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# 2016 Brewery Giving Report

Brian Phipps  
CONFLUENCE



## Executive Summary

In January and February 2017, Confluence distributed an online survey to nearly every microbrewery, regional, and large brewery in the United States. Questions revolved around 2016 monetary donations, product/in-kind donations, and employee volunteering by breweries to its communities.

We received 78 complete responses, 75 from microbreweries and three from regional breweries. Of our sample, we found the following 2016 giving totals:

- Total 2016 cash donations: \$480,978.60
  - Median cash donation by brewery: \$2,500
- Total 2016 in-kind donations: \$698,278.80
  - Median in-kind donation by brewery: \$4,700
- Total 2016 brewery employee volunteer hours: 19,526
  - Value of volunteer hours: \$450,465

Although our sample represents just 1.5 percent of the entire US beer industry, the sample provides a snapshot of how breweries operate and how often they donate. Below are notable observations from the results of the survey:

- From a provided list of five giving back initiatives, breweries donated through each of the following: silent auction item donation (94 percent of breweries gave); host a fundraiser (90 percent); drink sponsor for charity event (82 percent); donation per drink (73 percent); and item collection drive (53 percent).
  - Ninety percent of respondents donated through at least three of the above initiatives last year.
- For direction of giving back programs, 72 percent of respondents said ownership is the primary manager. Marketing staff followed in second with 19 percent.
- About 19 percent of respondents reported their brewery operates a formal employee volunteer program.
- Breweries tend to not donate equal amounts of cash and product. They do donate both, but breweries tend to favor giving more of one over the other.

Through this report, we hope breweries gain a greater understanding of their role in its community, donation trends in the brewing industry, and initiatives they can replicate to benefit their own communities.

# 2016 Brewery Giving Report

Created by

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*Confluence*

May 9, 2017

## About Confluence

Confluence is a corporate social responsibility (CSR) consulting firm. Its mission is to increase the positive impacts & community connections for businesses through improvements in CSR activities. Based in Denver, Colorado, they have been working with the beer industry for three years aiding breweries with their giving back initiatives and CSR practices.

In addition to consulting, Confluence expanded to creating its own giving back initiative, the Confluence Tap Handle. The initiative is an easy path for breweries and restaurants to give back to charity. With this Tap Handle, everyone will be able to instantly recognize that this beverage will help their community and each month they can try a new brew.

For craft beverage makers, restaurants, and bars, Confluence's Tap Handle program provides an easy way to get involved in the community that your customers will be able to know that their businesses cares.

Through Confluence's Tap Handle program, Confluence saves participating organizations staff time and money through its management, communication, materials design, and CSR expertise.

## About the Author

Brian Phipps is the Founder and Strategist at Confluence. He is a MBA graduate from the University of Colorado at Denver with 10 years of experience in nonprofit business and worked with several corporate partners to obtain donations as well as publicize and report returns on those contributions.

Brian is a regular contributor to [PorchDrinking.com](http://PorchDrinking.com) writing on CSR practices in the craft beer industry. He also has previously wrote CSR articles for *Craft Brewing Business* and authors a CSR blog on the Confluence website.

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## Introduction

The Brewers Association estimates that the craft brewing industry added \$55.7 billion to the U.S. Economy in 2014.<sup>1</sup> In addition to this impact, the beer industry also invents environmentally-friendly operation methods and donates cash, product, and time. When it comes to donations, breweries give their product for events, merchandise for silent auctions, their space for fundraisers, and many more.

We wanted to gain a better picture on giving practices by the beer industry. To do this, we created a survey to better understand corporate giving in the brewing industry. We contacted nearly every US brewery in January and February 2017 to fill complete a seven-question survey on our website.<sup>2</sup> In total, we collected 78 responses representing breweries from 30 states.

The survey answered our overall questions like:

- How much cash does a brewery typically donate in one year?
- How much product?
- Who manages these programs usually?
- What types of fundraisers and giving initiatives to breweries participate in?
- Do breweries have employee volunteer programs?

The goal of this report is to create a thorough analysis of corporate giving by the US brewing industry. In the report, we identify:

- Total giving by industry
- Types of initiatives by breweries
- Successful initiatives and creative initiatives
- Management practices of corporate giving programs by brewery size

The rest of the report goes through each survey question. Responses are summarized and key findings are highlighted.

