

MARKETING MILWAUKEE: SCHLITZ AND THE MAKING OF A NATIONAL BEER BRAND, 1880-1940

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Milwaukee is considered to be the beer capital of the United States. It has generally been accepted that the brewing industry “has overshadowed all others”¹ in Milwaukee since the 1880s, even though beer production (particularly that of lager) began earlier in other parts of the country, and other industries have been more important for Milwaukee’s economic performance. This perception has resulted from the town’s quite exceptional position as a center of beer-based entertainment and amusement.² Milwaukee’s large and steadily growing immigrant population, comprised primarily of Germans but also Polish, Czech, British and Irish citizens, enjoyed a unique public drinking culture³: Although a large number of saloons catered to male workers, women and even children were an integral part of this beer-drinking culture as well. The multitude of beer gardens and taverns suitable for the family gave late nineteenth-century Milwaukee the name “Munich of America.”⁴ Such institutions were run by a small number of fast-growing breweries, which became well-known regional companies starting in the 1870s. Mostly run by German-American immigrant entrepreneurs, they focused on the Bavarian method of lager beer production.⁵ Companies such as Pabst, Blatz, Miller, Falk, and Schlitz benefited from the natural resources of the region — access to cheap ice from Lake Michigan, hops and barley from Wisconsin and New York, and cheap lumber. Following technological innovations of the 1870s and 1880s, such as mechanical refrigeration, use of pure yeast, bottling machines and chemical standardization, market-related factors became decisive for the success of Milwaukee’s brewing industry. The use of the economies of scale and Milwaukee’s relatively small population forced the leading firms to develop strategies of long-distance shipping.⁶ Nearby Chicago had a large beer-consuming population and offered a railway network which could be used in conjunction with newly developed refrigeration wagons and bottled beer. A small group of active and aggressive immigrant entrepreneurs seized these new opportunities and established firms and brands which shaped and even dominated the U.S. beer market for more than a century.⁷

1 James S. Buck, *Milwaukee under the Charter, from 1854 to 1860 inclusive*, vol. IV (Milwaukee, 1886), 343.

2 From the mid-nineteenth century, beer gardens were opened at many places in the U.S., for instance on

New York’s Lower East Side. Andrew F. Smith, “The Food and Drink of New York from 1624 to »

» 1898,” in *Gastropolis: Food and New York City*, ed. Annie Hauck-Lawson and Jonathan Deutsch (New York, 2010), 34-41.

3 Elizabeth Jozwiak, “Bottoms Up. The Socialist Fight for the Workingman’s Saloon,” *Wisconsin Magazine of History* 90, no. 2 (2006/07): 12-23.

4 Louthier S. Horne, “Beer has Milwaukee Smiling and Booming,” *New York Times* (1933), April 2, XX2. See Susan K. Appel, “Building Milwaukee’s Breweries: Pre-Prohibition Brewery Architecture in the Cream City,” *Wisconsin Magazine of History* 78 (1995): 162-199.

5 While the British ale beers use warm fermentation with yeast, lager beers are fermented and conditioned at low temperatures. Lager beer was stored for a longer period in cold places, mostly in brewery cellars.

6 In 1860, Milwaukee had 45,246 inhabitants, which grew to 204,000 in 1890. Milwaukee was always a relatively small market compared to New York and Pennsylvania.

7 For a more detailed discussion see Thomas C. Cochran, *The Pabst Brewing Company: History of an American Business* (New York, 1948). David M. Fahey gives an overview on the U.S. literature on brewing and breweries in Fahey, “Old-Time Breweries: Academic and Breweriana Historians,” *Ohio History* 116 (2009): 101-121. For a more general introduction to the history of brewing, see Maureen Ogle, *Ambitious Brew: The Story of American Beer* (Orlando, 2006); Amy Mittelman, *Brewing Battles: A History of American Beer* (New York, 2008).

One of the most prominent examples was the Jos. Schlitz Brewing Company. Though not incorporated until 1873, the company had begun operating in 1849, when the German immigrant Georg August Krug opened a saloon and a brewery.⁸ After Krug's death, the brewery was taken over by another German immigrant, Joseph Schlitz, who managed the business from 1858 until his early death in 1875; subsequently, the company was run by Schlitz's nephews, four brothers from the German-American immigrant entrepreneur family, the Uihleins. They managed the implementation of new technology and expanded the market presence of Schlitz beer to regional markets, most notably to Chicago, where the firm bought prime corner locations and became "the most prolific builder of tied-house saloons in Chicago."⁹ Tied-house saloons were the equivalent of today's franchise system: a given brewery bought real-estate properties that it leased to saloon keepers under agreements stipulating that those saloons would serve only that brewery's beverages.

Although there is not much academic research on the early history of the Schlitz brewery and no history of the company has yet been written, this article will focus on the brewery's contribution to marketing history.¹⁰ I will address how the Schlitz Company communicated with the growing number of anonymous consumers who made Schlitz the largest brewery in the United States and in the world by 1902. How did Schlitz manage to become a brand famous not only in Milwaukee and Chicago, but also nationally? What economic consequences and cultural effects did the marketing strategy of the Schlitz Company have for the branch, for the consumers and for alcohol consumption in general?

