

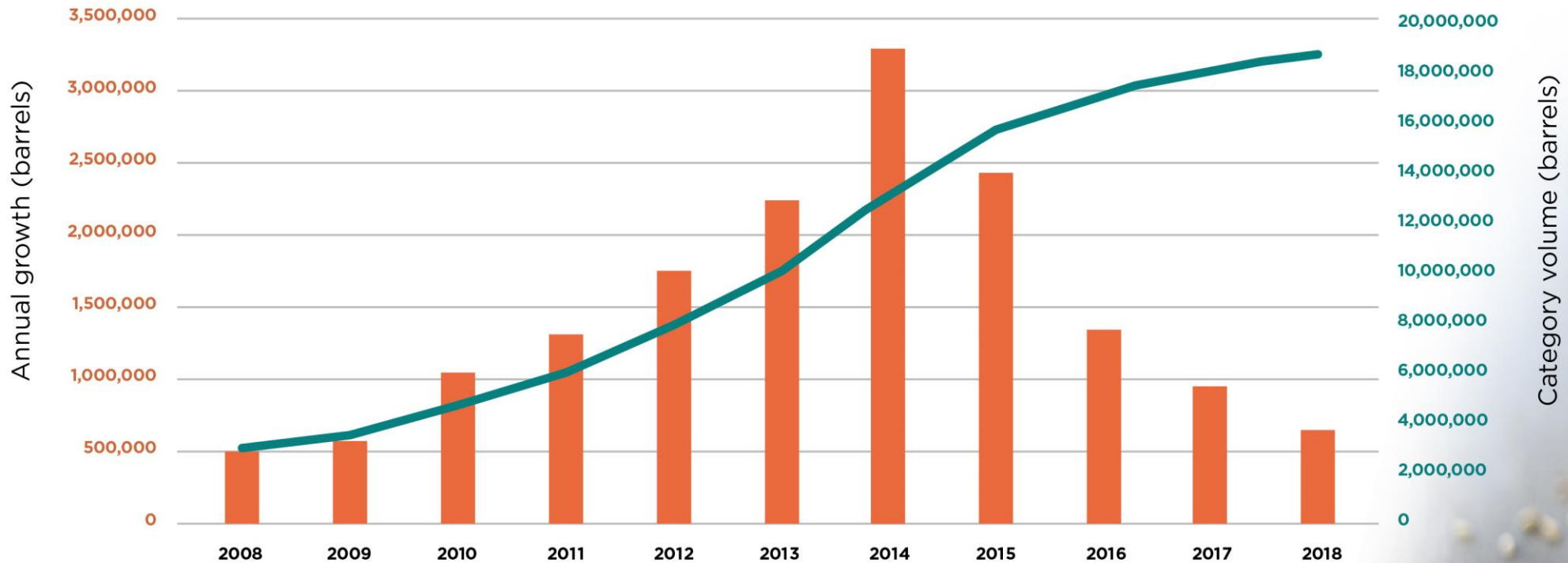
State of the Craft Brewing Industry

Bart Watson
June 11, 2024



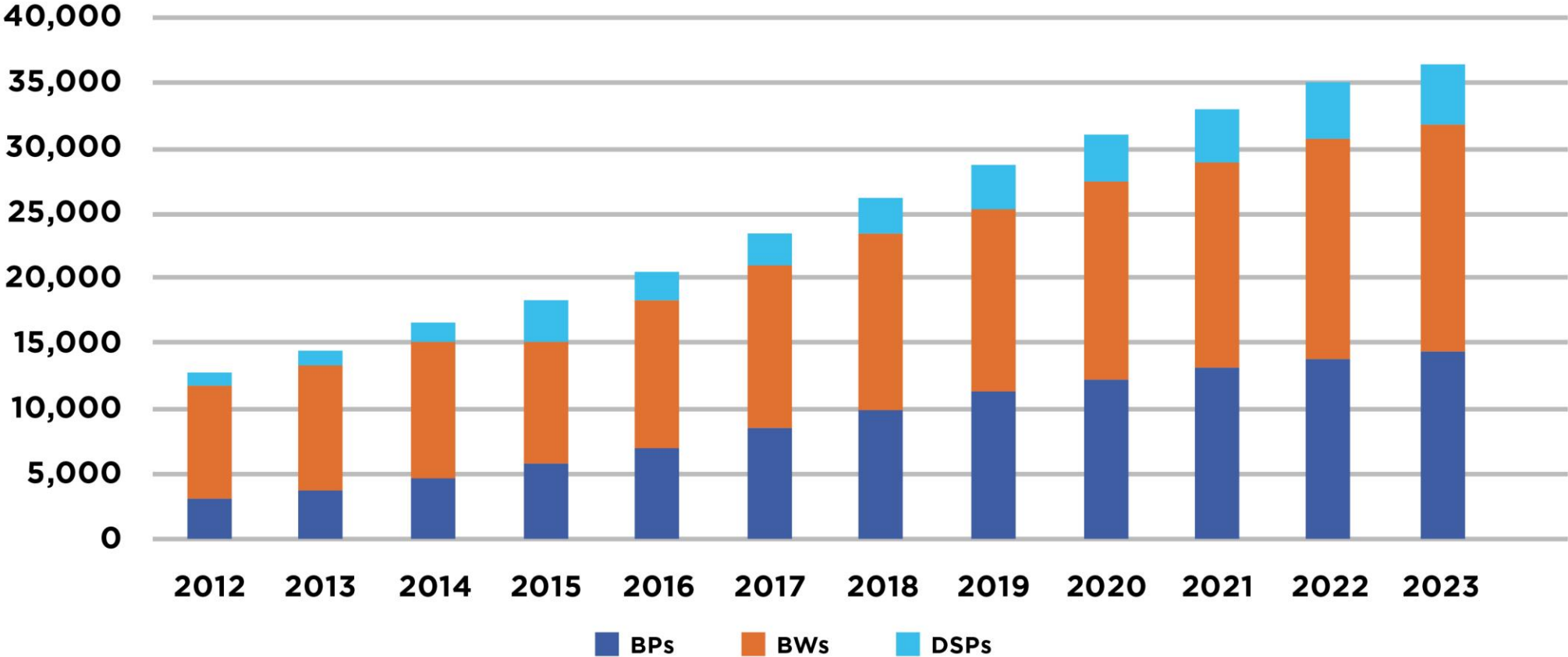
ERA OF RAPID ADOPTION > ERA OF INCREMENTAL GROWTH

Craft Growth 2008-2018

