

Governor Cooper,

I write today as the Executive Director of the North Carolina Craft Brewers Guild (NCCBG), the state trade association for more than 300 small and independent craft breweries, brewpubs, and taprooms, located in every part of North Carolina. These small brewery businesses employ approximately 12,000 workers in every county throughout the state and help support more than \$2 billion in total economic contribution to North Carolina.

On behalf of our member Craft Breweries, I request that production and sale of beverage products, <u>including beer</u>, be deemed an essential function and that businesses and employees engaged in these activities be exempted from any shelter-in-place order that may be issued.

On March 16th, Federal government issued updated <u>"Guidance on the Essential Critical Infrastructure</u> <u>Workforce.</u>" This guidance states that: *"If you work in a critical infrastructure industry, as defined by the Department of Homeland Security, such as healthcare services and pharmaceutical and food supply, you have a special responsibility to maintain your normal work schedule.*" This guidance specifically includes the production and sale of beverages under the "Food and Agriculture" section.

Like most small businesses which do not have deep cash reserves and high lines of credit, NCCBG members are reeling today from the deep and dire economic dislocation being caused by the ongoing – and vital – effort to combat and prevent Coronavirus (COVID-19). Craft brewers are doing their part and are complying with your Executive Order to close their in-house consumption business to help North Carolina communities get beyond this crisis, but today many are on the brink of financial ruin.

To put a point on this I'd like you to consider the following:

- 240 NC Breweries or 75% of the total rely almost exclusively on on-premise sales;
- at a minimum on-premise sales accounts for more than 50% of NC independent craft beer sales; and
- most have either already laid off workers or anticipate doing so.

North Carolina's small craft brewers and their employees need your help – and we deeply appreciate all that your Administration is doing to shore up the economy during this global pandemic. Identifying the production and sale of beverages, including beer, as essential for the duration of any shelter-in-place order will help ensure these otherwise viable small breweries, brewpubs, and taprooms can weather this enormous national health emergency.

Thank you in advance for your consideration.

Sincerely,

Richard Greene Executive Director