This article will begin by examining the company's marketing strategy. Although most articles on the marketing of alcoholic beverages focus either on the pre- or post-Prohibition eras, this article will cover both. Surprisingly, Prohibition did not lead to a major rupture in the marketing of alcohol, although traditional beer could no longer be promoted. Furthermore, I will explore the cautious return of beer advertising in the post-repeal period and analyze how the company managed to reestablish promotion of an alcoholic beverage, which was still attacked as a dangerous product undermining American health and morality. Finally, the article will conclude by linking marketing and product development from the 1890s until the 1950s, through the use of modern newspaper databases and the growing number of digitized book and journal collections, which include a

8 No history of the Schlitz brewery has yet been published. As an introduction see Bob Skilnik, "Schlitz, Joseph, Brewing Company," in Jack S. Blocker, Jr., David M. Fahey and Ian R. Tyrell (eds.), *Alcohol and Temperance in Modern History: An International Encyclopedia, vol. II* (Santa Barbara, 2003), 544-545. Additional information on the Krug, Schlitz and Uihlein families can be found in Harry H. Anderson, "The Women Who Helped Make Milwaukee Breweries Famous," *Milwaukee History* 4 (1981): 66-78; Helmut Schmahl, *Verpflanzt, aber nicht enturzelt: Die Auswanderung aus Hessen-Darmstadt (Provinz Rheinhessen) nach Wisconsin im 19. Jahrhundert* (Frankfurt, 2000), 251-252; Bill Yenne, *Great American Beers: Twelve Brands that became Icons* (St. Paul, 2004), 146-159.

9 (Former) Schlitz Brewery-Tied House (now Mac's American Pub) 1801 W. Division Street: Final Landmark Recommendation adopted by the Commission on Chicago Landmarks, March 3, 2011 (Ms.), 12. Such expansion was started by Pabst in 1857, with Blatz and Schlitz following in the 1860s.

10 For additional literature see David M. Fahey, "Old-Time Breweries: Academic and Breweriana Historians," *Ohio History* 116 (2009): 101-120.

plethora of advertisements and thus make detailed research possible, even on companies without an archive.¹¹

I. From Direct Sales to Anonymous Advertising

In the 1870s and 1880s, beer marketing was primarily concerned with selling beer directly. The location of beer drinking — primarily tied-house saloons — was crucial because most of the product was served directly from kegs. Local consumers chose their places of consumption based on the quality and price of the beer and food offered, the atmosphere of the locations, and their own class and ethnicity. Brand loyalty was not well-established; customers were attracted by cheap offers, free samples, free food, and a large number of giveaways, such as calendars, glassware, and signs. Consequently, Schlitz was investing huge sums in tied-house locations: From 1897 to 1905, the company invested nearly one-third of a million dollars in building 57 saloons in Chicago.

The dominance of public places in beer consumption receded slowly with the growing prominence of beer bottling. Bottling, which began at Schlitz in 1876¹², allowed for home consumption of beer. Bottled beer could not be stored easily, however, due to the lack of cooling techniques and safe cork-seals, and was used for immediate consumption.¹³ This changed with the introduction of pasteurization into the brewing industry in the early 1890s. Although pasteurization affected the taste — one reason why German brewers in the United States did not export much beer to overseas destinations¹⁴ — it stabilized shipped beer and extended its shelf life.¹⁵ In 1892, nearly ten percent of the beer produced by the leading Milwaukee shipping breweries was bottled. Thus, this product needed a different marketing strategy.

Although Schlitz's beer output rose tremendously from the 1870s to the turn of the century, from less than 100,000 to more than 1 million barrels per year, branding was still in its infancy in the 1880s. Due to a trademark law, established in 1905, as well as the brewers' pride in their product, beer was named after the brewer and the brewery.¹⁶

In 1880, Schlitz's ads in local newspapers simply announced the name of the brewery and its location.¹⁷ Brand names and signs were not used before the early 1890s, and far into the first decade of the twentieth century wholesale dealers and depots mentioned only

11 For a more general discussion of this very crucial change in the work of historians, see "Interchange: The Promise of Digital History," *Journal of American History* 95 (2008), 452-491; Daniel I. Cohen and Roy Rosenzweig, "Introduction: Promises and Perils of Digital History," in *Digital History: A Guide to Gathering, Preserving, and Presenting the Past on the Web*, ed. by Daniel I. Cohen and Roy Rosenzweig (Philadelphia, 2006), 1-17.

12 Cecil Munsey, "Schlitz: 'The Beer [& Bottles] That Made Milwaukee Famous,'" *Bottles and Extras* 15 (2004): 2-6. See *Milwaukee's Great Industries*, ed. by W.J. Anderson and Julius Bleyer (Milwaukee, 1892), 162-164.

13 Tom Feters, "Packaging: A Historical Perspective," in Fergus G. Priest and Graham G. Stewart (eds.), *Handbook of Brewing*, 2nd ed. (Boca Raton, 2006), 551-561.

