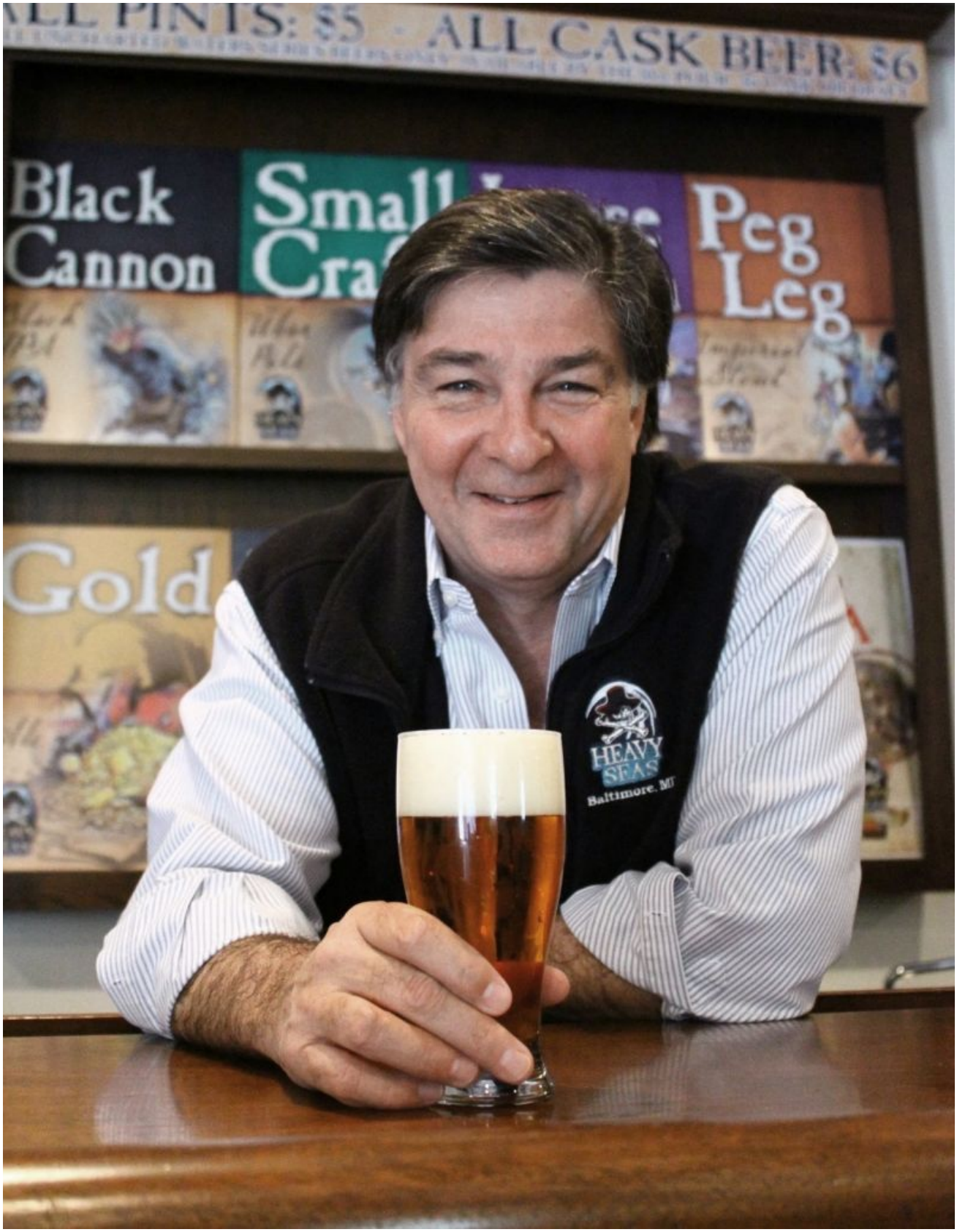
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Heavy Seas Beer Files for Chapter 11 Bankruptcy in Maryland

The craft brewer listed more than $4.3 million in liabilities, remaining open during a court-supervised search for a sale or merger

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Heavy Seas Beer, a Maryland craft brewer that operates legally as Clipper City Brewing Company, filed for Chapter 11 bankruptcy protection on November 8 in the U.S. Bankruptcy Court for the District of Maryland, according to Breweries in PA, which cited

court records and reports from other local media.

