



2019 Fiscal Year Report

July 1, 2019 – June 30, 2020

November 2nd, 2020

Craft Maltsters Guild - 2019 Fiscal Year Report

I. Introduction

This annual report was developed for our Member Malthouses to provide insight into the organization. It contains highlights from the 2019 fiscal year which ended June 30, 2020. This timeline more accurately reflects the language in our by-laws regarding member communication. Note, some of the content was previously submitted in March 2020.

We encourage members to take an active role in our organization in the months ahead. Our current board has invested hundreds of volunteer hours in support of our industry. Assisting one of our working groups will help shape future goals and foster the development of the next round of board-level engagement. More information on these groups is provided below.

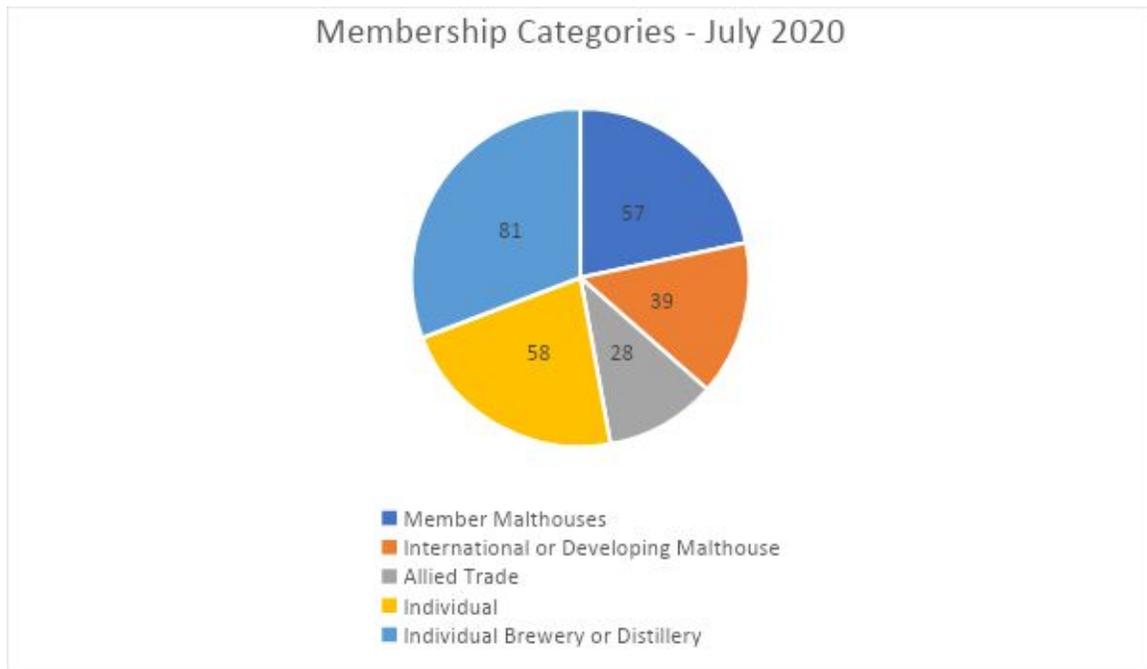
II. Year in Review (July 2019 – June 2020)

- Announced Craft Malt Certified Seal Program (September 2019)
- Organized the first Craft Malt Day
 - September 13, 2019
- Hired new Executive Director, Jesse Bussard (December)
- 2020 Craft Malt Conference (CMC) in Fort Collins, Colorado (February 2020)
 - ~200 in attendance
 - Wide range of topics, speakers
 - Successful collaborations with 10 local breweries
- Second annual Malt Cup competition (February 2020)
 - Pale Malt Category – 1886 Malt House (Gold), LINC Malt (Silver), and Admiral Maltings (Bronze) honored
 - Light Munich Category - Blacklands Malt (Gold), Briess (Silver), and Root Shoot (Bronze) honored
- Attended Great Lakes Hops and Barley Conference in Ann Arbor, Michigan (March 2020)
- Lobbied with National Barley Improvement Committee in Washington, D.C. (March 2020)
- Developed [online resources webpage](#) for COVID-19 information. Hosted a special webinar in partnership with the Artisan Grain Collaborative on April 27th, 2020 focused on financing, employment, and other business strategies during the time of COVID-19. Speakers included ag and food and beverage attorneys from Davis Wright Tremaine LLP in Seattle, WA. ([Link to recording](#))
- Prepared six webinars (bi-monthly). Links to recordings for each webinar are included below.
 - July 11, 2019 - [Food Safety & Modernization Act \(FSMA\)](#)
 - September 12, 2019 - [Floor Malting](#)
 - November 14, 2019 - [Equipment Vendor Blitz](#)
 - January 9, 2020 - [Strategies for Grain Contracting and Storage Management](#)
 - March 12, 2020 - [Equipment Vendor Blitz #2](#)
 - May 14, 2020 - [Craft Malt Certified: Connecting Grain to Glass](#)

