff and Narragansett and Lone Star—or no, no, Pearl and all that type of thing.

TEM: Was there, not taught, but when you first started there, so it was definitely still advertised as regional, local product?

LS: Yeah.

TEM: Were you working with Yakima growers or Oregon growers for hops at that point?

LS: Oh, absolutely. Olympia was, you know, as I mentioned, they were probably one of the best administered companies I'd ever worked for. And so, I mean they had 5S before 5S ever existed. They were that progressive. I mean total quality management, that type of thing. I mean they had the procedures in place that if the keg washer thought something was wrong with the beer, you know, "Pull the cord and stop the line." And it wasn't an adversarial thing like "Oh, what do you know Mr. Keg Washer?" It was taken seriously. I mean, went down and went "Oh, what do you got going on, Frank? Why'd you pull the cord, what's happening?" And then we all got together and we'd talk about it, and we'd solve the problem and then we'd move on, type thing. And so it was good from that standpoint.

But to address your question directly, is that I knew almost all of the hop growers in Yakima and the Willamette Valley, and same thing with the barley growers and such. And we, you know, we'd load up the cars with cases of beer and we'd go visit the growers, and it was a great relationship. And then also, I mean there was a little added thing here that at one time the Northwest Brewers owned the Great Western Malting Company in Vancouver, Washington. It was cooperative. And they were having—the brewers were having a hard time getting enough malted barley, so they said, "Well, let's start our own malt house." And so anyway, so from that history, obviously there was a connection out into the ag world, and so they were very dedicated into knowing the growers.

TEM: There wasn't a lot of, there weren't a lot, I guess, of varieties. They were being rapidly released, I guess, through the seventies, but did you have—did you feel like you had influence over what the growers would grow? Was there any discussion about varieties, suggestions, you know. "I'd like to make a beer that tastes like X, so would you grow X?"

[0:55:08]

LS: No, no. I mean there was, on the side of the barley growing. We had quite a bit of influence on that. You had the American Malted Barley Society and the, and you know, so there was a lot of research into barley because barley in an

American lager adds a lot. I mean it is the majority of the flavor that's in American lager. And so there was a lot of interest in that. And then obviously there were a lot of agronomics that were involved in that. You know, you've got irrigated land, you've got non-irrigated land, different characteristics of those malts. You have issues with the amount of protein that could be in the barley, and you had the—you have a dormancy period, so a lot of the older malted barley varieties would have a dormancy of three, four or five months, which means you've got to harvest them in the early fall, and then you can't start malting them until early spring type thing.

And so now, for example, through that process—and I spoke about brewers having influence—now you can malt them in two, three, four weeks after harvest. So that type of thing. Flavor is a big issue. You know, right now the craft industry is kind of pushing back onto some of the heirloom varieties that we had. They might not be agronomically as efficient, but, in general, the craft industry is willing to pay the additional money because they aren't so efficient, just because they simply taste better.

TEM: And people will pay more.

LS: Right. And hops, I mean, hops, we had early clusters, late clusters, Moxee clusters, lower valley clusters, upper valley clusters, Willamette Valley clusters. I mean it was like, "You want your Model T black?" you know, kind of thing. So it was that kind of deal. And we had, here in Oregon, we were growing some Fuggles at the time, and so one of my jobs at the time was to manage the hop recipe, the formula and whatever. There's a chemical measurement you can make of how efficient your hops are for your bitterness, and I recall that almost every day at forty-thirty we would have a little get together of all the brewers and we would have a pool, a dollar pool, of how close can you guess how bitter the beer is.

And I was always under scrutiny because you know, I mean with, you know, I'd go through the hop room, and I had a hop room that was probably, I don't know, 1,000, 1,500 square feet. And lined up around this hop room would all be these bales of clusters, and so I had to instruct the hop makeup man how many pounds of this one and that one and this would go together. I mean these hops were all over the place, so it was like, you know, it was just hard to believe. But when I went to school they gave us a slide rule, and calculators were not that common sitting on your desks in your office. I remember when I bought my first Texas Instrument calculator and I put it on the desk at the brewery and all, the brew master came by and went, "Oh, what's that? What are doing with that? You think you can make beer with that, little boy?" You know, that kind of thing. But anyway, I'd do all my hop formulas on that, kind of figure stuff out, but a lot different from opening up your Excel spreadsheet today and getting it figured out.

TEM: Yeah, well, and knowing the level of measurements that we can do now, it's very different.

LS: Oh, yeah, yeah.

