

Heineken

International

The history of Heineken

The Heineken family entered the beer business in 1864, when Gerard Adriaan Heineken bought a brewery in the heart of Amsterdam. Over the past 140 years, three generations of the Heineken family have built and expanded the brand and the company in Europe and around the world. It is thanks to the leadership of Gerard, Henry and Alfred Heineken that Heineken is one of the world's leading brewing groups. Today Charlene de Carvalho-Heineken is delegate member of the Board of directors of Heineken Holding N.V.

1864

22-year-old businessman Gerard Adriaan Heineken purchases the "The Haystack" brewery, the largest in the region. He demands and receives full control of shares, realising that sweeping and rapid changes are needed.

1868

To meet increasing consumer demand, a new brewery is built in Amsterdam at the Buitensingel.

1869

Gerard Heineken decides to switch from traditional top fermentation to the Bavarian method of bottom fermentation, a totally different technique that produces a clearer, purer beer, which keeps longer. The new beer is known for its quality and is called 'Gentleman's Beer' as opposed to 'Workman's Ale'.

A decade of fierce competition begins, with several new breweries competing for the high-quality beer market. Heineken must again start making cheaper workman's beers and gets into the business of cafes, hotels, and beer houses to secure purchasers. Brewers take on the role of banks, providing credit and extravagant extra benefits to win over clients.

1870

Due to the Franco-Prussian war, imports of Bavarian beer dry up, causing Heineken's sales to skyrocket.

1873

Heineken's Bierbrouwerij Maatschappij N.V. (Heineken Breweries or HBM) is incorporated. Gerard Heineken is appointed President and the name 'Haystack' is replaced by Heineken. The brewery stops producing 'workman's beer'.

1874

After merging the previous year with Oranjeboom breweries, a state-of-the-art brewery is built in Rotterdam. With a work-floor of 3000 square metres, it is one of the most expensive and innovative facilities of its day.

1875

Heineken beer wins a gold medal at the International Exposition in Paris and regular shipments to the French capital begin. Among others, the Folies Bergere signs up to receive an annual 2000 hectolitres.

Heineken continues to expand, struggling between concessions to the market and its belief in

Heineken International

the high quality, and price, standards that put it on the map in the first place. Continuing with Gerard Heineken's philosophy that, "A good product is recommended by its use alone," the company refuses to deploy advertising seriously, seeing it as useless and rather low-class. Technical breakthroughs ultimately provide a critical edge.

1880

Heineken sales top 64,000 hectolitres. The company is now the biggest exporter to France, and in particular Paris, which is fast becoming 'the capital of the nineteenth-century'.

1881

Cooling systems are installed in the brewery in Amsterdam, terminating dependence on natural ice. In 1883, cooling systems are installed in the brewery in Rotterdam.

1886

Doctor Elion, a student of Louis Pasteur, develops the A-yeast strain, still used today to give Heineken its characteristic flavour.

1889

The innovations begin to pay off: the brewery is awarded the gold medal of honour at the World Exhibition in Paris, where Heineken beer is supplied to the Eiffel tower restaurant. This award crowns the quality-focused policies of Gerard Heineken and director Wilhelm Feltmann.

It is an age of great innovation, and one improvement quickly follows another. The innovations are not only technical: industrial buildings like breweries are already being recognised as important works of architecture in their own right. The labour movement also begins to make its presence felt on the work floor.

1890

Electric lighting is installed at the Amsterdam brewery.

1893

Gerard Adriaan Heineken dies. Under the direction of Gerard Heineken and Wilhelm Feltmann, HBM has grown in its first twenty years from a small company to a large-scale industry. The groundwork has been laid for future expansion.

1894

The end of an epoch: despite master brewer Feltmann's hopes for his own son to take the position, J.D.A. Petersen becomes the new director. He later marries Gerard's widow Mary Tindal, becoming stepfather of the eight-year-old Henry Pierre Heineken.