The filing puts one of Maryland’s best-known independent beer brands into a court-supervised reorganization at a time when many craft brewers are dealing with weaker sales, higher costs and shifting drinking habits. Breweries in PA reported on Thursday, November 12 that court documents reviewed by The Baltimore Banner listed more than $4.3 million in liabilities. That total included more than $2.3 million owed to Wells Fargo, according to the Banner’s account of the filing.

Heavy Seas has not announced a shutdown, and the brewery remains open while it reorganizes. Breweries in PA said the filing is intended to give the company time to pursue a sale or merger with another local brewery. The report attributed that explanation to Paul Sweeney, an attorney for the company, who told The Baltimore Banner that the bankruptcy process would create room to continue talks with several possible partners. Caroline Sisson, the company’s marketing director and daughter of founder Hugh Sisson, also told the Banner that the filing would buy time for the business.

The case centers on a brewery that has been part of Maryland’s craft beer industry for more than three decades. Hugh Sisson founded Clipper City Brewing Company in 1995 in Halethorpe, southwest of Baltimore. The business later built its public identity around the Heavy Seas brand, which it introduced in 2003 with stronger beers aimed at a growing craft market. Loose Cannon IPA, released in 2005, became its flagship beer. The company formally rebranded as Heavy Seas Beer in 2010 after the newer label outgrew its earlier Clipper City and Oxford brands.

For years, Heavy Seas held a visible place in the regional craft beer market. It expanded its brewing capacity in 2014 with a 60-barrel brewhouse and opened a taproom in 2017. Industry recognition followed. Beer Connoisseur Magazine named it national Brewery of the Year in 2017, and in 2024 Loose Cannon and Hazy Cannon were named national champions at the U.S. Beer Tasting Championship, according to Breweries in PA.

But the company’s production has moved sharply lower in recent years. Brewbound reported, citing Maryland tax data, that Heavy Seas produced 51,380 barrels in 2019. That fell to 26,528 barrels in 2023 and 24,551 barrels in 2024. The drop from 2023 to 2024 was 1,977 barrels, or 7.45%. Compared with 2019, production was down by 26,829 barrels, or 52.22%. Those figures do not by themselves explain the bankruptcy filing, but they show a long decline in output before the November 8 petition.

The filing also comes as the craft beer market in the United States has become more difficult for established regional brewers. Sales growth that once supported rapid expansion has slowed, and many producers have faced pressure from rising ingredient, labor and distribution costs. Consumers have also shifted spending across a wider range of alcoholic and nonalcoholic drinks, including spirits, ready-to-drink cocktails, hard seltzers and alcohol-free products. Breweries in PA said Heavy Seas pointed to a nationwide drop in craft beer sales and Hugh Sisson’s planned retirement after more than 30 years as factors behind the filing.

The reorganization follows an unsettled period for the company’s business strategy. In October 2025, Heavy Seas announced that it was joining B3 Beverage Company with Yards, Two Roads and Bald Birds, according to Brewbound. That arrangement was presented as a way to combine scale across several regional craft brewers. But Brewbound later reported in August 2026 that Heavy Seas and Two Roads had left B3. Breweries in PA said Sweeney told The Baltimore Banner that the B3 transaction ultimately did not go through.

Heavy Seas’ bankruptcy filing also arrived in the same month that Guinness closed its Open Gate Brewery nearby, adding to a sense of strain in the regional beer business around Baltimore. The two situations are different, however. Heavy Seas is using Chapter 11, which allows a company to continue operating while it seeks to restructure debts and negotiate a possible sale or merger. There is no announced final deal at this stage, and no completed sale or merger has been disclosed.

The company’s legal name and the size of its reported debts matter because they place the filing in a broader pattern of consolidation across craft brewing. Smaller and midsize brewers that once grew through taproom traffic and supermarket distribution

have increasingly turned to partnerships, mergers or sales when volume falls. Heavy Seas still has a recognized brand, a production site in Halethorpe and products with a long history in Maryland retail and bar markets. Those assets may help explain why company representatives, as quoted by local outlets, said there were several interested parties in talks.

Court-supervised Chapter 11 cases can move in several directions. A company may reorganize its debts and continue under the same ownership, or it may sell assets or merge with another operator under court oversight. For Heavy Seas, the filing appears aimed at preserving that flexibility while keeping the brewery in operation. What happens next will depend on negotiations with creditors, the pace of any bidding process and whether a buyer or partner sees enough value in the brewery’s brand and facilities to strike a deal.