ECONOMIC IMPACT OF CRAFT BEER IN DC

- General Overview
- Comparisons to Maryland
- Employment and Tax Revenue
- Retail and Wholesale licensees
- Zoning Matters
- Helpful Provisions for the Three Tiers
- A Changing Market
General Overview for 2016

- 12 TTB licensed facilities
- $235 million economic impact
- 30,201 barrels produced

*Source: Brewer’s Association Annual Statistical Survey 2016*
Comparison to Maryland 2016

- **District of Columbia**
  - Per capita economic impact: $454.05 (11\textsuperscript{th})
  - 2.3 breweries per 100,000 residents (22\textsuperscript{nd})
  - 1.8 gallons produced for every adult 21+ (28\textsuperscript{th})

- **State of Maryland**
  - Per capita economic impact: $189.76 (47\textsuperscript{th})
  - 1.5 breweries per 100,000 residents (36\textsuperscript{th})
  - 2.0 gallons produced for every adult 21+ (25\textsuperscript{th})

*Source: Brewer's Association Annual Statistical Survey 2016*
DC Brewer's Guild Members Employment 2015 (8/10 reporting)

- 150.31 full-time equivalent positions
- 184 DC residents employed
- Total wages (7/10 reporting): $4,943,981.20
- 2015 Sales Tax: $1,942,215

*Source: 2015 DC Brewer's Guild Economic Impact Data*
Retail and Wholesale Licensees

Retailers

Source: DC Alcoholic Beverage Regulation Administration - Aggregated Licensee List
80% of Light Industrial Zoned Property in DC is located within a narrow area of the Northeast Quadrant.
Helpful Provisions for Breweries

- No limits on tap room or to-go sales
- No statutory limits on self-distribution for production breweries (DC Code § 25–110)
- No Beer Franchise Law

*Source: Aggregated survey of 4 out of 5 DC production breweries*
Helpful Provisions for Wholesalers

- Wholesalers are permitted to directly import any brand of their choosing.
- No requirement to go through non-dealer permit system ($200/year & $5000 bond).
- No “Come to Rest” requirement.
- Wholesalers can sell beer & wine directly to consumers (DC Code § 25-111).
Helpful Provisions for Retailers

- DC has an importation permit available for any licensed retailer (DC Code § 25–119)

- Retailers are permitted to directly purchase any brand if the product is not available from a licensed District wholesaler

- ABRA issued 48,000 importation permits for FY 2017 ($5 + $2.79/BBL tax)

*Source: DC Alcoholic Beverage Regulatory Authority*
The Beer Market is Changing

Production Volume for TTB Breweries in Barrels

- **2014**: 2321 (Less < 1000) + 730 (1001-7500) + 322 (Greater > 7500)
- **2015**: 2736 (Less < 1000) + 825 (1001-7500) + 359 (Greater > 7500)
- **2016**: 2811 (Less < 1000) + 787 (1001-7500) + 383 (Greater > 7500)

*Source: TTB Beer Statistics 2014-2016*