TEM: What was going on personally? I know that you had—you were doing a lot of work at Olympia. On your personal life side, when did you meet your wife?

[0:59:48]

LS: Oh, boy, I didn't meet my wife, this is a great [laughter], no, this is a great story. I—you know, I don't know. I was not really urged, had the huge urge, to have a family and so on and so forth, and one of my friends, in fact, one of my friends I went to Europe with, had a housewarming in Seattle and he invited me up and kind of I got to go type thing and I've got to bring beer, right? Okay, so I go up to this housewarming, and I brought another gal with me, a gal from Olympia I'd been dating. Anyway, so I just had a brief conversation with my wife. I really didn't meet her type thing, and when I got back home, I called up my friend Jeff and said, "Jeff, you know, there was this gal and what—anyway you could introduce me?" type thing. So he did and I went up to—she lived in Seattle and our first date was at the Sonics when they were still in Seattle. And anyway, it was just love at first sight. You know, I didn't really meet her the first time.

So, yeah, we got married, she moved down to Olympia when I had a log cabin on Puget Sound, and when the wind would blow, if you had a candle in the middle of the room, it'd blow the candle out. And you know, she's a second generation Swede and she was very, she's understanding and kind of said, "You know, we ought to do something about that" kind of thing. So we took the cabin, the log cabin, and put it on B-52 tires and steel and moved it back into the woods. I bought an

Airstream trailer and parked it off to the side, and we took a little over a year, a year and a half, to build a house on Puget Sound, and it was just, it was wonderful. So anyway, then my son came along and then my daughter came along and then things at Olympia didn't go the right direction, so I moved over to Yakima.

TEM: So you left Olympia in '97. There were some changes in the work environment.

LS: Yeah, by that time I was the operations manager at Olympia, and I think I had four hundred people, something like that, report to me, and it was a very challenging position because it was, you know, you're trying to financially stay viable in a decreasing volume situation, and that's really tough in a brewery. Breweries are kind of this structure, you know. We got caught up in the Miller Lite type thing of making inexpensive beer, and, boy, everything hits the bottom line pretty hard when you're taking a brewery from a high production capacity down to a lower one. I mean Olympia at the time was I think the most we made was like four and a half million barrels, and by the time I left Olympia, I think we were down to 2.3, 2.4 or something like that. So you know, you have to be pretty creative to stay in business.

TEM: What was, before we move to SS Steiner, what was the perspective of a macro brewery at that time, mid-eighties, mid-nineties, of the emergence and growing of microbreweries? Was there a discussion? Was there concern for the macro breweries, like who are you? It's fine for you to do what you want to do?

LS: Oh, that's the funniest part of this whole interview, is that I had a fellow that I reported to at the time. His name was Joe Dorry, just a wonderful guy, just, but he was stereotypically Irish and he had the big jowls, and he had white hair and he was just, he was a fantastic guy. I was the—there's an organization called the Master Brewers and they are an international organization, and I'd always been active in it and I happened to be the president of the Northwest region. And anyway, so there was the craft industry starting to get into it, and I was being active from the standpoint I was supporting of, if they needed hops I would figure out how to get some hops to them, and we had a boneyard, a junkyard of used stainless steel equipment and this and that, and I was selling them, and I guess I was selling it to them. I was basically giving it to them because we have no use for it. So I'd sell it at stainless junk prices, so by the pound type thing.

[1:05:25]

And anyway, I was very supportive of the craft industry and Joe was always, he was a man of few words, and he called me over and kind of went, "Larry, do you know what you're doing with these ponytail, flip-flop wearing hippies making beer in your kitchen?"

And I said, "Yes, exactly," and he goes, "Good." That was it, you know. But he was—he just didn't understand it, you know. I mean he'd worked all his life in the brewing industry, and he was a true Olympia guy. I mean he just couldn't understand it. Then the second story that's kind of funny about that is there's a guy named Karl Ockert who was a close friend of mine and also a guy named Dan Carey who now owns the New Glarus Brewing Company. And anyway, Karl, in fact, Karl took my job at Deschutes now. He's there.

So anyway, so the story goes, we had a cellar at Olympia that was called the M Cellar. Everything got a letter, just follow the alphabet. And anyway, so this cellar wasn't being used, and it wasn't being used, not because it wasn't a great cellar and it wasn't quality equipment, but it was just kind of out of the way and the tanks were smaller and whatever, and so one of my ideas was to take this cellar and give it to a craft guy. You know. "Okay, this is it. You can go do whatever you want to do in the brew house, send the wort over to this cellar, it's got lots of small tanks, it's got open fermenters, it has its own yeast room, I mean, it's perfect." And I sold this to upper management.