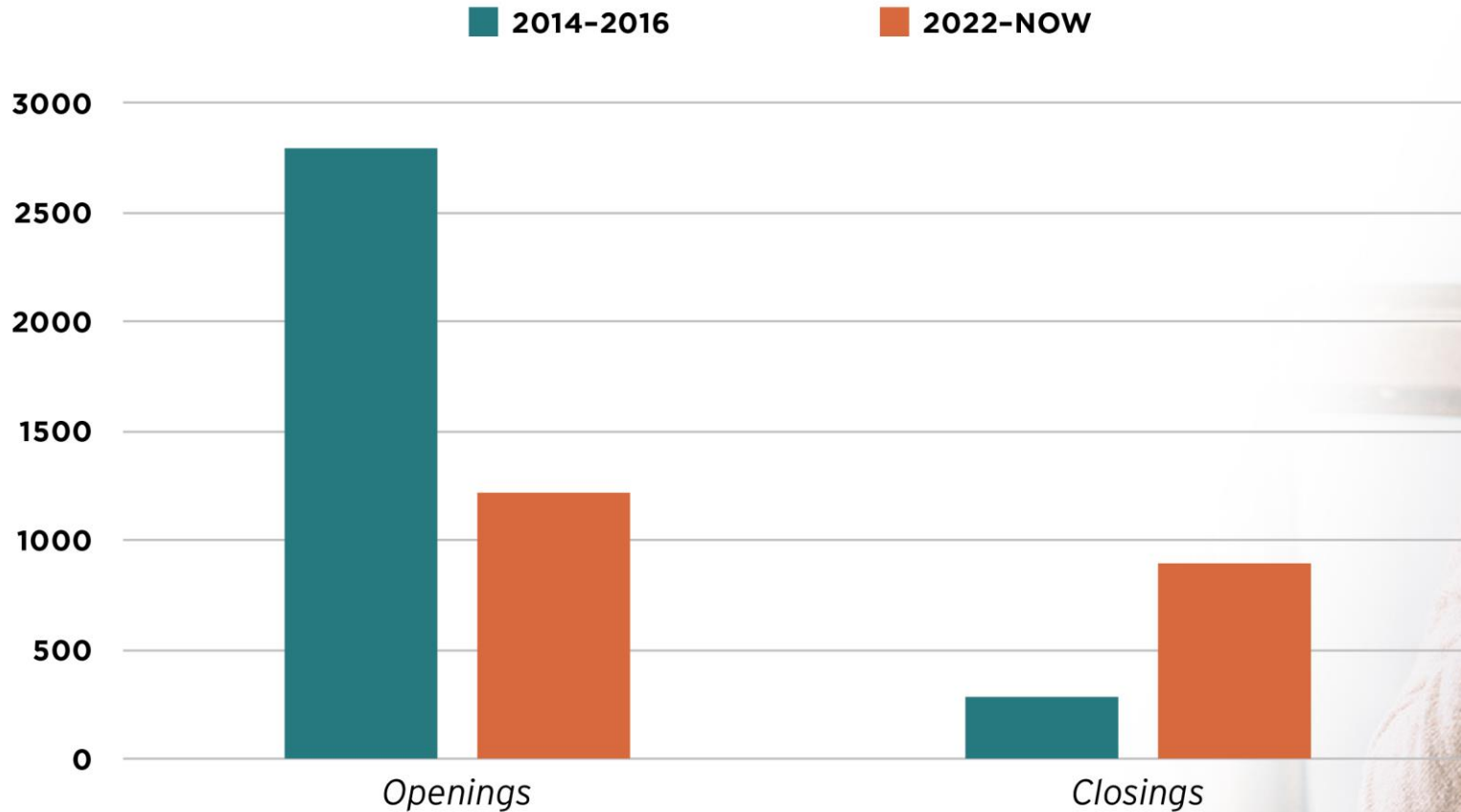


COMPETITION & SUPPLY

Total TTB Permits, 2012-2023



OPENINGS & CLOSINGS



OPENS / CLOSES

495

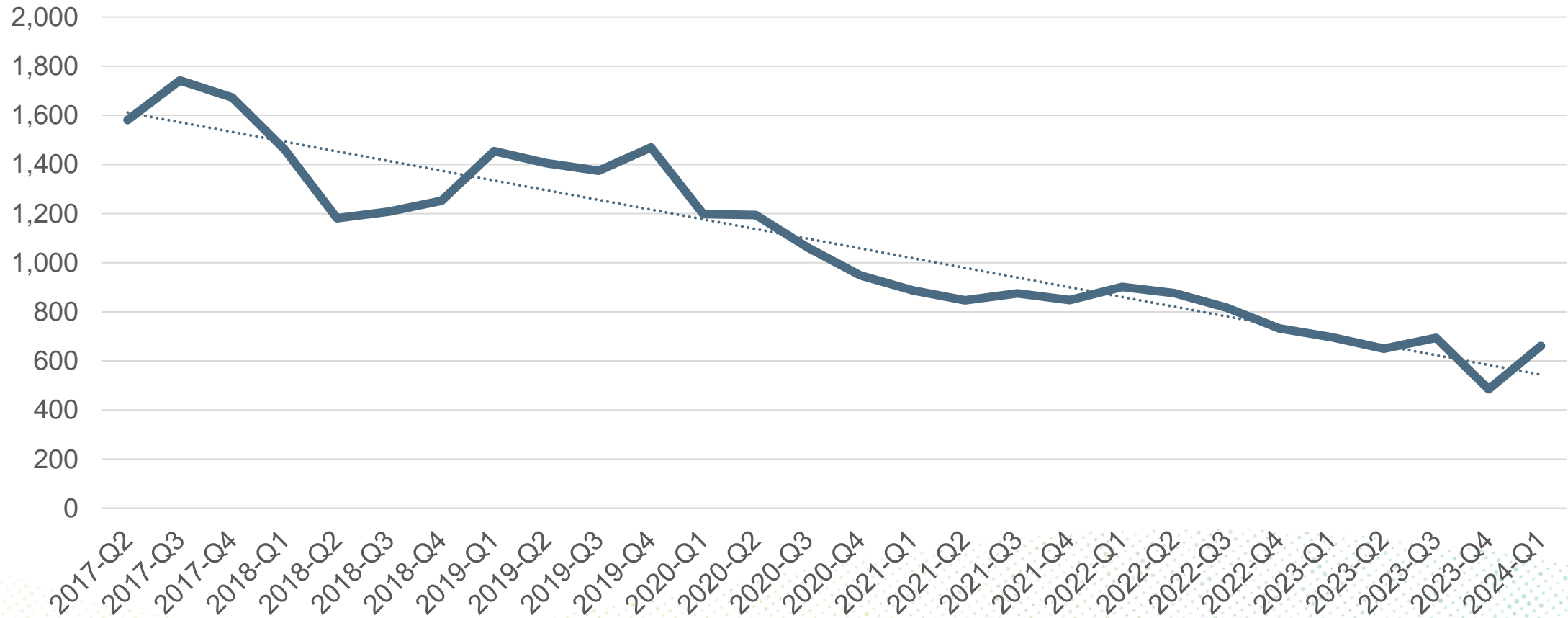
OPEN

418

CLOSED

