



**Press Release for immediate distribution. March 24, 2011.**

**From:** Beverage Distributors Inc., 3800 King Ave., Cleveland, Ohio

**Subject:** Beverage Distributors thwarts MillerCoors' effort to terminate franchise. U.S. District Court grants Beverage Distributors' (Beverage's) Motion for Summary Judgment.

**Cleveland, Ohio.** In this David vs. Goliath confrontation, Beverage Distributors Inc. and other Ohio distributors, won a decisive victory when Judge Michael Watson of the U. S. District Court ruled late Tuesday that Miller Coors could not terminate Beverage's exclusive franchise to deliver Miller products in Cleveland, Ohio and surrounding communities. Beverage sued Miller in August 2008 after they received notification of MillerCoors' intentions to adjust their existing distribution chain by terminating various distributors. SAB Miller and MolsonCoors, two international brewing giants, had formed a massive joint venture (JV) by which they sought to consolidate distributors, eliminate the little guy, reduce the number of workers they would employ, and snuff out Beverage and other distributors. In a terse notice, Miller notified Beverage that their distribution rights were terminated. Beverage had been marketing Miller products for over 50 years and had won their High Life Achievement Award granted to their best performing distributors 3 years in a row before the attempted termination.

After nearly 2 ½ years of legal maneuvering by the JV, the court rejected each of the arguments raised by MillerCoors and, instead, granted Beverage's motion for summary judgment. Finding as a matter of law, the court ruled that the formation of a Joint Venture (JV) between the 2 international giants did not create a new successor manufacturer within the terms and meaning of Ohio law. As a result, Miller cannot terminate the franchise and Beverage will continue to distribute Miller products throughout Cuyahoga County. 150 employees will keep their jobs.

This small family owned business fought back and won their 2 ½ year battle to continue their business. The decision is gratifying to that effort.

A copy of the decision can be obtained by contacting Michelle Brown, Treasurer/Director of HR at (216) 431 - 1600.

Established in April 1933 Beverage Distributors, Inc. is a wholesale distributor of beer in Cuyahoga County, Ohio. The company has now been a family owned business for 77 years and distributes over 4 million cases of beer annually. The company is the exclusive Cuyahoga County distributor of Miller, Heineken, Guinness, Sam Adams, Mike's Hard Lemonade and other beers. Beverage Distributors employs 150 people in sales, delivery, warehouse, and administrative positions a short distance from the shore of Lake Erie in Cleveland.