And so he said, "Okay, well, Larry, who are you going to get to run this?" "Well, let me go look around." So I put out an ad, and I called up Karl, I called up Dan, and anyway, pulled them in for an interview, and that was my mistake. You know, I pulled them in for an interview, and Karl, I think he had a ponytail at the time, I can't remember, but he was pretty hippyish type thing, and Dan was kind of the same thing. And Dan brought his wife Deb in with her child, and the child was sitting there crying, and you know, it's just one of those, oh, this isn't going well type thing. But I still had the green light. And anyway, so just as I get down to hire them, I got a phone call like, "No, Larry, we don't want you going that direction." But it, I don't know if it would have saved the company or not, but it would have been huge. It would have been the greatest.

And the funniest thing about this is that Dan Carey wrote me a two-page letter of what he would propose, and so about two, three years ago I stumbled onto this letter, and I'm reading this letter and it's exactly the building blocks for New Glarus. So I made a copy of it. I still have it, but I took the original, and I framed it and I sent it to Dan and Dan got it and he just called me up and he was just like, "Wow, Larry. I just can't even fathom that that's what we were going to do." So anyway, so yeah, so the attitude was that these craft beers are a flash in the pan. They're never going to become anything and why bother type deal.

TEM: So you leave in '97 and you move to SS Steiner, which is a hop merchant in Yakima. What was that transition like?

[1:09:44]

LS: It was interesting. The transition was that when I was at Olympia I had more crafts people to do whatever I wanted to be done. I mean things. When I ask for something to get done, a new process or a new something, it was always done above my expectations. I mean I'd go by, I'd have a project and I'd sign off on a project and they'd get turned over to engineering and whatever and I would have input from the process side and the cost side, and that was about it. Everything else was taken care of by the engineers. And I'd walk by the finished product and just go, "Wow, wow that's really cool." And then when I, you know, obviously I didn't have that support system in Yakima. I mean it was a much smaller company and just didn't have the amount of people and the skills, and so that was tough. I mean, I had to—when I wanted to change an analysis or something mechanically in the process, I'd almost have to go get a wrench or a pipette or whatever and then hire people to train them to do that.

So yeah, that was the biggest transition, but the other huge transition was attention to quality. I mean it would be—one of the funniest things was that when they would pelletize hops they would tend to destroy them. I mean they'd almost set them on fire. Pelletizing hops is, you know, it can be a very heat intensive thing, and if you don't care and you just want to put your eight hours in and you want to get so many tons of hops through, yeah, just put more power into it and it's done. And I had a manager that ran the operation, and I'd call her up at seven o'clock in the morning or whatever and go, "Patty, the hops are too hot." And she say, "No, they aren't. I was just there."

"Well, I'll meet you at the mill." And so we'd go there and I'd say, "Okay, well grab some hops."

And she'd, you know, there was a little funnel where the hops were coming out, and she'd grab them, and she couldn't hold them because they were so hot. And so, humph. So I was able to go from making hops just a commodity—pelletized hops—just from a, what I call kind of a low quality commodity, to a very high quality product. In fact, it was so high quality that Anheuser-Busch, at the time was 100% leaf hop, and I was able to sell them on the concept of pelletized hops. In fact, so much that at the time that Augie Busch came out and came walking through the pellet plant at eight o'clock on a Saturday morning just fresh off his jet from St. Louis type thing, and you know, we sold him on that deal. So that was the biggest transition, care about what you're putting out the back end of the plant, as far as quality.

TEM: Were they—so was Steiner doing full hops, hop pellets and hop extract.

LS: Yeah, yeah.

TEM: So full run of the end product.

LS: Yeah. Yeah. So all hop companies, no matter who they are, started out at—their culture, their DNA was they were traders. So they'd go to the farmer, they'd buy the hops and then they'd go [whistles], and very little was done other than warehousing. And so really it was commodities hop trading company, is really what it was. And to stay in the game they had to start adding or offering other services; just what you brought up, the pelletizing, liquid CO2 hops, the—and then the downstream products, like what is probably used the most in American lager right now are, well, what we in the industry call downstream products. So what they do is they take the resin from the hops and then they chemically treat them to either be more efficient or so they won't be lightstruck. You know, hops, beer exposed to light will smell like a skunk unless you have a certain—well, you either have brown glass or you treat it with these chemicals.

TEM: So were you—you're obviously working with hop growers at that point.

LS: Yeah, oh, yeah.