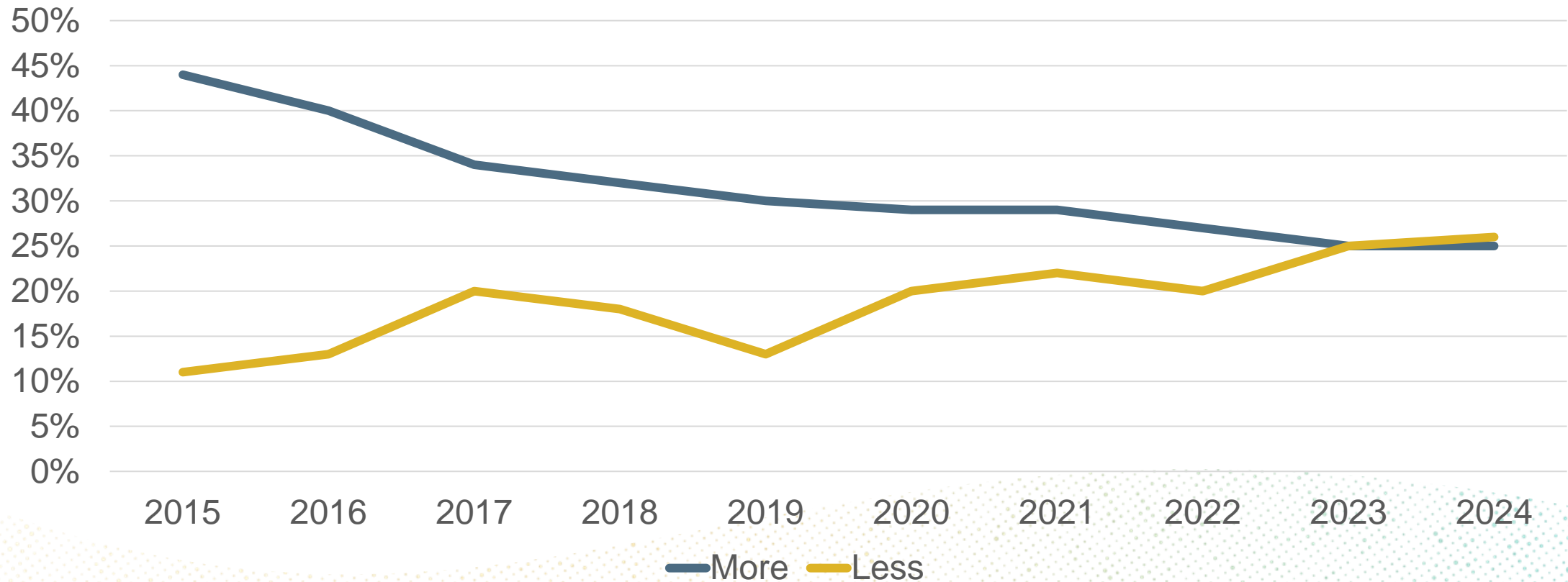
Entry Declining

YoY Change in Brewery Permits by Quarter



Demand

In general, would you say you are drinking more, less, or about the same amount of craft beer now as you did one year ago?



