

Planned testimony outline from Ehren Hill

Chairperson Birong, members of the committee, thank you for the opportunity to testify today. My name is Ehren Hill. I am a resident of Plainfield. I also own and operate Blackback Pub in Waterbury. We specialize in, amongst other things, in sourcing craft beer from VT, and across the world. I am here today in support of H. 672

I have been associated with the craft beer industry for the majority of the last 22 years. Not only have I operated restaurants, I have also been employed in sales management by breweries and also distribution. The challenges facing breweries and distribution in VT have been of concern to me over these two decades as I've watched several distributors open and close, as well as many breweries. Some are due to what I'd call natural causes, but others were due to limitations that this bill will help address. I personally have conversations with many breweries and distribution representatives to fulfill my mission of sourcing quality craft beer from VT & around the globe. H.672 would empower VT breweries to find their footing in a challenging and competitive landscape. Breweries are limited by the same costs that are incurred by large distribution companies, while the distribution companies are forced to evaluate breweries that have not been able to prove they are, frankly, worth the time & effort to sign on.

This bill would empower breweries to find a better foothold in the market, and determine if they want to remain relatively small or make the jump to grow either on their own or with larger distribution. In addition it would increase their ability to provide consistent employment opportunities for their sometimes smaller and more remote communities, while generating increased tax revenue. They would also encourage places for communities to gather, & connect, which I personally believe is one of the functions of a pub or brewery.

H.672 would enable distribution companies to have a real way, to measure if a brewery has market viability to assist them in growing, for the benefit of both brewery and the distribution company.

I'd like to directly address the 5,000 bbl limitation. Other surrounding states have limitations of similar or higher numbers. This has had a positive impact on the industry in their states, and also the communities where breweries grow.

The reality is that some breweries will find it challenging to sell 5K bbls here in VT, or even brew this much. For some this might be the total they brew to sell onsite as well as offsite. Others will absolutely need the upper end of this to have a better bargaining position when they go to negotiate with distribution for contracts.

It will also allow distributors, and the breweries themselves, to understand which products are successful in the larger market.

5,000bbls will ultimately be needed to make the bill effective, in what it seeks to address, rather than continuing to limit the natural selection of brewery and distribution survival.

Allowing local pubs and restaurants to support their home breweries, and enabling those of us that would like to have quality products from further away in the state represented. We have that ability to drive awareness and traffic to smaller breweries that they wouldn't be able to without significant time & money investment. It will also help us go to search out products and the producers themselves. One example is Red Clover in Brandon. Occasionally, a couple times a year I'd like to get 5-10 gallons of their beer to both highlight them, but also to have a product I love on draft. This magnifies our marketability as well as theirs. Driving residents of Vermont, as well as tourists, to visit different towns, & explore our wonderful state.

In conclusion: While breweries in Vermont are responsible for a lot of what is popular in craft beer, the interest is growing abroad now. New markets have woken up to quality craft beer and are thirsty for beer from VT. I have conversations with breweries, beer festival organizers, exporters, & importers in well over a dozen countries. They all express interest in the quality of not only the beer, but the lifestyle, and the state of Vermont itself. This is ultimately, another step in ensuring Vermont continues to be known locally, nationally, and internationally for its quality of food & beverage, quality of landscape & natural resources, & quality of all its residents. Both preserving & connecting our small but mighty state, to the world.

I'm happy to add, remove, change, or edit as suggested. I think I've got about 5 minutes of testimony here.