1899

The barrel-makers submit a request for a wage increase, marking the beginning of a long process of workers' rights negotiations.

As the business consolidates its hold on markets, employers come under increasing pressure from workers demanding explicit agreements and better treatment. Petersen resists pressure from old-style managers and strives for dialogue, which ultimately results in the first collective labour agreements.

Heineken

International

1900

Heineken beer is honoured with a special Jury Prize in Paris. Sales of beer brewed under Heineken's auspices increase to 200,000 hectolitres.

1901

The year sees the first major strike and call for a boycott by workers. Negotiations result in a rise in the minimum wage and pay for overtime.

1904

A day of rest on Sunday is introduced.

1909

The first collective bargaining agreements are established. In Rotterdam, this means a 54-hour week and four days off a year. As a compromise, workers no longer receive four free litres of beer a week.

Henry Heineken comes of age and takes over the helm. He and his team represent a new generation of leaders. With both academic credentials and practical experience, they pioneer a new management style: socially aware and outward looking.

1912

Competition between well-established major breweries again increases to fever pitch. Heineken responds by reducing the price slightly and concentrating on on-premises sales.

1914

Henry Heineken obtains a seat on the Executive Board. Heineken welcomes its first woman employee, a telephone operator. Sales of beer brewed under the supervision of Heineken have now climbed to 300,000 hectolitres: 30% more than the beginning of the century

The company begins efforts to expand to Asia. In the United States, alcohol is banned and will remain so throughout the decade. Modern communication and advertising come into its own as Heineken moves into foreign markets. An international springboard is created for future global expansion.

1923

Heineken is one of the first Dutch companies to establish a non-contributory pension fund for employees.

1927

H.R.H. Prince Hendrik grants HBM the rights to His Coat of Arms. H.R.H. Queen Wilhelmina grants HBM the rights to the Royal Coat of Arms with the title of Royal Purveyor.

1928

An aircraft writes a Heineken ad in the sky above the Olympic Games in Amsterdam: one of the first deeds of Peter Feith, new head of exports. Under his leadership, Heineken will take its first steps towards becoming a truly international company.

1929

Heineken International

Heineken participates for the first time in the construction of a brewery in a tropical region. Building starts in Surabaya in the Dutch East Indies (now Indonesia).

The decade of the first great global economic depression sees significant international expansion and technical achievements for the company. Heineken moves decisively into the US and Asian markets. It also further expands its social policy: during the crisis, no personnel are fired. Rather, an early retirement scheme is applied for staff age 58 and over.

1931

Heineken and Fraser & Neave in Singapore start Malayan Breweries Limited (MBL), now Asia Pacific Breweries, operating in China, South-East Asia and New Zealand.

1932

Heineken opens a pilot brewery in Rotterdam, enabling the laboratory to test the results of its own activities. This is almost unique and critically important for trying out new modes of operation and instruction, especially for staff from breweries abroad.

1933

The M.S. Statendam transports the first Heineken beer consignment to the United States after Prohibition is lifted. This marks the beginning of Heineken's rising popularity in the United States.

1937

The Heineken Foundation for Personnel is established to provide extra support to employees in the years of the Great Depression.

1939

Heineken is listed on the stock market. The Foundation of the Central Brewery Organisation is established, initiated by Heineken. Its aim is to ensure a unified response by brewers during the impending war. The Organisation ultimately prevented disbanding of breweries and requisitioning of workers.

World War II provokes a continuous decline in beer quality and production as breweries in the Netherlands are deprived of raw materials. As the war ends, the first signs of spectacular international expansion set in. Henry's successor, Alfred 'Freddy' Heineken, enters the business as a sales promoter in the US, where he will develop the marketing expertise to later internationalise the company in the 1950s and 60s.

1940

Henry Heineken resigns from the Executive Board and is appointed Delegate Member of the Supervisory Council (until 1951).

