



## Woman Executive of the Year: Small or Medium Business

# Irene Firmat

FULL SAIL BREWING CO.

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CONTRIBUTING WRITER

Before Irene Firmat co-founded Hood River's Full Sail Brewing Co. in 1987, her main experience with beer had been pretty limited.

"Just drinking it," she says.

But Firmat, a Cuban-born New Yorker who studied business at the State University of New York in Albany before becoming a buyer for Meier & Frank, had been watching the development of the craft brewing industry in the mid-1980s. Although the field was growing, most of the burgeoning brewers at the time — Bridgeport, Widmer Brothers, Redhook and others — were focused more on draft beer and less on bottling.

Firmat and her other co-founders — friends who originally invested in the brewery — decided to pursue the bottling aspect of craft beers. But beyond that, they set out to form a company that was less about quarterly results and more about solid values and its people.

Despite some hiccups along the way, the recipe has worked.

Today, Full Sail produces about 150,000 barrels of beer annually — including 40,000 of MillerCoors' Henry Weinhard's brand — and is the third-largest craft brewer in the state behind Craft Brewers Alliance Inc., which owns the Widmer Brothers brand, and Deschutes Brewery.

Full Sail, heralded as the state's first employee-owned craft brewery, employs 65 full-time workers and posts annual revenue just shy of \$25 million.

Firmat herself serves as CEO of the company. James Emmerson has been head brewer since Firmat hired him over the phone in 1988. The two later married.

A self-described delegator, Firmat says her biggest challenge, as well as her biggest success, at Full Sail to date has been the employee stock-ownership program that she helped put together in 1998, when the other founding investors decided they wanted out.

"That's one of the challenges for a small, privately-held company," says Firmat, 53. "How do you create exit strategies?"

Originally, the Full Sail board met that challenge by voting 4-2 against Firmat and her husband to put the company up for sale. The most attractive offer came from United Breweries Group, which only wanted the Full Sail brand, not its facilities.

"So we were faced with the possibility that the brewery would be gone," says Firmat, "and that all the people that put their sweat equity into it would be left with nothing."

In response, Firmat and her management team put together the ESOP, which would allow employees to buy a majority stake in the company for \$3.4 million. That was too little to top United Breweries' offer, but then something fateful happened. Literally one hour before an earnest money deposit was due, United Breweries withdrew its offer, and the ESOP won out.

"It was very dramatic," Firmat says, "and we're not drama people."

The results included a sigh of relief that the company had been saved, Firmat says, but also the realiza-

### FAST FACTS

**IN 1996** Firmat became the first woman ever appointed to the board of the Brewers Association of America.



CATHY CHENEY | PORTLAND BUSINESS JOURNAL

Irene Firmat, Full Sail Brewing's CEO, says the company has grown stronger because of 1998's employee stock ownership plan.

tion that employees had taken on a huge amount of debt. Firmat's relations with her original investor friends also suffered.

"It's very difficult to be in business with friends," says Firmat. "I have two kids, and if either of them say they want to go into business with their friends, I'm going to lock them in their rooms for 72 hours."

But she says that Full Sail became a stronger company because of the ESOP. Employees, who are eligible for shares after two years with the company, are truly engaged in the company.

Among her other big successes with Full Sail, Firmat counts the payoff of the ESOP debt, the 14 consecutive gold medals that Full Sail's Amber Ale has won at the World Beer Championships and the company's steady rate of growth — about 20 percent a year.

Others in the industry say Firmat's leadership style is the true tailwind behind Full Sail's success.

"She's very smart and enthusiastic about making beer, and applies those same passions to the business and finance side of the brewery," says Kurt Widmer, chairman of Craft Brewers Alliance.

Save for the occasional chauvinist here and there, Firmat says being a woman in a male-dominated industry — in 1996 she became the first woman ever appointed to the board of the Brewers Association of America — hasn't been much of an issue for her.

"There are women who are 10 years older than me who have more scars than me," she says, "and there are women who are 10 years younger who are probably oblivious to any of those kinds of hardships."

"You can't grow a company like she has without having some bumps along the way," says Gary Fish, founder of Deschutes Brewery, "and it's those kinds of things that end up really defining you as a leader. Irene's success speaks volumes about her and her leadership."