14 Heinrich Tappe, "Von Dortmund in die Welt: Der Bierexport," *Heimat Dortmund* 3 (2003): 61-63.

15 Martin Stack, "Was Big Beautiful? The Rise of National Breweries in America's Pre-Prohibition Brewing Industry," *Journal of Macromarketing* 30 (2010): 50-60.

16 Ross D. Petty, "Trademark Law and the Development of Brand Marketing," *CHARM* (2009): 75-76.

17 *Milwaukee Daily News*, March 23, 1880, 3.



Figure 1: 1892 Schlitz Brewing Company ad prominently featuring its Milwaukee plant.
Source: *Milwaukee's Great Industries*, ed. by W. J. Anderson and Julius Bleyer (Milwaukee: Association for the Advancement of Milwaukee, 1892), 340.

used to emphasize the world-wide reputation of Schlitz beer, was first used in 1892.¹⁹ In 1894, the well-known slogan “The beer that made Milwaukee famous” was introduced.

All advertisements covered many types of beer. (See figure 1.) Thus “Schlitz” was used as an umbrella term for a large number of quite different varieties of beer: the keg-beer brands Budweiser, Pilsener, Wiener, Erlanger, Culmbacher, and Schlitz-Bräu, as well as the bottled-beer brands Pilsener, Extra-Pale, Extra-Stout, and Schlitz Porter. The new trademarks were used extensively starting in the mid-1890s. Although local advertisements in saloons and in the streets were by far the most common, the fundamental changes in printing technology and the media allowed Schlitz to expand into new regional markets.²⁰ Newspapers and magazines made illustrated advertisements possible, which became a core element of marketing. The first marketing campaigns of the late 1890s varied in form and included a number of newly established advertising characters, such as cupids, elves or cartoon figures.²¹ Their aim was to promote the ideal of a standardized product — “Schlitz beer.”

the name Schlitz and the varieties of beer offered.¹⁸ At that time Schlitz had already established some key elements of branding, following the example of Anheuser-Busch in St. Louis and Pabst in Milwaukee. The name “Schlitz” was not used as an official trademark until May 1888. The belt-globe, which was

18 *Oak Park Vindicator*, January 11, 1895, 1; *Creston Morning American*, July 6, 1896, 8. Schlitz brewed its beer in Milwaukee and shipped it in kegs to regional plants and depots, where it was stored, shipped by the barrels to the saloons or bottled to be sold in saloons and retail shops.

19 See also *Racine City Directory 1895* (Racine: Frederick C. Bliss), 365; *The Black Cat* 4 (February 1899), VII.

20 The general changes of marketing are discussed in Pamela Walker Laird, *Advertising Progress: American Business and the Rise of Consumer Marketing* (Baltimore, 1998).

21 In public it was discussed that Pabst and Schlitz were “making a vigorous campaign for more business in the East.” “Good Outlook for Brewing,” *Wall Street Journal*, February 2, 1897, 2. Although the mushrooming

number of advertisements in magazines could be read all over the United States, the bulk of sales were done in the Midwest and the Eastern part of the U.S. A national market for beer was not really established before

the 1950s. As an example of such campaigns — here with lightly clad elves — see *The Black Cat* 4 (1899), April-Issue, XXIX; *ibid.* 6 (1901), January-Issue, IX; *ibid.* 8 (1903), October-Issue, XXVI.

II. Science, Health, and the Ideal Beer

Intensified marketing was not, in fact, accompanied by an increasing market share of Schlitz and other leading shipping breweries. Between 1895 and 1915, Schlitz produced more than one and a half million barrels of beer per year — but even intensified marketing in newspapers and magazines could not increase the sales. This is surprising because the whole industry faced a 50 percent rise from 40 to 60 million barrels per year.²² At the turn of the century, market leaders had reached their optimal production level, local brewers were catching up, and the Prohibition movement closed off many markets.²³ Additionally, the Anti-Saloon League seriously hit the tied-house saloons of the leading brewers, which had become the primary enemies of the anti-alcohol movement.²⁴ In this situation, marketing was crucial for targeting new middle-class consumers who wanted to avoid the attacked saloons and could afford the more expensive bottled beer. In this context, not the price but the quality of products became crucial for Schlitz marketing. The changing advertising agencies focused on three different dimensions, which were typical for the pre-Prohibition period and shaped Schlitz's beer marketing until the 1950s.

First, the brewery informed their consumers in detail about the production process. Scientific and technological knowledge was to create trust in the superior quality of Schlitz beer. "Facts" were offered as interesting reading and as a strong argument for the brand.²⁵ The brewery provided information on the brewing process, such as details about water and air filtration methods.²⁶ Since a grassroots movement for "pure food" was forming, Schlitz talked constantly of clean production, pure ingredients, and the efforts of the firm to maintain the high quality of its products.²⁷ (See figure 2.) "Clean-cut and reasonable" text advertisements portrayed the difference between the technologically advanced production in the Schlitz Milwaukee plant and the average brewing process elsewhere, which had a risk of spoilage and damage.²⁸ Schlitz beer was promoted as a product of highly-skilled experts who took care of every detail of production. Breweries introduced scientific production techniques long before Henry Ford introduced the assembly line for car manufacturing. Consequently, beer advertisements focused not only on the individual steps of production but also on the quality of all the ingredients.

