



FOR CRAFT BEERS, MARKETPLACE SUCCESS DEPENDS ON THE CAN

Americans' love affair with craft beer shows no sign of abating, which is good news to regional breweries and microbreweries rushing new products to market, hosting tastings and festivals in states nationwide and looking forward to solid growth in the months and years ahead. According to the Brewers Association, consumers drank more than 15.3 million barrels of beer from more than 3,000 craft breweries nationwide in 2013. Craft beer sales constituted 17.2 percent of total market sales, creating \$14.3 billion in revenues and a 20 percent sales growth, while overall beer sales slid 1.9 percent¹.

This should come as no surprise to market watchers and beer fans alike. What may be news is that from backyard barbecues to large events, when beer lovers grab some a cold one, they're increasingly wrapping their fingers around cans, rather than bottles.

A growth and cost-savings strategy

Craft beer producers, which have cultivated a tailored image with bottles, are tapping the myriad advantages of canning. When interviewed by NPR, **Russ Phillips**, manager of the website CraftCans.com, said canning allows brewers to cool beer faster; protect their products from the ill effects of light; and simplify logistics, shelf presentation and usage². Bottles break and have to be packed and transported with care, while cans are far more rugged and portable.

Dedicated festivals draw craft beer crowd

While canned craft beer constitutes just 3 percent of the current market,³ it keeps growing as brewers contemplate its many business and production advantages. Meanwhile, events such as the Canvitational and the AMERi-CAN Canned Craft Beer Fest are pairing craft brewers with their adoring public. According to the CraftCans website, there are currently more than 413 breweries using cans to package 1,484 beers, with new ales, IPAs, lagers, pilsners, stouts and more being added all the time⁴.

Canning also enables craft beers to experiment with labeling techniques. Many craft brewers have already moved from glue-applied labels to pressure sensitive labels on bottled beer because of their superior look and more diverse branding options. Meanwhile, converters and packagers value their ease of production and faster clean-up.

Let the label VANISH™ and gain market share

Now, these companies can push labeling to the limit with new packaging. UPM Raflatac's new VANISH™ range of ultra-thin clear PET films literally disappear on beer cans. These products perform perfectly, with no whitening or edge lifting in the presence of moisture. Additionally, they can be cleanly removed, aiding recycling efforts. VANISH™ labels allow even the smallest microbrewery's can to look like a big producer with a high-end, well-branded look.

Mobile canning revs up

Using cans also enables brewers to produce smaller batches, taking advantage of mobile canners to reduce cost and risk. Mobile canners eliminate the need for brewers to run canning lines, which can cost \$150,000 to \$500,000⁵, and purchase thousands of cans, which lock them into high capital investments and ongoing operational costs. Companies like the Can Van and Mobile Canning, LLC, which gained significant press coverage when they started, offer low minimums, on-site canning and the chance to experiment with different product varieties or meet seasonal demand. When it comes to packaging beer, breweries are increasingly bidding farewell to bottles and saying yes to cans.

REFERENCES

¹Statistics for this paragraph are drawn from "National Beer Sales and Production Data" and "Number of Breweries," Brewers Association website: <http://www.brewersassociation.org/statistics/national-beer-sales-production-data/> and <http://www.brewersassociation.org/statistics/number-of-breweries/>.

²Lewis Wallace, "Brewers Have Been All Bottled Up, But Now They're Canning It," NPR, June 10, 2014, <http://www.npr.org/blogs/thesalt/2014/06/10/320645347/brewers-have-been-all-bottled-up-but-now-theyre-canning-it/>.

³NPR, *ibid*.

⁴Data from CraftCans.com website: <http://www.craftcans.com/> and <http://craftcans.com/db.php?search=all&view=text/>.

⁵"Why Mobile Canning?" Iron Heart Canning Website, <http://www.ironheartcanning.com/why-mobile-canning/>.