Source: Harris Poll



CRAFT VOLUME AND DOLLAR SALES

-10%

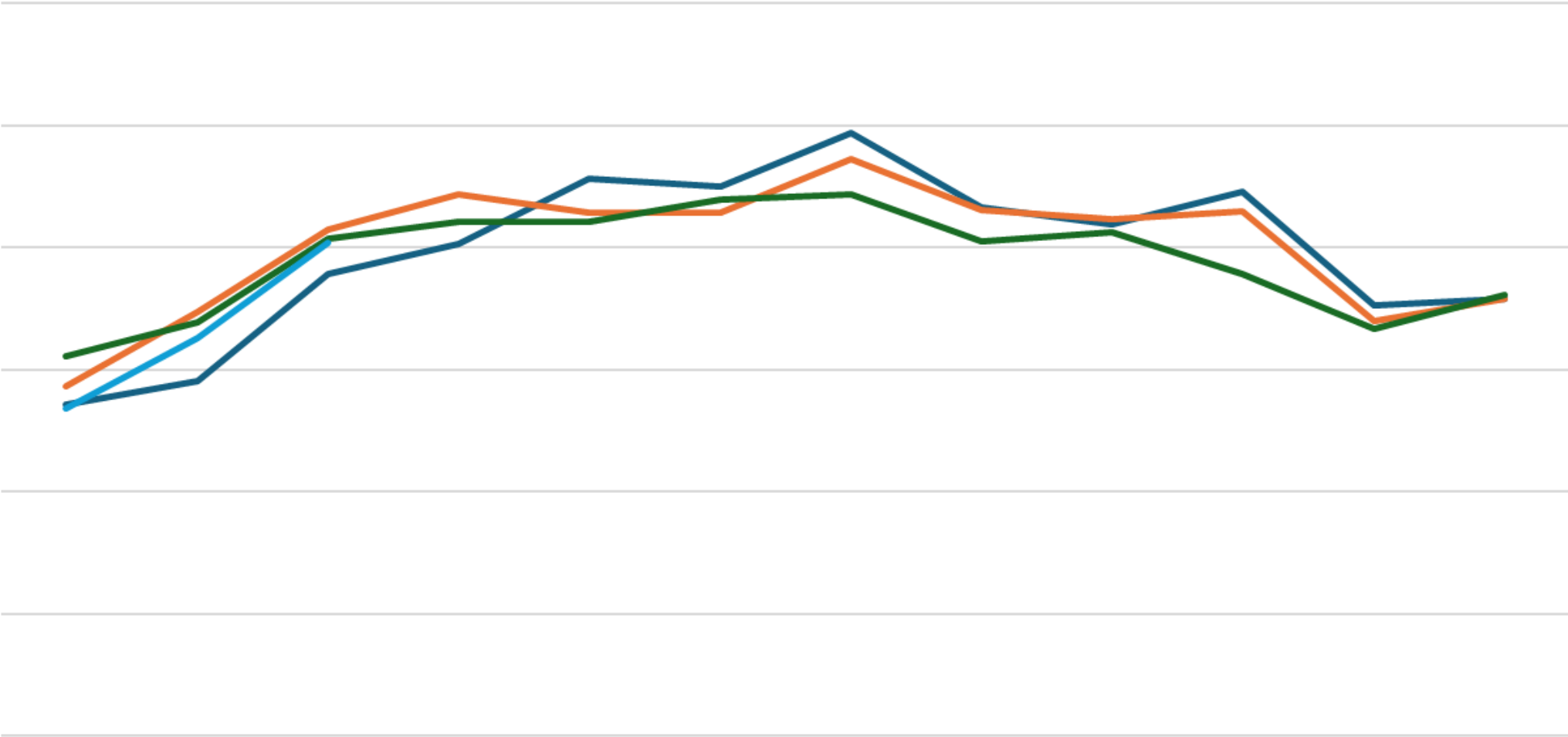
**CRAFT
PRODUCTION**

30%

**DOLLAR
SALES**



Dollar Sales by Month and Year (in March 2024 \$)