TEM: What about the other people that you were working with? Were you working with anybody from OSU or from WSU? I guess you were closer—

LS: Oh, yeah.

TEM: Was there a relationship there between the science and OSU and the work that you were doing?

[1:15:15]

LS: Oh, absolutely. I mean it was on many fronts. I mean you had the USDA we were involved in because of hop analysis, and, I mean, if you indicate that it's a 9.6 alpha hop, well, then somebody has to kind of be watching over you, and if you say you have a certain percent of seeds and so on and so forth, or leaf matter in there, then you deal with the regulatory people, which were either the state of Oregon, state of Washington or the USDA. So yeah, we had a lot of interface with the USDA here on campus, and then as far as hop breeding is concerned, we also had a tremendous amount of interface. I mean Shaun Townsend, Al Honnel, Candy—Steve Candy out of WSU.

So yeah, there was a lot of interface there. The problem surfaced with what direction you go with hops. You know, do you make a fantastic aroma hop like Cascade? And when you go into talks with the other brewers present and the researchers—at the time, you essentially, you had Heineken, AB, Coors, Miller. And so if Miller went, "I like this hop," the other ones in the room didn't like it or vice-versa. If AB liked this one, then the rest of them didn't like the other one. And the difference with the craft brewers who are now in the room and the difference in the attitude is just amazing. I mean it's like, you know, you get all the craft brewers going like "Wow, that's a great hop, let's go that direction," you know.

So I would imagine the universities and the USDA is really rejoicing, because now they have some direction. Because really, I mean if you take a look at the barley breeding or whatever, I mean, what do they want? They want a barley that doesn't lodge, it has no significant dormancy, it produces the highest amount of extract possible, the lowest amount of protein and the highest amount of enzymatic power. Well, if you're getting your PhD and you listen to all the different brewers at the time, the American lager brewers, you just go, I don't know what they need but I've got these six parameters or whatever that I know that if I make a barley that is more efficient in those matters, well, then great. I've, you know, problem solved. I can write my thesis. I can do my research. Everything's great. Somebody forgot something: what does it taste like? You know, that's the problem.

And that, we had the same exact problem in hops, but now the—I can't say I see much, and I might be wrong here, but I can't see much changing in the breeding of barley. It seems to be on the same path with more influence from the Sierra Nevadas of the world and the New Belgium and so on and so forth. But the hop world has taken a complete different twist and now the researchers are employed by the hop companies. And you know, you still have the USDA here in Corvallis and in Washington State and you still have the hop breeders here working for the university but the new varieties are really coming out of Steiner and Haas and Botanicals and the Roy Farms of the world and that type of thing. And that's something, I mean, I feel that needs to change. I'd rather see it back at the university level.

TEM: Because they're proprietary?

[1:19:59]

LS: Exactly, yeah. Proprietary hops are, you know, they're the work of the devil, I tell ya [chuckles].

TEM: Well, it definitely limits who can use them.

LS: Well it also, I mean it's—yeah, it's who can use them and then it just, you know, you might get three hops, three proprietary hops, and I can name them but I don't want to, that are very similar. Okay, but as a brewer you're used to using X and you know how X works. Well, X grower had a problem this year, so now you need to go look at the one that's similar, which is Y. Okay, well now you're having, you know, your market is kind of condensed into three different little areas and then how do you deal with it? And typically, I mean, I'm Right now as a brewer, I'm contracted with growers directly for 2020. So how do I know I'm going to not have a problem in 2018 or however that works? So that's kind of a brewer's dilemma, you know.

TEM: What was the—so you had a vineyard when you were in Yakima, is that right?

LS: Yeah.

TEM: Was that like a side job?

LS: Yeah, I think you've kind of picked up on I like to do things, so, so anyway I had a little ten acre vineyard, and it was really great. You know, go put in my—you know, the thing about working at a hop company is that working for a brewery is like working for a dairy; something is always going, it never stops. But a hop company, five o'clock and you turn the switch, go home. And then they get home and okay, what am I going to do now type thing. So anyway, that's why I had the vineyard. And so, you know, I had to ferment something. And so the majority, I mean by far the majority of the grapes that I grew I sold; I sold to commercial vineyards. And I had a—I didn't have a winery permit. I didn't pay the five hundred dollars or whatever. So at that point you can, I think you can grow or you can bottle up to five hundred gallons per year per family member.