Schlitz therefore fought to maintain its image of technological leadership and propagated this image again and again. Although

22 Martin Stack, "Local and Regional Breweries in America's Brewing Industry, 1865 to 1920," *Business History Review* 74 (2000): 435-463, here 449-450.

23 The construction of additional breweries at other places was still an exception because natural resources were seen as crucial for the quality of the beer. Schlitz, for instance, opened a new brewery in Cleveland in 1906 but sales were still dominated by the Milwaukee production complex. Martin Hintz, *A Spirited History of Milwaukee Brew & Booze* (Charleston, 2011), 19.

24 See Daniel Okrant, *Last Call: The Rise and Fall of Prohibition* (New York, 2010); Thomas Welskopp, *Amerikas große Ernüchterung: Eine Kulturgeschichte der Prohibition* (Paderborn, 2010); Christine Sismondo, *America Walks into a Bar: A Spirited History of Taverns and Saloons, Speakeasies and Grog Shops* (Oxford, 2011).

25 See the comments in *Charles Austin Bates Criticisms* 6 (1899): 595-596.

26 "In Filtered Air," *The Black Cat* 4 (1899), September-Issue, 4; "What Purity Means," *Harpers Weekly* 47 (1903): 204.

27 "The Air," *Harpers Weekly* 50 (1906), 102; "The Yeast," *ibid.*, 500. See Uwe Spiekermann, "Redefining food: The standardization of products and production in Europe and the United States, 1880-1914," *History & Technology* 27 (2011): 11-36.

28 *Current Advertising* 12 (1904), no. 2, 31. As an example see "Compare Our Methods With Yours," *The Black Cat* 9 (1904), July-Issue, XXII.



Figure 2: Beer as a pure and technological advanced product: “Bottled Purity” ad. Source: *The Black Cat* 4 (June 1899), XXIV.

similar phrases and slogans were coined by competitors, Schlitz introduced new consumer commodities to support its claim on technological and scientific leadership. A key innovation was the brown bottle, introduced in 1911, which could keep the high-quality beer pure and tasty, better than other bottles.²⁹ Enzyme control had been in use since before World War I but was specially promoted after 1933 to win the trust of consumers.³⁰ The addition of vitamins to malt syrup and other products in the late 1920s was transferred to regular beer in 1935 — though the radiation and the vitamin D-fortification lasted only for a few years.³¹ More crucial was the introduction of the cone-top beer can in 1935, which was more convenient for the consumer and was propagated as a new safeguard of flavor.³² Schlitz’s progress in beer production, such as vacuum-filled bottles and cans starting in 1936, continued until the Second World War.³³

As a second key element of its marketing strategy, Schlitz marketed beer not as an alcoholic beverage but as a healthy food. This was to support the sharp distinction between beer and hard liquor and was based on the medical expertise of the day. Beer was prescribed as a refreshing drink for convalescents, for the “weak, the nervous and sleepless.”³⁴ The doctor remained a prominent figure in Schlitz advertisements until 1910 (See figure 3). In addition, beer was positioned as a nourishing food, helpful in balancing a one-sided diet.³⁵ Prohibition did not change this approach to promoting Schlitz products: Near-beer *Famo*, introduced in 1918, was promoted as a “rational” food for the reproduction of the

29 “Light can’t spoil Schlitz in Brown Bottles,” *The Judge* 61 (1912).

30 “Schlitz Enzyme Control: What is it?” *Waterloo Daily Courier* (1933), September 22, 3.

31 “Now...Schlitz is Vitalized with Sunshine,” *Galveston Daily News* 1931, March 3, 9; “Now...Schlitz Scientists Announce the Presence of Health-Giving Vitamins in Schlitz,” *El Paso Herald Post* (1935), January 11, 2.

32 “Depend on Schlitz to be the First,” *Bradford Era*, December 13, 1935, 9.

33 “Beneath this Crown you’ll find that Famous Flavor,” *Capital Times*, June 1, 1939, 8.

34 “Beer Keeps One Well,” *The Black Cat* 9 (1904), January-Issue, XXVI. Similar: “Beer that is healthful,” *The Black Cat* 4 (1899), March-Issue, I; “The Beverage of Health,” *The Black Cat* 9 (1904), April-Issue,

XXVI; “Doctors of Two Nations Agree as to the Benefit of Beer,” *Washington Post*, August 5, 1908, 14.

