San Diego Brewery Timeline The Second Wave, 1920-1983

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1920

Prohibition was enacted national-wide on January 17, after being ratified by 46 of the 48 states. The Volstead Act/18th Amendment authorized enforcement as well as described specific exemptions. Exemptions included wine for religious use and other alcohol production for prescribed medical use.

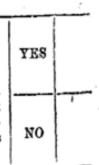
1921

With no foreseeable change to Prohibition law, Zitt was authorized by the San Diego Consolidated Brewing Company Board of Directors to sell the brewery equipment in preparation for demolishing the building. Due to how the law was written, an auction was not possible until 1928, which left the building to sit vacant.

1922

California further strengthened the restrictions of the Federal Volstead Act with passage of the statewide Prohibition Enforcement Act (Proposition 2, AKA the Wright Act.) This authorized local authorities to enforce federal law and reduced dependency on Federal agents who continued to work with local authorities.

PROHISITION ENFORCEMENT ACT. Submitted to electors by referendum. Declares unlawful all acts and omissions prohibited by the Eighteenth Amendment to the Federal Constitution and by the Volstead Act, adopting the penalties therein prescribed; vests state courts with jurisdiction
and imposes upon prosecuting officers, grand juries, magistrates and peace officers, the duty to enforce said laws: permits local enforcement of ordinances prohibiting the manufacture, sale, transportation or possession of, intoxicating liquors; this act to conform, automatically, to changes in said federal laws.



From http://repository.uchastings.edu/cgi/viewcontent.cgi?article=1151&context=ca_ballot_props

1924

Azteca Cervecería opened to the public in Mexicali. This was the second brewery to be established in Mexicali in a year's time. Several San Diego businessmen were partners in the business. Months after opening, Azteca suffered a fire which was extinguished by joint efforts of both Mexicali (MX) and Calexico (US) fire departments. The owners used this opportunity while rebuilding to expand the facility to meet increased demand from the US. They continued to produce beer throughout Prohibition. Many US citizens crossed the border to drink beer in Mexico as there was no penalty for crossing the border to access alcohol.

1928

The property for San Diego Consolidated Brewing remained under Zitt's control rather than being auctioned off and dismantled.

Prohibition was increasingly unpopular, ignored, and generally acknowledged as a failure. Alcohol poisoning was a very real possibility as the US government was openly putting harmful ingredients in industrial-use alcohol in an attempt to deter consumption. Various levels of government felt a financial pinch from the loss of liquor tax revenue.

1932

The California State Board of Equalization was granted the power to license and tax alcoholic beverages in preparation for the repeal of Prohibition. This led to the later creation of the Division of Alcoholic Beverage Control.

Zitt was approached by a broker who represented a possible buyer for the SDCBC property. The buyer was rumored to be a Canadian who invested heavily in US breweries anticipating the end of Prohibition. The brewery needed updated equipment to restart. Zitt refused the offer.

With the impending end of Prohibition, Azteca announced plans to construct a brewery in San Diego.

1933

Prohibition ended with mixed legislation. 3.2% ABV beer was again legal in California and 18 other states, but distilled spirits continued to be illegal. Confusion existed as to who had the authority to regulate the manufacture, taxation, where, and how of alcoholic beverages sales (did it fall to the city, county, state?) In California, alcohol could only be sold in restaurants, not saloons or bars, which foreshadowed modern brewpubs. Home winemaking was legalized, but not beer brewing at home.

The Mexicali plant of Azteca Cervecería sold to the owner of Mexicali Brewing and the inventory dispersed, ending Aztec's existence as a Mexico-based brewery.

The *San Diego Union* reported an unnamed brewery was going to be built in Imperial Valley (not to be confused with Imperial Ave.) There appeared to be resistance in the community and planned legal challenges.

In May, **Ritz Brewing Company** announced plans to open within a month after renovating buildings on Imperial Ave. They brought equipment from the Wise Brewery in Nogales, Mexico. Ritz never produced beer.



San Diego will have another brewery soon, according to certified articles of incorporation filed yesterday for the Ritz Brewing company, with the county clerk. The company is organized by Baron Long, Edward S. Bernard, Wayne McAllister, C. A. Strayer, Vail S Clevenger and Augustus M. Flanagan. The authorized capital is \$100,000, with \$25,000 subscribed.

Evening Tribune, May 18, 1933, p.12

San Diego Consolidated Brewing Company announced plans for a stock sale to refurbish the existing plant with the intent to sell beer by Christmas. Zitt revived the tag line "San Diego the Quality Beer" in his announcement.