1942

Alfred Henry Heineken, grandson of the founder Gerard Adriaan Heineken and son of Henry Heineken, officially begins his career with the company.

1948

Prince Bernhard of the Netherlands grants the rights to his Coat of Arms to HBM.

Heineken International

1949

The Netherlands transfers sovereignty to the new Indonesian government. The Surabaya brewery becomes 'Heineken's Indonesian Brewery Company'.

On the international markets, the reputation of the Heineken brand name gains strength. In 1954, Alfred Heineken acquires the majority of shares in the company and begins a radical modernisation. With an ardent belief in brand and marketing, he sets about proving his conviction that 'beer can travel': it's the beginning of a truly effective global marketing policy.

1953

The brewery "De Sleutel" (The Key) in Dordrecht is taken over by Heineken. "De Sleutel", established in 1433, is the oldest industrial enterprise in the Netherlands. The brewery continues as a producer of dark beers until its closure in 1969.

1954

The rapidly growing popularity of beer dramatically influences Heineken's domestic and export sales volumes. The Board decides to build a new brewery in 's Hertogenbosch.

1957

The Indonesian Government appropriates the Heineken brewery at Surabaya from 1957 until 1967. In 1967 Heineken resumes operations of the brewery, which ultimately takes the name Multi Bintang Indonesia.

1959

In order to meet the increasing demand for Heineken beer, the company embarks on a substantial extension of the brewery in 's Hertogenbosch.

Aba, Boma, Kumasi, Kisangani, Moundou... The motto during the 1950s and 60s is: Build and Brew. By 1960, Heineken is the market leader in Africa, and is making giant strides elsewhere. Refinement of the company's visual design and brand identity continue; notable progress includes a clear international logo.

1961

The Kumasi Brewery in Ghana opens. Heineken owns or has an interest in 4 breweries in the Netherlands and 24 abroad, including properties in Egypt, Italy, Venezuela, Angola and the Belgian Congo (today Zaire).

1963

The Heineken Foundation is established to give a bi-annual award to outstanding scientists in the field of biochemistry, including microbiology and the germinating physiology of seeds.

1964

A new international logo is introduced, for labels, coasters and other visual designs. Among these are the famous 'Heineken lips', the two red semi-circles enclosing the black stripe and name on the coaster. The style has remained the international icon by which the brand is still known.

1967

The first fully automated filling line for draught beer is installed in the brewery in Rotterdam.

Heineken International

Simultaneously, a new keg type with a built-in extractor tube, the Sankey keg, that fits the new filling line, is put into use. It will be introduced gradually in the whole country. Heineken also embarks upon computerised data processing.

1968

Heineken takes over Amstel Brouwerij N.V. as well as soft drinks producer Vrumona N.V. in Bunnik (the Netherlands), thus securing its share in the Netherlands internal market, which is heavily under threat from foreign competitors. The first Heineken advertisements appear on TV.

Increasingly at home in the world, Heineken is still a foreign guest in Europe. While it has a top position as an import in the premium segment of the market, it is not dominant in the European market as a whole. Alfred Heineken develops a strategy to change that and begins producing beer within European countries.

1971

Alfred Heineken is appointed Chairman of the Executive Board. A glance at Heineken abroad reveals an expanding roster of interests: Malayan Breweries in Singapore; Perusahaan Bir Indonesia; bottle manufacturers Boukin in Zaire; Bralima, Zaire; Bralirwa, Ruanda; Brarudi, Burundi; Brasserie de Brazzaville in the People's Republic of Congo; Kumasi Brewery in Ghana; Nigerian Breweries; Ibecor in Brussels; Antilliaanse Brouwerij, Curaçao; Brasserie Lorraine, Martinique; Surinaamse Brouwerij in Paramaribo; Athenian Brewery in Athens; and Albert Maltings in Belgium.

1972

Heineken acquires a majority participating interest in the share capital of Holding Company l'Espérance, which was the French ALBRA group, then the third largest brewing group in France.