35 “Schlitz in Brown Bottles is Nourishing,” *Puck* 77, May 29, 1915, 22.

human body.³⁶ Beer production was normally understood as kind of pre-digestion, and according to such simple metaphors of metabolism, beer could even be advertised as similar to mother's milk.³⁷ Post-Prohibition marketing portrayed beer as a beauty drink for women.³⁸

Third, all of these efforts to produce a pure, technologically advanced, healthy, and wholesome beer were used to position Schlitz as the producer of an ideal beer. Beer quality was not defined by the taste of individuals but by a changing standard of local, national, and global references. Milwaukee was regularly promoted as the "most renowned brewing center in the world"³⁹, though of course, there were no fixed criteria for this pronouncement. On the one hand, Schlitz's claim to be selling Milwaukee's best beer caused trouble with other Milwaukee breweries, who made similar claims.⁴⁰ Intense battles were fought, especially with Miller and Blatz, who both advertised their beer as "the best" Milwaukeean.⁴¹ Due to the lack of objective criteria such claims could not be challenged. On the other hand, the combined marketing power of Milwaukee breweries established a nostalgic ideal of Milwaukee as the American city where the "best" beer was brewed — even if it was not clear by which brewery.⁴² Schlitz supported such public perceptions by making the claim that its beer was comparable to the best beers of the world, and at relatively low prices. Schlitz beer had made Milwaukee famous because it had a world-famous quality and could compete even with the most sophisticated lager and pilsner

36 "Drink Schlitz Famo," *Emporia Gazette*, September 18, 1919, 6.

37 "Schlitz in Brown Bottles is a Predigested Food," *Sandusky Register*, September 6, 1933, 2.

38 "Lasting Beauty comes from within," *Sandusky Register*, October 13, 1933, 3.

39 "Schlitz Milwaukee's Largest Brewers," *Colliers Weekly*, December 6, 1902, 39.

PEARSON'S ADVERTISER

Why the Doctor Gives His Patients Schlitz Beer



Nurse: "Why is it, Doctor, that you use Beer instead of malt extract?"

Doctor: "Schlitz Beer, Nurse. Because I have found that my patients assimilate it better and that there are no ill effects. Have you found anyone under your charge who did not benefit from it?"

Nurse: "No, Doctor. While some patients at the Hospital where I was before were sickened by malt extract, I have never noticed such result from Schlitz Beer here. Even those just recovering from an operation retain Schlitz Beer. Often it is the only food they can take."

Doctor: "It is the best nourishment. The care given its brewing, even to cooling it in filtered air, makes Schlitz Beer so pure that no harm can come from it. Schlitz Beer, too, has a richness in food value, greater than I have found in any other beer, due to the barley, hops and yeast used."

Nurse: "Why is it, Doctor, Schlitz never causes biliousness?"

Doctor: "Because Schlitz is thoroughly aged. Fermentation is completed at the brewery, not in the patient's stomach. The final step after bottling and sealing is the sterilization through which it is impossible for any germ to exist."

Nurse: "My patients seem to enjoy the taste of Schlitz."

Doctor: "Yes. Even old world brewmasters have complimented Schlitz on its full rich flavor, proving the goodness of all the materials."

Nurse: "If Schlitz beer is such a benefit to the sick it ought to be good for the well."

Doctor: "It is. And if those who are well would drink more of it we would have fewer anaemic patients. We would have less stomach trouble and nerve disorder. In every way the use of Schlitz promotes health."

*Ask for the Brewery Bottling.
See that the cork or crown is branded Schlitz.*

The Beer That Made Milwaukee Famous

You will confer a favor by mentioning PEARSON'S when you write to advertisers

Figure 3: Promoting beer as a low-alcohol drink with health benefits: 1908 Schlitz ad "Why the Doctor Gives His Patients Schlitz Beer."

Source: *Pearson's Magazine* 20: Suppl. 5 (November 1908).

41 "Why Miller Brews 'the best' Milwaukee Beer," *Puck* 48 (1907), no. 1528.

42 On the long run, however, Schlitz managed that Milwaukee was perceived as "the city that Schlitz made famous [...]" ("Prohibition: Prosit!" *Time*, April 17, 1933.

beers of Germany.⁴³ Schlitz beer was acclaimed as a leading beer, even the best American beer, at least from the perspective of beer experts.⁴⁴ Therefore, the Milwaukee brand was propagated as a brand of reference for the United States.⁴⁵ This ideal was used to develop new markets before and after Prohibition and to define a high-quality standard even for non-alcoholic products.⁴⁶

This three-pronged marketing strategy hid more than met the eye because the ads did not inform consumers about the risks and dangers of the brewing process. Pasteurization and shipping affected the flavor as did the addition of vitamins, yeast and enzymes. The use of barley and hop substitutes, which distinguished Schlitz and other American beer from foreign products, was never mentioned or discussed.⁴⁷ In contrast to the opinions of most scientists, the public generally perceived local beer to be better than shipped beer, even if the latter was more standardized and therefore “pure.” Similar to other leading brewers of the time, Schlitz had no real interest in the ideals and perceptions of the beer consumers. Beer’s taste and flavor were defined in abstract, chemical ways — and in response to sales figures. Paradoxically, this lack of consumer orientation was closely linked to the idea of one American nation. Schlitz beer was marketed as a beer of world-class quality suitable for all consumers. Schlitz marketing presented an idealized image of the American consumer far beyond the ongoing struggles of class, race, gender, age, ethnicity, and education. Although Schlitz directed its campaign nearly exclusively to urban, middle-class, white men, beer marketers still believed in the harmonious world of the beer garden, where there was space for everyone.

