

Speaker 1: [inaudible]

Speaker 2: Hello and welcome to legal food talk. I'm your host, Justin Prochnow, a shareholder in the Denver office of the international law firm, Greenberg Traurig. And this is a podcast brought to you by our food beverage and agribusiness practice to give you some insights [00:00:30] and knowledge about the world of food, beverage and agribusiness. Hello, and thanks for joining us today. We've talked about immunity claims during COVID. We've talked about weight loss claims. We've even talked a little hemp and CBD, and today I'm joined by a friend and person I've known for a long time. We share several unique, common interests, [00:01:00] and let's get right to it. I'm joined today by Ray Latiff from Bevnet. Ray. Thanks for joining

Speaker 3: Justin. Thank you so much for having me. This is an honor for a couple different reasons. Number one, that, uh, you're inviting me to speak on your podcast and, uh, you as a friend, I feel like we're going to have a great conversation and obviously the number two, which people will recognize this, but, uh, I'm, I'm never on this side of the table. I I'm usually the one on your side doing the questioning during the interviewing, but this is [00:01:30] fun. I'm excited. Well, good.

Speaker 2: Well, I'm glad to return the favor because I think the first ever podcast I did was one of the first, I don't remember, but, you know, in the, certainly the top 20, uh, of taste radio. So we'll talk about taste radio in a moment, but I remember doing it out in New York at one of the Bev net lives in the back corner. And, um, so yeah, I'm excited to do it. In addition to the podcast, obviously we've done a number of, uh, hosting, [00:02:00] uh, at Bev net lives and you are responsible for perhaps my daughter's proudest moment of her father when we were doing, uh, another one at Bev net live. And you liked me to one of the Avengers, I think at the end of our discussion, which I wrote replied with. I am iron man, and my daughter keeps that video clip and loves to play it all the time. So, uh, I appreciate you giving me the, uh, the softball there for that one.

Speaker 3: [00:02:30] Well, you know, in addition to our love for Manchester United, I'm sure we'll get into that. Uh, we do share a love of comic books and comic book movies. I'm more of a comic book movie guy than comic books themselves. And I see you rocking the, uh, the Batman jacket right now, but, uh, yeah, I've, I've definitely been more into the Marvel comics of late. I feel like the DC comic versions of movies, um, haven't really been up to par or really haven't been up to the same level as Marvel.

Speaker 2: I agree. I mean, I think that [00:03:00] suicide squad movie was pretty disappointing. I was excited about that and, um, you know, Marvel continues with the new Wanda vision has been, uh, pretty interesting. So, uh, perhaps a, a whole nother podcast, uh, talking about that, but before we get too far into the food, I do have to, we do have to address the Manchester United, uh, situation. You've got your sporting, uh, uh, Manchester, United hat. I've got a big, uh, Tim Howard Manchester, United Jersey from, uh, his brief [00:03:30] stint there back in the early two thousands. And probably we've communicated more about that than anything else. Uh, especially during COVID we usually exchange texts during games and, uh, it's been, uh, kind of a crazy season where man, you've done great, uh, on the road and then can't seem to win at home. And if

think we were talking the other day, if they just took the points from the bottom four teams, they might be relevant.

Speaker 3: Yeah. You know, mantis United [00:04:00] has been a confounding team, I'd say over the last, uh, seven or eight years, you know, for folks who aren't familiar with, what we're talking about, uh, this we're talking about European football, more specifically English, premier league football and Manchester United has been one of the best teams for the past 25 years. Uh, they, their manager, their longtime endure stepped down and, uh, at the end of the 2013 season, and they just haven't been the same since this season. And last season, they start to show some really, you know, signs of improvement and signs that they could get back to the top. But, [00:04:30] uh, what used to be their fortress, their fortress in, in Manchester, which is called old Trafford, where they were seemingly impenetrable that no one could come in there and do anything because it was their home.

Speaker 3: It hasn't been the same. I mean, they have no fans. And I think that's been a big part of it, right? Like having not having 75, 80,000 people screaming and going wild when your team is, you know, surging down the field or, you know, making a great stop or et cetera, it's, it's different. So, you know, they, [00:05:00] their, their advantage has been on the road this season, but they're still in second place. They're in second place in the primary league right now, you know, they're doing well in Europa league, which is a big European competition. So I I'm, I'm hopeful that, you know, they'll lend out the season with a trophy or two, uh, if not the premier league trophy then perhaps FAA cup in Europa.