Balboa Brewing Company opened in San Diego in July and appeared to be a renaming/reorganization of Ritz Brewing as Baron Long was mentioned as involved in both. Further evidence for this was that Balboa's address was where the Ritz had started building improvements. Soon, Balboa announced expansion plans of the existing site due to expected 24-hour operation to meet demand.

The former owners of Azteca Cervecería established **Aztec Brewing Company of America** in a vacant tire company building. San Diego now had two breweries.

1934

Balboa Brewing opened an additional brewing facility in Los Angeles (purchased property in April, began production in June.) Before opening this plant, Balboa was reported to have the second highest beer sales in California.

Aztec planned expansion of their just opened brewery facility.

1935

After several false starts with organizing financing, **San Diego Brewing Company** began production with J.H. Zitt again as leader. This time, the focus was on beer without the various other business ventures of San Diego Consolidated Brewing. This brought the total of San Diego breweries to three.

Balboa reported continual increased sales and introduced Bismarck Beer (Pilsner), "The Champagne of Beer." The brewery operation moved to Los Angeles and the San Diego brewery equipment was put up for auction.



From the Los Angeles Times, March 17, 1935, pg. 15

1936

The revived San Diego Brewing Company released their beer for sale in May. This is the first SDBC beer available since 1919.

With the departure of Balboa, San Diego Brewing and Aztec were the only breweries left in San Diego.



From the San Diego Union, March 5, 1936, p.2

1942

San Diego Brewing Company closed due to the condemnation of their Bayfront property for a naval shipyard. Aztec was the sole brewery operating in San Diego County.

1948

Altes Brewing Company of Detroit, MI purchased Aztec Brewing. This was the first step in a plan for national distribution through local production. The purchase continued the A.B.C. brand name.

Non-local beers included Eastside (LA), Rupert's (NY), Miller High Life, Blatz (Milwaukee), Schiltz, Pabst Blue Ribbon, Harvard, Golden Glow Ale, Rainier (SF), Acme, Lucky Lager, and Budweiser (St Louis).

1953

Altes Brewing Company closed the San Diego brewery in competition from larger national brands.

This closure marked no local commercial brewing until the late 1980s.

1955

The Alcohol Beverage Control (ABC) separated from the State Board of Equalization and became its own department with expanded powers. This restructuring was attributed to failed attempts by the ABC to close the Black Cat bar in San Francisco. The failure was attributed to the lack of regulatory authority of the existing unit.

1961

Great Western Brewing won approval from National City to begin the permit and construction process for a large-scale brewery. Common stock was offered at five dollars a share with a 1.25 million dollars goal.

1962

The backers of Great Western Brewing admitted defeat and the brewery was never built.

1978

San Diego was the test market for Coors' new light beer. It proved successful and went into western regional distribution.

1979

Home brewing had remained illegal after Prohibition until passage of H.R. 1337, signed by President Jimmy Carter into Public Law 95-458 in 1978. This allowed brewing for personal consumption, not sale.

92 STAT. 1255

Public Law 95-458 95th Congress

An Act

To amend the Internal Revenue Code of 1954 with respect to excise tax on certain trucks, buses, tractors, et cetera, home production of beer and wine, refunds of the taxes on gasoline and special fuels to aerial applicators, and partial rollovers of lump sum distributions. Oct. 14, 1978 [H.R. 1337]

From: http://uscode.house.gov/statutes/pl/95/458.pdf

1980

Coors tested a new premium beer (Herman Joseph's 1868) in San Diego in competition with other major beers' premium beers. Super-premium beers accounted for 10% of the national beer market.

1983

Sales of homebrewed beer in California was allowed with the passage of A.B 3610, introduced in the California Legislature in 1982 by Assemblymen Bates and Sebastiani. A key element of the law required food to be purchased on site with the beer gave rise to brewpubs.

An act to amend Section 23357 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor September 13, 1982 Filed with Secretary of State September 14, 1982.]

The people of the State of California do enact as follows:

SECTION 1. Section 23357 of the Business and Professions Code is amended to read: 23357. Licensed beer manufacturers may also sell beer to any

From: http://clerk.assembly.ca.gov/sites/clerk.assembly.ca.gov/files/archive/Statutes/1982/82Vol3.PDF#page=3

--Timeline is continued with "The Third Wave, 1980s-Present" at https://archives.csusm.edu/brewchive/record/1--

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