III. Marketing during the Prohibition Era

The advocates of Prohibition thought that outlawing alcohol would solve all of society’s ills in an era of rapid change and upheaval. The Prohibition movement’s success at the federal level in 1919-20, inflicted lasting damage on the liquor and brewing industries. Even during World War I, the Anti-Saloon League had promoted the concept of “German brewers” as enemies of the “American nation” and as supporters of their former fatherland. Although most brewers of German descent behaved as loyal Americans, their claims were rejected.⁴⁸

Schlitz reacted to these changes quite late, most notably with the previously mentioned near-beer *Famo*, which had a 2.5 percent alcohol

43 For a comparison see Glenn R. Carroll et al., “Brewery and Brauerei: The Organizational Ecology of Brewing,” *Organizational Studies* 14 (1993): 155-188; William James Adams, “Beer in Germany and the United States,” *Journal of Economic Perspectives* 20 (2006): 189-205.

44 “World-Famous,” *Winnipeg Free Press*, March 12, 1901, 7.

45 When Prof. Dr. Hans Vogel, director at the Weihenstephan Scientific Station for the Art of Brewing, wrote to the Schlitz Company that “he never drank a better American beer than yours,” this credential was extensively used in advertising. “Schlitz Beer receives World World’s Highest Endorsement,” *Harpers Weekly* 47 (1903): 2124.

46 “In Hawaii they say ‘Our Climate and Schlitz Malt Syrup Can’t Be Beat,’” *Daily Kennebec Journal*, July 13, 1928, 2; “Schlitz comes to Mississippi,” *Leader Call*, March 16, 1934, 3.

47 According to “Vergleichende Material-Verwendung,” *Zeitschrift für das gesamte Brauwesen* 25 (1902): 141. American brewers used 19.2 pounds of malt surrogates per barrel beer, while German brewers used only 1.9 pound.

48 Typical examples for this denunciation are “The Saloon the Worst Submarine,” *Temperance* 9 no. 17 (1918), 29; “The Kaiser doesn’t care! Do You?” *ibid.*, no. 18, II.

content, which was further reduced to 0.5 percent after the start of Prohibition. The end of beer production caused the company to lay off more than 80 percent of its labor force because the 0.5 percent near-beer was rarely consumed. Nevertheless, Schlitz continued marketing their product as a Milwaukeean and American brand, just as they had done before World War I. Non-alcoholic “Schlitz” was promoted as a health drink harmless even for children.⁴⁹ (See figure 4) The production of the new product, which was brewed as a lager and then treated with chemical catalysts to remove the alcohol, led to marketing campaigns that propagated “Schlitz” as a non-alcoholic beer.⁵⁰ The flavor was altered during the removal of alcohol, however, and consumers avoided the substitute. Although the company increasingly focused on its profitable real estate business and investments in other areas, such as the steel industry, it still tried to defend its position as a beverage and food producer.⁵¹ The company developed soft drinks, such as Schlitz Ginger Ale, and Schlitz Malt Syrup, which became a financial success.⁵² The marketing of these products still used the established Schlitz trademarks and helped consumers remember the former beer brand and its virtues of technological leadership, purity, healthiness, and quality.⁵³ The new products were promoted as “The Drink That Made Milwaukee Famous,” “The Malt That Keeps Milwaukee Famous,” “The Name That Made Milwaukee

49 “Like a Regular Man!” *Gastonia Daily Gazette*, September 9, 1920, 2. For propagated health benefits see “Don’t Jazz Your Stomach — Drink Schlitz,” *Janesville Daily Gazette*, August 17, 1920, 2; “You Wouldn’t Eat Bread That Was Only Half ‘Risen,’” *ibid.*, September 28, 9; “When Sixty Looks to be Forty-Five,” *Waterloo Evening Courier and Reporter*, August 17, 1920, 2.

50 “The Same Old Schlitz — Aged in the Same Old Way,” *Gastonia Daily Gazette*, August 26, 1920, 3.

51 “Thriving Industries Replace Noted Milwaukee Breweries: Survey Shows Beer Never Made the City Famous — Business Improves With Prohibition,” *Christian Science Monitor*, October 1, 1924, 12.

52 In mid-1932 Schlitz still employed more than »

» 2,000 people in Milwaukee. “Return of Beer Aids Milwaukee,” *Wall Street Journal*, April 12, 1933, 9.

53 “Announcing SCHLITZ to Charleston,” *Charleston Gazette*, March 6, 1928, 9; “Announcement,” *Burlington Hawk Eye*, March 28, 1930, 4.



Schlitz-At Noon!

BIG business men who work hard, yet have little or no time for physical exercise, need Schlitz.

A glass of Schlitz at mid-day will stimulate, refresh and satisfy without contributing to nervous indigestion, and without burdening the system with waste.

