

June 1, 2020

## Stats on the On-Premise Comeback

Dear Client:

We finally have a little color for the question on everyone's minds – what will the on-premise look like when it returns?

The color comes courtesy of BeerBoard, which manages more than \$1 billion in draft sales through its technology, and has been tracking the gradual return of the on-premise over the past month.

Recall a handful of states like Florida, Georgia, South Carolina, Tennessee, and Texas began to slowly open the on-premise at the start of the month. So with a couple weeks' worth of data, including Memorial Day weekend, BeerBoard gave us a peek at what they're seeing so far.

**“SIGNIFICANT DOWN SHIFT” IN NUMBER OF TAP HANDLES.** When comparing the 2020 Memorial Day weekend to last year's, the data showed a significant drop in the average number of taps pouring per location, but of course saw the average rate of sale “spike” for those taps. On a national level, BeerBoard data showed that the average number of taps fell from 29 on Memorial Day weekend last year to 12 on the recent holiday weekend, representing a 59% drop, though the 30-day rate of sale (ROS) for taps jumped by 21%.

Looking at individual states, the data showed that in Florida the average number of taps fell from 28 to 14 in the more recent Memorial Day weekend, and its 30-day rate of sale (ROS) for taps jumped by 15%.

In neighboring state Georgia, the average number of tap handles fell from 41 to 12 this Memorial Day weekend, and the ROS there jumped 31%.

Down in Texas the average number of taps fell by 50% from last year's Memorial Day weekend (falling from 26 to 13), but the average ROS increased by 13%.

Then Tennessee and South Carolina both experienced the largest drop in average number of tap handles compared to last Memorial Day, down 72%, but of course saw big jumps in rate of sale with ROS increasing by 47.3% in Tennessee, and a 61.6% jump in South Carolina.

**TRACKING VOLUME GROWTH SINCE REOPENING.** BeerBoard also noted the percentage of taps pouring in all of the aforementioned states over Memorial Day weekend and how much volume growth they've seen in draft since their reopening weekend (May 8-10).

Florida had the highest percentage of taps pouring over Memorial Day weekend at 51%, and has seen its volume grow by 98% since that second weekend in May.

Georgia too had about half of its taps pouring (49%), according to BeerBoard data, and has seen a 43% jump in volume since May 8-10.

Texas had 43% of its taps flowing over Memorial Day weekend, and has experienced triple digit growth in volume since May 8-10, up 129%.

Tennessee had about a third of its taps pouring (32%) during the holiday weekend (the lowest percentage for any of the states tracked by BeerBoard in the report). Still, the state saw a tremendous amount of volume growth since May 8-10, up 402%.

Finally, in South Carolina, the state had 41% of taps flowing over Memorial Day weekend, and has seen the highest growth in draft volume since May 8-10, up a whopping 493%.

**OPEN RATES ON "A STEADY CLIMB."** One last bit of good news: BeerBoard also noted that there has been "a steady climb in retailers open for business across the country," over the past couple of weeks. "The Open Rate (locations open and pouring beer) has growing from 16% on the weekend of May 8-10 to 45% this past weekend (May 22-25)," according to BeerBoard.