



NEWS RELEASE

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DUST BOWL BREWING CO. ACHIEVES REGIONAL BREWER STATUS DESPITE PANDEMIC CHALLENGES **Northern California Craft Brewer Produces Over 16,500 Barrels in 2020**

May 11, 2021...Dust Bowl Brewing Co. broke into Regional Brewer status in 2020 despite a plethora of challenges from the unforeseen pandemic that plagued the nation and beyond for the past year. The Northern California craft brewery produced just over 16,500 barrels in 2020, a record for the company.

According to the national Brewers Association (BA), craft brewers are divided into three distinct categories based on annual production: Large Brewers producing over six million barrels, Regional Brewers producing between six million and 15,000 barrels and Microbrewers producing up to 15,000. Based on reporting from the Alcohol and Tobacco Tax and Trade Bureau, the industry is primarily made up of Microbrewers accounting for 6,122 of craft brewers, while there are only 270 Regional Brewers in the nation. Dust Bowl ranks 148th or in the top 2.5% among Regional Brewers, according to the BA. When it comes to Dust Bowl's home state of California, the company is ranked 23rd or in the top 2.4% among 958 breweries, the most in any state.

While the BA reported that craft beer sales were down 9% nationally, Dust Bowl Brewing Co. experienced tremendous growth at 14% for the year. This is especially impressive considering the company lost nearly all on-premise sales due to mandated bar and restaurant closures caused by COVID guidelines imposed in California, where Dust Bowl sells most of its beer. The temporary closures and limited to-go beer sales at Dust Bowl's own taprooms located in Turlock and Monterey also added to the plummet in on-premise sales. In response, the company made great strides in developing its off-premise business, which includes retail chain stores, grocery stores and liquor stores.

According to Marc Jalbert, Director of Sales and Marketing, "Our sales team did an impressive job pivoting their focus to off-premise accounts, the only possible area of growth at the time. This segment of business normally accounts for 60% of our sales, but last year off-premise grew to 85%, while on-premise fell to 15%. What's extremely encouraging at this time is that our off-premise numbers continue to be on par with our results from last year, and on-premise is slowly but surely coming back to indicate another record year. We're grateful to our sales and marketing team for their efforts along with Dust Bowl beer fans, whose loyalty and business helped us achieve this goal."

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Dust Bowl Achieves Regional Brewer Status

“2020 was obviously a challenging year for many small brewers, but also one that proved their resilient and entrepreneurial nature,” said Bart Watson, Chief Economist, Brewers Association. “In a year where U.S. draught sales were down more than 40%, small brewers found new ways to connect with their customers and keep their businesses running.”

Dust Bowl is no exception. “We’ve been deliberately aiming to meet that Regional Brewer threshold through continual investment in our manufacturing infrastructure, portfolio expansion, sales and marketing efforts, and satellite taprooms,” shares Brett Tate, Founder/Owner of Dust Bowl Brewing Co. “Being recognized as a Regional Brewer has significance in the industry and to our future. We’ll garner more respect as we widen our distribution footprint. Wholesalers become more confident in your ability to meet demand and grow together. We’re appreciative of the team effort between our staff and wholesalers, and of course, to our beer fans, we say thank you!”

As Dust Bowl’s first and clearly one of its best hires, Brewmaster Don Oliver reflects on the milestone, “When BT (Owner/Founder Brett Tate) and I were monkeying around at the freshly built 10 barrel brewery in 2009, we weren’t really thinking of a target of barrels sold. It was more like, “I hope someone buys our beer.” The region didn’t really have much of a craft beer presence then. The last 11 plus years have been like a time warp and now we cross the 15,000 barrel mark. I’m very grateful for the huge support that Turlock and the surrounding area has provided, and for the work and dedication of the owners.”

Dust Bowl Brewing Co. is in the midst of a multi-million dollar investment in a new canning line and packaging automation expected to be up and running this month. The company has also renewed its focus on satellite taproom development, a strategy that had been put on hold during the height of the pandemic. Dust Bowl projects 18,500 barrels in 2021.

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Dust Bowl Brewing Co. produced its first beer in May 2009. The company is owned by Brett and Karen Tate and Brett and Camy Honoré, who became the Tate’s business partners in 2010. The company built and moved its production to a 30,000 sq. ft. brewery and taproom, located in Turlock, California, in June 2016. Dust Bowl Brewing Co. beers are available in 5.2 and 15.5 gallon kegs along with selected styles in 22 oz. and 12 oz. bottles and 19.2 oz., 16 oz. and 12 oz. cans. Distribution includes California, Nevada, Oklahoma, Pennsylvania, Texas and Vermont. Dust Bowl Brewing Co. achieved Regional Brewer status in 2020 with an annual production of over 16,500 barrels. The craft brewery showcases a wide variety of its beers at its two taprooms, the Brewery Taproom located in Turlock, California and the Tap Depot in Monterey, California. More information may be found at www.dustbowlbrewing.com.