Schlitz is food as well as drink—it contains every element necessary to the human body, for the building up of tissue broken down by nervous energy and for the replacement of body fuel.

Schlitz is pure—properly aged—will not ferment in the stomach—and will not cause biliousness.

The Brown bottle protects the purity of Schlitz until it reaches your glass.

Schlitz in **Brown Bottles**
On sale wherever drinks are sold.
Or, order a case for your home from
Phone No. 771
John Carli
209 Bardsley Str.
Ironwood, Mich.

The Drink That Made Milwaukee Famous

Figure 4: Schlitz as a health drink for the whole family: “Schlitz-At Noon” ad.

Source: *Ironwood Daily Globe* (August 10, 1920), 8.

54 "The Same Old Schlitz in Brown Bottles Now on Sale!" *Bismarck Tribune*, May 21, 1921, 6; "You said it!" *San Antonio Light*, June 21, 1929, 8-A; "Dependability is assured by this world famous trade mark." *Galveston Daily News*, March 2, 1928, 2; "Drink Schlitz Famo," *Emporia Daily Gazette*, September 13, 1919, 6.

55 "You can't be Neutral!" *Sheboygan Press*, November 1, 1926, 6. Parallel, the brewing industry offered very restrained advertisement. "Brewers Offer Beer Bill Guide," *Wall Street Journal*, November 30, 1932, 6.

56 "Resurrection," *Time*, April 3, 1933.

57 Al[nita] M. McGahan, "The Emergence of the National Brewing Oligopoly: Competition in the American Market, 1933-1958," *Business History Review* 65 (1991): 229-281.

58 "Milwaukee exceeds pre-dry Beer Output," *New York Times*, November 24, 1935, N10; McGahan (1991), 265.

59 "Millions to Make Beer Drinkers," *Christian Science Monitor*, July 30, 1932, 14.

60 "Make Schlitz Your Home Beer," *Sandusky Register*, September 27, 1933, 5; "A friend of the family," *Sandusky Star-Journal*, October 24, 1933.

61 This isn't recognized correctly in the excellent article by Nathan Michael Corzine, "Right at Home: Freedom and Domesticity in the Language and Imagery of Beer Advertising 1933-1960," *Journal of Social History* 43 (2010): 843-866. Examples are "The Family Beer," *Harpers Weekly* 47 (1903): 1280; "The Home Beer," *Theatre Magazine* 8 (1908), March-Issue, advertiser-suppl. VII.

Famous," and simply "Schlitz Made Milwaukee Famous."⁵⁴ While Schlitz could survive with greatly reduced beverage sales, its ambitious new "Eline's" candy and chocolate bar brand couldn't compete with Hershey and failed after heavy losses. Parallel to such efforts, the company lobbied for a repeal of the Volstead Act.⁵⁵ From 1926, it invested growing sums of money in supporting the Democratic Party and "wet" candidates. The Prohibition regime, however, failed for other reasons.

IV. Cautious Continuity and the American Way of *Gemütlichkeit*

When 3.2 percent beer became legal once again in April 1933, many analysts expected a return to the pre-Prohibition market.⁵⁶ However, beer consumption remained far lower than in the 1910s. Although the number of breweries was smaller, higher taxes, the need for new transport equipment, the power of regulatory institutions, and the loss of most of the distribution network kept beer prices relatively high.⁵⁷ While advertising expenditures made up less than one percent of beer company budgets in the mid-1930s, the companies invested in the mechanization and automatization of their production lines. By 1935, Schlitz exceeded pre-Prohibition beer production and by 1940 strengthened its position among the top brewers, when the company held position number three with a market share of 3.0 percent.⁵⁸ Schlitz announced in 1932 that it would "again take its place among the largest national advertisers and expend large sums for advertising its products in newspapers."⁵⁹ It was not until 1937, however, that the company began its well-recognized campaigns of colored one- to two-page advertisements in *Life* and other leading magazines.

After Prohibition ended, the Schlitz Company once again promoted its old themes of scientific production, purity, health, and world-famous quality. These messages became integral elements of most of its magazine and newspaper advertisements. However, Schlitz learned its lesson from rigid state intervention. From 1933 on, domesticity became another prominent element in Schlitz's marketing efforts.⁶⁰ Of course, this was nothing new.⁶¹ As part of marketing its beer as a healthy drink and nourishing food, Schlitz had advertised its products as "Family Beer" since the turn of the century. Bottled Schlitz "Home Beer" was offered as a clean and respectable alternative to the saloon. From 1933, as the importance of domesticity grew tremendously, women became an integral element of these

advertisements.⁶² (See figure 5.) Schlitz used cautious slogans such as “[beer is] a man’s drink that woman enjoy”⁶³ to address women directly but place them in the safe haven of middle-class life. The Depression brought the Roaring Twenties with their thriving illegal nightlife to an end; now, marketing began to depict beer drinkers as respectable members of the neighborhood. Schlitz offered its products both as part of patriarchal family patterns and, from the mid-1930s, as an integral element of (sub-)urban hospitality: “Schlitz is a beverage you can be proud to serve and happy to drink yourself.”⁶⁴