So anyway, that's what I did and it was just a fantastic thing. And you know, it was when harvest came, the first couple years I just called friends and family and they'd kind of like, "You want us to do what?" type thing. But at the end, I mean I was there seven years and by the seven years, I mean all the sudden just campers would start showing up and motor homes, and harvest time I had people who would stay there for three, four weeks at a time and just pick grapes. And it was a—financially it was horrible because we did all the food and the wine and all that type of thing and the beer and whatever. I could have hired people to do it a heck of a lot cheaper, but it was just such a great experience.

TEM: Yeah. Did your family get into it too?

LS: Oh, yeah, yeah.

TEM: It was like a whole family affair?

LS: Oh, absolutely. But it was all year long. I mean from trimming the grapes to doing all the different things you have to do, but you know, that's where I kind of laughed at the start of this interview, is that yeah, I can grow grapes, no problem with that. Well, I learned that growing grapes is the most important part of making wine. They call them wine growers, I think is the term the wine people use. And so if you start with really great, great grapes and growing conditions and such, you're going to end up with really great wine, and conversely the opposites. So the really, the rock star of the whole wine industry is the guy growing grapes. And so I really got into the grape growing. I was analyzing the soil, I was measuring how much water I put on and how much fertilizer, and even getting to the point of craziness: weighing the amount of vines that I trim and how much should I put back on the ground and how much do I haul away type thing because there's nutrient in those vines. And so what I learned, I mean, what my personal opinion is, is that growing wine grapes is controlled starvation. You know, you want to starve those grapes to the point that they produce just outstanding wine.

[1:25:15]

TEM: So you were at Steiner until 2003. What was the point where you decided that you wanted to move on from that company?

LS: It was a phone call from the Deschutes and a chance to get back in Oregon. I mean not that Washington is bad, but I mean Oregon has its own political system and values and such. The state of Washington is a more, I'd say a more business driven state, and Oregon is a more fiercely independent agrarian type structure, well, for the majority of it. But anyway, so I liked the latter more than the former. Yeah, so I, you know, I've always loved Bend. I've been, you know, I started going to Bend when I was in college. I had at least a yearly foray of a whole groups of folks we'd go down and go see, and usually go in early spring, type thing.

TEM: Did you know Gary Fish before that? Before he...

LS: Yeah, well, I mean I'd met him through the industry. I'd run into him here and there and that type of thing. So yeah, we knew each other.

TEM: What did they want you to bring to Deschutes? What was your selling point for them bringing you on?

LS: You know, Deschutes was a young company. They had a kind of a culture of independent brewers sending beer to get bottled and kegged, and I don't think the owner really knew what happened from the field to the packaging machine. And in addition to that, they had just purchased a twenty-four million dollar brew house and were having it installed, and they really didn't have anybody onsite that really knew how to handle something like that.

TEM: So you were there at the transition between them being downtown to them having the big brew house?

LS: No, they started in 1988 and then in 1993 they built a fifty-barrel brew house onsite and at the offsite location, and then in 2003 they built this 150 barrel brew house, but the difference being is everything was fully manual and everything on the new brew house was fully automatic, and so it was a big departure for them. I think, you know, I don't know this, but I'm just guessing. I think they were having a hard time even with the brewing on the fifty-barrel brew house. I think that was a challenge for them. And so I just had a lot of skills that they needed.

TEM: So you're known now from this side of history, from this side of your time at Deschutes as really pushing innovation and experimentation. Was that something that you felt like they wanted when you came in or knew that would come out the other end of you being there?

LS: No, they didn't want any part of that Larry, you know. They wanted the "we'll make Mirror Pond and we'll make Porter and everything will be happy." Well, I'm, you know, I'm the guy that always wants to push the envelope. And also, I mean it's not very hard to figure out, is that in the early eighties craft beer was seven dollars a six pack and twenty-some, thirty years later it was still seven dollars a six pack. Hmm, something's got to change, you know. I mean they can't—what has changed is they're efficiencies have changed and so on and so forth, and they've got better at what they do, but the customer's sitting there going, "Well, this is great, but the Mirror Pond that I drank in 1988, I've kind of moved on. I want something different." I was seeing erosion of our market by other breweries, and so I just started pushing. And you know, I would push and it'd take me about a year to push, to get actually doing something. I mean, yeah, so just a lot of beers came out of that. And now they're, you know, they've kind of got addicted to that, and so now they're really doing some very interesting things.

[1:30:39]

TEM: So is it safe or fair to say that during your time there, there was really exponential growth for Deschutes as well as just within the Bend beer community?

LS: Yeah.

TEM: And that, that's maybe playing into acceptance of experimentation or different flavors?