We hope breweries and brewpubs are able to use the results of the report to further their own giving practices, and subsequently improve their work with their communities.

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<sup>1</sup> "Economic Impact." *Brewers Association*. N.p., n.d. Web.

<sup>2</sup> <http://www.confluencellc.com/brewerygivingreport.html>

## Survey Results

### Respondent Locations and Sizes

According to the Brewers Association, 5,234 breweries operated in 2016.<sup>3</sup> In total, 78 breweries (1.5 percent) completed our survey. Through the analysis of each question, the report will identify responses if there are differences between regions of the country and brewery size.

Of the 78 breweries, 30 states were represented with Colorado (11; 13.92 percent), California and North Carolina (9 each; 11.39 percent) with the most respondents. Using regions defined by the United States Census Bureau,<sup>4</sup> Figure 1 below shows the number of survey responses by region, with breweries from the Midwest and South regions reporting the most.

Figure 1: Survey Respondents by Region

Region	No. Brewery Responses	Percent of Total
Northeast <sup>5</sup>	7	8.97
Midwest <sup>6</sup>	20	25.64
South <sup>7</sup>	20	25.64
Mountain <sup>8</sup>	15	19.23
Pacific <sup>9</sup>	16	20.51
<b>Total</b>	<b>78</b>	<b>100.00</b>

Additionally, 75 respondents (96.15 percent) classified their brewery as a microbrewery, which is defined by the Brewers Association of producing 15,000 barrels or less in one year.<sup>10</sup> The remaining three breweries are regional breweries (3.85 percent), which produce between 15,000 – 6,000,000 barrels in one year. No large breweries, those which produce 6,000,000 or more in one year, completed the survey.

### Brewery Donations to Charities

In the survey, we asked how much cash and in-kind donations breweries contributed to charities in 2016. These two assets are the primary contributions of corporate giving. In-kind donations consist of product (e.g. beer) as well as merchandise or services.

In 2016, the 78 breweries reported a total of \$480,978.60 in monetary donations. This averages to \$6,088.34 in monetary donation per brewery and a median donation of \$2,500.

<sup>3</sup> "Number of Breweries and Brewpubs in U.S." *Brewers Association*. N.p., n.d. Web. 03 May 2017.

<sup>4</sup> *Census Bureau Regions and Divisions with State FIPS Codes*. US Census Bureau, n.d. Web. 03 May 2017.

<sup>5</sup> Northeast entails nine states: CT, ME, MA, NH, NJ, NY, PA, RI, and VT

<sup>6</sup> Midwest entails 12 states: IL, IN, IA, KS, MI, MN, MO, NE, ND, OH, SD, WI

<sup>7</sup> South entails 16 states: AL, AR, DE, FL, GA, KY, LA, MD, MS, NC, OK, SC, TN, TX, VA, WV

<sup>8</sup> Mountain entails eight states: AZ, CO, ID, MT, NV, NM, UT, WY

<sup>9</sup> Pacific entails five states: AK, CA, HI, OR, WA

<sup>10</sup> "Craft Beer Industry Market Segments." *Brewers Association*. N.p., n.d. Web. 03 May 2017.

