

Montana Brewers Association

Spring 2017 Newsletter

Brewfest to Cap off Inaugural Bozeman Craft Beer Week

By Dani Howlett MBA Membership and Events Coordinator



We are only a week away from our MT Brewers Spring Rendezvous. Join us at Haynes Pavilion at the Gallatin County Fairgrounds in Bozeman on Friday, May 12th for unlimited samples of Montana made craft beer. Save \$5 and get your ticket today.

Breweries from near and far are coming to pour their beer– from local Bozeman establishments to breweries from Havre, Libby, Great Falls, and beyond. Brewers will provide a wide range of brews, from your favorite stouts and pale ales to limited edition barrel aged barley wine and Habanero IPA.

Enjoy 112 different varieties of beer -- all complimented by your favorite local food vendors and

live music from Bozeman-based rock/reggae band Solidarity Service.

It gets even better. We are so excited that this year's Montana Brewers Spring Rendezvous will cap off the first annual **Bozeman Craft Beer Week!** This is an event that you won't want to miss.

The rendezvous will kick off with a VIP hour from 4:00-5:00 pm, allowing attendees to gain early entrance to sample beers in a special edition VIP glass before the crowd arrives. General Admission begins at 5:00 pm and comes with unlimited pours in a commemorative glass. This event is open to all ages and runs until 9:00 pm, but you must be 21+ to drink.

Get your presale tickets (\$25 GA, \$35 VIP) and save \$5 off the gate price. Tickets can be purchased online or at Bozeman area member breweries: 406 Brewing Company, Bozeman Brewing Company, Bridger Brewing, Katabatic Brewing Company, MAP Brewing Company or White Dog Brewing.

The MBA thanks our Bozeman Spring Rendezvous

Sponsors: American Welding and Gas, Big Sky Gas, Cardinal Distributing, Fermentana, Little Stinkers, McDantim Gas Blending Technologies, Montana Beer and Wine Distributors Association, and Pint Pass.







Bozeman's Inaugural Craft Beer Week Packed with over 20 Events Sure to Please MT Beer Lovers

By Jesse Bussard Fermentana Co-Founder/Co-Owner

The inaugural **Bozeman Craft Beer Week** is fast approaching and adventurous Montana beercationers and locals alike must choose the events that fit their palate best to attend in the Gallatin Valley. For its first year, Bozeman Craft Beer Week is taking place May 6th through May 13th, 2017.

Collaboration beers from Bozeman and Belgrade's nine local breweries have been brewed especially for the maiden event week. Styles chosen include a Coffee IPA, fruit-infused Gose, Lemongrass White IPA, Scotch Ale, Single Malt Pale Ale, and a Kolsch. These specialedition beers will be available together at four different events throughout the week, as well as each on tap at their respective breweries.

Bozeman residents and visitors will kick off craft beer week with a Collaboration Beer Tap Takeover and Kickoff Party at Red Chair Bar and Cafe on Saturday, May 6th. In addition, craft beer lovers will have the opportunity to experience the collaboration beers paired with small-plated culinary creations during Montana Ale Works' beer pairing dinner on the evening of Tuesday, May 9th. Brewers will share the stories behind the collaboration brews during the Brewers Present: Collaborative Beer Pint Night at Bozeman Taproom on Wednesday, May 10th at 6pm.

Finally, event-goers will have a last chance to taste all these unique beers at the MBA Brewers Spring Rendezvous happening during the end of the week on Friday, May 12th.

Among the 20-plus events happening throughout the week, some unique activities which may interest Montana beer fans include homebrewing demos, the BEERlympics, a beard & mustache competition, growler painting, a ping-pong tournament, a steinholding competition, a brewery 5k, live music, and more! Additionally, two local beer tour companies will be running week-long activities. Craft beer enthusiasts can enjoy Beer Trivia as you cruise the town on Gear Belly's pub bike or drink their way through a Scavenger Hunt on a tasting tour with Tour de Foam.

The week will culminate with the Beer + Bacon = Brunch event at MAP Brewing on Saturday, May 13th. Attendees will enjoy an exclusive four-course brunch paired with four 8-ounce pours of MAP Brewing's award-winning beers. As the event will follow Friday night's brewfest, MAP Brewing will offer a discount to Montana brewers and craft beer industry employees in town for Rendezvous. Montana beer industry professionals can enter code "MTBEER" at checkout when purchasing tickets for the event and receive \$15 off their beer brunch ticket (retail \$40).

To assist beer lovers on their craft beer week journey, Fermentana has also released the official Bozeman Craft Beer Week Passport. This pocket-sized guide features a full schedule of events and over \$100 in special incentives and discounts for passport holders at select sponsoring businesses throughout the week. (cont.)



