



# Craft Brewing Volume Hops 13 percent

BY MICHAEL KUDERKA

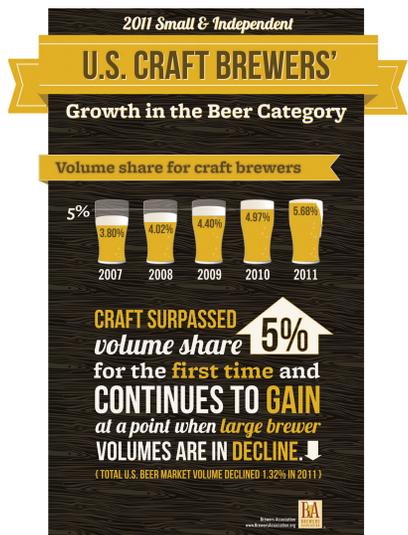
In late March, the Brewers Association confirmed what we already knew: the demand for Craft Beer is exploding all across the country. In fact, the data for 2011 boasted a 13 percent increase in volume and a 15 percent rise in retail sales, which meant that craft beer represented 9.1 percent of the \$95.5 billion U.S. beer market.

“While the overall beer market experienced a 1.32 percent volume decrease in 2011, craft brewing saw significant growth, surpassing five percent total market volume share for the first time,” said Paul Gatza, Director, Brewers Association. “It’s becoming increasingly clear that with the variety of styles and flavors to choose from, Americans are developing a strong taste for high-quality, small-batch beer from independent brewers.”

In 2011, craft brewers represented 5.68 percent of volume of the U.S. beer market, up from 4.97 in 2010, with production reaching 11,468,152 barrels. Additionally, the Brewers Association estimates the actual dollar sales figure from craft brewers in 2011 was \$8.7 billion, up from \$7.6 billion in 2010.

“We saw rapid growth in brewery openings last year, particularly with micro-brewery start-ups, and these numbers are poised to rise even more in 2012,” added Gatza. “In February 2012, we already topped 2,000 operating breweries—a tru-

ly remarkable milestone. We look forward to even more success and the continued expansion of the craft beer market.” The Brewers Association reported that there are approximately 900 new breweries in the planning stage.



## What styles are fueling the growth?

If there is one style that is absolutely on fire, it is the India Pale Ale (IPA). Looking at the top five most popular styles, IPAs currently sit at number one and account for a 17.3 percent share of craft beer dollar sales. Number two are seasonal brands at 16.9 percent, followed by pale ales at 12.1 percent, amber ales at 8.1 percent, and amber lagers at 6.7 percent. This is based on supermarket data through March 18th from Symphony ISI.

Can you have too many IPAs in stock? Most likely, no. Despite the constraints of IPA style guidelines, hop growers continue to introduce more and more hop varieties into the market. With each introduction the fruity, citrusy, piney possibilities expand the flavor possibilities for IPAs and Imperial IPAs, so brewers are being provided the tools to create very unique flavor profiles while still conforming to the IPA style.

Hops like Citra and New Zealand's Nelson Sauvin have become more widely available and increasingly popular with many brewers. As a result, IPA descriptions now frequently detail flavors like mango, papaya, passion fruit, gooseberry, grapes, and white wine.

This ever-expanding flavor profile continues to expand the popularity of the IPA style, while bringing more consumers to discover the wonderful variety of craft beer.

## Are You Thinking Out-of-the-Box?

How innovative is your store at selling beer? If you have promotions that go beyond refilling the cold box, we would like to hear from you and share your “out-of-the-box” thinking with our fellow *Beer Trends* readers.

E-mail me at [mkuderka@mcbbaset.com](mailto:mkuderka@mcbbaset.com) with your successful ideas for selling beer, along with your contact information. If we write about your program in our column we will send you a free copy of The 3rd Edition of *The Essential Reference of Domestic Brewers and Their Bottled Brands*.