

ECONOMIC SIGNIFICANCE OF BARLEY

One of the strengths of the U.S. economy is its crop production and agricultural based industries. Crop and value-added product exports reduce the unfavorable trade balance and generate new employment, grower income, and federal revenue. Maintenance of U.S. dominance in agriculture requires continuing efforts to improve crop productivity and quality. This effort assures that U.S. agricultural production can supply domestic demands and U.S. agricultural products can compete in world markets. This can only be accomplished by investing in strong agricultural research programs that keep the U.S. at the forefront of the development and implementation of new agricultural technologies.

Barley is a significant U.S. crop. Barley production has averaged 294 million bushels per year with an estimated annual value of \$707 million as a raw agricultural commodity (1996-2005). Of the barley consumed domestically, approximately 46% of the barley crop is used for animal feed, 49% for malt production, 3% as seed, and 2% in food products. Barley producers stimulate the rural economy through the purchase of fertilizer, seed, chemicals, fuel, labor, etc. These variable cash expenses averaged \$440 million annually (1995-2004).

The impact of barley on the U.S. economy is even more significant if the value-added products resulting from its utilization as an animal feed, in malt beverages, and in food products are considered. The economy also benefits from exports which annually average (1996-2005) \$115 million for barley and its milled products, \$49 million for malt and malt extracts, and \$220 million for beer.

BARLEY BALANCE SHEET

ANNUAL FEDERAL RESEARCH INVESTMENT	ANNUAL RETURN ON INVESTMENT
\$ 11.1 USDA/ARS 2.7 USDA/CSREES* NA Other \$ 13.8 MILLION	\$ 0.7 Raw agricultural commodity 162.2 Brewing industry business activity 3.7 Federal excise tax revenue 12.4 Federal income tax 2.4 Value-added use as feed NA Value-added use as food \$181.4 BILLION

* Special grants and Barley Coordinated Agricultural Project
 NA: Not available Other: USDA/NRI, USDA/IFAFA, NSF

ECONOMIC CONTRIBUTION OF THE BREWING INDUSTRY

Barley is a critical and primary raw material for beer. **Without malting barley, there would be no beer.** The economic value of the U.S. brewing industry is substantial.

Total Business Activity	Jobs	Wages Generated	State & Local Tax Revenue	Federal Payroll, Income & Excise Taxes
\$ 162 Billion	1.8 Million	\$ 54 Billion	\$14.2 Billion	\$ 16.1 Billion

