

**Greetings,**

**Thank you for the opportunity to speak to you today on behalf of Nimble Hill Vineyard and Winery and Nimble Hill Brewing Company.**

**My goal is to share my experience of the craft beer industry in Pennsylvania, from the perspective of a Brewer and a consumer of craft brewed beer.**

**Gary Toczko and I share the same desire, to make world class beer and wine, and share it with this community that has supported us all these years.**

**We would like to the opportunity to sell our beer and wine without any unnecessary legal obstacles, to co-mingle these products for sampling and sales in one establishment, and to sell beer off site, at festivals and other events. This is modeled after the license of a Limited Winery and Distillery.**

**We are in support of House bill No.2429 session 2012, which would allow us to sell our beer off site at festivals and farmers markets. We also support any legislation that would allow our wine and beer to be sold and consumed on or off any of the winery or brewery premises.**

**Selling beer in this fashion allows us more face time with the consumer for valuable feedback, and to sell our beer at retail price. Additionally this would allow cross marketing of these two products in one location. This would potentially create more foot traffic and customer convenience.**

**As a craft beer consumer I believe we should have access to the widest range of beers made available by licensed breweries. The success or failure of a beer should depend on beer drinker demand, rather than restraints to distribution. I support laws that respect and enhance beer drinkers' choice in the marketplace.**

**As a reference average wholesale vs. retail sales per barrel:**

**Wholesale price per barrel \$360**

**Price per barrel retail growler sales \$620**

**Below is the latest report from the Brewers Association the shows the amount of growth in the brewing industry,**

**The Brewers Association reports Dollar growth up 14% in first six months of 2012; Total brewery count hits 125-year high**

**Boulder, CO • August 6, 2012—The Brewers Association (BA), the trade association representing the majority of U.S.**

**The U.S. now boasts 2,126 breweries—an increase of 350 additional breweries since June 2011. The BA also tracks breweries in planning as an indicator of potential new entrants into the craft category, and lists 1,252 breweries in planning today compared to 725 a year ago. Additionally, the count of craft brewers was at 2,075 as of June 30, 2012 showing that 97 percent of U.S. brewers are craft brewers.**

In addition Pennsylvania ranks 2<sup>nd</sup> in the number of craft brewed barrels of beer.

1	California	2,020,246
2	Pennsylvania	1,547,114
3	Colorado	1,185,354
4	Ohio	973,804
5	Oregon	659,598
6	New York	638,110

In contrast Pennsylvania ranks 24<sup>th</sup> in craft breweries per capita in 2011. I believe this shows the enormous potential for further growth. And the need for Pennsylvania to be the leader in unrestrictive liquor laws ,to ensure the long term benefits to state revenue, tourism and job growth.

State	Population	Craft Breweries	Capita/ Craft Brewery	Craft Breweries/ Capita Rank	Total Breweries	Total Capita/ Breweries	Total Capita/ Breweries Rank
California	37,253,956	261	142,735	21	268	139,007	21
Colorado	5,029,196	127	39,600	5	130	38,686	4
Oregon	3,831,074	121	31,662	2	124	30,896	2
Pennsylvania	12,702,379	88	144,345	24	93	136,585	23
Vermont	625,741	23	27,206	1	24	26,073	1

This is a brief overview of laws we would like changed. I encourage any questions or concerns you may have.

Michael Simmons  
 Manager / Brewmaster  
 Nimble Hill Brewing Company