Speaker 2: Yeah. I mean, I think it's always tough for a club like Manchester United, where they're always, you know, if they're not in the top four, then it's a disastrous season, [00:05:30] whereas you have other teams that are just hoping to stay above. And we won't go into too much more, uh, English football, uh, American soccer talk, but you know, one of the unique things about the English premier league and what I really like is that, you know, each year, the bottom three teams out of 20 get relegated down to essentially what would be akin to AAA baseball and the top three teams from the second division, the championship [00:06:00] league get bumped up to the premier league. So every year there's three teams that are under threat of being demoted. And so you can only imagine if that was the case, like in the NFL and, you know, the Jacksonville Jaguars and the New York, you know, all of a sudden our plane, you know, in some other league, instead of the NFL, it would never happen. Now these days with, uh, how much teams are being bought and sold for you have to do it from the beginning. But I always found that to be [00:06:30] one of the really unique and kind of interesting things about the, about soccer was that, uh, you know, there's the threat every year of potentially having to play, you know, in a minor. Yeah.

Speaker 3: Well mentioned Sharon. It hasn't been relegated since 1974. Uh, so I think they're, they're not in danger of ever being relegated, but, uh, yeah, not, not finishing in the top four, the, of the premier league is, is, uh, unacceptable for a team of that size and a stature, but I'm not, I'm not, I'm not [00:07:00] too concerned about that. I am more concerned that they, uh, that they went a couple of trophies. They, they they've been

probably less for the past two seasons, maybe I think three seasons actually. So, uh, gotta to get back on that track.

Speaker 2: That's right. You know, there's, I guess we would put that in the category of first world problems.

Speaker 3: Yes. First world problems for very wealthy soccer teams.

Speaker 2: Well, I'm so glad you were able to join us today, as you know, this is, uh, uh, [00:07:30] I think podcast number five for us, it's truthfully our you're our first outside guest. I've done a few myself, uh, one with my father, one with another person here at Greenberg, but you're our first non Greenberg guest. And I couldn't think of a better person because you've got tons of experience. And, um, I know this, as I've mentioned before from, from doing, uh, one of the initial, uh, episodes of taste radio, so maybe you can tell us a little bit about taste radio. How did that get [00:08:00] started and how have you seen that kind of evolve over the years as you've been doing that?

Speaker 3: Yeah, absolutely. Um, you know, as you mentioned, we've known each other for quite a long time. I started at Bev nets, uh, March 1st, 2011. And, uh, you and I have been speaking and working together constantly since then. So I had been the managing editor for Beth net for many years. And then, um, we decided to try to introduce a little more long form content [00:08:30] and what's better for long form content than a podcast. And so we introduced the Bev net podcast in April of 2016, and it was really focused on news trends, uh, innovation affecting the beverage industry specifically. Uh, we started to introduce interviews as well. And, you know, you were, you joined us on the show for one of our first interviews or interview focused shows about a year later. Uh, we started to realize that we had an opportunity to introduce more, [00:09:00] uh, food and beer and alcohol content, given that Bev net as a company focuses on a lot more than just beverages there's Bev, net sort of umbrella company.

Speaker 3: And then underneath it, it's Bev net, the beverage vertical focused on trends, innovation in non-alcoholic beverage and, and more, uh, lately a little bit more, uh, spirits and, uh, other types of alcoholic beverages. Uh, then we have notch, which is focused on natural, organic, [00:09:30] sustainable, and healthy food brew bound, which is focused on the business of craft beer. And now today tastes radio is sort of becoming its own vertical. So in June of 2017, we rebranded the podcast to taste radio, uh, pretty much since then, that's by my primary focus. Uh, we do interviews with everyone from, you know, billionaires to people who are, you know, a couple of years in and have really disruptive brands and concepts. [00:10:00] The actual taste radio platform is split up into two shows, tastes radio, which is akin to how I built this for very successful entrepreneurs and taste radio insider, which is focused on, or I would call it more of a, how am I building this folks that we're talking to that are on the ground, in the trenches, in the food and beverage industry and how they're navigating some of the pitfalls and challenges that are associated with our business.

Speaker 3: It's been quite successful. It's been quite well received. [00:10:30] Uh, people are very loyal fans of the show. Uh, we have a lot of fun doing it. We've interviewed folks, uh,

from Weil Smith and Jaden Smith, uh, who are the co-founders of J uh, just water to micro poli, who is famously the co-founder of vitamin water and body armor. I

Speaker 2: Saw one of my, uh, companies I've been working with and also a longtime fan of, um, my, my man Terrelle Davis and his, uh, Megan [00:11:00] from, uh, defy. Uh, if we had video, as I said, I have a Tim Howard Jersey and a Nathan MacKinnon Jersey behind me, but in another room, I definitely have a Terrelle Davis Jersey having grown up here in Denver and then a long time, uh, Bronco span. And so I was, uh, certainly excited to hear that, uh, obviously I've been working with them, so I know a lot about it, but it's always fun to see that I'm sure that was a fun episode. It