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III. Membership Statistics

Membership has increased between June 2019 and June 2020, rising to 263 total members. The Individual Brewery and Distillery membership category witnessed the most dramatic increase as a result of the Craft Malt Certified Seal Program's success. Data presented here represents membership levels as of July 2020.



IV. Pandemic Response

The rapid spread of COVID-19 led to widespread shutdowns across North America in March 2020. These shutdowns had an immediate and profound impact on every sector of the economy. Most, if not all, members witnessed a dramatic decline in sales from March to May 2020.

In response to these impacts, the Craft Maltsters Guild (CMG) Board authorized additional hours for our Executive Director to create and maintain a database of online resources for our membership. This included webinars on relevant topics such as the Payroll Protection Program. We also scheduled several virtual happy hours to provide an outlet for engagement and socialization during the quarantine.

Three economic impact surveys were also developed and circulated to gauge the immediate and long-term effects of the virus on our industry. Data collected from these surveys were shared with the membership. We anticipate extending these surveys throughout the remainder of 2020 and into 2021. Reports are available for review at <https://craftmalting.com/members-only/board-minutes/>.

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V. Certified Craft Malt Seal Initiative - 2019 Review

CMG organized the inaugural Craft Malt Day on September 13, 2019. This event was designed to raise awareness about our industry through a series of taproom-focused events across the nation. September 13 was the harvest moon of 2019 and provided a tangible connection to the agricultural efforts that provide the foundation for our industry. These events provided the perfect backdrop to announce our new Craft Malt Certified Seal Program.



This program was designed to foster deeper relationships between our member maltshouses and their customers through a public-facing educational campaign. Over 100 breweries and distilleries across the nation have signed on since September 2019 with several more in process. Many of these early adopters have incorporated the Craft Malt Certified seal into their can, bottle, and packaging designs. The 2020 publicity campaign has focused on highlighting these partnerships on our social media channels.