As a result of the domestication of alcohol consumption during the Prohibition era and the increasing ownership of refrigerators, the home became the central place of alcohol consumption. Beer advertising purged the middle-class home of the illegal behavior of the Prohibition era.⁶⁵ Schlitz rewrote its own company history as one of supporting domestic beer consumption. The invention of the new steinies (smaller and cheaper bottles),⁶⁶ which could be delivered more easily than the commonly used long-necked version, was promoted as a return to pre-industrial American hospitality. Old and new times, American hospitality, and German *Gemütlichkeit* merged into the fiction of a revitalized, relaxed, and moderate American past where beer was a common drink.⁶⁷ Schlitz beer was promoted as an unquestioned part of domestic leisure and social gatherings. Americanization was a key element of Schlitz’s rise to world market leadership in the early 1950s, despite the fact that changes in acquisition and technology were more important for the formation of an American beer oligopoly in the late 1950s.⁶⁸



Figure 5: Targeting Respectable Middle-Class Consumers after the Repeal of Prohibition: 1933 “Be Smart! Drink Schlitz” ad.
 Source: *Sandusky Register* (September 20, 1933), 5.

62 “Schlitz in Brown Bottles the ideal Brew for the Home,” *Salt Lake Tribune* (1934), June 1, 20.

63 *The Galveston Daily News* (1938), August 12, 11.

64 *Life* (1939), March 21, 11.

65 “The Refreshing Part of Every Party,” *Life* (1937), October 11, 125.

66 See Heinrich Voß, “Trendig und kompakt: Biere

in der Steinie-Flasche,” *Getränkefachgrosshandel* 2 (2012): 8-13.

67 “Pleasant Memories of Olden Times: Schlitz In ‘Steinies,’” *Daily Globe*, »

» February 19, 1937, 11; “Where Smart People Gather: It’s Schlitz In ‘Steinies,”” *ibid.*, February 26, 1937, 12. See “Since the days of ‘49 Schlitz ideals have carried on!” *Sheboygan Press*, April 7, 1933, 8.

68 William M. Freeman, “The Vanishing Brewery,” *New York Times*, August 1, 1957, 43.

V. Conclusion: Creating Dream-Worlds and the Neglect of the Consumer

From 1880 to 1940, Schlitz established itself as one of the leading beer brands in America. Gradually, its newspaper and magazine marketing shifted from focusing on Milwaukee working class families and male workers in Chicago and other larger towns, who usually drank in saloons, to targeting respectable middle-class consumers who enjoyed a more expensive bottle of beer at home or at respectable social gatherings. This allowed Schlitz, a national shipper, to compete with the large number of local beer brewers and set the company on a track to produce a more convenient and more easily stored product. From the early 1890s, the Schlitz brewery emerged as a technological leader of the industry; most of the innovations were implemented to improve the bottled beer of middle-class consumers. The company was able to produce a standardized mass product, which could then be optimized, just like other commodities. Rejecting the accusations of the Prohibition movement, Schlitz presented a dream world of beer consumption in which their products appeared healthy and refreshing, relaxing and nourishing, pure and clean, convenient and high quality. Although the reputation of Schlitz beer resulted from the local beer culture of Milwaukee, the new standardized product was to be of world-famous reputation and quality.

Even as the brewery established and propagated a famous product, the taste of Schlitz beer changed for the worse as a result of technological innovations. Pasteurization, longer storage in bottles, and an increasing number of substitutes for malt and hops were at least partly responsible for the stagnating beer output in the two decades before World War I. Schlitz's marketing was hierarchical. It promoted the ideal of permanent progress, even within the brewing industry. The consumer's desires for taste and variation were not recognized. Instead, the consumer was supposed to be convinced by the expert's idea of a world-famous product.

The extreme changes in American drinking culture during the Prohibition era were recognized by the Schlitz Company, although they continued promoting their images of science, health, and quality after 1933. During the 1930s, marketing agencies created a new kind of gendered (sub-)urban domestic drinking culture of the white middle-classes. Drinking after Prohibition occurred in new locations, far from where Milwaukee's beer culture had become famous. Schlitz created not only a standardized and continuously optimized beer but also an

idealized vision of the American way of drinking, of social gathering and *Gemütlichkeit*, and even a strange idea of the American past. This set the tone for the immense success of Schlitz during the early 1950s, when its advertisements became iconic of the desired American way of life. However, while the idealized world of white middle-class and male-breadwinner America was propagated, the product changed in accordance with technological innovations. Even during the 1930s, its taste became watered-down and weak, long before the so-called light beers were introduced in the late 1950s. It is likely no coincidence that Schlitz vanished from the U.S. market in the early 1980s after changing the production process again and attempting to convince consumers this new product still had something to do with the beer that once made Milwaukee famous.⁶⁹

⁶⁹ For details see Avi Goldfarb, "Schlitz: Why the Schlitz Hit the Fan," in Victor J. Tremblay and Carol Horton Tremblay (eds.), *Industry and Firm Studies*, 4th ed., (Armonk, 2007), 321-341.

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