Speaker 3: Was, you know, interesting because defy is a [00:11:30] brand of CBD infused beverages, uh, really focused on sports drinks or this sort of sports drink and recovery category. And, um, he was saying, you know, like CBD, if he had it, when he was playing, he would have been a lot better off because of all the injuries he faced and just the daily grind or the weekly grind of being in the NFL. I mean, just think about how many times you get hit on the field and what it feels like when you get hit by these professional [00:12:00] athletes. It's I assume it's like, you know, running into a Jeep going 25 miles an hour, I mean, six or seven, 10 times a game, uh, before if you're a running back, like Terrail, it's, you know, a lot more than that. Yeah. So, uh, yeah, it was really interesting speaking with him.

Speaker 3: I also spoke with Jerry Rice recently, Jerry Rice, and his daughter started an energy drink brand called goat fuel. So that was pretty cool. Yeah. Uh, also Jennifer Garner was a Kona co-founder of once upon a farm, a brand of refrigerated kids, food, or [00:12:30] kids, food products, just some really amazing folks to speak within their industry and those who are related to the industry as an investors or advisors. But I mean, it's, for me doing this kind of long form content is so much more valuable than just writing a story or to even like an article for our magazine, because we get to do such an extensive interview. We get to do such an extensive conversation where there's [00:13:00] sort of this convergence of entertainment, education, and storytelling. So I I've loved it. And, um, I'm hoping we continue to do it. I know we'll continue to do it for a long time.

Speaker 2: Have you noticed, I mean, we talked to, you know, again about trail Davis and Jerry Rice and, you know, there's a lot of different celebrities doing products, you know, Brad Pitt I know is looking at one and some others. Do you think there's been an increase in celebrities getting involved? I mean, obviously celebrities [00:13:30] have always been, you know, use to promote products, but have you seen a shift in the involvement of celebrities? You know, someone like Terrell Davis, who's not just a spokesperson, but he's clearly one of the founders and, and cares a lot about, you know, CBD and those types of products. Are you seeing a similar pattern with some others as opposed to just being a figurehead for the product?

Speaker 3: Uh, yes and no. I think when you talk to [00:14:00] celebrities who are involved celebrities or athletes who are involved in food or beverage companies, a lot of it's, you know, how do you deploy their skillsets in the most meaningful way? And their skill sets

are playing sports or acting, or in the case of musicians playing music, not a lot of those skills are transferable to our industry, but they are people who are really passionate about a particular brand or product, uh, the ingredients behind it, the mission behind it. You know, I mentioned Jennifer Garner, [00:14:30] um, she's been involved with the organization, save the children for a long time and has a real passion for feeding kids, healthy food. And, and so I think her ability to communicate that passion and that mission is really important. Um, and you know, a lot of folks that I talked to her, I say, oh yeah, I'm talking to Jennifer Garner for my podcast. She's like, oh yeah, she's involved with that food brand that kid's food brand. Right. So people know that and they associated that and they, and that kind of connection is really [00:15:00] important. Cause they think of her as this person who is a caring and loving person who would produce more, be more involved in the brand than just as a figurehead or, you know, someone who's an ambassador for a product.

Speaker 2: Sure. Well, let me, let me step back a little bit with, cause we talked about taste radio, but let me go back a little bit to just Bev net in general. I mean, obviously things have changed a lot, um, especially over the last, [00:15:30] you know, year to 18 months and especially for a group like Bev net. And as you mentioned, you know, I've been pretty actively involved in a lot of things over the last eight, nine years. I think the first Bev net live I went to was, was, um, probably right around 2012. You know, I think it was like the second or third one, uh, maybe at the w down there on second, um, over there, um, uh, you know, Midtown east side, uh, I [00:16:00] know one year it was there when it was at like the Sheraton right outside of times square. So kind of some of those early day type of events, you know, and there was a hundred people or something to, you know, now the most recent live ones out in Santa Monica where we're talking, you know, 600 plus people and, you know, just trying to squeeze people in to various events.

Speaker 2: How has, uh, how has 2020 treated that net? I [00:16:30] mean, obviously it's undergone a big change, but there were no Bev net lives in 2020. What, what is Bev net and kind of the, the umbrella of notch and Bev net been doing to kind of stay in contact with people and, and address the, you know, the inability to actually meet live with people.