1973

On the occasion of the hundredth anniversary of the company, the Executive Board donates NLG 100,000 to three social-medical organisations located in cities in the Netherlands that have Heineken breweries.

1979

Official inauguration by Prince Bernhard of the Netherlands of the distillery (with grain-alcohol roasting house) in Zoetermeer. Heineken increases its participation in the Dreher Group (Italy) from 90% to nearly 100%. When Heineken's interest in the French brewing group ALBRA increases to 100%, ALBRA is renamed Heineken France S.A.

Heineken achieves broad market leadership in Europe through many acquisitions, and fine-tunes its communication and products to appeal to consumers in each local culture. These vary hugely: the English are used to weak dark ales; the Italians still have mainly a wine culture; the three Swiss language regions each have their own different expectations. Heineken becomes a fixture in traditional bars from Dublin to Geneva.

1980

A first installation based on reversed osmosis (hyper filtration) considerably improves water processing in Europe.

Heineken International

1982

The Amstel brewery in Amsterdam closes down. Production is transferred to the Heineken brewery in Zoeterwoude. Heineken takes over Brouwerij de Ridder B.V. in Maastricht (the Netherlands). Heineken doubles its participation in a number of companies in Central Africa by acquiring shares already issued.

1983

The company enters into brewing cooperation in Brazil with Coca-Cola bottlers, producing Kaiser beer. Today Cervejaria Kaiser is the third brewing group of Brazil. Kirin Brewery Company Ltd. starts to brew Heineken under license in Japan.

1988

This year is marked by a joint venture via Asia Pacific Breweries with third parties in the Mila Brewery in Shanghai (China) and the introduction of Buckler alcohol-free beer in France, Spain, the Netherlands and Ireland.

1989

Alfred 'Freddy' Heineken retires from the Board, having reached the age limit laid down in the company's Articles of Association. He is appointed Chairman and Delegated Member of the Supervisory Council.

Heineken has become the second largest brewer in the world with the world's most international brand, selling in over 170 countries. The core values upon which it was built - consistent top quality, engaging people through their own culture, and also its social awareness - have allowed the company to renew itself over and again.

1991

Heineken takes over Van Munching & Co., its sole importer in the United States. This ends the remarkable lifetime contracts awarded Leo van Munching and his son in 1960 in recognition of their achievement as the first and only US importers of Heineken. Leo sr. was initially appointed in 1945. Through his work, Heineken became a best-loved import in the US, an achievement that remains as unique as his contract.

1992

Operations in the former Eastern Bloc and other communist countries gather steam. Heineken increases its interest in Komáromi Sörgyár RT in Hungary to 55.3%.

1994

Heineken acquires a 24.9% participating interest in the Polish brewery, Zywiec S.A. Zywiec has a leading position in the premium segment of the Polish beer market, three breweries with a total production capacity of 1.1 million hectolitres, and a share of 7% of the Polish beer market. An agreement is signed with Hainan Brewery Co. Ltd. (HBCL) for the construction of a brewery on Hainan Island in China.

1998

The Heineken University is opened. This is a training infrastructure designed for the optimal use and expansion of know-how and experience within the company.

Heineken

International

1999

In the Netherlands, the Heineken brand is voted 'Brand of the Century' and Alfred Henry Heineken is proclaimed 'Advertiser of the century'.

2000

Heineken receives the King William I Prize for Dutch Entrepreneurship. This prestigious prize is awarded once every two years to a large Dutch company that has attracted attention due to impressive entrepreneurial activities and important contributions to the economy, employment, prosperity and the entrepreneurial reputation of the Netherlands.

Heineken expands its operations in China, Nigeria, Sweden, Belgium, Slovakia and Spain.

2001

The festive opening of the Heineken Experience in the former brewery on the Stadhouderskade in Amsterdam takes place. To honour this event, Heineken N.V. publishes the book, The Magic of Heineken.

