



Grain Belt Breweries Company Records.

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SPECIAL MEETING OF THE BOARD OF DIRECTORS OF
GRAIN BELT BREWERIES, INC., AUGUST 15, 1972

A Special Meeting of the Board of Directors of Grain Belt Breweries, Inc. was held at the office of the company - 1215 Marshall Street N.E., Minneapolis, Minnesota at 9:30 o'clock A.M. on Tuesday, August 15, 1972,

Mr. Frank D. Kiewel, Chairman of the Board, presided and C. R. Sievers, Jr. acted as Secretary.

ATTENDANCE

The following directors were present: Messrs. Lee Birdsong, Richard T. Burger, Kenneth K. Foster, Hy Finkelstein, Anthony A. Gasser, Frank D. Kiewel, John P. Lampertz, Frank E. Mathes, Malcolm G. Pfunder and Carl R. Sievers, Jr. Mr. Calvin L. DeLaittre was absent. Mr. Edward M. Callinan, legal counsel, was also present.

LABOR
CONTRACTS

Mr. Sievers told the Board that three more labor contracts have been settled with terms almost identical to the settlement of the first major union labor contract. It is anticipated similar settlements can be obtained from the two remaining labor unions.

LEE BIRDSONG
RESIGNATION

Mr. Birdsong revealed that after long and careful consideration he had decided to terminate his services with the company in order to take another position. Mr. Birdsong formally presented his resignation as President and member of the Board of Directors of Grain Belt Breweries, Inc. effective August 31, 1972.

A MOTION was made by Mr. Kiewel and seconded by Mr. Gasser to accept with regret Mr. Birdsong's resignation from the office of President and as a member of the Board of Directors of Grain Belt Breweries, Inc. effective August 31, 1972.

The motion carried.

At the request of the Chair, Mr. Birdsong discussed in detail his opinions as to the necessary actions to be taken by the company in order to be competitive in the company's market place. His comments related to increased productivity, possible action against price cutting tactics, possible mergers, Industry trend toward aluminum containers, and a proposal to capitalize on our trade name "Premium."

Thereafter, Mr. Birdsong left the meeting.

FUTURE OF
GRAIN BELT

Members of the Board discussed the presentation of the Press Release announcement on Mr. Birdsong's resignation, following which Mr. Kiewel addressed the Board stressing the following:

1. The Company is facing a sales and earnings crisis.

FUTURE OF
GRAIN BELT
(CONT.)

2. The major reasons for this are:
 - a. The intense price pressure of national brewers in our primary market.
 - b. Our excessive labor costs.
3. The answers to our problems are:
 - a. Increased sales - especially on Grain Belt.
 - b. Reduced costs - especially of labor and advertising.
 - c. Willingness to accept a period of low earnings and dividends as the price of survival.
4. How to do this:
 - a. There is no easy or magic way.
 - b. Must try to defend our market thru anti trust lawsuit.
 - c. Hope for FTC intervention in the market place in the near future and prevent predatory pricing.
 - d. Must cut fat from employment both union and non union alike.
 - e. Must find ways to give our distributors an advantage in the market place at expense of brewery trucks if necessary locally.

5. Mr. Kiewel concluded:

"I can do this only with absolute authority to direct and to hire and fire as I see needed. Further I can do this only if you give me such authority - now -- right now!"

The Directors expressed approval of Mr. Kiewel's plan and

THEREUPON,

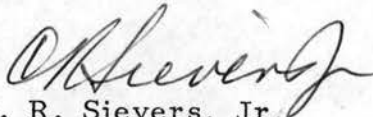
A MOTION was made by Mr. Gasser and seconded by Mr. Mathes to grant Mr. Kiewel the authority he requested.

The motion passed unanimously.

GENERAL
REMARKS

During the balance of the meeting, discussions were held on a possible merger and a pending lawsuit.

There being no further business to come before the meeting, it was on motion duly made, seconded and carried, adjourned.


C. R. Sievers, Jr.,
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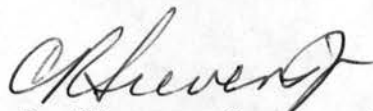
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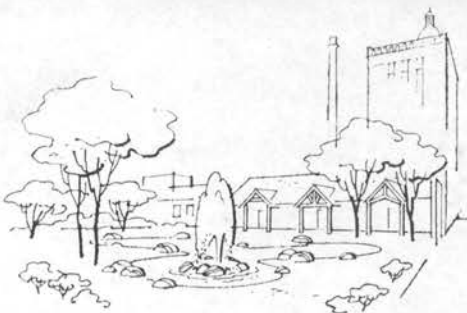
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A handwritten signature in cursive script, appearing to read "C. R. Sievers, Jr.", written in dark ink.

C. R. Sievers, Jr.,
Secretary



The wonderful water of Diamond Wells

Grain Belt

GRAIN BELT BREWERIES, INC.

BOX 599 GRAIN BELT PARK, MINNEAPOLIS, MINN. 55440-612-335-2171

August 16, 1972

Mr. Frank D. Kiewel
Chairman of the Board
Grain Belt Breweries, Inc.
1215 Marshall Street N. E.
Minneapolis, Minnesota 55413

Dear Frank:

This will serve as written confirmation of my resignation as
President and member of the Board of Directors of Grain Belt
Breweries, Inc. effective August 31, 1972.

Sincerely,

E. L. Birdsong

E. L. Birdsong
President

lw

*Noted
and
8/16/72*



The wonderful water of Diamond Wells

Grain Belt

GRAIN BELT BREWERIES INC.

BOX 599 GRAIN BELT PARK, MINNEAPOLIS, MINN. 55440-612-335-2171

August 22, 1972

TO: STAFF MEMBERS AND DISTRIBUTORS OF GRAIN BELT

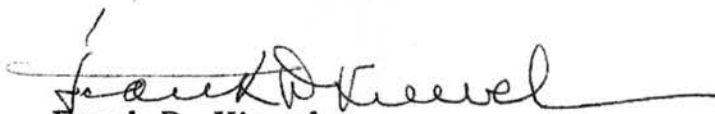
The attached news item is being sent out on August 23 to all media for immediate release.

Lee Birdsong will be going to Pearl Brewing Company, San Antonio, Texas, as President of that Company as of September 15, 1972.

At the request of our Board of Directors I am resuming full and complete authority at Grain Belt effective at once.

More information on our plans to restore Grain Belt's forward momentum will be sent to you in the near future.

Sincerely,


Frank D. Kiewel
Chairman of the Board

FDK:bl

GRAIN BELT BREWERIES, INC.

GRAIN BELT PARK

1215 N.E. MARSHALL, MPLS., MINN. 55413

TELEPHONE (612) 335-2171

FOR RELEASE
AUGUST 23, 1972

LEE BIRDSONG RESIGNS

Lee Birdsong, for the past year president of Grain Belt Breweries, Inc. of Minneapolis, has resigned effective August 31, 1972.

Frank D. Kiewel, chairman of the board of Grain Belt, said that the position of president of the company and the director's seat resigned by Mr. Birdsong will not be immediately filled.

Last month Edmund B. Koller, formerly president of the Walter Brewing Company of Pueblo, Colorado, was named director of marketing for Grain Belt. Mr. Kiewel said no other changes in top management were contemplated at this time, although there may be some reassignment of corporate responsibilities.

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Contact:

Frank D. Kiewel
Chairman of the Board
Grain Belt Breweries, Inc.

Tel. No. 335-2171