

July 22, 2020

## **ON-PREMISE VOLUME UP 50% LAST WEEKEND VS. JULY 3-5, SAYS BEERBOARD; IMPORTS LOSING SHARE**

Dear Client:

The latest BeerBoard on-premise report has the good, the brow-raising, and the less-than-desirable. (Recall, BeerBoard manages more than \$1 billion in retail draft beer sales through its data and analytics platform; it works with most of the major on-premise chains, and many large suppliers.)

First, the good: Nationally, in BeerBoard tracked accounts, volume was up 50% in the on-premise for the weekend of July 17-19, as compared to the immediate previous period, July 4 weekend (the 3rd-5th). (Note, that was still down double digits over 2019's numbers.)

Some states did way better than that: Texas on-premise volume was up 71% July 17-19 vs. July 3-5, and Tennessee and Illinois' volumes were up almost 60%. Florida, which has been hit particularly hard by COVID, saw a 41% increase.

If that sounds perplexing with all the recent shutdowns, consider that the prior comp for the latest numbers is typically not a strong on-premise weekend.

"The 4th of July weekend typically sees a dip for bars and restaurants, so it was no surprise to see a surge" the comparable period after, said BeerBoard. Still, "the climb was notable."

**CRAFT GAINS SHARE, WHILE IMPORTS ARE LOSING IT.** Curious what segments are gaining share? Craft. It's gone from 30.4% volume share and 53.2% tap share the weekend of June 19-21, to almost 35% share of volume and more than 55% tap share in the most recent period (July 17-19).

Meanwhile, imports lost a lot of share over that period, going from 15.1% the weekend of June 19 to 10.3% volume share in the latest period.

And domestics volume share has grown a bit even as its percentage of handles has declined: It was 54.5% volume share/35% tap share the weekend of June 19, and 54.9% volume share/30.9% tap share the most recent weekend.

LOCATION OPEN RATE AT 91%. Wondering how many on-premise locations in BeerBoard's world are open? It pegs the current "open rate," which it defines as "locations open and pouring beer," now at 91%, up from 86% two weeks prior, and a far cry from early May's 16%. Note, this data captures locations that aren't open for dine in also, so long as they're pouring beer (likely to go, in many cases).

ROS TRENDING DOWN, THOUGH STILL UP VS LAST YEAR. Now, the bad news — sorta. Rate of sale numbers continue to decline from recent periods — though the measure is up over the same period last year. That's due to the on-premise having about half the tap handles as it did a year ago — so, beer is moving faster through a pruned tap selection.

The national 30-day rate of sale was 2.79 for July 17-19, vs. 2.94 the prior period (July 3-5), representing a 5.1% decline. But year over year, that 2.79 ROS is actually up 11.6% over last year's numbers.

And certain areas saw their ROS improve from July 3 weekend to July 17 weekend, as well: Minnesota's ROS jumped 8.2%. Nevada's jumped 2.9%.

BELGIAN WIT JUMPS IPA. And finally, who would have thought that Belgian wit/white ales would hop IPAs to be the third most-popular draft beer style? The top five beer styles on premise for the latest period are Light Lager, Lager, Belgian Wit/White Ale, IPA (formerly in the no. 3 spot), and Wheat.