Speaker 3: It's been interesting. It's been an interesting shift, you know, going back to the first Bev net live that you attended, uh, back in 2010, that was before I was even with the company, um, you know, Bev [00:17:00] net as an organization, as a media company that has sort of evolved into a platform for live events, print content, site, content, audio content. And when it, when it originally started, it was just a site, our founder and CEO, John Craven launched Bev net in his dorm room at VC in 1996. The, uh, John bought the magazine beverage spectrum about 10 years later, eight to 10 years later. [00:17:30] Um, and it was one of the first times you saw a website by a magazine, um, in subsequent years, uh, there was this real opportunity to introduce live events, live content that featured networking that featured, uh, you know, stage conversations and interviews and, um, all kinds of things that would benefit the industry as a whole.

Speaker 3: And those live events have become the cornerstone of what we do. Bev net live is held twice a year or had been held twice a year in [00:18:00] Santa Monica, New York city.

And as you mentioned, the shows have grown in terms of attendance and, uh, just the amount of content that we include in those shows. The last one in December of 2019 in Santa Monica, we had about a thousand people at the show, which was pretty nuts. We took over the entire low Santa Monica for two days, which is a pretty big hotel, uh, right on the beach. And

Speaker 2: I always took one for the team. And when Monica in December at the beach said low [00:18:30] Sergio by the pier, you know, getting that one approved through the law firm was always a question like, is this really a necessary function? I'm sorry, I've got to do it. And I had so many partners who were willing to come and, and carry my bags or do whatever, um, to, to join me. But yeah, a great location for sure.

Speaker 3: Yeah. It's, it's a fun location right on the beach. And, you know, people definitely appreciate being in Santa Monica in December. Um, I would say, uh, that the, uh, the stage content [00:19:00] and our competition known as new beverage showdown or beverage brand competition, our educational events, um, all that stuff is really, really valuable. And between that, and being in California is, uh, it's, it's all, it's all worth the price of admission, for sure. So, as you mentioned, you know, with the pandemic, uh, we haven't been able to do live events. Uh, we haven't been able to do a live event since February of 2020, when we invited folks out to our office in San Diego for sort of an open [00:19:30] house, we opened up a new office out there. We had an office out there. We, we, uh, entered a new building and people have been thirsting for it.

Speaker 3: People have really wanted that kind of connection. Uh, we have introduced a lot of virtual content, virtual live content, sort of, I hate to use this word, but everyone uses it pivoted to a model that went from a free site content to one that is a paid subscriber model. Um, and we had to do [00:20:00] that because frankly, the live events were a big part of what we do a big part of what the company does in terms of, uh, our revenue. So the subscription model has been great though. I think, you know, certainly we'd love to get back to live events soon. It's hard to say when we will, because I think that's, you know, everyone's in that same boat, but we've doubled down triple down, quadruple down on the amount of content that we produce, uh, in video format. Um, [00:20:30] and the kinds of things that we're doing go sort of above and beyond.

Speaker 3: In some cases, what we did, uh, at, you know, live in person at our events, as an example, we host by monthly video series that are focused on early stage entrepreneurs and how they're disrupting a particular category industry, deep dives into categories. We do a speed dating, which is focused on connecting investors with entrepreneurs [00:21:00] or connecting retailers or marketers with entrepreneurs. So a lot of what we're doing is really targeted at giving a lot of value to our subscribers as much value as they could possibly imagine, um, for really kind of a nominal fee. And it also, when we, once we do get back to live events, uh, it's something that we'll continue to do. I think it's sort of how do we balance, you know, all the stuff that we're doing right now and, you know, sort of not cannibalize what we're [00:21:30] doing on a live basis.

Speaker 2: What's the response from the industry to the subscription model? Did you have a lot of people that signed up for

Speaker 3: It? So right now we have thousands of subscribers. You know, the industry, as I mentioned, has been really great about, uh, supporting us and we're doing our best, our utmost to support the industry by producing a lot of amazing content. Um, as I mentioned, and the daily news [00:22:00] that's coming out on Bev net, and now she's pretty remarkable. I mean, this isn't sort of just rehashing a press release or, you know, just talking about news without, uh, getting context or offering context about what's happening in a particular category or speaking with an industry expert about a particular subject. I mean, our reporters are doing amazing work on, uh, on how this industry is unfolding, amid a pandemic and what it looked like, uh, you know, two to three years from now. [00:22:30] So it's, as I mentioned, it's really invaluable content and I know you've been a big supporter and helped out quite a bit, Justin. So thank you so much for everything you've done for us as an organization and for the industry as a whole.