Figure 2: 2016 Brewery Monetary Donations

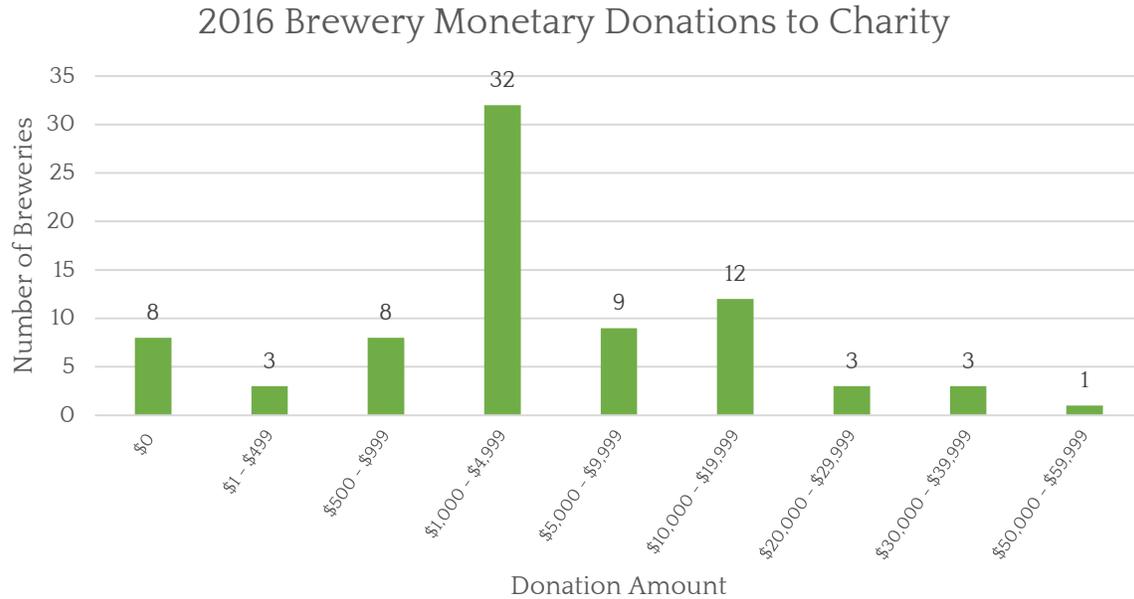
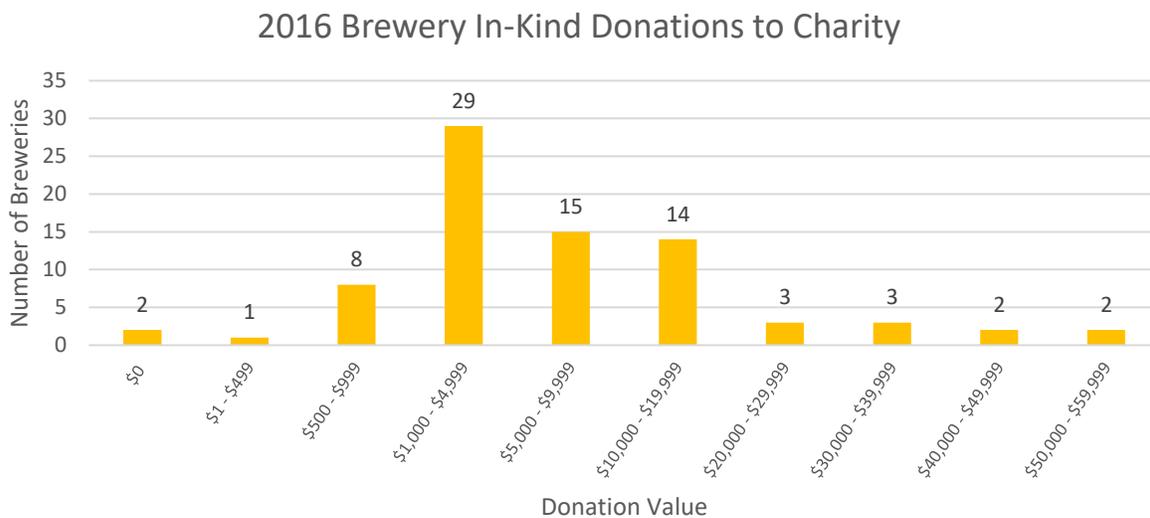


Figure 2 above shows eight breweries (10.23 percent) reported donating \$0 in cash donations. In contrast, 19 breweries (24.36 percent) in our sample donated \$10,000 or more in 2016.

Figure 3: 2016 Brewery In-Kind Donations



Breweries contributed a total value of \$698,278.80 in in-kind donations in 2016. This averages to \$8,838.97 in in-kind donations per brewery. The median in-kind donation amount per brewery is \$4,700.00.

Figure 3 shows two breweries (2.56 percent) that did not donate any in-kind product in 2016 while 10 breweries (12.82 percent) donated \$20,000 or more in product.

## Monetary Donations v. In-Kind Donations

Of the sample, 27 breweries (34.61 percent) donated more cash than in-kind. Forty-eight breweries (61.54 percent) donated more in-kind product than cash. Three breweries (3.85 percent) donated equal amounts of cash and in-kind.

Furthermore, 10.26 percent (eight) of the sample did not donate any cash in 2016 while just 2.56 percent (two) of the sample did not donate any product or merchandise.