BARLEY: ECONOMIC SIGNIFICANCE BY STATE

State	Economic Contribution of the Brewing Industry ²							
	Annual ¹ Production	Crop ¹ Value	Employment	Total Bus. Activity	State & Local Taxes	Brewers	Malt Plants	Other Uses
	(million bu)	(million \$)		(million \$)	(million \$)			
Alabama			17,214	1,198	197	8		
Alaska	0.2	0.5	4,309	303	37	17		
Arizona	4.9	13.4	27,392	1,899	187	41		Livestock feed.
Arkansas			10,044	628	96	7		
California	6.3	16.7	205,950	22,001	1,817	275		Livestock feed.
Colorado	9.1	26.5	76,162	10,638	652	115	1	Livestock feed.
Connecticut			18,703	1,723	147	32		
Delaware	2.0	3.3	5,629	445	19	7		
Florida			100,321	7,745	930	89		
Georgia			47,792	4,714	516	36		
Hawaii			9,804	724	73	15		
Idaho	54.6	155.0	7,810	516	50	20	3	Livestock feed.
Illinois			73,722	6,270	588	42		Distillers.
Indiana			34,482	2,365	204	26		
Iowa			16,786	994	99	10		
Kansas	0.4	0.8	14,631	975	90	9		Livestock feed.
Kentucky	0.7	1.2	17,434	1,133	139	10		Distillers.
Louisiana			23,064	1,502	160	12		
Maine	1.7	2.6	6,913	456	55	34		
Maryland	3.2	5.5	30,188	2,220	179	27		
Massachusetts			48,475	4,528	262	51		
Michigan	0.8	1.4	57,779	4,275	401	72		Livestock feed.
Minnesota	14.2	28.5	37,170	2,684	249	30	3	Livestock feed.
Mississippi			8,675	532	111	4		
Missouri			76,000	10,281	696	30		
Montana	44.7	120.7	8,984	516	29	20	1	Livestock feed.
Nebraska	0.3	0.5	11,229	669	69	9		Livestock feed.
Nevada	0.3	0.8	17,402	1,382	112	17		Livestock feed.
New			10,092	1,033	75	18		
New Jersey	0.2	0.4	48,333	4,975	384	34		
New Mexico			10,809	650	81	25		Livestock feed.
New York	0.6	1.1	94,169	9,555	880	84		Livestock feed.
North Carolina	1.2	2.3	37,296	3,160	337	36		Livestock feed.
North Dakota	91.3	186.0	5,524	299	29	2	1	Livestock feed.
Ohio	0.4	0.7	78,093	6,756	615	66		
Oklahoma	0.2	0.4	18,336	1,515	96	12		Livestock feed.
Oregon	6.0	12.9	26,435	2,247	115	79		Livestock feed.
Pennsylvania	4.4	8.4	80,873	6,858	532	63		Livestock feed.
Rhode Island			6,234	422	43	7		
South Carolina	0.2	0.4	19,200	1,215	118	23		
South Dakota	3.9	8.4	5,981	354	26	7		Livestock feed.
Tennessee			28,774	2,299	335	23		Distillers.
Texas	0.3	0.7	128,614	11,884	999	58		Livestock feed.
Utah	5.0	11.1	10,670	754	64	13		Livestock feed.
Vermont			5,287	386	37	19		
Virginia	4.2	6.9	39,532	3,785	311	34		Livestock feed.
Washington	24.4	52.6	35,765	3,018	260	100	1	Livestock feed.
West Virginia			6,642	369	52	4		
Wisconsin	2.6	4.4	63,753	6,777	552	72	5	Livestock feed.
Wyoming	7.2	23.2	3,961	206	16	9		Livestock feed.
Total U.S.	293.9	706.5	1,782,845	162,190	14,150	1,853	15	

¹ Average annual production and crop values from 1996 to 2005 (Source: USDA/NASS). Data not available for all years for some minor states.

² Source: Economic Impact, 2005. Prepared for the Beer Institute by John Dunham and Associates.

MAJOR BREWERS IN THE UNITED STATES¹

STATE	COMPANY	CITY
Alaska	Alaskan Brewing & Bottling Co.	Juneau
California	Anchor Brewing Co.	San Francisco
	Anderson Valley Brewing Co.	Boonville
	Anheuser-Busch, Inc.	Fairfield
	Anheuser-Busch, Inc.	Los Angeles
	Firestone Walker Brewing Co.	Paso Robles
	Gordon Biersch Brewing	San Jose
	Lagunitas Brewing Co.	Petaluma
	Mendocino Brewing Co., Inc.	Ukiah
	Miller Brewing Co.	Irwindale
	Pyramid Breweries Inc.	Berkeley
	St. Stans Brewing	Modesto
Stone Brewing Co.	San Marcos	
Sierra Nevada Brewing Co.	Chico	
Colorado	Anheuser-Busch, Inc.	Fort Collins
	Boulder Beer Co.	Boulder
	Breckenridge Brewery & BBQ	Denver
	Coors Brewing Co.	Golden
	New Belgium Brewing Co.	Fort Collins
	Odell Brewing Co.	Fort Collins
Delaware	Fordham Brewing Co.	Dover
	Dogfish Head Craft Brewery	Milton
Florida	Anheuser-Busch, Inc.	Jacksonville
	Yuengling Brewery Co.	Tampa
Georgia	Anheuser-Busch, Inc.	Cartersville
	Miller Brewing Co.	Albany
Hawaii	Kailua-Kona	Kona Brewing Co.
Louisiana	Abita Brewing Co.	Abita Springs
	Dixie Brewing Co.	New Orleans
Maine	Shipyard Brewing Co.	Portland
Maryland	Frederick Brewing Co.	Frederick
Massachusetts	Boston Beer Company	Boston
	Harpoon Brewery	Boston
	Berkshire Brewing Co.	South Deerfield
	Buzzards Bay Brewing	Westport
Michigan	Frankenmuth Brewery	Frankenmuth
	Kalamazoo Brewing	Galeburg
	Traverse Brewing	Williamsburg
Minnesota	August Schell Brewing Co.	New Ulm
	Gluek Brewing Co.	Cold Spring
	Summit Brewing Co.	St. Paul
Missouri	Anheuser-Busch, Inc.	St. Louis
	Boulevard Brewing Co.	Kansas City
Montana	Big Sky Brewing Co.	Missoula
New Hampshire	Anheuser-Busch, Inc.	Merrimack
	Redhook Ale Brewery, Inc.	Portsmouth
New Jersey	Anheuser-Busch, Inc.	Newark

