

Meeting Notes - Hop Quality Group Annual Meeting - Monterey, CA

Call to Order: 1:30pm, Thursday January 24, 2019

Rules of the Road (John Mallett): First, John highlighted our antitrust guidelines for membership.

Member Introductions:

- Member brewery present: Bell's, Russian River, Half Acre, Karl Strauss, Stone, Firestone Walker, Ninkasi, Founders, New Belgium, New Glarus, Oskar Blues, Three Weavers, 3 Floyds, Fieldwork, Rhinegeist, Creature Comforts, Odell, Allagash and Sierra Nevada
- HQG guests: J.C. Hill (Alvarado Street), Val Peacock (HSI), Angela Randazzo (OSU) & John Henning (USDA-ARS)

New Coordinator Position (Zach Baitinger):

- Discussion of Zach's role and areas of focus. Zach started as the Hop Quality Coordinator the first part of January 2019. Initial focus will be on organization and ramping up communication with pre/post meeting notes. From there focus on membership, assessing current member – seeking HQG feedback and updated contact info. On-boarding new HQG members will be critical in 2019. Website planning will also be crucial, he needs membership to assist in the content the website should display. From there, planning to shore up the feedback loop for grower visits. Begin a discussion on pellet mill quality.
- Survey Results. Updated and attached below.

Financial (Vinnie & Natalie Cilurzo):

- Discussion of Profit & Loss Statement, Balance Sheet, 2019 Budget and a 2019 Henning Budget for the HQG breeding Program.
- Discussion of increasing membership numbers to support crucial HQG programs.
- Financial/legal services are free (for beer).
- Vinnie: Made a motion to approve the 2019 budget, Motion carries to approve the 2019 budget.

Membership (Zach Baitinger):

- Recruiting new breweries. Do we grow in 2019? How many is too many?
- Zach and Alex N. to craft a new member letter for potential brewery members highlighting the benefits of HQG – breeding program that saved hop germplasm, connections with growers/brokers and general hop quality.
- After a group discussion and brainstorm, the group identified the following breweries for 2019 membership to grow our group and support HQG programs (and the HQG contact that will reach out to them):
 - 2 Roads (Chris)
 - Alvarado Street (Vinnie)
 - Avery (Alec)
 - Breakside (Jamie F)
 - Cellarmaker (JC)
 - Cigar City (Alex N.)
 - Cloudburst (Alex – FW) – **Already agreed to join**
 - Gigantic- (Chris B.) – **Already agreed to join**
 - Maine Brewing Company (Mallet)
 - Modern Times (Jeremy)
 - New Realm – (Jeremy)

- Pfreim (Jamie F)
- Treehouse (Vinnie)
- Trillium (Vinnie)

Grower Relations (Matt Brynildson & Jeremy Moynier):

- What farms should we see? The “second” picker, size of relevant farms? Discussion on how to push dealers and our grower partners to see the other picker we never see. Always coming to the “homeplace” picker is good but we want to focus and drill down on the picking equipment we never see.
- Sanitation 2019 Visits – set dates early for OR, ID and WA?
 - **OR – targeting week of Aug 5th 2019**
 - **WA – targeting week of Aug 12th 2019**
 - **ID - targeting week of Aug 5th 2019**
 - Other hop growing areas (MI, OH, WI, IN) – local breweries supporting farms should visit as possible
 - Int’l hop farms – new focus moving forward?
- Pellet Mill visits (Committee for focus?) – Alec Mull agreed to lead this committee with help from Val.
 - Alec has a pellet mill questionnaire, also a list from Val.
 - Val suggest having a beer with Haas. Teach about making pellets and use this as a springboard. Best practice manual in the future?
 - Locations of pellet mills:
 - OR – Indie Hops, Crosby Hops
 - ID – Mill 95
 - WA – Steiner, Haas, YCH (multiple), BSG, Hop Direct, Hollingbery, Roy Farms, 47 hops (?), others?
 - Other states?
 - Int’l – Haas, Steiner, HPA, Faram, others?
- Grower BBQs. We should continue to do these events in all states – YES!
 - What is the budget for these events? Needs further discussion and clarification.
 - Should we coordinate speakers for these events (John Gorman, etc.)? Needs further discussion.
- Best Practices?
 - Pass on to growers? Checklist of what we are looking for before a visit? Perhaps give info to growers in the nontraditional growing areas?
 - Eventually on website?

Technical (Tom Nielson):

- John Henning /Angela (farm manager) – HQG Breeding Program overview
 - Direct communication between breeder and brewer; can be more nimble
 - John & Angela – willing to travel to brewing members for visits.
 - Willing to take feedback and quickly rolling in feedback.
 - Chris Swersey (BA) – was able to bring \$800K back for WA from Washington DC – been able to use funds up (with no hire in place)
 - New 2018 crosses
 - Updated Picker, new system for drying, lots of new capital purchases.
 - **Questions from HQG:**
 - Drying process – Vinnie (lots of OG samples) – learn process for drying?
 - What do we do with OG samples? (could lose a “diamond” if just over dried)
 - When can we estimate yield potential – year two on a string?
 - This program is a true HQG member benefit
 - How much does it cost an acre?
 - Val – plant 15-30 plants from each line selected moving forward