Figure 4: 2016 Brewery Monetary v. In-Kind Donations

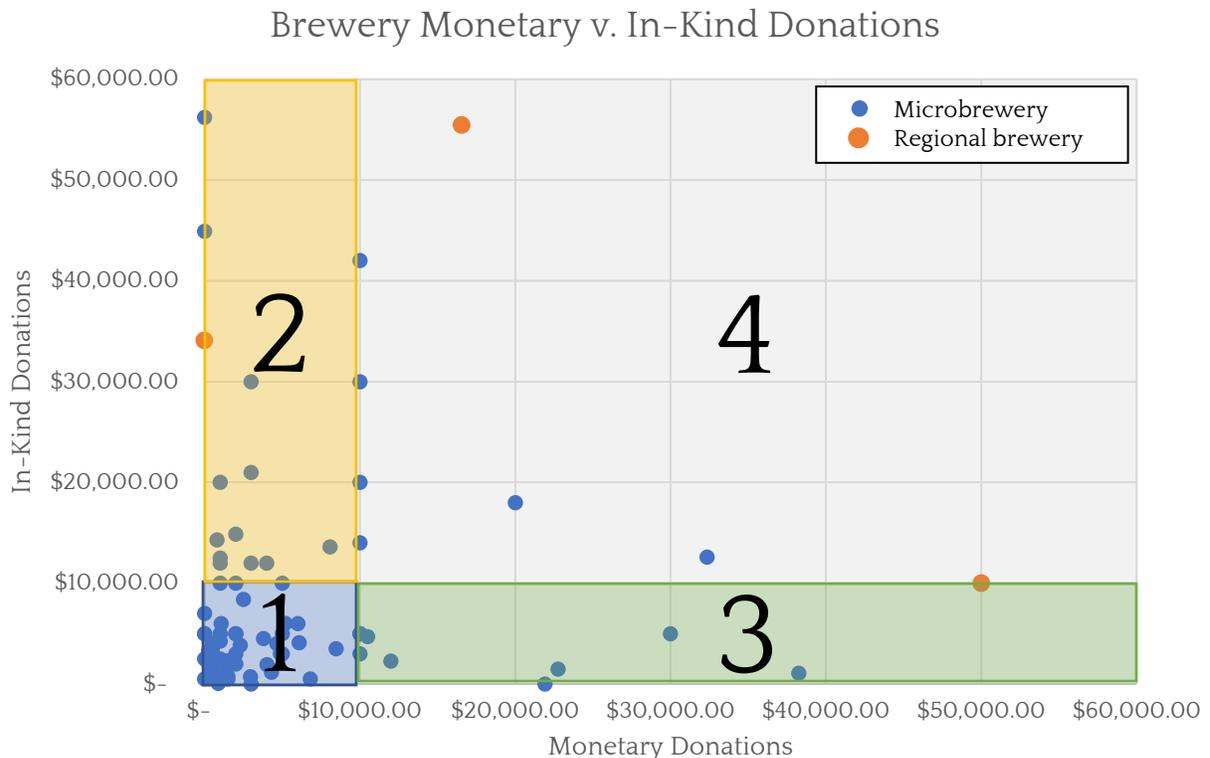


Figure 4 above plots monetary donations of a brewery on the horizontal axis and its in-kind donation value on the vertical axis. The orange markers on the graph represent the three regional breweries.

Through this plotting, four distinct categories of giving appear:

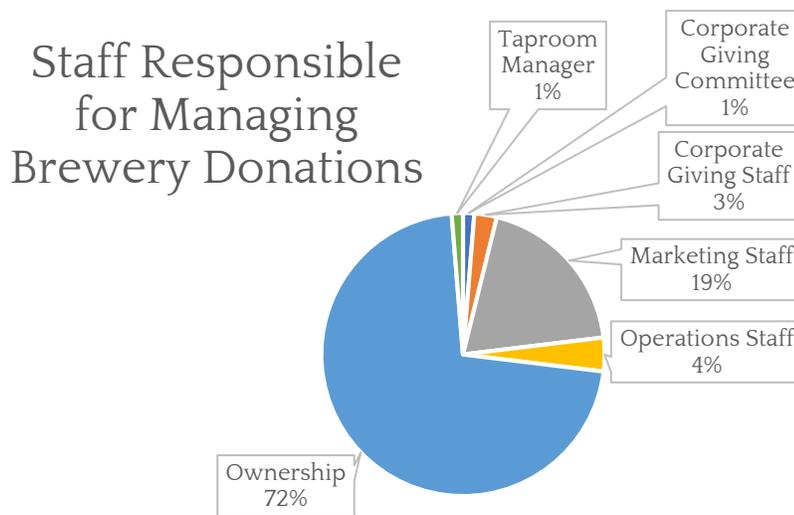
- The first grouping is the blue region are 51 breweries (65.38 percent) that donated below \$10,000 in monetary donations and \$10,000 in in-kind donations.
- The second grouping (the yellow region) are 17 breweries (21.80 percent) that donated more than \$10,000 in in-kind donations but \$10,000 or less in monetary donations.
- Seven breweries (8.97 percent) compose the third group (the green region) of breweries that donated more than \$10,000 in cash to charity, but less than \$10,000 in in-kind donations.
- The gray region highlights the final group containing three breweries (3.85 percent) that donated more than \$10,000 for both monetary and in-kind donations in 2016.