	Eastern Brewing Corp.	Hammonton
New York	Anheuser-Busch, Inc.	Baldwinsville
	Brooklyn Brewery	Brooklyn
	High Falls Brewing Co.	Rochester
	The Matt Brewing Co.	Utica
	Olde Saratoga Brewing Co.	Saratoga Springs
North Carolina	Carolina Beer Co.	Mooresville
	Miller Brewing Co.	Eden
Ohio	Anheuser-Busch, Inc.	Columbus
	Great Lakes Brewing Co.	Cleveland
	Miller Brewing Co.	Trenton
	The Samuel Adams Brewery	Cincinnati
Oregon	Bridgeport Brewing Co.	Portland
	Deschutes Brewing Co.	Bend
	Full Sail Brewing Co.	Hood River
	McMenamins Breweries	Portland
	Portland Brewing Co.	Portland
	Rogue Ales	Newport
	Widmer Brothers Brewing Co.	Portland
Pennsylvania	D.G. Yuengling Son, Inc.	Pottsville
	Jones Brewing Co.	Smithton
	Latrobe Brewing Co.	Latrobe
	The Lion Brewery, Inc.	Wilkes-Barre
	Pittsburgh Brewing Co.	Pittsburgh
	Red Bell Brewing Co.	Philadelphia
	Straub Brewery, Inc.	St. Mary's
Tennessee	Coors Brewing	Memphis
Texas	Anheuser-Busch, Inc.	Houston
	Miller Brewing Co.	Fort Worth
	Spoetzl Brewery, Inc.	Shiner
Utah	Utah Brewers Cooperative	Park City
Vermont	Magic Hat Brewing Co.	South Burlington
	Otter Creek Brewing, Inc.	Middlebury
Virginia	Anheuser-Busch, Inc.	Williamsburg
	Coors Brewing	Elkton
	Old Dominion Brewing Co.	Ashburn
Washington	Pyramid Breweries	Seattle
	Redhook Ale Brewery	Woodinville
Wisconsin	City Brewing Co.	La Crosse
	Jacob Leinenkugel Brewing Co.	Chippewa Falls
	Joseph Huber Brewing Co.	Monroe
	Miller Brewing Co.	Milwaukee
	New Glarus Brewing Co.	New Glarus
	Stevens Point Brewery	Stevens Point

¹ Breweries with capacity of 20,000 barrels or more. Source: 2006 Modern Brewery Age Blue Book, 65th Edition.

MALTING PLANTS IN THE UNITED STATES

STATE	COMPANY	CITY
Colorado	Coors Brewing Company	Golden
Idaho	Anheuser-Busch, Inc.	Idaho Falls
	Great Western Malting Company	Pocatello
	GModelo Agriculture, Inc.	Idaho Falls
Minnesota	Anheuser-Busch, Inc.	Moorhead
	IMC – United States	Winona
	Rahr Malting Company	Shakopee
Montana	IMC – United States	Great Falls
North Dakota	Cargill Malt	Spiritwood
Washington	Great Western Malting Company	Vancouver
Wisconsin	Anheuser-Busch, Inc.	Manitowoc
	Briess Malt & Ingredients Company	Chilton
	Briess Malt & Ingredients Company	Waterloo
	Cargill Malt	Jefferson Junction
	IMC – United States	Milwaukee

RICE IN BREWING

Approximately 5% of rice consumed domestically is used by the brewing industry (1996-2005 average). The value of this rice to U.S. growers averaged \$72 million with many millions more going to handlers and processors. Most of these purchases come from Missouri, Arkansas, Louisiana, Texas and California.

CORN IN BREWING

Nearly 718 million pounds of corn and corn products are used annually (1995-2004) in brewing beer. In addition, over 616 million pounds of sugar and syrups are annually consumed by the industry. Much of these adjuncts are derived from corn.