Speaker 2: Well, I know that, you know, there are a lot of, uh, people in the industry that, that realize the value that, you know, organizations like Bev, net and project nosh and others provide and, um, and want to see those, uh, [00:23:00] you know, groups continue to succeed even in a time where we can't meet live. So, so I think there's certainly, you know, a desire to make sure those companies can continue on until we can get back live. Because of course, one of the key values that I always found with Bev net is just, as you said, the networking, the getting to see people and keeping in contact with people and people in the industry. And, you know, when you need a referral moving forward, you've met those people [00:23:30] and doing it, and it's tougher to do during these times. But, uh, you know, we gotta, we gotta keep up with,

Speaker 3: So one thing I will say is that it's been nice to be able to have this format of virtual interviews. Typically I'd be traveling to trade shows or heading to New York or LA a couple of times a year to meet with folks. And now being able to do it, you know, from the comfort of your home or office, uh, is really great. I mean, there is, [00:24:00] you know, a little bit of a downside to not doing an in-person interview, but, you know, being able to sit down with a Terrell Davis or Jerry Rice, or, you know, someone like that, they're not typically people that are going to meet with you or travel to go meet with you. Uh, so they are very willing and it's been clear over the past year to do a zoom call with you or do a Zencaster call with you. So that's been one nice benefit of, of, uh, uh, virtual, uh, platforms. Well, let,

Speaker 2: Let's talk [00:24:30] a little bit about the beverage industry, uh, overall, you know, we always see, everyone wants to know what the new hot trends are. Uh, and certainly, you know, my belief from all the companies I deal with, um, obviously it was immunity in 2020, I mean, 2019 CBD and hemp everywhere. Uh, but 2020 seemed to be immunity. Everyone looking to add some vitamin D or zinc, uh, you know, many clients of mine, I [00:25:00] know had banner years, uh, where certainly their retail sales, uh, my, you know, their brick and mortar retail sales might have declined, but their online sales were 500%, you know, above because everyone was buying kombucha and sparkling water. And, you know, uh, [inaudible] with elderberry and vitamin DMZ. What are you seeing that here as we move into 2021, is there a trend that you're noticing offhand or what, what are some [00:25:30] kind of the new categories of products that you think will be interesting moving forward?

Speaker 3: I mean, certainly I think immunity is a trend that's here to stay, or at least immunity and focus ingredients, or immediately centric brands, the functional juice shots, like a vibe organic, like a course, that's a K O R like a so good. So you, as you mentioned, had banner years, and, you know, you don't need 16 ounces, you don't need 12 ounces to get that functional benefit. You just drink it a little two ounce shot. [00:26:00] Also, you know, when we're talking about immunity, we're talking about general health and, uh, plant based continues to be an important trend across food and beverage, you know, evidenced by, uh, the success of brands like Oatley and Califia farms. I mean, let's just look at Oakley's recent news that they're going to be filing, or they filed for an IPO that, uh, analysts predict could be worth \$2 billion. I mean, this is not a small brand. This is not a [00:26:30] small trends is not a small category. Um, and you know, there are new plant-based milks and plant-based beverages coming to market every single day. And there's a real demand for it.

Speaker 2: Back in the days of conferences at expo west 20, 20 Greenberg was doing a panel on, uh, plant-based foods. Um, and we had, uh, Madeline Haydon from Nutpods, um, who I was just talking to her yesterday. And I was saying, I remember [00:27:00] back when she was just getting samples out, like one day, you know, Bev, beverage schools, the one at the Skirball center out up there on top of the hill. And I remember, you know, putting that out there, maybe, you know, five, six years ago, and now she's one of the top dreamers out there and it's all plant-based and they've got variety of flavors and everything else. And I mean, just the, the upshoot in, uh, a company like [00:27:30] that or in, um, you know, bonds, uh, which is, you know, more the, obviously getting into the food, but with the garbanzo, uh, you know, based pasta, um, uh, you got rise, do eat, you know, oh, uh, milk products. I will say, these are all clients of mine raise holding up. I've got

Speaker 3: A Tetra pack. I got a leader here or a court, excuse me, of rise, a rise of original organic oat milk. This is a product that I live and die by. It's fantastic stuff.

Speaker 2: [00:28:00] You know, those products are obviously only coming more and more popular on the market. So, yeah, I totally agree for, from the labels that I get on a daily basis and review, and even companies looking to introduce new lines of things, the plant-based market is one that's just continuing to get bigger and bigger every year.

