

CRAFT BREWERS CONFERENCE

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15-18 April, 2008, Boston, Massachusetts.

This year, in recognition of the tradition that I give the readers of SBR a short report on the annual Craft Brewers Conference, I moved a step up the VIP ladder, as I was given press credentials giving me free access to the events at the conference reserved for media representatives. This year's CBC, the 26th of its kind, took place at the Seaport Conference Centre in the historic Boston harbour.

The scope of this event was probably even more impressive than ever: More than 2,000 pre-registered attendants (plus a significant number of 'walk-ins' registering on site during the conference), the BrewExpo America sold out with 180 exhibitors in place, and a total of 44 presentations. As has been the case during previous years, the presentations took place in four parallel tracks. The topics covered under each track change from year to year with the trends in the industry and those in the outside world that have an impact on the industry. This year, this meant that the following topics were on the agenda: Technical Brewing, Brewery Start-Ups, Brewery Operations, Sustainability, Export Development Program, Brewpub Management and Marketing, Micro/Regional Management and Marketing, Quality, Selling Craft Beer, and a mixed bag called Variety Pack.

THE OPENING SESSION

A Craft Brewers Conference always starts with a joint opening session, that has a very fixed agenda: First the President of the Brewers Association, Charlie Papazian, gives a welcome address to the attendants drawing attention to who they are and where they come from – not individually, of course, but as groups. The welcome is followed by the Director of the Brewers Association, Paul Gatz's, annual 'State of the industry' presentation with updated statistics and interpretations of these. Paul is always followed by the presentation of a series of industry awards to outstanding individuals in the industry: The 'Brewers

Association Recognition Award', this years going to Ken Allen of the Anderson Valley Brewery (CA), the 'Russel Scherer Award for Innovation in Brewing', going Steve Parkes from the American Brewers Guild, and, finally, the 'F. X. Matt Defense of the Industry Award', going to Eric Wallace of Left Hand Brewing Co. (CO). The opening session always ends with a so-called keynote speech where an invited speaker – always a person with a strong involvement in the craft brewing industry – gives a very personal snapshot of where the industry stands right now and the issues closest to the heart of the speaker. This always results in not just very entertaining, but also very thought-provoking speeches – a far cry from the boring, dry introduction speeches so often featured at professional conferences. I do not know whether this is a conscious approach or whether it is quite simply a consequence of the DNA of the American – and in this we can safely include the rest of the world – craft beer movement, being unconventional, innovative, grassroots-based and informal. I would think the latter. The keynote speaker in Boston was no other than Greg Koch, co-founder and President of Stone Brewing Co. in San Diego, and those knowing Greg will know that he very rarely sticks to the predictable. And his presentation, named 'Be remarkable!' was no exception to this rule – on the contrary, I can safely say! Not just a talk, but more a multimedia show with colleagues appearing on stage singing and playing, and a presentation of a wonderful and very emotional video directed by Greg himself ('I am a Craft brewer' – check it out at <http://vimeo.com/4298464>). What an invigorating speech, highlighting what makes the craft brewing industry and the people in it so different from most other.

THE STATE OF THE US CRAFT BREWING INDUSTRY

Let me for once dwell just a bit with Paul Gatz's 'State of the industry' presentation this year, as it is probably more interesting than ever, in a world so heavily influenced by





the economic crisis, and – in Denmark at least – a gloomy environment for craft brewers in the aftermath of the explosion in the number of new breweries these past years. A few facts from Paul's presentation:

- Sales of US craft beer grew six per cent in volume, but 10 per cent in value (to more than six billion US\$) and imports showed negative growth for the first time in many years in 2008
- The number of brewpub openings exceeded the number of closings for the third consecutive year
- The number of microbrewery (< 15,000 bbls = 19,000 HL) openings (56) exceeded the number of closings (10) for the sixth consecutive year
- The number of regional craft breweries (> 15,000 bbls = 19,000 HL) grew from 58 in 2007 to 67 in 2008
- The overall picture shows continued consolidation with the share of sales from the larger regional craft brewers still growing (68 per cent in 2008, up from 37 per cent in 1998) at the expense of other segments, particularly contract brewers (down to 14 per cent in 2008 from 35 per cent in 1998) and brewpubs (down to 8 per cent in 2008 from 14 per cent in 1998)
- The largest growth in US\$ value of sales is seen in the highest price segment and in seasonals

Paul ended his presentation with exactly the same word as he has done now for I don't know how many years: 'The sales of (American) craft beer is at an all time high!' Not a bad thing to remember for all of us suffering the consequences of the current crisis, as it is the case in Scandinavia, too! However, before we all pop the corks of a few bottles of good beer to celebrate, it might be worth mentioning that although no solid statistics for the beginning of 2009 are yet available, the indications are that this period is showing negative growth in all segments of the US beer market, with the import segment being hit the hardest.