LS: Yeah, yeah. That poses a really interesting question because one of my most nervous times at Deschutes is when I built the Portland Pub. I recall, you know, you always have to make forecasts, you know. You can say okay, I'm going to say X barrels of this beer, X barrels. Okay, so I get out my spreadsheet and I kind of looked at what was going on at the Bend pub, and I went, "Okay. I'm going to sell so many of barrels of this, this, this and this. Okay, great."

Well, I got a real lesson, because when I started, you know, I was absolutely wrong on what I put on my forecast because when I opened the Portland pub, I made the standards. I made the style with the Mirror Pond, you know, Porter, so on and so forth. I made those beers, but also, just for interest sake and because I had available tanks and such, I really pushed the envelope there. I would make some different beers, some hoppier beers and this and that, and the thing I found out was that Portland accepted those beers much greater than the Bend market. I was shocked. And I had a program where you can take and you can trade beers between pubs, and so when I would make a batch at Portland and it was kind of on the weirder or the different side, it wasn't the standard product, I'd ship 50% to Bend and then keep the 50% in Portland, and what I found out was that kind of the stranger the beer, the more different the beer, I would sell it in Portland about three times as fast as I would in Bend, and I would actually bring that same beer back from the Bend pub and sell it in Portland.

So, to your question, is that I think through that, you know, I thought I was going to be pushed really hard by the Portland growers, and in fact I ended up pushing them really hard. And so, and it wasn't intentional, it was just my customer

was telling me in what direction to go, but then I'm pushing those beers back to Bend and the customer in Bend is going, "Wow, these beers are available now." And so I think that opened up a lot of opportunities for Bend brewers to experiment.

TEM: That makes sense. Well, and just critical mass, too.

LS: Yeah, oh yeah.

TEM: Once you've have ten, they need to be different slightly.

LS: Yeah.

TEM: So why did you decide to leave Deschutes and start Crux?

LS: I'm never happy [chuckles]. Dr. Jack was right, you know. Yeah, so I mean it. You know, Gary Fish and the folks at Deschutes are fantastic; we're good friends and I respect them and so on and so forth, but you know, when Hill 504 is available, I want to charge Hill 504 and take it, kind of thing. And you know, Deschutes, it was just, it was somewhat bureaucratic, and it was very clumsy to move forward. Now, with Crux it's just like okay, let's go this way or let's go that way, let's do this, let's do that. No committees. We just kind of talk and go okay, we can do this type thing.

TEM: What was the, so you saying the level of bureaucracy, what's your feeling about having worked at a macro brewery and then working at a large microbrewery, did you—is there a point where those two company cultures merge, regardless of what type of product you're producing?

LS: Absolutely, you're totally correct on that assumption.

[1:35:29]

TEM: Because you've gone from large to smaller now to small.

LS: To small, yeah.

TEM: And is that, do you feel like this, the culture that you're in now at Crux, allows for more of that tinkering and experimentation? Is that kind of what you are going for?

LS: Yeah, yeah. And I think it would be fun to have some of my former employees in the room here and having them contribute to this conversation, because I'm a true delegator. I mean, I'm like, "Okay. You want to take care of this, or you want to take care of this? Okay; you've got it. You know, come to me with questions, but I'm not going to be looking over your shoulder and telling you put your left arm on this and your right arm on that, you know."

So you know, there's a certain culture that embraces that and there's the other culture that goes, "Well, let's see. If we do this, you know, we just " And we get stuck in our own methodology, and I don't, I think it's today, they don't have enough of that dose of "nothing's ever good enough" type thing. I don't know how to explain that, but I know it when I see it.

Like right now, it's just amazing; I've hired some just incredible people, and you know every day, it's just, "Wow!" It's just like I'm so impressed with the people I've hired at Crux. And quite often, I use the terminology of you can't push a rope, and so if I have employees that are like pushing the rope, well, then, that's not working for me. I'd rather have the whole hunt with a rope and go, "Wait a minute. I need to get some financing for this. You want to go do this thing or that thing? Well, hang on here. Let me see if I've got enough money in my wallet to pay for that type thing." I would rather have those kinds of employees that I just really, just come in every day and go, "Wow," you know.

I've got a head brewer right now, Cam O'Connor who was actually my second hire at Deschutes, and he's just a great individual. But the most defining moment of him is we had a brewers meeting, and I was getting pushed to hire a brewer from the Portland area, and I was saying, "No, no way. I don't want to do that. They don't know anything about the

Deschutes methodology. They don't—they just don't know anything about the company. Why would I do that? If I want to hire, take one of my brewers from Bend and ship them to Portland for a couple years and have them run the pub."