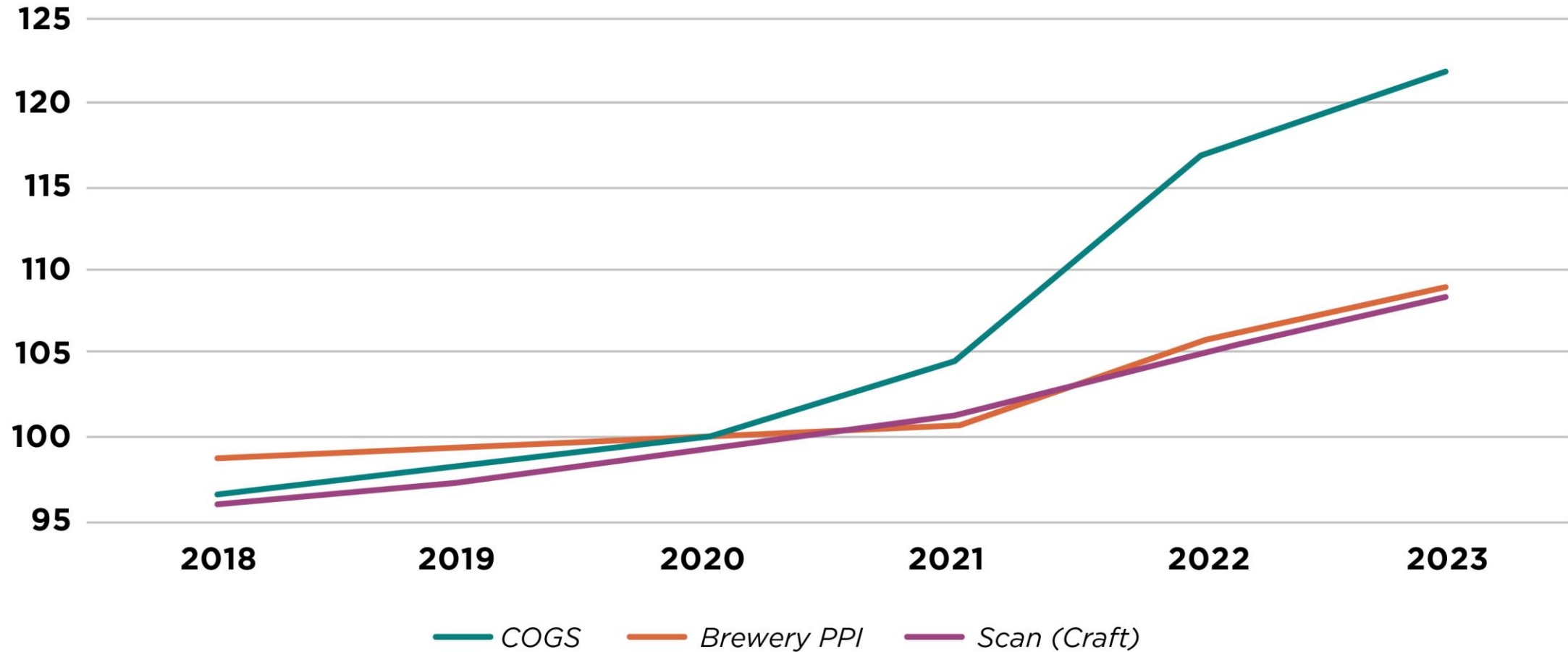


January February March April May June July August September October November December