2002

The Heineken Company respectfully marks the death of its leader Alfred 'Freddy' Heineken at the beginning of the year. As a true entrepreneur, Freddy Heineken is credited with making Heineken into the truly international company it is today.

2003

The acquisition of Brau-Beteiligungs A.G. (BBAG) in Austria, the largest acquisition in the history of Heineken, significantly extends the lead of Heineken in Europe, where Heineken was already the largest brewer. Through this acquisition, Heineken is now also market leader in Austria, Romania, and Hungary and consolidates leading positions and brand portfolios in Poland and the Czech Republic.

2004

The business is further shaped through acquisitions and joint ventures, ensuring the creation of value. In Russia and China the position of Heineken is strengthened through acquisitions and in the USA an agreement is concluded with FEMSA in Mexico to distribute their strongly growing brands. In South Africa, Brandhouse is launched, a joint venture with Diageo and Namibia Breweries. In Australia Heineken enters in to a joint venture with Lion Nathan.

The first comprehensive sustainability award is published for the period 2002-2003, presenting a thorough and broad overview of activities worldwide. In recognition of the continuous focus on corporate sustainability, Heineken is awarded the prestigious Dutch ACC Award for best sustainability report.

2005

Heineken acquires a number of breweries in Germany and Russia.

Also in 2005, Heineken introduces a new light Heineken beer to the US market. This new beer, Heineken Premium Light Lager, is brewed in the same high quality tradition as the original Heineken, but is lighter in taste and has fewer calories and carbohydrates. The US light market represents half of the total US beer market and is still growing.

Heineken International

Heineken also introduces its portable draught beer system, the Heineken DraughtKeg. DraughtKeg allows consumers to experience a premium quality draught beer at virtually any drinking occasion. Heineken launched this innovation in France and in the USA in May 2005, followed by the introduction in the Netherlands.

The portable DraughtKeg has been developed for consumers who like to share and enjoy a quality draught beer in or outdoors and is relevant to the various beer cultures worldwide.

In 2005 the Executive Committee is introduced. The two members of the Executive Board, the five Regional Presidents and five Group Directors together form the Executive Committee, which supports the development of policies and ensures the alignment and implementation of key priorities and strategies across the organisation.

2006

Heineken acquires a number of breweries through Asia Pacific Breweries; the Fosters brewing assets in Vietnam and Quang Nam Brewery in Central Vietnam. A further business in the developing market of India and an acquisition in Laos are announced. Heineken also acquired shares in the Tunisian company, Société de Production et de Distribution des Boissons.

In 2006, Heineken continues to put into practice the belief that flatter and less complex management structures are essential to increase the speed at which decisions are taken and implemented across the business. That was the clear thinking behind the creation of the Executive Committee and a smaller Executive Board in 2005. The speedy roll-out of DraughtKeg early in its life cycle and the further investment in production; the accelerated integration of the Russian business; the centralisation of the IT function; these are all excellent examples of having brought that belief into practice.

2007

Heineken and Fomento Económico Mexicano, S.A.B. de C.V. ('FEMSA') extend their existing three-year relationship in the United States for a period of ten years, effective 1 January 2008. Heineken USA continues to be the sole and exclusive importer, marketer and seller of the FEMSA beer brands, Dos Equis, Tecate, Tecate Light, Sol, Bohemia and Carta Blanca, in the USA.

Heineken and Carlsberg confirm their intention to make an offer for the entire issued share capital of Scottish & Newcastle plc. Through the deal, Heineken will ultimately obtain a number 1 position in the UK and number 2 positions in the key markets of Portugal, Ireland, Finland and Belgium, as well as greater exposure to developing markets and segments, with positions in India and the US import market.

Heineken acquires Krusovice Brewery in the Czech Republic from Radeberger Gruppe KG. As a result of this transaction, the market share of Heineken in the Czech Republic increases to 8 per cent, with total volumes of over 1.6 million hectolitres, improving Heineken's position in the market to number three.