And so I had a brewers meeting and I told them what I wanted to do, and they're all looking at me like, "Huh, I don't want to leave Bend and go live in Portland and start up a new brewery." You know, it was like this [mimics hiding hands behind his back], and there was one guy in the room that went [raises hand quickly] and that was Cam, and Cam went to Portland. He started up the brewery, did a fantastic job, and then after two years I pulled him back. And now at Deschutes, it's kind of a funny culture; now it's who gets to go to Portland, you know. But, I mean, at the time I can't blame some of the individuals because, you know, "Larry's going to bring me back after two years" kind of thing. "Yeah, sure that's going to happen." You know, so it was about establishing trust and so on and so forth.

But anyway, so then Cam came to work for me. And the great thing was, I had a whole stack of résumés, and I'm going through them. I'm going, "Maybe. Yeah, this guy could work. Yeah, well, I don't know, and hmm, okay. Oh, Cam; oh, I'll be darned. Well, okay, I've hired a brewer." You know; it was just that good. So yeah, so I've got—well, Cam is a, he's an Oregon boy but he's a Davis grad. And then, I've got Jacob who is from Maine, but he's an Oregon State Food Science/Fermentation Science grad, and then I've got Katy who was a, she's a Minnesotan. Boy, she'd kill me if she heard that. She's from Minnesota, but she's a Davis grad. And then I've got a fellow that's from California, but he went through the Siebel program, the same one I went through, and then I just hired another native Oregonian. I can't say his name right now, but he's also an Oregon State Fermentation Science grad. And I've got another one coming, too.

[1:40:30]

TEM: What is—so while you were at Olympia, that was when the program was established here, so you definitely had experience with just Siebel and Davis being kind of the only games in town. How—as a brewery owner and somebody who obviously works really closely with the process—how has the increase in education or increase in the expectation of education impacted either the work that you do or the product that you see coming out of that? Has it changed the industry radically?

LS: Oh, it's a game changer because what's happening—here's a typical pathway—is I'm an eighteen year old person. I think I want to be in the pharmaceutical or I want to be in business or I want to be something, and, "Oh, by the way, I've been home brewing some." And then all the sudden they go, "Wow! Huh? I wonder if I could get a job doing this." And then they start looking around, and then they go, "Oh, Oregon State Fermentation Science. That's for me." Or Davis, or, you know, there's some others around. And then, so you've got that person who has the passion for the product and the creativity coming in and getting the scientific training to do it, so it's wonderful, yeah.

TEM: What's your daughter majoring in?

LS: Animal Science. Yeah, both my children have little interest in the brewery, and you know, I'm—my son is actually working at the brewery right now, but he's just, he's more interested in wildlife type thing. But, you know, the brewery makes him money so he's somewhat interested in the brewery. And my daughter, I could see her phasing into the brewery at some point. I mean she, you know, she's twenty. She's going to turn twenty-one on New Year's Eve, so we'll see where that goes. But yeah, I'm still holding out a little hope, but I'm not pressing them either. I mean I've set up the company so that the employees can essentially own it.

TEM: What do you think? What's the sort of story that you really value or want to be told about this kind of thirty-year period, forty-year period of agriculture and brewing and how things have changed? What do you want us to remember?

LS: That's a great question. I think that local matters. I think the farm to table mentality is really important. I think that, you know, I think it's real interesting. We went from a society that embraces the three generals: General Motors, General Electric, General Foods, that kind of thing, to a society that doesn't trust the three generals, or maybe only on a low level. I think that a good example is American lager. You know, American lager was really a great beer at one time, and then it has gone to a marketed commodity made by the man type thing. And so I think the consumer is really questioning, where is that coming from? And as I interface with the customers, they want to know. They want to know where did those hops come from, where did that barley come from, how did you process this, how did you do this, how did you do that? And I love those questions.

[1:45:14]

I mean, I think that the answer to your question is the experience of American lager by the consumer has been a train wreck. I mean, I think in the future that the Anheuser-Buschs, the Millers, the Coors are going to go away. I mean, we are over 50% market share of craft beer in Oregon right now. I mean, who would have ever thought that? I can't even believe that. I can't even fathom that that has occurred. And I think it's occurred because of people losing faith in that system, and lifestyle marketing that if you drink this beer you're going to be a soccer star or whatever it is. And so the farm to table, the local movement, is really satisfying the customer's demand for that knowledge. And I think they really feel good that they know that they can look me in the eye and say, "Yeah. Larry brewed that beer and we know that it's right, that we took care of it, it's the best it can be, and he bought all the ingredients from the best he can get. He's not just trying to make a dollar." Did that answer your question?