A Snapshot of the #BznBeerWeek Passport



Additionally, the Passport serves as event-goers' ticket for entry into the Bozeman Craft Beer Week Giveaway which consists of over \$2,000 worth of prizes from participating sponsors, including a Siberian Coolers Alpha Series 45-quart cooler branded to commemorate Bozeman's first craft beer week.

Craft beer drinkers can view the official Bozeman Craft Beer Week 2017 event schedule, as well as purchase Passports and tickets for select events happening throughout the 8-day beer bash at bozemancraftbeerweek.com.



Cheers to our Newest Members!

Breweries:

• Blackfoot River Brewing, Helena

Breweries in Planning:

- Cut Bank Creek Brewing Cut Bank, Expected Opening: Summer 2017
- Ruby Valley Brew Sheridan, Expected Opening: Friday, May 2017
- Smelter City Brewing Anaconda, Expected Opening: Friday, May 2017
- Snow Hop Brewery Helena, Expected Opening: Winter 2017
- White City Brewing Lavina, Expected Opening: September 2017

Associate Members:

- Murphy Business and Financial Corporation - Butte
- Fermentana Bozeman
- Firebrand Hotel Whitefish
- AdCoasters Portland, OR
- 406 Hops Brewing News Billings

Legislature Raises Production Cap to 60,000 Barrels

By Matt Leow MBA Executive Director



Montana brewers will soon be able to brew more beer and that's a good thing for the industry, Montana craft beer lovers, and the Montana economy. HB 541 will raise the current production cap of 10,000 barrels to 60,000 barrels. It's the single most important piece of legislation for Montana brewers since 1999, the year Montana breweries were first allowed to sell beer through a taproom.

10k Barrel Limit - An Obstacle to Growth

Current law prohibits brewers from selling beer through a taproom if they produce more than 10,000 barrels of beer annually. The policy discourages growth and punishes success by penalizing breweries that grow beyond 10,000 barrels. Brewing 11,000 or 12,000 barrels would actually mean less revenue for a brewery than brewing 9,999 barrels, so the choice has been clear – don't grow.

HB 541, sponsored by Rep. Adam Hertz (R-Missoula) and co-sponsored by Rep. Ellie Hill Smith (D-Missoula) and Rep. Greg Hertz (R-Polson), will allow breweries to grow past 10,000 barrels of annual production without losing their taprooms along with the revenue they provide.

Strong Bipartisan Support in House

It wasn't an easy road and it wouldn't have happened without the support from craft beers lovers across Montana. The bill came out of the House on a strong 85-14 vote with Republicans and Democrats both (cont.)

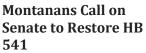


singing its praises, but then it went to the Senate where things got more challenging.

Challenges in the Senate

The Senate Business and Labor Committee amended HB 541 before voting to send it to the Senate floor.

The amendments took the cap back down to 12,000 barrels, raised the excise tax on brewers producing between 10,000 and 20,000 barrels and clarified that the barrel calculation for the production cap includes all affiliated breweries. In doing so, they took a simple bill that would allow Montana breweries to brew more beer and turned it into a bill that raised taxes and would have forced at least one brewery, KettleHouse, to shut down its taproom.



The amended 12,000 barrel limit, combined with the aggregate barrelage language, meant KettleHouse's total barrelage from their three facilities would put them above the production cap. The calls and emails started coming in from constituents, outraged that the bill would now force KettleHouse to stop selling beer through their Northside taproom and demanding that the Senate restore the bill to 60,000 barrels. Senators felt the pressure from constituents and ultimately fixed the bill with an amendment on the Senate floor, but only after a compromise was reached.

Agreement to Restore HB 541 to 60k

On the day HB 541 was scheduled for a Senate floor vote, members of the Montana Brewers Association

sat down with representatives from the Montana Beer and Wine Distributors Association, Montana Tavern

Association and Gaming Industry Association of Montana along with Senate Majority Leader Fred Thomas (R-Stevensville) and Senate Minority Whip

Tom Facey (D-Missoula) to hammer out a compromise. An agreement was reached that would restore the bill to 60,000 barrels in exchange for keeping the tax increase in the bill and restricting breweries to no more than three taprooms each and no more than 2,000 barrels of on premises taproom sales per brewery.



HB 541 Passed and Signed into Law

That afternoon, Sen.
Thomas moved an amendment on the Senate floor that reflected the agreement. It was approved on a 31-19 vote.

The Senate went on to pass the bill, as amended, with a vote of 40-9, sending it back to the House. Once the House voted 94-6 to pass the bill as amended by the Senate, the legislative journey for HB 541 was complete. Governor Bullock signed HB 541 into law on May 3.