CRAFT BEER AND WOMEN AND CRAFT BEER IN RESTAURANTS

There were so many themes that could deserve specific coverage in an article pretending to give an overview of an event like the CBC, but I shall limit myself to mentioning just a few of the presentations that I found the most interesting. Two presentations dealt with the 'other half', namely women, and how to increase sales of craft beer to them. One was a panel discussion with a more general approach to the female perception of beer, and I have to admit that this did not really bring us much closer to overcoming the fact that women consume much less craft beer than men. The other presentation,

however – called ‘Where’s the other 50%?!’ given by Ginger Johnson from the creativity consultancy Snap! Creative Works – was both highly entertaining and enlightening. Ginger, herself a converted craft beer enthusiast, stressed that even big brewers have never targeted their marketing in an intelligent and creative way towards women. What should craft brewers do then? According to Ginger – and I wholeheartedly agree – we should first of all avoid the obvious pitfalls of talking down to women, for example by ‘painting your product pink’. Instead, brewers should emphasise the true female values like quality, sociality (women do not drink alone), service and visual appearance. If you do this, you will even sell more to men!

Another session worthwhile attending was called ‘The Chef, Restaurateur & the Brewer’ featuring the renowned chef Alec Lopez from the Armsby Abbey restaurant in Worcester, MA, Kevin Davies, Director of Culinary Operations at the successful and rapidly growing Pennsylvania-based brewpub chain, Iron Hill, and Garrett Oliver, brewmaster at Brooklyn Brewery. The three gentlemen talked about the opportunities for craft brewers opening the doors and building sales in restaurants. In the US, there is a growing interest for craft beer in the better end of the restaurant market, and the panel gave plenty of good advice to craft brewers and their sales staff in relation to taking advantage of this. There were the obvious ones like having prepared specific beer pairings based on a study of the restaurant’s menu before paying the sales visit, and the relevance of offering beer (and food matching) training to the restaurant staff. But also more surprising ideas like focusing on starters and desserts instead of main courses, as the idea of a restaurant losing its wine sales with main courses will most often make the introduction of craft beer unpalatable to most restaurateurs.

BREWEXPO AMERICA AND SOCIAL EVENTS

It was my impression that the interest in the trade exhibition, BrewExpo America, which is open to the conference attendants from noon Wednesday and through Friday afternoon, was significantly up from previous years. More exhibitors had gone all the way, displaying full brewing systems, working packaging equipment, etc., which is in my view very inspiring in the midst of the more ‘commercial’ stands showing tap handles (even though these are always, in their kitschy, American flamboyance, excellent entertainment), neon signs and the like.

The social side of the conference must, taking the very social nature of our industry into account, not be forgotten. These included the welcome reception, this year held at the Harpoon Brewery in Boston harbour, a New England cask beer night at the same venue, →

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an evening event at Boston Beer Company (the makers of the industry-leading Samuel Adams brand), and a farewell reception at the Seaport, plus numerous ‘hospitalities’, also at the Seaport, hosted by the conference sponsors. But, not surprisingly, an event like the Craft Brewers Conference attracts a myriad of more or less formal beer events in town catering to the thousands of interested and thirsty participants at the conference. Basically, all beer venues in a conference town are buzzing all week of a conference, and it is always a tough call to decide which of these events to participate in. For the present writer this was, however, not so difficult this year, as the US importer of Nørrebro Bryghus – who also imports ‘Nøgne Ø’ and ‘Håndbryggeriet’ from Norway, ‘Nils Oscar’ from Sweden, as well as ‘Mikkeller’ and ‘Amager Bryghus’ from Denmark – is based in Massachusetts, so they hosted great events at the Deep Ellum and The Other Side. Great beer bars that I would encourage all beer enthusiasts visiting Boston to call on.

SEE YOU IN CHICAGO IN 2010...

If you will pardon me for repeating myself, I have to finish my small snapshot of this years’ CBC with the comment that I have made so many times before: It is a total mystery to me that so relatively few Scandinavian craft brewers find it worthwhile to spend the relatively modest sum of money and the few days necessary to attend the CBC. At first glance, I understand that the need to focus time and resources in tough economic times dictates saying no to such ‘luxuries’ as attending conferences in the USA. But having now attended seven of them, I grow more and more convinced that, maybe even more so in times of hardship, it is essential to understand the industry, we are working in. Attending the CBC enables you to draw from the rich experience of our American colleagues, who have been through both ups and downs in the 30 years of the American craft beer movement. On top of this, comes the benefits of participating that I personally find priceless: The networking with old and new friends in the industry, the inspiration gathered from discovering new trends on the US market, the sheer camaraderie and fun, and the intense feeling of belonging to a worldwide brotherhood – although still dominated by the USA – which is so much bigger than all of us put together. So, please: Join me next year in Chicago for the 27th Craft Brewers Conference! ☺

INFO:

If you want to read more about the 2009 Craft Brewers Conference, go to the official website: <http://www.beertown.org/events/cbc/index.html>.

Photos are by Jason E. Kaplan

