



ONTARIO CRAFT BREWERS – INDUSTRY FACT SHEET

Ontario Craft Breweries are located in over 110 communities across the province. There are over 180 operating breweries and we estimate well over 50 in the planning stages.

In addition, there are over 30 brewpubs which have a different license that does not permit them to sell to the home consumer.

Over 80 of Ontario's craft breweries are currently members of Ontario Craft Brewers and the association is adding new members at the rate of about two per month. Generally speaking, breweries have to be in business for over a year and a half before it makes sense for them to join OCB. Many of Ontario's new craft breweries are less than one year old.

JOBS & ECONOMIC IMPACT:

Since 1985, small brewers have created thousands of jobs in Ontario. As of 2015, there were well over 1,500 direct brewery jobs (FTEs), which includes a small percentage of value brand jobs and over 6,000 indirect jobs (using a multiplier of four). The 1,500 direct brewery jobs account for almost 30% of the direct brewing industry jobs in Ontario.

The broader economic impact of small breweries is estimated to be roughly 600 million annually (2015).

SALES AND MARKET SHARE:

Since launching in spring 2005, Ontario Craft Brewers have continued to experience growth in sales, consumer awareness, new brewery openings, capital expansions and general industry support.

As of 2015, Ontario's Craft Brewers' share for premium priced brands was 6% of the beer volume sold up one percentage point from 2014.

Annual sales growth has been in the teens for the last four or five years. It varies widely by retail channel with the LCBO having very significant growth due to their wonderful shopping environment. We are expecting excellent growth in grocery but the numbers are not all in yet.

Craft beer continues to be the fastest growing segment within the LCBO's beer category, growing at anywhere from 20 to 30% per year.

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In 2015, we estimated there were approximately \$240 million in sales in Ontario up from \$200 million in 2014.

A substantial amount of total sales comes from smaller licensees where selection is getting broader, especially in the independent bars and pubs. With increasing consumer demand for our beers, Ontario Craft Brewers are also seeing larger chain accounts also taking a greater interest in our products.

In 2015, the government of Ontario announced beer in grocery stores. As of February 2017, beer was available in 130 grocery stores and another 80 are being added in spring 2017.

CAPITAL INVESTMENT

Craft brewers contribute to the local and national economy through jobs and investment, capital improvements and supply expenditures. Most small brewers are expanding their facilities and use local suppliers as much as possible for their ingredients, equipment service, etc. Breweries require a significant amount of basic equipment so as a brewery grows, its efficiency also increases. Capital investments are currently around \$30 million per year; we are also spending close to \$2 million per year in local sponsorships. Since 2005, have invested well over \$160 million in capital into the Ontario economy.

CONSUMER AWARENESS & PURCHASING:

Awareness of Ontario Craft Brewers increased substantially driven by several years of marketing and PR efforts, brewery growth and consumer interest shifts.

Ontario consumers have a strong interest in premium quality local products and are increasingly engaging themselves in the growing “Independent Craft Beer Movement”. They perceive locally brewed beer to be the same, if not higher, in quality, than import brews. Many consumers perceive it to be higher, especially because of its freshness.

Small brewers are always working to improve the sustainability of their operations. They rely on local ingredients (such as barley and hops) as much as possible. They source local equipment manufacturers and utilize local services for building and repairs. They are continually keeping abreast of consumer trends and working with organic ingredients as well as new flavors and styles utilizing fruits, spices, coffee, maple syrup, etc. Many of the brewers are also creating cask conditioned ales which is served fresh, unpasteurized and unfiltered. This is the traditional way of making beer with lots of flavor and is becoming increasingly popular with beer drinkers in Ontario. They are continuing to experiment with various aging techniques utilizing oak or other aging vessels to create innovative flavours and products.

You can find Ontario Craft Beers on iPhone and Android. The Ontario Craft Brewers Beer Finder app lets you browse a list of OCB Beers sold in the LCBO, grocery or The Beer Store or at local licensees, alphabetically or by brewery.

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Ontario Craft Brewers: Real People. Real Craft Beer. <http://www.ontariocraftbrewers.com>

Ontario Craft Brewers is an association of 80+ small brewers dedicated to making great tasting, high quality beer in Ontario. Ontario Craft Brewers brew their beers locally using fresh, all natural ingredients in communities throughout Ontario - from the Ottawa Valley to Windsor and Niagara to Muskoka and as far north as Kenora. Handcrafting over 500 premium beers, Ontario Craft Brewers employ well over 1,500 people (FTEs) in Ontario, accounting for almost 30 per cent of the direct brewing industry jobs in the province. As of 2015, Ontario's Craft Brewers' share for premium priced brands was over 6% of the beer volume sold. Craft beer continues to be the fastest growing segment within the LCBO's beer category with net sales increasing 35.9 per cent in the 2014/15 fiscal period. Ontario Craft Beer is also now being sold in select grocery stores across the province. The OCB's long term vision is to have at least one brewery in every city and town in the province and to make Ontario a North American Centre of Excellence for Craft Brewing. Funding provided by the government of Ontario. Please enjoy our Ontario Craft Beer responsibly.

For more information about the Ontario Craft Brewers, visit www.ontariocraftbrewers.com or download our [Ontario Craft Beer Finder App](#) OR follow us on Twitter [@OntCraftBrewers](#), Instagram [@OntCraftBrewers](#) & Facebook www.facebook.com/OntarioCraftBrewers

Media Contact:

Christine Mulkins

647-242-3686

PR@ontariocraftbrewers.com