While we would have preferred the original version of HB 541, we also recognize that it often takes compromise to get a bill across the finish line. The new limits on taprooms are high enough that they will not restrict what any brewery is currently doing and they allow room for growth. Most importantly, the compromise enabled the imperiled bill to move through the Senate with the 60,000 barrel language restored. (cont.)

Want to see how your Senator and Representative voted on HB 541? Check their votes HERE.



Giving Thanks

We are grateful to everyone who helped to get HB 541 across the finish line, including all the Montanans who called and wrote to their legislators. Rep. Adam Hertz invested a lot into seeing this bill through the process and, as the bill sponsor, made a strong case for its passage. Rep. Ellie Hill Smith and Rep. Greg Hertz both advocated for this necessary policy change with their House colleagues, resulting in an impressive vote coming out of the House. Sen. Fred Thomas carried the bill on the Senate floor and, along with Sen. Tom Facey, helped to get in place the compromise that cleared the way for HB 541 to be fixed and passed out of the Senate.

We are also grateful for the support of the Montana Beer and Wine Distributors Association and the Montana Farmers Union for their efforts inside the Capitol, showing that raising the production cap is not only good for brewers but also for the industry partners and suppliers we do business with.

The Future is Bright

HB 541 gives brewers the confidence to make investments in the equipment and staff necessary to expand production. That means more manufacturing jobs in our industry but also more work for the tradespeople hired to build a brewhouse or expand an existing production facility. It means more demand for Montana-grown barley and more beer going out on distributors' trucks. HB 541 makes it possible for Montana brewers to compete in the regional market and begin exporting more Montana beer to other states.

HB 541 will clear the way for growth, spur economic development and increase the availability of Montana craft beer for beer lovers in Montana and beyond. This is a watershed moment for the Montana craft brewing industry and we're excited to see where this new opportunity takes Montana's craft brewing industry.

Montana Brew News

4/19/17 Billings Gazette "I didn't realize how much science went into brewing': MSUB trains certified beer brewers

Lonnie and Kathy Cross drive six hours round trip from Glendive to Billings twice a week. The long commute is inconvenient, but the beginning brewers don't have a closer option.

The Cross family recently opened Cross Country Brewing in Glendive... Lonnie and Kathy wanted to learn more about the brewing process so they became two of the 12 members of Montana State University Billings' Craft Brewing and Fermentation program... Read more

4/16/17 Helena IR Helena brewer, distiller consider exporting to Japan

Seven Montana brewers and distillers, including Lewis and Clark Brewing and Gulch Distillers in Helena, are considering exporting their products to Japan after attending a trade show in Tokyo last week. While no Montana businesses have exported alcohol to Japan yet, the Montana Department of Commerce said an existing trade relationship and Japan's growing affinity for craft beer and spirits creates an opportunity for the state... Read more

4/13/17 Flathead Beacon Legislature Approves Bill Raising Brewery Production Limits

Breweries across Montana are raising pint glasses in celebration of a bill approved by the Montana Legislature that will increase production limits.

The bill allows Montana breweries to grow beyond 10,000 barrels of annual production without losing the ability to operate a taproom... Read more

4/13/17 Missoulian Bill that would allow more craft beer taprooms in Missoula set to become law

Montana's craft breweries, including the three largest in the state that are all located in Missoula County, will now be able to sell beer in tasting rooms on premises and still can and keg up to 60,000 barrels a year... Read more



Fishing. Hunting. Skiing. Beer. Get Your MBA Raffle Tickets.



Grand Prize: Custom Montana RO Drift Boat

Winner receives one RO drift boat wrapped with the logos of MT Brewers Association members. The boat will come with oars and a trailer.



1st Prize: Kimber Mountain Ascent Rifle

Winner receives Kimber Mountain Ascent Rifle. With a starting weight of 4 pounds, 13 ounces, the Kimber Mountain Ascent offers custom features and delivers legendary Kimber accuracy.



2nd Prize: Big Sky Ski and Stay Weekend

Winner receives three nights stay at Big Sky Mountain Resort, and two days lift tickets for two people.



3rd Prize: Montana Beer for a Year

Winner receives 52 growler fills at their favorite MBA member brewery.



4th Prize: Beer Connoisseur

Winner receives a set of six specialty beer glasses (different styles of stemware) from Libbey glassware, 2 MBA stainless steel growlers, and double growler carrier.

Tickets are \$100 each and include a Montana Brew Crew Membership (Brew Crew Card entitles you to a free beer at 28 breweries). Funds support the MBA's work to promote Montana craft beer and create a regulatory environment that allows Montana's craft brewing industry to flourish.

Tickets are limited and can only be purchased at an MBA member brewery.

For rules and restrictions, go to **montanabrewers.org/raffle**.