- How do we push ahead, when/how to scale up?
- Val – suggested a new drying process (\$20K)
- Hop Creep
 - Ongoing issue lots of brewers talking about – counter to HQG original focus?
 - Be cautious, new industry stress point – where kilns are maxed and picking windows are challenging
 - On-going concern for brewers and the HQG.
- Hop Lab Analysis – Tom: good call with Southern France – possibly sending off hops for testing – helps to unlock flavor potential.
 - \$10k – get samples analyzed (an ask from Tom of HQG) – good tool for Henning

Marketing (Scott Dorsch):

- Swag
 - Have done t-shirts in the past with a partner in Fort Collins. Worked well.
 - Scott has ~200 of the HQG t-shirts. Reach out if you need some.
 - HQG Can koozies in the future?
- Website plans (Committee for focus?) – Zach and team to take the lead to get this built in 2019.

Governance/Steering Committee (John Mallett):

- Succession planning, formalization of an executive committee?
 - Identify a BOD from all the committee heads? Needs further discussion.
- Identify Committees & support:
 - Finance/Governance Committee (Vinnie & Natalie Cilurzo – Co-chairs)
 - No additional members needed
 - Technical Committee (Tom Nielson – Chair)
 - Ryan Dunnavant, Scott Dorsch, Val, Daniel Sharp (need more members)
 - Grower Relations Committee (Jeremy Moynier – Chair)
 - Matt Brynildson, Alec Mull, Alex Nowell, Jamie Floyd, Chris Shields
 - Membership (Zach Baitinger – Chair)
 - Alex Tweet
 - Marketing – (Scott Dorsch – Chair)
 - Christian Holbrook (need more members)
 - Website (Zach Baitinger – Chair)
 - Adam Beauchamp, Brannen Morris, Alex Tweet (need more members)
 - Pellet Mill Audit Team (Alec Mull – Chair)
 - Val (need more members)
 - International Grower Relations Team (Matt Brynildson – Chair)
 - (need more members)

New Business:

- HQG Strategic Focus for 2019:
 - Solidify website & membership
 - 3rd year with hop breeding program. Decide on next steps?
- OR grower visits – OR growers asking about drying hemp. Thoughts? Both tolling and growing hemp. On-going concern. Ways to test for cross contamination?
- How to handle other breeding programs?
 - Helpful for Coordination between - HRC, HQG, BA? Tabled for now.

Survey Results

1. Has your brewery budgeted for HQG in 2019?

- a. YES – Allagash, Bell’s, Boston, Boulevard, BrewDog, Creature Comforts, Deschutes, Fieldwork, Firestone, Founders, Half Acre, Karl Strauss, NBB, New Glarus, Oskar Blues, Rhinegeist, Russian River, Sierra, Stone, 3 Floyds, Ninkasi, Odell, Three Weavers (23)
- b. NO – Crux, Full Sail (2)
- c. NO RESPONSE – Brooklyn, Dogfish Head (2)
- d. NO LONGER MEMBERS – Brew Hub, Ecliptic, Real Ale, Schlafly, Summit, Urban Chestnut (6)

2. Communication from HQG – Just Right, Spotty or Lacking.

- a. Generally speaking, “spotty” due to lack of coordinator role:
 - i. Month calls, with pre/post meeting notes for preparation and planning**
 - ii. Website would be helpful
 - iii. Need more participation in monthly calls, both in physical participation and comments from membership

3. In 2018, what was successful with HQG for your individual brewery?

- a. From new members...
 - i. Making new connections within the group & with hop connections, exposure to hop specific events. Good partnership and collaboration among group
 - ii. “What are our specific member benefits?”
- b. From all members...
 - i. Individual members takeaways/empowerment to help in member home states
 - ii. Sanitation visits and BBQs for grower face time (HQG needs to close loop on getting growers info on sanitation visits)
 - iii. Exposure to John Henning’s Hop Breeding Program
 - iv. Contributions to hop quality!

4. In 2019, what opportunities for growth do you see for HQG as it relates to your brewery?

- a. Focus on Hop Breeding Program, leveraging pubs/pilot breweries for brewing trials. **
 - i. How do we move this program ahead?
- b. Hop Creep*
- c. How to handle states outside of the Pac NW, and Internationally?
- d. Website; plan for organization HQG’s farm reports. A hop “forum” on site?
- e. Focus on ID and OR for farm visits, especially OR.
- f. Understanding the responsibilities of the Coordinator role.

5. Is HQG missing the mark on anything critically important to your brewery?

- a. Communication with growers on farm visits**
- b. More written communication (Breeding Program) and organization of HQG information (website)*
- c. Define importance of HQG to membership, pass on to member brewery leadership/executives

6. Any other comments that might be helpful as it pertains to HQG, your membership, HQG’s effectiveness, etc.?

- a. Standard audit forms for sanitation visits**, pellet mill audits?
 - i. Focus on the positives during visits (HQG members conduct post visit debriefs)
- b. Better HQG Organization (meetings details (CBC), farm reports (publish or perish), etc.)
- c. Re-energize subcommittees for technical work?
- d. How can new members get MORE involved?
- e. Work in conjunction with hop dealers/merchants not against them, partnership?
- f. “What are our specific member benefits?” – Technical days for membership?
- g. Sliding scale fees for brewers, perhaps not everyone pays \$5000