



Neal St. Anthony/On Business: Beer seller with a cause finds charity begins with foam

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Since 2000, **Jacquie Berglund** has been the president and sole employee of **Finnegans Irish Amber**, a beer company, and she expects to double in sales this year.

She embodies a fast-growing trend of entrepreneurs who start businesses as much to fund and showcase causes as they do to get rich.

Berglund, who is paying herself less than \$1,000 a month, expects Finnegans to gross about \$200,000 in sales this year. The company's beer is sold in bottles and at nearly 65 establishments, including **The Local** in downtown Minneapolis and the **American Legion Club** in Savage.

After paying Summit Brewing Co. for producing Finnegans, and after other expenses, Berglund expects to donate more than \$25,000 this year to three charities through her nonprofit subsidiary, the **Spud Society**. That donation also will include proceeds from a fall jazz festival Finnegans will sponsor.

"I'm making less than a quarter of what I used to make," said Berglund, 37, who sold her condominium to help finance the business; she lives with her sister to hold down expenses. "But we're going to build the business. I'd love to have a middle-class income -- and give away \$40,000 or \$50,000 a year."



Jacquie Berglund, president and sole employee of Finnegans Irish Amber Beer.

Glen Stubbe
Star Tribune

Berglund is what's known as a "social entrepreneur." She's running one of what may be thousands of for-profit businesses that are created, at least in part, to fund causes or charities. Such entrepreneurs may also run nonprofits that form for-profit businesses to raise revenue on top of fundraising.

The "**Newman's Own**" line of salad dressings and other food products, created more than 20 years ago by actor **Paul Newman**, has raised more than \$100 million for charity and is perhaps the best known of these types of enterprises.

Meanwhile, **Urban Ventures**, a decade-old nonprofit in south Minneapolis that focuses on youth and family programs, has started a youth-run gourmet coffee company to help fund its activities.

In St. Paul, **Pat Steiger**, once an employee of **CommonBond**, the big

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nonprofit landlord that works to help its low-income residents with education and career issues, now contributes 10 percent of the profits from her real estate business to CommonBond and other nonprofits.

Marketers basically say that when price and quality are about equal, "cause" will drive some consumers to pick one product over another.

That, in part, explains why companies associate themselves through contributions and employee time with nonprofits and schools.

Any goodwill generated can lead to business.

Beth Bubis, president of the Ohio-based **Social Enterprise Alliance**, formed in 1998, said her 600-member organization is growing by 25 enterprises a week.

Business background

Berglund has a background in business -- and bars.

A decade ago, Berglund earned a master's degree in international relations in Paris while working for the **Organization of Economic Development and Cooperation** -- an economic policy and research think tank. It was heady stuff for a while.

She was paid about \$75,000 annually to organize conferences for government officials of the Baltic states and economic-rejuvenation seminars for the former Russian republics.

After a few years and hundreds of meetings, it all started to seem pretty bureaucratic. She wasn't exactly saving the world.

"I also was homesick," recalled Berglund, an **Augsburg College** graduate. "It was poorly coordinated, and they were throwing money all over."

So, she came home to try the saloon business.

In 1997, Berglund went to work as the \$50,000-a-year marketing director for The Local and **Kieran's Irish Pub**, the flagship enterprises of Irish-born **Kieran Folliard**. She had worked with Folliard earlier at Andcor Companies, before he launched his restaurants.

Along the way, Folliard had decided to donate to charity the profits from his house beer, then known as **Kieran's Irish Ale**.

Berglund, a big-hearted person who also volunteered at St. Stephen's homeless shelter and elsewhere, loved the business-charity connection.

In 2000, Berglund also read the book "The Cathedral Within," by **Bill Shore**, a former top U.S. Senate staffer, who quit to start Share Our Strength, a nonprofit that has raised nearly \$100 million to combat poverty and hunger.

In the book, he urges Americans to build on their internal "cathedrals" --

the skills that they can use to make a difference, whether as a part-time volunteer or by focusing their business on a social problem.

The book resonated with Berglund.

Folliard agreed with Berglund that it was time for her to embark on her own mission, starting with the house beer, which was renamed Finnegans so it could be sold to bars all over town.

"She was a wonderful marketing manager for three years, and now she's off flogging beer for her Spud Society," Folliard said. "I think she became more interested in marketing Kieran's Irish Ale than the business, if I may say with a little tongue in cheek.

"She made it her business. It's going to be a struggle. But with her vision and dedication, she knows where she wants to take it. She is prepared to make personal sacrifices and I believe that as long as she maintains that compassion, she'll achieve her goal. She absolutely has the skills to do it."

The premium beer, which costs \$3.50 or more for a pint in a pub and more than \$6 for a six-pack, is cutting more and more dust around town. It's brewed at St. Paul's Summit and distributed by two local wholesalers.

Berglund always has been short on capital and marketing dollars. So **Barb Rummel**, a lawyer at Lindquist & Vennum, donated time to set up the business and keep Berglund legal. **Dave Damman**, art director at the Fallon agency, has designed award-winning table tents and packaging that cleverly explain the mission.

Berglund says peddling suds every day, with only a portion going to charity, is not a contradiction in mission. Her purpose, she says, is to spread awareness -- as well as raise cash from sales -- to motivate patrons.

"I believe in this business model and I hope one day to make a middle-class living from this," she said. "I believe that by competing in the marketplace, I'm helping to bridge people through bars and beer with the homeless and working poor and poor kids."

The Spud Society helps support **Kids First**, an outfit that helps low-income parents obtain a private-school primary education for their children; **Life's Missing Link**, which focuses on troubled youth and their families, and **Park Plaza**, a 134-unit housing complex in north Minneapolis.

For more information: <http://www.finnegans.org> or <http://www.spudsociety.com>.

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