2021 2022 2023 2024

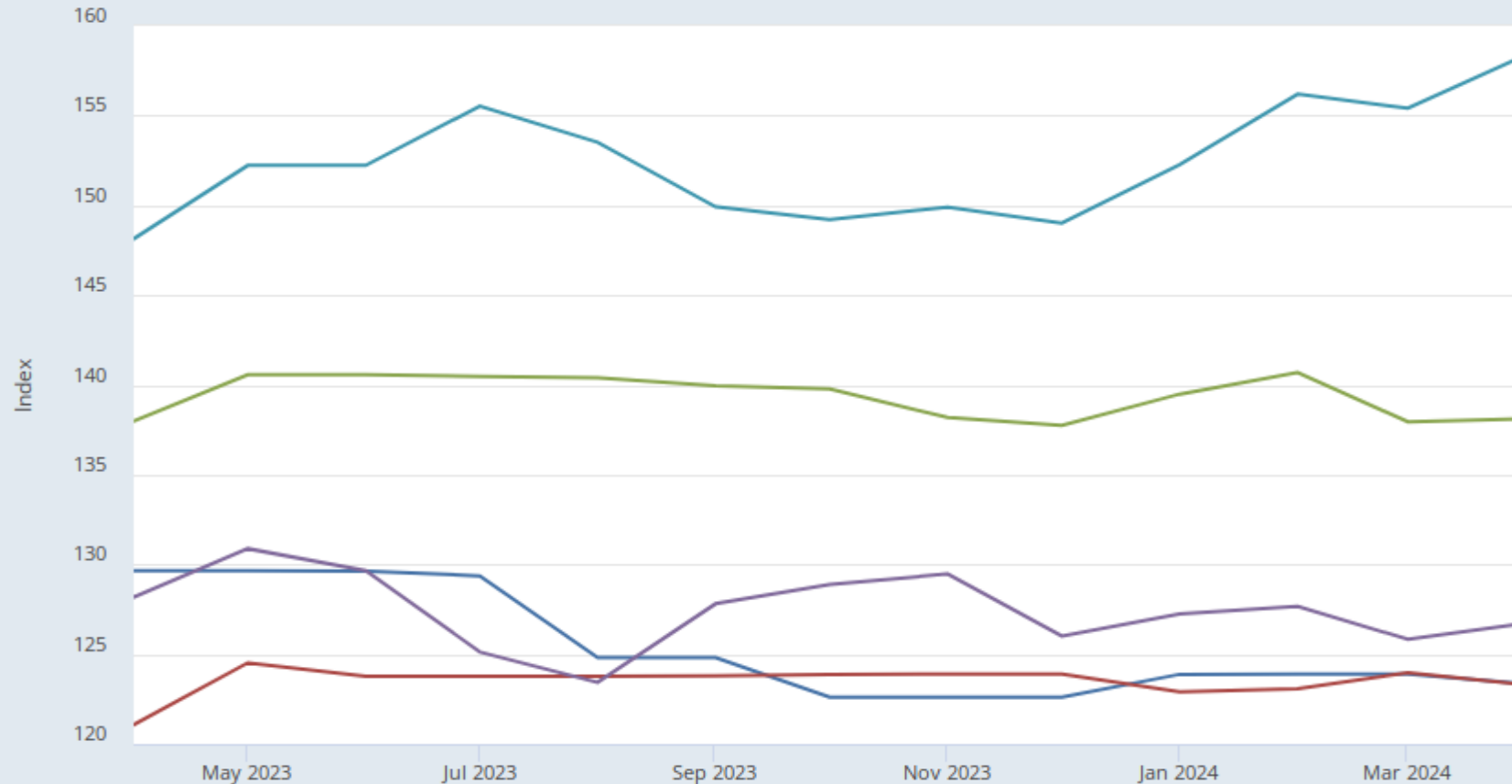


CRAFT COSTS > CRAFT PRICING



FRED

- Producer Price Index by Industry: Metal Can Manufacturing: Aluminum Cans (Including Lids, Ends, and Parts Shipped Separately), Feb 2020=100
- Producer Price Index by Industry: Malt Manufacturing: Malt and Malt Byproducts, Feb 2020=100
- Producer Price Index by Industry: Folding Paperboard Box Manufacturing: Folding Paperboard Boxes, Packaging, and Packaging Components, Feb 2020=100
- Producer Price Index by Industry: General Freight Trucking, Feb 2020=100
- Producer Price Index by Industry: Industrial Gas Manufacturing: Carbon Dioxide, Feb 2020=100