This figure also shows the breweries which donated more in 2016 had a higher proportion of donations through one method rather than an equally proportional mix. Breweries in Regions 2 or 3 on average donate over nine times more via their favored giving format (cash or in-kind). For breweries in Region 1, this average ratio is about three times more of its higher donation method to lower donation method. Three is still a very high ratio and shows breweries tend to pick either giving more cash or more in-kind donations to charity.

### Donation Management Staff

Over 70 percent of brewery respondents reported they have ownership manage its donation programs. Figure 5 below shows marketing staff being the second most popular to manage donations at nearly 20 percent. Three breweries either have a corporate giving committee or a person solely in charge of corporate giving.

Figure 5: Donation Management Staff for Breweries



Additionally, the three regional breweries reported their donation program management is conducted by the marketing staff (two) or operations staff (one).

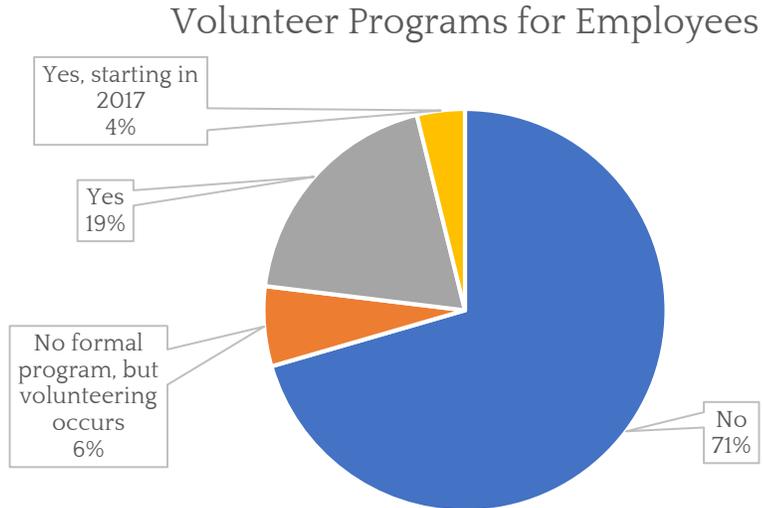
Finally, no relationship was found between the total amount a brewery donates with its monetary and in-kind programs and the staff responsible for managing the programs.

### Employee Volunteer Programs

In addition to donation programs, volunteer programs for employees are another method to give back to the community. Examples of this include employers giving paid time off to employees specifically for volunteering or coordinating a day of volunteering for the entire brewery staff.

The results of the survey showed that 19 percent of breweries operate a formal employee volunteer program while 75 percent do not. Figure 7 shows seven percent of breweries do not have a formal program in place, but their staff do volunteer. Also, four percent of breweries that did not have a formal volunteer program in 2016 plan to have one in 2017.

Figure 6: Breweries with Formal Employee Volunteer Programs



Notably, the three Regional-sized breweries did not have a formal employee volunteer program.

Despite 15 breweries having a formal employee volunteering program, 31 breweries reported volunteering hours. In total, these 31 breweries reported 19,526 volunteer hours. Using the 2015 rate of the value of a volunteer hour at \$23.07<sup>11</sup>, the total value of volunteering by reporting breweries is \$450,465.

Figure 7: Number of Brewery Volunteer Hours

Hours	No. of Breweries
1 to 99	6
100 to 199	13
200 - 499	6
500 - 999	3
1000 or more	3

Moreover, the three breweries with 1,000 or more volunteer hours in 2016 reported hours of 1,500, 2,000, and 11,000. The brewery with 11,000 volunteer hours equals 56.34 percent of the overall hours reported.

