

Example of the organizational history of the coors brewing company essay

[Business](#), [Company](#)



In 1868, Adolph Coors came to the United States from Germany. He was young blooded at the age of 21. He purchased the Denver bottling company in 1872 and then later formed a partnership with Jacob Schueler.

The Coors Brewing Company was started in 1873 by two German immigrants named Adolph Coors and Jacob Schueler. They established it in Golden Colorado after asking the recipe of beer from a Czech immigrant named William Silhan. Schueler invested a larger amount of money. His share was of \$18, 000 while Adolph invested \$2, 000. Later, in 1880, Coors became the sole owner of the brewery.

Adolph Coors was very hard working towards his brewing business. He spared no effort or expense to produce the best possible beer. He had a firm belief that the spring water from Colorado was outstanding the beer. He also gave a commission incentive to the farmers to grow barley that was required for the brewing process. Another Coors philosophy was that his family came first. Their family brewery remained an almost secret enterprise. They spent very less on advertising than any other brewing competitor.

In 1916, strict action was taken by the Government on alcoholic beverages with in the state. The beverages were banned by the government. This prohibition time period was quite unfavorable for many breweries. During this period, they started manufacturing malted milk and light beer. In 1920, they expanded their firm by being the sole player and enjoyed monopoly. They did this by acquiring all that was needed to produce beer like oil wells, farm ingredients, bottling plants and trucks for distribution. The prohibition was over in 1933 but it did not result in a remarkable increase in sales.

The founders of the Coors had a production orientation that “ a good bear

sells itself". It was consistently followed by the management over the years neglecting marketing efforts. William Coors held the view that any marketing efforts are useless because they are producing best beer and it will sell on its quality. But later in 1970's they spent billions on promotion because the market was continually expanding with new competitor products.

In February 2005, the Coors Company formed a merger with another key competitor in the beer industry. The Canadian brewer Molson Inc. was placed fifth in the global ranking of brewing companies. The company also held first position in Canada, second number in the United Kingdom and on third in the United States. This merger brought together two major companies. One was Molson Inc. which was established in 1786 and it was the oldest brewery in North America. Other one was Adolph Coors which started in 1873. After the merger, the Molson and Coors families controlled Molson Coors jointly. Each of them held one-third of the voting powers.

The main reason behind Coors's success was that they never compromised on quality. They are trend setters in cold-filtered beer. They were the first to introduce aluminium cans in the brewing industry. They introduced these cans in 1959. These technological innovations gave a boost to the beer and brewing industry. Another reason behind their constant success was their unique marketing technique which they perfected in the 1960s. They started selling kegs to bars at a price which was of the lowest competition. At the same time they provided the bar owners with an opportunity of selling the beer at raised prices. This helped them to build up a premium image before introducing the beer in retail stores. In this way they had to spend little on advertising and promotions. Instead of spending on advertisements, they

gave profit incentives to the retailers and wholesalers which worked really well.

References

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