Heineken acquires the Rodic Brewery, in Novi Sad, Serbia and of the Syabar Brewing Company, in Bobruysk, Belarus. Rodic was established in 2003 and employs 282 people. The Rodic Brewery facility is a state-of-the-art, 1.5 million hectolitre brewery, located in Novi

Heineken International

Sad, northern Serbia. The company's portfolio consists of the beer brands MB Premium, MB Pils and Master.

2008

The cash offer for the acquisition of Scottish & Newcastle becomes effective. The closure of the transaction is the start of an exciting new era for Heineken, strengthening the position in Western Europe. The Company will accelerate the process of uniting people, brands and best practice from both Heineken and S&N to create a single, stronger, more competitive business.

Heineken's acquisition of parts of S&N includes businesses, licences and investments in Belgium, Finland, India, Ireland, Portugal, the UK and the US, with core brands including Foster's, Kronenbourg 1664, John Smith's, Newcastle Brown Ale, Sagres, Lapin Kulta, Maes and Beamish.

In 2008, Heineken also announces a number of other acquisitions: Tango Brewery in Algiers, Algeria; the Romanian brewer Bere Mures; Drinks Union in the Czech Republic; Rechitsa Brewery in South Eastern Belarus; and the beverage division of Eichhof in Switzerland. Heineken also opens a brand new brewery in Seville, Spain.

Heineken launches the first global, interactive responsible drinking campaign, called 'Know The Signs'. Our aim is for consumers to engage and interact with this campaign rather than passively watch a one-way piece of communication. By making it possible to interact with this campaign we believe we are more likely to be successful in raising awareness of over-consumption of alcohol.

2009

Heineken and United Breweries Limited (UBL), India's leading brewer, create a strong partnership that will drive growth in one of the world's fastest-growing and most exciting beer markets. Through the transaction, Heineken gains joint majority control of India's number 1 brewer, UBL and agree terms for the brewing and distribution of the Heineken brand in India. As part of the new agreement, Heineken acquires Asia Pacific Breweries (APB) India and in a subsequent transaction transfer this into UBL during 2010.

In 2009, Heineken® endorses the United Nations CEO Water Mandate. This United Nations-led initiative encourages companies to play a more active role in solving issues related to water availability and quality. The signing of the CEO Water Mandate by Jean-François van Boxmeer re-confirms Heineken's existing commitment to both sustainability and water management.

In 2009, Heineken also announces the Heineken Africa Foundation to support and enhance the improvement of health for the people who live in the Sub-Saharan African communities where Heineken operates. The Heineken Africa Foundation supports health projects and health-related education. Heineken has taken this initiative to underpin its long-standing commitment to Africa.

Following the acquisition of Scottish & Newcastle in 2008, Heineken's UK business marks the completion of integration with a change in name. The switch to Heineken UK is the beginning of an exciting, new chapter in the history of the UK business and a significant milestone for Heineken.

2010

Heineken announces that it has completed the acquisition of the beer businesses of Fomento Económico Mexicano, S.A.B. de C.V. (FEMSA), following approval from all relevant anti-trust authorities and shareholders of Heineken N.V., Heineken Holding N.V. and FEMSA. Heineken will execute the integration strategy it has developed in collaboration with the local management teams. The new management teams in Mexico and Brazil are announced; the newly acquired businesses forms part of the Heineken Americas region.

In 2010, Heineken also announces a new, 10 year Sustainability agenda and goals. The commitments and plans are outlined in Amsterdam as part of a symposium¹ on sustainable development. The company's new approach to sustainability is characterised by an integrated 'green' vision for all aspects of its operations. It has set clear targets and adopted innovative ways at looking at its business processes. With its new agenda, Heineken recognises the role it should play in creating a better future and delivering across all its operations.