

YES on HB 185

Sponsored by Rep. Dave Fern (D-Whitefish) and Cosponsored by Rep. Mary Ann Dunwell (D-Helena), Rep. Frank Garner (R-Kalispell), Rep. Jessica Karjala (D-Billings), Rep. Shane Morigeau (D-Missoula), Rep. Zac Perry (D-Hungry Horse), Rep. Ray Shaw (R-Sheridan), Rep. Bridget Smith (D-Wolf Point), and Rep. Tom Welch (R-Dillon)

Montana's craft brewing industry is major contributor to Montana's economy. Montana breweries engage in and support our state's two biggest industries, agriculture and tourism, and comprise a significant portion of Montana's manufacturing sector. Extending taproom sales from 8pm to 10pm is popular with the public and would increase the positive impact this industry is having on Montana's economy.

Montana's Craft Brewing Industry is an Economic Engine

Montana breweries support Montana's agricultural sector, with purchases of Montana-grown barley and hops, and have created opportunities for entrepreneurs in related industries to build successful businesses.

Montana Breweries = Montana Jobs

~1,000 direct jobs

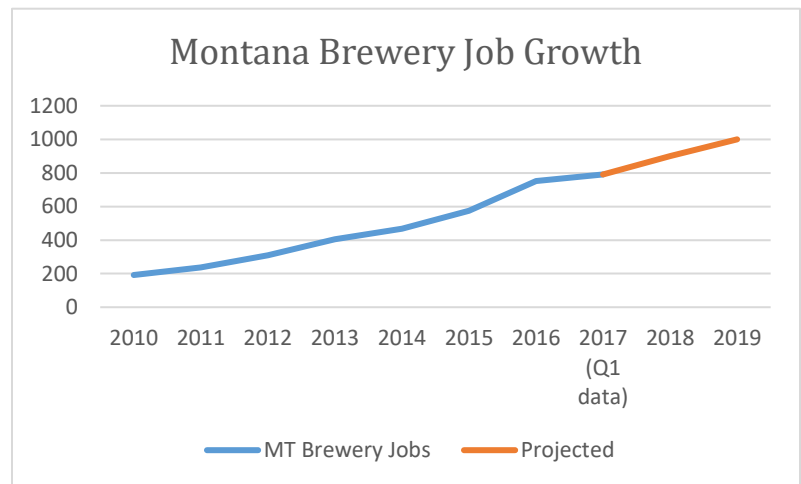
2,732 total jobs

Source: Brewers Association and BLS data

Economic Impact

\$442 million (2017)

Source: Brewers Association



Source: US Department of Labor - Bureau of Labor Statistics (BLS)

Breweries are an Important Part of Montana's \$5 Billion Tourism Industry

Tourists coming to Montana to ski, fish or visit our national parks are including stops at local breweries as part of their trip. "Visiting a local brewery" is a top ten activity for tourists visiting Montana.

Source: The Institute for Tourism and Economic Research at UM

HB 185 Helps Fuel the Economic Engine of Montana's Craft Brewing Industry

The taproom is the cornerstone of a craft brewery's business, creating a foundation upon which to build a successful brewery. Montanans and visitors to our state spending money in a taproom provide capital for breweries to reinvest in the manufacturing side of the business. In this way, Montana breweries turn tourism dollars into manufacturing jobs. A growing Montana craft brewing industry creates more demand for Montana-grown agricultural products as well as the goods and services provided by related industries.

Brewers Create Economic Development across Montana

Montana breweries produce a high quality, value added product from Montana ingredients and create manufacturing jobs in 45 communities across Montana.

Source: MT Department of Revenue – Alcoholic Beverage Control Division

Opening a Brewery is a Significant Investment

Startup costs for breweries tend to be in the hundreds of thousands of dollars, often exceeding the cost of a liquor license in the same community.

| Brewery | Equipment | Building Remodel | Furniture & Fixtures | Kegs | Total |
|------------------------|-----------|------------------|----------------------|----------|-----------|
| Conflux (Missoula) | \$325,000 | | \$150,000 | \$25,000 | \$500,000 |
| Katabatic (Livingston) | \$200,000 | \$125,000 | \$55,000 | \$25,000 | \$405,000 |
| Philipsburg (P-Burg) | \$185,000 | \$120,000 | \$35,000 | \$2,500 | \$342,500 |

Montana's Brewing Industry is Growing and Producing World-Class Beer

Montana ranks 2nd for breweries per capita

Montana breweries doubled from 2012 to 2017

84 breweries are now open in Montana

Three of the last five years, a Montana brewery has won Small Brewery of the Year or Very Small Brewery of the Year at the Great American Beer Festival.

- 2014 - Draught Works - Very Small Brewery of the Year
- 2016 - Uberbrew - Small Brewery of the Year
- 2018 - Lewis & Clark - Small Brewery of the Year

Source: Brewers Association

Passing HB 185 to Extend Taproom Hours to 10pm

- Is responsive to what Montanans want
- Enables breweries to better participate in the tourism economy
- Fuels growth in the manufacturing side of breweries
- Positions Montana breweries to be able to compete with regional and national craft breweries
- Increases the positive impact brewers are having on Montana's economy - manufacturing jobs, contribution to the tourism economy, purchasing Montana-grown barley and hops, and creating opportunities for entrepreneurs in related industries