Finally, no relationship was identified between breweries with the type of staff person/people managing donations and a formal employee volunteer program.

<sup>11</sup> Hrywna, Mark. "Volunteer Value Hits \$23.07 An Hour." The NonProfit Times. The NonProfit Times, 14 Apr. 2015. Web. 04 May 2017.

## Initiatives

Giving money or product by breweries to charities occurs through several types of initiatives. Breweries were asked to report which types of giving back initiatives they participated in during 2016. The survey offered five options: Collection Drive, Donation per Drink, Drink Sponsor for Charity Event, Hosted Fundraiser, and Silent Auction Item Donation. Breweries also responded with other types of initiatives with Other as a sixth option.

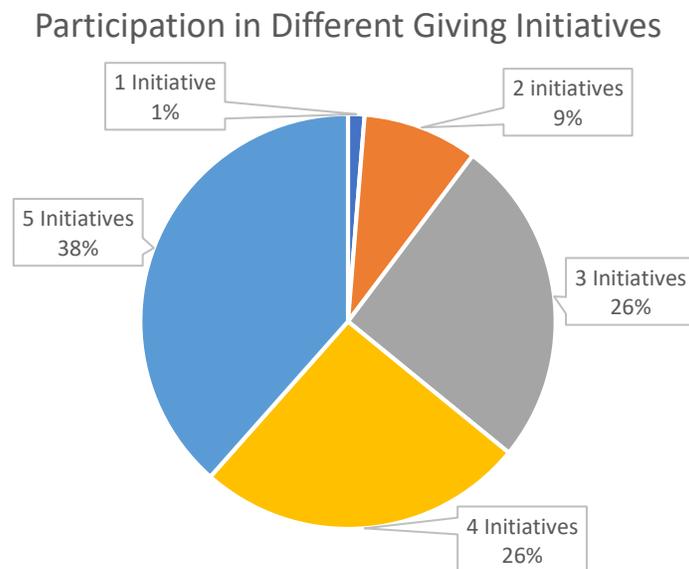
Figure 8: Brewery Participation in Giving Back Initiatives

Initiative	Percent of Respondents
Collection Drive	52.56
Donation per Drink	73.08
Drink Sponsor for Charity Event	82.05
Hosted Fundraiser	89.74
Silent Auction Item Donation	93.59

In Figure 8 above, nearly 94 percent of brewery respondents donated an item to a silent auction in 2016. This type of initiative was the most popular form of brewery respondents to give to charity. Following, almost 90 percent of breweries hosted a fundraiser and then about 82 percent provided beer for a charity event. After that, 73 percent of breweries donated a certain amount of money for each beverage purchased. At the end, almost 53 percent of breweries used their space to collect items for charity.

Furthermore, Figure 9 below shows the percentage of breweries and how many of the listed initiatives they produced in 2016. Thirty-eight percent of breweries did all five types of initiatives while 52 percent did three or four initiatives. This means that 90 percent of breweries surveyed managed three or more giving initiatives in 2016.

Figure 9: Number of Giving Initiatives Breweries Participated In



## Success Stories

In the final part of our survey, many breweries shared details about their specific initiatives and the charities they give to. The success stories of the collection drives, specialty beers, festivals, and testimonials of witnessing the positive impacts further exemplifies the beer industry's commitment to supporting the community.

Below are a few of the success stories around the US we have chosen to highlight:

- “The number one organization we give back to throughout the whole year is our neighborhood Community Center that reports out on the impact they make within our own community each year. We partner with them for 10+ events throughout each year. The mutual support helps our clients, our employees, and those in our community that need to be lifted up. We are proud of our contributions and impact living, working, and owning our small business all in the same community has each day. Our Love Monday program provides a different local non-profit every Monday with a forum to educate our community about the good they do, as well as with a donation of 20% of tap sales for their Monday.”
- “We prepare a free meal to the public every Sunday. We have a kindness wall outside of our brewery with coats, scarves, and other essentials for anyone that needs those items. We host two pet adoption events every week. “
- "Our community, Greenbrier County and WV in general, suffered a massive flood June 2016. This was a tragedy across the board, the likes of which I had never seen. The brewery held fundraiser concerts for several weeks, with our musicians donating their fee to the cause, our brewery donating per drink as well as cash, and customers donating funds as they came in. We were also a drop off point for donations for several months. All told we raised over \$4000 in donations towards helping victims of the flood and First Responders. No small feat for a very small brewery in a small town that gave until it hurt.”
- “One event we created, and is absolutely loved by our brew crew, is hosting Thanksgiving dinner the homeless or at-risk communities. We've opened our doors on the holidays to feed the homeless and have visited organizations to cook and serve dinners at their locations. Our company also supports volunteer efforts by our staff. If a crew member wants to volunteer for an organization during business hours, we honor that commitment.”
- “We brewed a beer with the cast of the Broadway show Hamilton, and part of the proceeds of the beer goes to the Graham Windham foundation. We've since continued making the beer (it's sold at the theater), and have continued our partnership with the charity.”