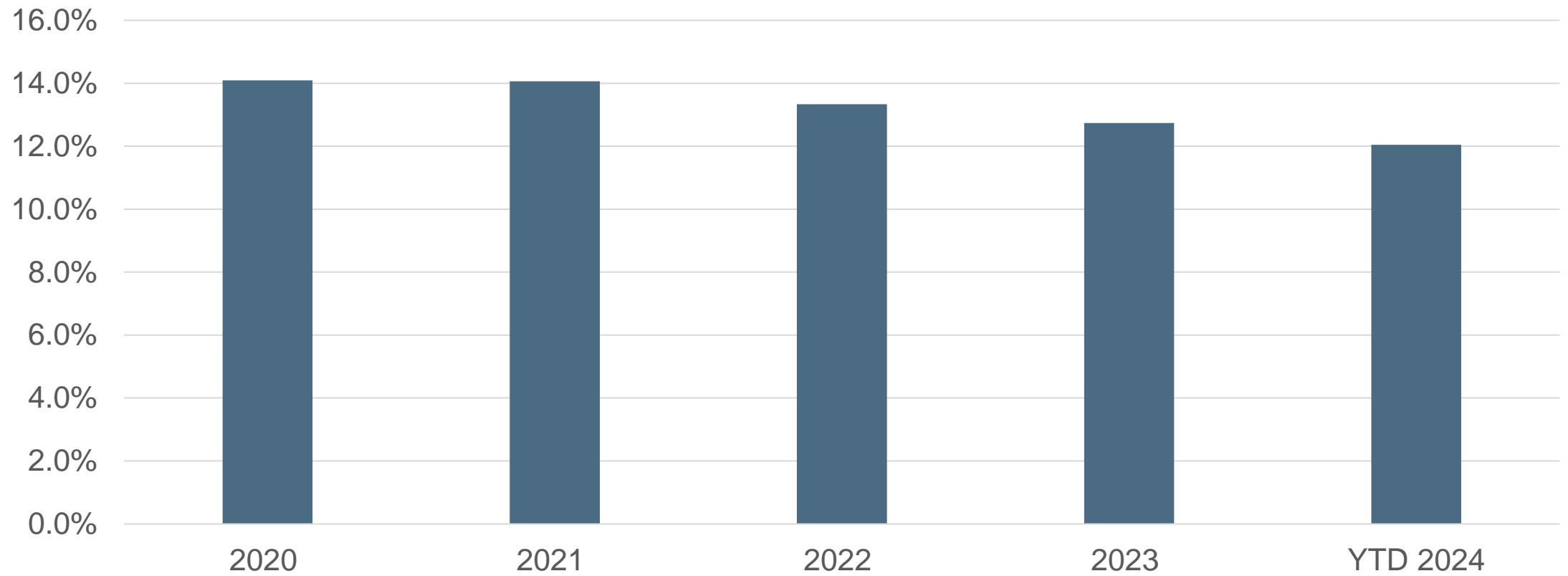


Source: U.S. Bureau of Labor Statistics

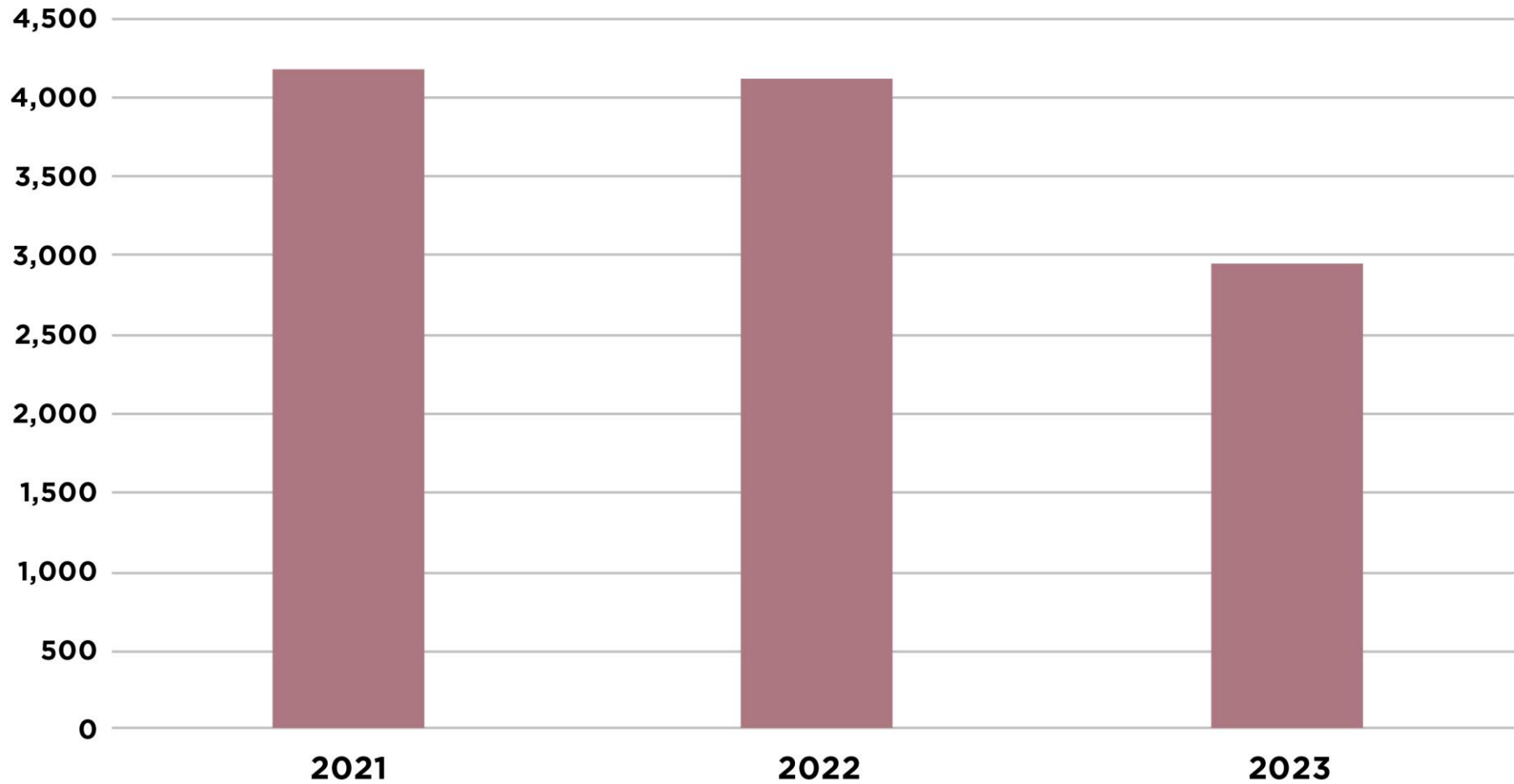
myf.red/g/1o55B

Off-Premise

NIQ Craft Scan Share



TOTAL BEER - NEW BRANDS



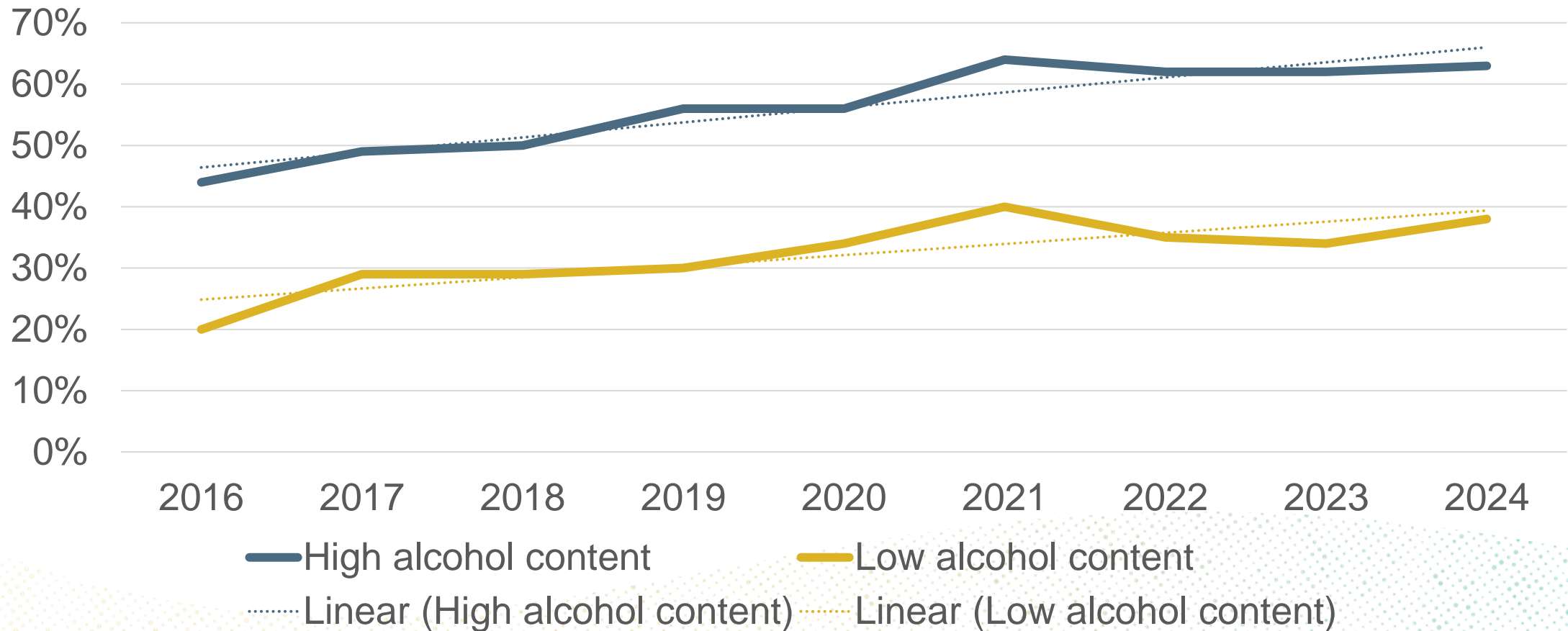
Source: Bump Williams Consulting

Craft's Value Proposition

