



ONTARIO CRAFT BREWERS – INDUSTRY FACT SHEET

Ontario Craft Breweries are located in over 110 communities across the province.

OCB's current data shows there are approximately 242 operating breweries in Ontario including 72 contract brewers, and over 100 others in the planning/start up stage. Over 90 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, breweries have to be in business for over a year and a half before it makes sense for them to join OCB.

JOBS & ECONOMIC IMPACT:

Since 1985, small brewers have created thousands of jobs in Ontario.

As of 2017, there were:

- Over 2,200 FTE jobs, representing about 30% of all the direct brewery jobs in Ontario. This is up from 1,600 in 2015.
- Indirect job equivalents are 9,000.
- Indirect economic impact was estimated to \$1.1 billion.
- Total economic impact of small breweries is estimated to be roughly \$1.4 billion.

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.

In 2016, TOTAL industry volume was approximately 8 million HL, up 1.3%.

As of 2017, Ontario craft beer was at 608,000 HL and 7.6% market share.

Annual retail channel growth was lead by LCBO, where it was again one of the fastest growing segments, growing at anywhere from 20 to 30% per year.

Early indications are that TBS growth in 2018 will greatly increase due to the recent changes brought about by government in the new master framework agreement.

The grocery channel looks very positive at just under 20% share. There are 300 groceries announced and operating and this number is expected to reach 450 by 2019.

February 2018

In 2017, OCB estimated there were approximately \$370 million in sales in Ontario up from \$240 million in 2015.

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.

CAPITAL INVESTMENT

Craft brewers contribute to the local and national economy through jobs and investment, capital improvements and supply expenditures. Many 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.

Annual capital expenditure reached \$56 million up to the end of 2016, up from \$37 million the previous year.

OCB breweries are also spending more than \$2 million per year in local sponsorships.

Since 2005, Ontario Craft Brewers have invested over \$200 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.

February 2018

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.

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

Ontario Craft Brewers is an association of 90+ small, independent 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 550 premium beers, Ontario Craft Brewers employ over 2,200 people (FTEs) in Ontario, accounting for over 30 per cent of the direct brewing industry jobs in the province. As of 2017, Ontario's Craft Brewers' share for premium priced brands was over 7.6% of the beer volume sold. Craft beer continues to be the fastest growing segment within the LCBO's beer category. 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