## Recap

Despite our sample representing only 1.5 percent of the entire US beer industry, the sample provided a look of how breweries operate and how often they donate. We found the total giving of the sample to be:

- Total 2016 cash donations: \$480,978.60
  - Median cash donation by brewery: \$2,500
- Total In-kind donations: \$698,278.80
  - Median in-kind donation by brewery: \$4,700
- Total brewery employee volunteer hours: 19,526
  - Value of volunteer hours: \$450,465

In addition, we found that 90 percent of breweries complete three different types of giving initiatives. Silent auction item donation, hosting fundraisers and being the drink sponsor for a charity event were the most popular ways for breweries to give.

Owners are predominately in charge of giving done by the brewery. Brewery's do give both cash and product, but typically not at equal levels.

Volunteering by employees is not as popular as donating cash or product as only 40 percent reported any volunteer hours and just 19 percent have a formal employee volunteer program.

## Future Brewery Giving Reports

We plan to update this report in the fall as we hope more breweries will share their 2016 donation totals. For our 2017 Brewery Giving Report, we aim to collect responses from 50 percent of US breweries. We plan to do this through contacting breweries individually, but also through partnerships with brewer's guilds. By gathering a larger sample, we can analyze deeper giving by state and by brewery size.

# Appendix

## The Survey

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### 2016 Craft Beer Industry Giving

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Name \*    
First Name Last Name

E-mail \*

Brewery \*

State \*

Brewery Size \*

How much cash did your brewery donate to charities in 2016? \*

In dollars, what was the value of in-kind donations donated to charities in 2016? \*

What types of giving initiatives did you participate in during 2016? \*

- Collection drive
- Donation per drink
- Drink sponsor for charity event
- Hosted fundraiser
- Silent auction (donated items)
- None
- Other

Please share any success stories, specific impacts, or special ways your brewery gives back to your community.

Who manages donations at your brewery? \*

- Ownership
- Marketing Staff
- Taproom Manager
- Operations Staff
- Corporate Giving Staff
- Corporate Giving Committee

Does your brewery have an employee volunteer program? \*

- Yes
- No
- Other

How many volunteer hours did your employees give?

Submit

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Figure 10: Number of Survey Respondents by State

State	No. of Brewery Respondents	Percentage of Overall Respondents
Alabama	1	1.27
Alaska	3	5.06
Arizona	1	1.27
California	9	11.39
Colorado	11	13.92
Connecticut	1	1.27
Delaware	1	1.27
Florida	1	1.27
Illinois	2	2.53
Indiana	1	1.27
Iowa	1	1.27
Louisiana	1	1.27
Michigan	6	7.59
Minnesota	1	1.27
Missouri	3	3.80
Montana	1	1.27
Nevada	1	1.27
New York	5	6.33
North Carolina	9	11.39
Ohio	3	3.80
Oregon	1	1.27
Pennsylvania	1	1.27
South Dakota	1	1.27
Tennessee	1	1.27
Texas	2	2.53
Utah	1	1.27
Virginia	3	3.80
Washington	3	3.80
West Virginia	1	1.27
Wisconsin	2	2.53
<b>Grand Total</b>	<b>78</b>	<b>100.00%</b>

## Helpful Confluence Resources

- [A quick guide to budgeting your brewery's donations](#)
- [Five steps for starting or reorganizing your corporate social responsibility](#)
- [The business benefits of working with charity](#)
- [What are craft breweries doing for the community?](#)
- [Creating shared-value: A craft brewery fundraiser case study](#)
- [Why reporting CSR is important](#)
- [How strategic is your corporate social responsibility?](#)

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