TEM: Yeah, for sure. What are the kernels—so, you know we started talking about your early years, your early first five years, but you're obvious—you know—there's such a link to OSU. What are the kernels that you really carry forward that you kind of continue to see applying to your life and your business, whether that's the work that your dad did with the Extension, whether that was the school work, the experiences that you had growing up in Oregon, in Corvallis, what do you draw forward and bring forward to the work in the life you live now?

LS: Wow, that's a complex question.

TEM: I saved it until the end.

LS: Yeah. No, I mean the kernels are that I've spent a lifetime of establishing relationships and trust, and I liken it to ... right now I have, I'm building a brewery, a new brewery, and so I have a general contractor that I really trust, and they have all of the subcontractors and whatever that are the best in the area. And so I guess when I look at Oregon State, I mean, I look at those relationships that I've established and you know, it's funny. I mean it's generally when I hire an employee that came through the—from Oregon State, I can depend on them. They are going to work out; I'm going to keep them employed. I mean the students that I hired when I was at Deschutes, they're still there. The majority of them are still there. They're still performing at a very high level. So to me, that's a level of trust. They've kind of like, you know, it's worked out, versus it's whether I'm dealing with the Food Science Department and Tom Shellhammer and such. You know, it's a good relationship. In fact, my wife, right not as we speak, is delivering some samples of beer over to the Food Science Department to get it analyzed to participate in a research project that they've got going on.

So all those things kind of tie together, and it's—I don't know if it's something that was just very simple, I mean, that my dad did, that I knew about—it's that. You know, I'm having a hard time finding a higher, better use for my spent grain from my brewery. And okay, so you think about it, land use planning laws that my dad was very instrumental in. You know, I'm going out and I'm searching for where can I put this spent, and so I stumbled into a fellow. Actually, he was an Oregon State grad. He was a Forestry grad, and he retired from the US Forest Service years ago. But anyway, he's a cattle rancher now. And anyway, he's telling me the whole thing of I can only have one house on this eighty acres and so on and so forth, and I'm like, "Huh, I kind of know that, you know."

[1:50:30]

And anyway, so I could kind of put together all the links of not only the nutritional value of the spent grain and the way it gets used on the cattle farm and so on and so forth. And yeah, so anyway, I can put all those together and kind of make it work, where a lot of guys that don't come from my background, they have no idea. They just like, get rid of this stuff, you know. "It's in my way, I can't brew if I can't get rid of it" type thing. So I don't know, little kernels like that. I mean it's just, you know, I'm not the—I'm always going on to kind of the new adventure, the new thing type deal—so I'm not one to go back for reunions and be real social, that type of thing. So I'm not that touchy feely guy that does that stuff. But you know, I mean when people, think people from Oregon State, need things from me, I'm there for them, and then when I need things from them, they seem to be there for me. So you know, it's continuing. And Oregon State is such a huge resource. I mean it's tremendous, what they do.

TEM: One last question, and it is what are you the most proud of? What makes you just feel really proud?

LS: Oh, I think it's got to be two things. One, it is the people that I brought up over the years, I've hired, that have gone on to do pretty significant things in the brewing industry. You know, that's pretty key. In fact I just had a—well, when I was in Olympia there's a trade school in Yakima called Perry Trade. I don't know if you've heard of it. But anyway, they teach refrigeration and welding and electronics and that type of thing, and when I was in Olympia, I used to have a standing kind of order for one refrigeration tech a year because breweries run on refrigeration. I mean it's a huge part of what they do. Anyway, so I did that, and anyway one of the—I got a phone call just this morning from a guy in Minneapolis of wanting to, how do you manufacture a certain type of hot processing equipment? And I said, "Well I have this guy that I used to work with and he's an instructor at Perry Tech right now, so why don't you give him a call?" So anyway, so there's a guy that worked for me for years and years and years that, you know, that I'm very proud of, that he's a cog in a very important wheel of the hop industry. And the second thing is, is just the beers I've made. I've made some, you know. I've won more medals, if that's the way you want to judge it, in my lifetime. That's pretty cool. I made a lot of very interesting beers.

TEM: And will continue.

LS: Yeah. In fact in a way it's just starting. You know, the incubator is Crux, and financially we are getting to the point where we're pretty viable, and we're starting to move to the point that yeah, I can kind of expand the spectrum of beers I've been making.

TEM: Well, thank you very much.

LS: Well, good.

TEM: Thank you.

[1:54:35]