



March 19, 2020

VIA E-mail

Senator Lindsay Graham
290 Russell Senate Office Building
Washington, DC 20510

Re: COVID-19 Relief for the South Carolina Craft Brewing Industry

Dear Senator Graham:

As Executive Director of the South Carolina Brewers Guild, I write on behalf of South Carolina's 92 operating breweries and brewpubs and their employees to request immediate assistance in aiding our industry, most of which is comprised of small family-run businesses, as it braces for the disastrous economic impact of COVID-19. We have truly appreciated your support in the past for issues most important to the craft beer industry in South Carolina and are very proud to say that our industry currently provides an economic impact of \$796M to South Carolina's economy, as well as thousands of jobs across the state.

I am reaching out to share a letter from the Brewers Association that breaks down how COVID-19 (coronavirus) is impacting our industry and how Congress can help these small businesses continue to thrive. Please find that attached. I will echo the needs expressed in the letter.

I also wanted to share some of what I am hearing in our state. In addition to being small businesses, breweries are also closely intersected with manufacturing, agriculture, tourism and services industries. All of us, and our employees are feeling the effects of this unprecedented situation. All breweries and brewpubs have ceased on-premises operations in regard to the service of food and beverage and have had to shift to a complete model of to-go sales only in an effort to stay in business while also aiding their communities. Most of our businesses are now projecting at least a 95% decrease in revenues and have begun employee layoffs or furloughs in addition to suspending outside services. But despite this, being the community-focused businesses that they are, some breweries are stretching every dollar to keep salaried employees paid for as long as possible, in addition to providing discounts on merchandise sales, and providing free water and paper products to those in need.

We know that we are not the only industry that is hurting and we understand and support the need to mitigate the spread of this disease, but without government action

the prolonged closures of these community hubs and new town halls of America will have dire consequences from which many small brewers, and their employees, may not recover. Most of these businesses are young businesses with few cash reserves who focused on reinvestment and are just coming off of the winter months, a notoriously slow period for sales. Without immediate assistance, many will be out of business within a matter of weeks.

If you have any questions please feel free to reach to me and the Brewers Association's director of federal affairs, Katie Marisic, who can be reached at marisic@brewersassociation.org.

I truly thank you and appreciate your continued support of our industry in these most uncertain and troubling times.

Sincerely yours,

A handwritten signature in black ink that reads "Brook". The script is cursive and fluid.

Brook Bristow
Executive Director

BB/

info@scbeer.org - (843) 410-8712



Delivered Via Email

March 19, 2020

The Honorable Lindsay Graham
U.S. Senate
290 Russell Senate Office Building
Washington, DC 20510

Dear Senator Graham:

I write today as president and CEO of the Brewers Association (BA), the national trade association for America's more than 8,000 small and independent craft breweries, brewpubs, and taprooms. Located in virtually every congressional district in every state in the nation, these small brewery businesses employ approximately 150,000 workers in thousands of communities throughout the country.

Like most small businesses that do not have deep cash reserves and high lines of credit, BA members are reeling today from the deep and dire economic impacts of the ongoing—and vital—effort to combat and prevent coronavirus (COVID-19). Craft brewers are doing their part to help American communities get beyond this crisis, but today many are on the brink of financial ruin.

In a survey of Brewers Association members conducted over the previous two days, more than 600 respondents reported the following:

- 95.2% predicted that sales would decrease over the next month;
- 24.7% said production has stopped, and 64.1% said production has slowed; and
- 57.7% anticipate layoffs, and another 31.3% said they were unsure at this time.

We deeply appreciate all that Congress and the Administration are doing to shore up the economy during this global pandemic, but America's small craft brewers and their employees need your help. Among other things, we respectfully ask that Congress enact legislation implementing the following measures to ensure that these otherwise viable small breweries, brewpubs, and taprooms can weather this enormous national health emergency:

- Provide small brewers with direct monetary relief in the amount of \$3 billion to help cover costs associated with closures mandated by state and local officials;
- Provide loan deferments for up to two months with no interest accruals from commercial lenders;
- Make unemployment insurance available for all temporary laid off or furloughed employees, with no long-term negative impact on employers' insurance premiums;
- Provide paid sick leave for people lacking benefits through their employer;
- Provide paid quarantine leave for employees of businesses shut down due to quarantine; and
- Provide a temporary suspension or deferral of federal excise taxes.

Additionally, your support of any broader Administration efforts to provide tax filing and/or payment relief would be greatly appreciated.

This is certainly not an exhaustive list of provisions that would assist American craft brewers. But we would urge you to consider these and/or other proactive measures to shore up this expanding, vibrant domestic industry so that it is not overwhelmed by this short-term but devastating health emergency.

Thank you in advance for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bob Pease', with a stylized, cursive script.

Bob Pease
President and Chief Executive Officer