Speaker 3: Yeah. And I think consumers are becoming so much more savvy as to what is inside the [00:28:30] beverages they're drinking. Um, you know, they want to see clean labels. They want to see, uh, minimal ingredients. They want to see minimal processing. And some people might accuse us of being sort of in this bubble of, okay. They're only, you know, looking at the most innovative products and brands and trends, and some of the stuff is so bleeding edge that it's just not going to matter to the average consumer. But, you know, you talked about Madeline Haydon, Madeline Hayden, when she started out, it was with Nutpods. I think a lot of people brushed her off and now she's got a [00:29:00] brand that's worth \$50 million or more, uh, I mean, you know, at least it's, it's pretty incredible what she's accomplished. And she was just, she tapped right into a trend that, uh, was sort of happening, uh, faster than people really expected.

Speaker 3: I mean, plant-based creamers. Yeah. That totally makes sense now. Right. Because people are drinking plant-based milks. Why wouldn't you have a plant-based cream or a creamer, you know, a, a product specific to coffee and tea [00:29:30] that is plant based. And she, she nailed it. And she's doing, been doing really, really well. And I congratulate all her success. We've had her on the podcast as well. And it's amazing to hear her talk about digital marketing and really knowing who your consumer is, uh, staying in touch with them via customer service, just digging into every facet of why they are loyalists of your brand and what they expect of you in terms of, uh, innovation. Um, it's, it's a remarkable, remarkable story.

Speaker 2: Well, and then you especially [00:30:00] get, uh, as you said, um, some of the stalwarts for like plant-based foods and, um, certainly, um, you know, ones that are dairy free and others, and they're very, they scrutinize those products very carefully. I mean, we get comments from people are like you say, this is vegan, but there's a honey flavor in there and honey is not vegan because bees walk across it. Um, you know, [00:30:30] my sense, a little bit of my, uh, uh, just stay in for some of the, uh, the takes on some of these things, but, you know, I mean, you have to be very diligent about how you think so, and of course, that's one of the things that we work with these companies on is making sure the message is clear. And, and, you know, even just sometimes some of the words that you say, and it's, I always tell people that in many ways I'm a wordsmith because, you know, I just had a claim the other day where [00:31:00] someone was saying that, um, this positively affected something and actually even the word positively can be viewed at two different ways, depending on how you look at it.

Speaker 2: It could mean positively as in it's, uh, as opposed to negatively it has a positive effect. It could mean positively as in it absolutely will do it. And the company actually was meaning one thing. But when I asked four people, they all have the other takeaway from it. And it's just amazing [00:31:30] how, you know, companies will, will intend to say one thing and then realize that actually consumers, and as we almost got through the whole podcast, and now I'm going to say it without mentioning the words, class action, plaintiff, lawyer, class act, complaint of lawyers out there looking for that, you know, kind of rope that they can, uh, hang you on because of, you know, some misstep you made in the packaging or labeling of the product.

Speaker 3: Well, I, I always remember [00:32:00] you saying that, uh, I think it was in our podcast interview. I think you've said it several times on stage at Bev net live, which is these class action attorneys, attorneys in quotes are sitting in board rooms with products, slid across the table and trying to find going through each one, trying to find a way to Sue these companies, uh, and create these gigantic headaches for founders. And it's unfortunate, but it's the reality of our industry. Um, yeah, it's,

Speaker 2: [00:32:30] Uh, you know, as always, there's, there's both ends of the spectrum that there are certainly some companies that have crossed over the line on some claims. Um, but it is a shame that a lot of these letters you get, you know, the plaintiff's lawyers are looking for a quick, hit some settlement amount in the 10 to 35, \$40,000 range, and you can have a discussion with them and say, look, um, you know, there's no way that you're going to win this case. [00:33:00] Um, you know, there's no way a judge would find for

you in this. And they would say, yeah, that's probably the case, but we don't need to win. We just need to put the company in the position of, are they going to spend \$250,000 and a year and a half of their life fighting this? Or are they just going to settle out to us for 25, \$30,000?

Speaker 3: It's, it's a, it's, it's a, I guess it's a business, I guess it's a living, I guess it's something you can do with your life. But, uh, I don't know if it's the most, uh, moral or ethical thing to do unless there is some really egregious behavior. And there is [00:33:30] some of that for sure. I mean, you know, when I, I recall we first, uh, you know, Matt and I really got to know each other, you were really focused a lot on, uh, energy drinks and the energy drink category, and some of the things that were happening there in terms of label claims and, uh, supplement versus nutrition facts and how these products were marketing themselves as drinks, but had splits, uh, as a supplement facts panels on their cans. And I mean, I don't see the same thing happening [00:34:00] in, uh, in probiotic beverages, but I feel like probiotic beverages are really, I mean, they've got to be careful, I think in some cases, because we are starting to see a lot more come to market, these sort of soda, like probiotic beverages. And are they as beneficial as you know, they sort of position themselves to be, is it is a big question. I think there's, there's some answers that need to be addressed.