- Consumer research has traditionally told us craft was largely driven by three value attributes:
 - Flavor
 - Variety
 - Values (local, independent, etc.)

Styles at Both Ends

How important when choose a craft beer to purchase?

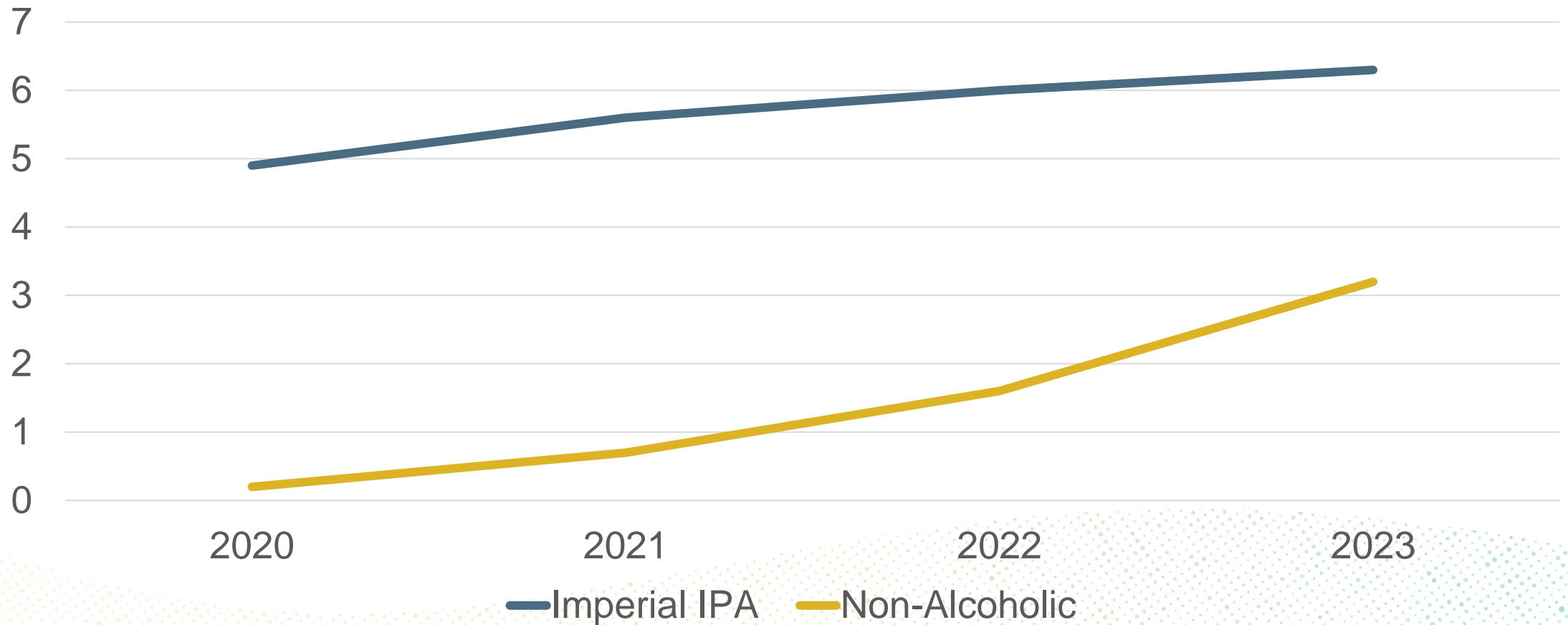


Source: Harris Poll



Styles at Both Ends

Volume Share of Craft



Source: Nielsen IQ