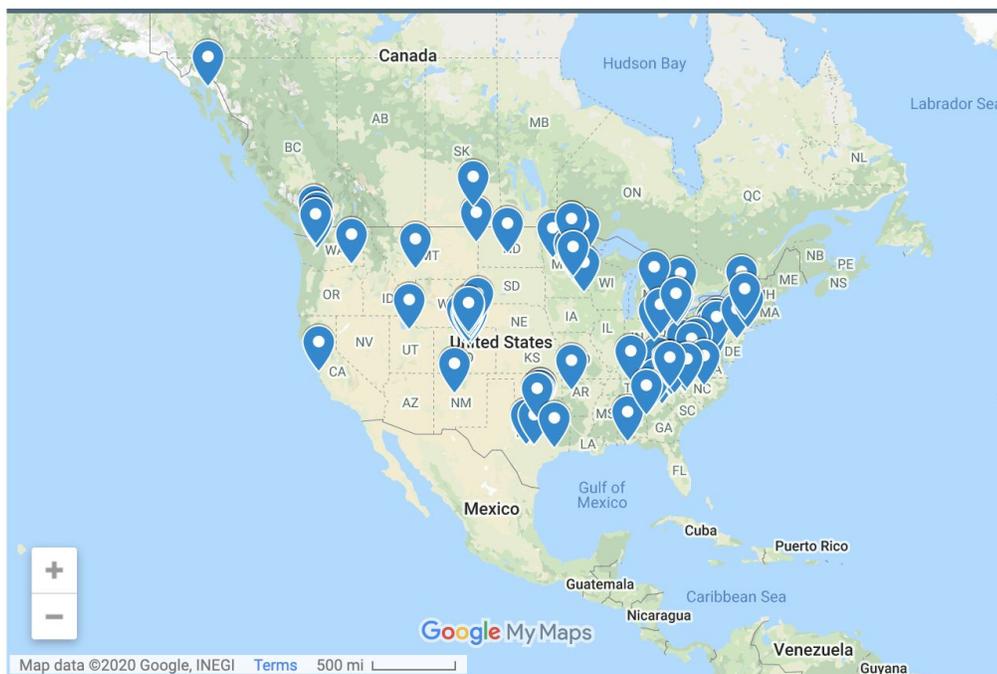


Figure 1. Locations of Craft Malt Certified breweries and distilleries

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VI. 2020 Goals and Outcomes

The Board of Directors met in early February 2020 to establish both short and long-term goals for the organization. Listed below is a progress report on the goals:

Stated Goals

- **Manage finances to establish a solid foundation for operations.**
 - The conference in Fort Collins was a success and generated significant revenue for our organization.
 - The Individual Brewery and Distillery Membership category of membership has generated \$10,000 of additional revenue.
 - FY 2019 closed with approximately \$50,000 in the operating account.
- **Reinstate full-time Executive Director.**
 - Our Executive Director was working 30 hours per week for much of FY 2019.
 - As of September 2020, full-time status has been restored.
 - The ED's status will be reviewed quarterly based on the financial status of the organization.
- **Financial report/disclosure sent out to the membership.**
 - The calendar year 2019 results circulated in March 2020.
 - Fiscal year 2019 results circulated in November 2020.
- **Improve Guild forum and website functionality.**
 - In March 2020, the Board hired Integritive, a full-service web hosting and design firm based in Asheville, NC. They worked with us to resolve issues in online forum integration and functionality. They have also made numerous bug fixes and improved the overall website user experience.
- **Increase membership communication efforts with quarterly newsletters and webinars.**
 - Quarterly newsletters have been circulated. COVID-19 resources have been made available through a new page on our website.
- **Increase implementation of Certified Craft Malt Seal to 50% of member malt houses.**
 - A significant increase in participation has occurred during the pandemic, and the program has achieved the goal of 100+ participants.
 - As of September 2020, 27 of our member malt houses are participating in this program, which is approximately 47% of the total.
- **Maintain Member Malt House level above 55.**
 - As of October 2020, we had 63 Member Malthouses in our organization.
- **Plan and execute profitable 2021 Craft Malt Conference in Portland, ME.**
 - Due to the pandemic, the board made the decision to transition the annual conference to a virtual event for 2021. No financial impacts were incurred as a result of this decision.
- **Disseminate benchmark survey data to the membership.**
 - The Board is working with New Growth Associates, LLC to summarize the information and will circulate when complete.

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VII. Financial Information

The Profit and Loss Statement for FY 2019 is included at the end of this report.

North American Craft Maltsters Guild
Profit and Loss
July 2019 - June 2020

Income		Total
Advanced Malting Class Income	\$	29,600.00
Conference Income	\$	60,878.78
Malt Cup income	\$	6,175.00
Membership Dues Income	\$	63,186.59
Non-Profit Income	\$	7,001.10
PayPal Income	\$	1,996.85
Uncategorized Income	\$	-
Webinar Income	\$	390.00
Total Income	\$	169,228.32
Gross Profit	\$	169,228.32
 Expenses		
Advanced Malting Class Expenses	\$	23,878.52
Advertising & Marketing	\$	1,703.01
Bank Charges & Fees	\$	2,192.55
Conference Expenses	\$	29,771.84
Contractors	\$	24,135.25
Craft Brewers Conference Insurance	\$	3,288.87
	\$	1,160.00
Legal & Professional Services	\$	1,875.00
Malt Cup - Expenses	\$	5,325.79
Meals & Entertainment	\$	136.03
Office Supplies & Software	\$	3,366.50
PayPal Fees	\$	67.01
Payroll Expenses	\$	-
Taxes	\$	1,778.32
Wages	\$	10,766.67
Total Payroll Expenses	\$	12,544.99
Postage	\$	1,534.33
Scholarships & Awards	\$	500.00
Travel	\$	8,547.42
Uncategorized Expense	\$	77.39
Wild Apricot fees	\$	8,388.45
Total Expenses	\$	128,492.95
Net Operating Income	\$	40,735.37
Net Income	\$	40,735.37