Speaker 2: Yeah. I mean, certainly [00:34:30] we continue to see the quote functional beverage category expand. I always hear people say, and I remember I was, uh, judging one of the new beverage showdowns, kind of the initial stage in New York a couple of years ago. And someone said they were the first functional tea beverage, uh, which was a surprise to me because I think I had reviewed 60 previous Hables of, you know, uh, beverages. So it's really hard to be the first of anything anymore [00:35:00] these days, but certainly people are looking to do functional. And, um, you know, the issue is you really have to have an efficacious amount of ingredients in your product in order to be making those claims. And, you know, one of the main areas where I see a lot of companies, uh, falling short and not really understanding is if you're talking about ingredients in your product, those are going to be implied claims for your product.

Speaker 2: So you can't talk about all the benefits of green tea, or let's [00:35:30] say the benefits of ashwagandha. If you don't have enough of that ingredient in your product to actually be touting. You know, we kind of talk about it as the fairy dust rule. You know, you can't put a sprinkling of ASA ye or ashwagandha, or, you know, even probiotics in there, just so that you can talk about it. If you know that the amount you have in there, isn't actually going to be providing any benefits. And it's one of the areas that I really have to work with companies a lot on [00:36:00] is sure you want to talk about those ingredients, but it's misleading to talk about those ingredients. If you don't actually have enough in there to be doing what you're talking about. And so, um, something that we, you know, continue to work with with companies,

Speaker 3: It's, it's interesting, you bring up ashwagandha because didn't the Coca-Cola company just launched a new Smartwater line extension that's made with ashwagandha interesting stuff. Yeah.

Speaker 2: Well look, we could talk for probably [00:36:30] two hours and, um, we, we didn't even get to have a further discussion. It might be our own separate podcast, just re-invest in talking about, uh, various things. But, um,

Speaker 3: Well, I, I did want to ask you about one thing, Justin, and you know, one of the trends that is happening in beverages, I don't know if you'd call it a trend or what you'd call what's happening with hard seltzer, but it, I mean, hard seltzer is perhaps the fastest growing beverage category in the industry. And I was pretty bearish [00:37:00] on hard seltzers because I think at the end of the day, what are they, you know, they're seltzer water with a little bit of alcohol and, you know, lab made flavors it, you know, in they're and they're being sold for, you know, prices that are on par with craft beer in some cases, which is insane to me, I don't understand how that's happening. And I feel like there's going to be a backlash, uh, by consumers who are all wrapped up in this health and wellness move in, [00:37:30] eventually looking at these hard seltzers and saying, why am I drinking this? Where are these flavors coming from? Where's the alcohol coming from? Is this really good for me? Or is it just lower calorie? And, you know, I think that's something that's happening right now in the industry, uh, where hard seltzers are still growing and they're still on a pretty amazing trajectory, but I wouldn't be surprised if we do see a little bit of a shakeout fall out, whatever you want to call it. Um, as a result of people questioning what they're drinking

Speaker 2: Zima was [00:38:00] ahead of its time, I guess. Um, if you remember, I remember when I was in law school, it was the favorite drink from some of the, uh, CLA classmates. So when, when, uh, uh, woman classmate of mine in particular was, uh, was a big Zima fan. And, um, you know, now 25 years later, all of a sudden seems like that category has, has come back strong with the white claws and the trulys of the [00:38:30] world. And certainly I probably did 20 different, you know, the packaging labeling for 20 different, um, hard seltzer products over the last year. And, you know, there's certainly some correlation between people being cooped up inside. And, you know, I know you see the pictures on the internet of people's recycling bins, you know, when they're put out for the trash these days and an awful lot of, uh, alcoholic beverages [00:39:00] in those bins, I

Speaker 3: Live in Boston and yeah, the, uh, the, the, the 30 racks of cans that you see in the recycling bins are they're pretty epic.

Speaker 2: Like, uh, you know, I went to Tufts. So, uh, th th the favorite when I was in college was the, uh, Knickerbocker long neck beer, um, probably a few recycling bins with, uh, with some of those, uh, if COVID had happened while we were in college. [00:39:30] That's for sure.

Speaker 3: Yeah. Well, hopefully COVID won't happen ever again, but, uh, yeah, I, I mean, the other thing just to touch on with hard seltzer is, um, you know, the trend that we're seeing across food and beverage, which is lower sugar, lower calorie, more specifically, low, low sugar. And, um, you know, right now these, these brands don't have to correct me if I'm wrong claim, uh, or publicize their, uh, nutrition facts, so to speak on [00:40:00] their packaging, uh, some are doing it, but not all. And at a certain

Speaker 2: Point, you know, most do. And of course, all the ones that I look at do, because these, this hard seltzer category is kind of a, a little bit of a tweener category in that the formulas have to be run by the TTB for approval, but the TTB doesn't regulate their packaging because it's less than 7% alcohol. So the FDA regulates it. So the reality is they [00:40:30] should have a typical nutrition facts panel just like, um, like a regular beverage product, which has the sugars and everything else now, uh, as we know, because of the fact that there's no pre-approval of labels that are products regulated by the FDA, there's a lot of things out on the market that aren't compliant. Um, so it is interesting. Um, it is something that they should be doing, but it's also not something that's probably at the top of the FDA's [00:41:00] list of enforcement priorities, um, that they're going around and, and actually taking companies to task for not having it on their packaging.

Speaker 2: Um, so if the FDA started, you know, enforcing that a little more, it would cause some companies to have to really evaluate that because you have, they're, they're not low calorie products, you know, it's, it's, uh, alcohol from sugar. And, um, you know, they're, they're, you know, in the a hundred calorie [00:41:30] range, typically for some of those things, again, as you said with people, uh, you know, always, uh, certainly a segment of the population being very conscience about what they're putting in their body and, you know, the calories that they're intaking. Um, eventually that might be something that's, you know, as you said, going to get a little bit of a backlash,

Speaker 3: Well, I guess a founders know the right place to go, if that does start to happen. So make your first [00:42:00] call to Justin Justin product. Now, Greenberg Traurig,

Speaker 2: Such a, such a good job, Ray of, uh, of closing it down. Just what I would expect when we were doing like the interview, if you need any needs to have you come around on my, uh, um, my, uh, you know, marketing tour. Um, so I appreciate it, um, really great to talk with you. I mean, uh, I always enjoy these podcasts. Do they just, you know, catch up with people that I haven't [00:42:30] talked to in awhile? And as I said, uh, you know, we text during, uh, man, you games. And as, uh, as we said, uh, again, uh, sometimes I feel like, uh, the man, you community as a whole has a little bit skewed version of things. So that, as you said, they're in second place right now. It's not like they're hanging on to, uh, the end of the league, but, you know, the expectation bar is a little bit higher there. And so, um, you know, you see things again, like, [00:43:00] uh, you know, these games against Burnley and, um, and others and new castle at the bottom of the table. And you're like, how is it that they are not, you know, destroying these guys?

Speaker 3: Well, uh, it's been great speaking with you, Justin, and yeah, I mean, you know, chatting about Manu and texting with you during the games is really fun. I feel like, uh, you know, it's, it's one when we used to see each other at trade shows or at lab events would always, you know, talk about menu and, uh, you know, it's [00:43:30] fun to do it virtually. I hope we can do it again in person soon, you know, watch a game together over a beverage. Probably not, probably not a hard seltzer for me, but over

Speaker 2: A beverage. Well, I've just started to, I have one thing I have definitely become more of during the pandemic has been a bourbon drinker and I never was as much before, but I

have now, um, become much more of a bourbon fan. I just got a nice bottle of laws, which is a [00:44:00] local Denver one in a nice kind of square bottle. Uh, I may start using that as gifts to people with the, uh, the law connection and everything and a nice bottle. Um, but before we leave off, we mentioned it a couple of times, where do people catch on for taste radio and where do people sign up to subscribe the Bev net if they want to?

Speaker 3: Excellent questions, Justin, I'm so glad you asked, uh, let's start with, uh, taste radio. The [00:44:30] website is taste radio com. You can listen to any episode that we've published since April, 2016, uh, on the site or any major podcast platform, including apple podcast, Spotify, Stitcher, Google podcasts, it's all free. It's all available to anyone who wants to listen. Um, there's, as I mentioned, some really entertaining educational content in there, and some stories that you're just not gonna hear anywhere else, uh, for subscribing to BabyNet and nauseous. It's pretty simple [00:45:00] to go to Bev, net.com, look for the subscribe button, uh, on the top menu of the site. Uh, and you can get signed up in about three minutes and you will have content that you can, uh, review, watch, read, listen to for a year, and you won't be able to do it because there's so much out there. I mean, I think, you know, thousands of articles, uh, hundreds of educational videos, you know, it's, it's worth every penny and I'm not, I'm saying that when I'm bad, [00:45:30] I'm being biased, but, uh, I'm being truthful. rev.com/subscribe. You'll be done three minutes.

Speaker 2: All right. Thanks Ray. Thanks everyone for listening in today. If you enjoyed hearing what you heard, please give us a favorable review on whatever platform you're listening to. And until next time, talk to you, then.