

# From Propagation to Pint: Creating Value in A Dynamic Market

2.16.18



# About Me

Native Yakimaniac

Love all things beer

Enjoy being outside and spending time with my wife and daughter

Nearly completed with an MS in Ag from WSU

Dedicated to serving the needs of our growers

Incredibly excited to be visiting Vermont for the first time, and grateful to be here with you all today!





# Outline

- Company background
  - Mission, Vision, and Values
  - Structure of Company
- Developing hop varieties
  - Breeding for Value
  - Sensory
- Creating value throughout the supply chain
  - Crop Management
  - Supply Chain Integration



# Company background

Integrated Botanicals Management focused on breeding hops for the global brewing industry

Started in late 1980s by three families:

- Perrault Farms
- Carpenter Ranches
- BT Loftus Ranches



# Purpose, Vision, and Values

Our Purpose is to create, grow, and protect value for all within our footprint through developing first class hop varieties, relentlessly pursuing quality, and building meaningful relationships.

## Our Vision

A new normal in the hop trade where mutual benefit between stakeholders is the key driver of success. A truly sustainable industry.

## Our Values

Be Bold

Be Creative

Be Accountable

Contribute

Grow





# Structure of Select Botanicals Group, LLC

## Research and Development



Member of Hop Breeding Company, a joint venture between Select Botanicals Group, llc and Haas

**HOP BREEDING COMPANY**  
SELECT BOTANICALS GROUP • JOHN I. HAAS INC.

## Brand Management

Create and sustain value throughout the supply chain for all stakeholders through our Footprints® program

# Hop Breeding Company

Hop Breeding Company breeds and evaluates thousands of genetically different plants, looking for hops that have novel brewing and agronomic qualities to brewers and growers





# The Breeding Process

## 11 year Process



Year 1

**Parental Selection and Crossing**

Year 2

**Early Selection**

Greenhouse Screening, High Density Field Screening, 10% Selection Rate

Years 3-5 **Intermediate Selection**

Remaining plants trellised on commercial sized 18' Trellis  
1% Selection Rate

Years 6-8 **Advanced Selection**

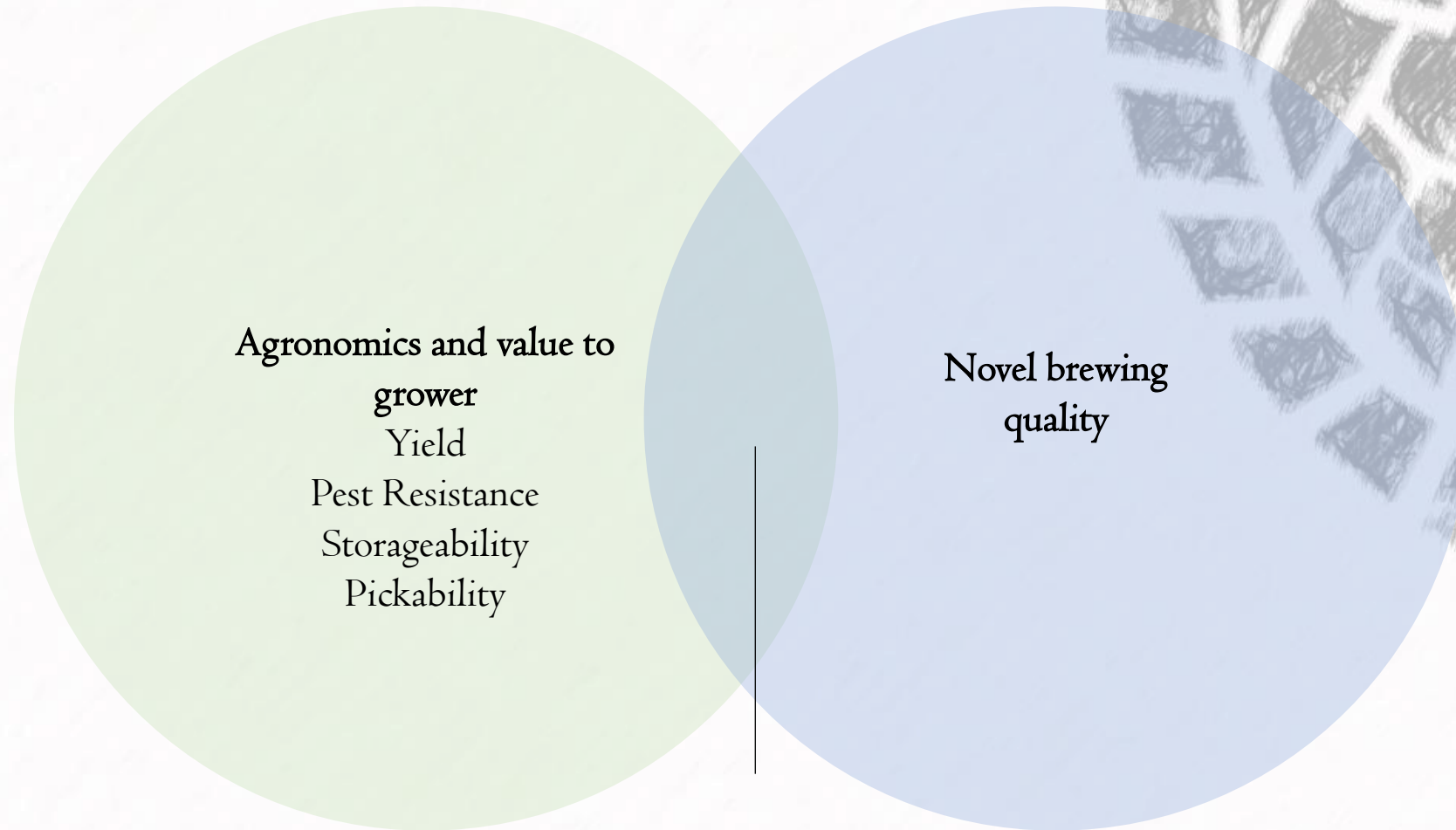
Expand selection to multi plant plots  
2% selection rate

Years 9-11 **Elite Trials**

Commercial Trials  
<1% selection rate



# Breeding to create value



Value to all stakeholders



# Developing varieties that bring value to the brewer

Requires sensory and feedback

- Working with brewers to understand their needs and desires
- Brewing trials with breweries
- Sensory training panels annually





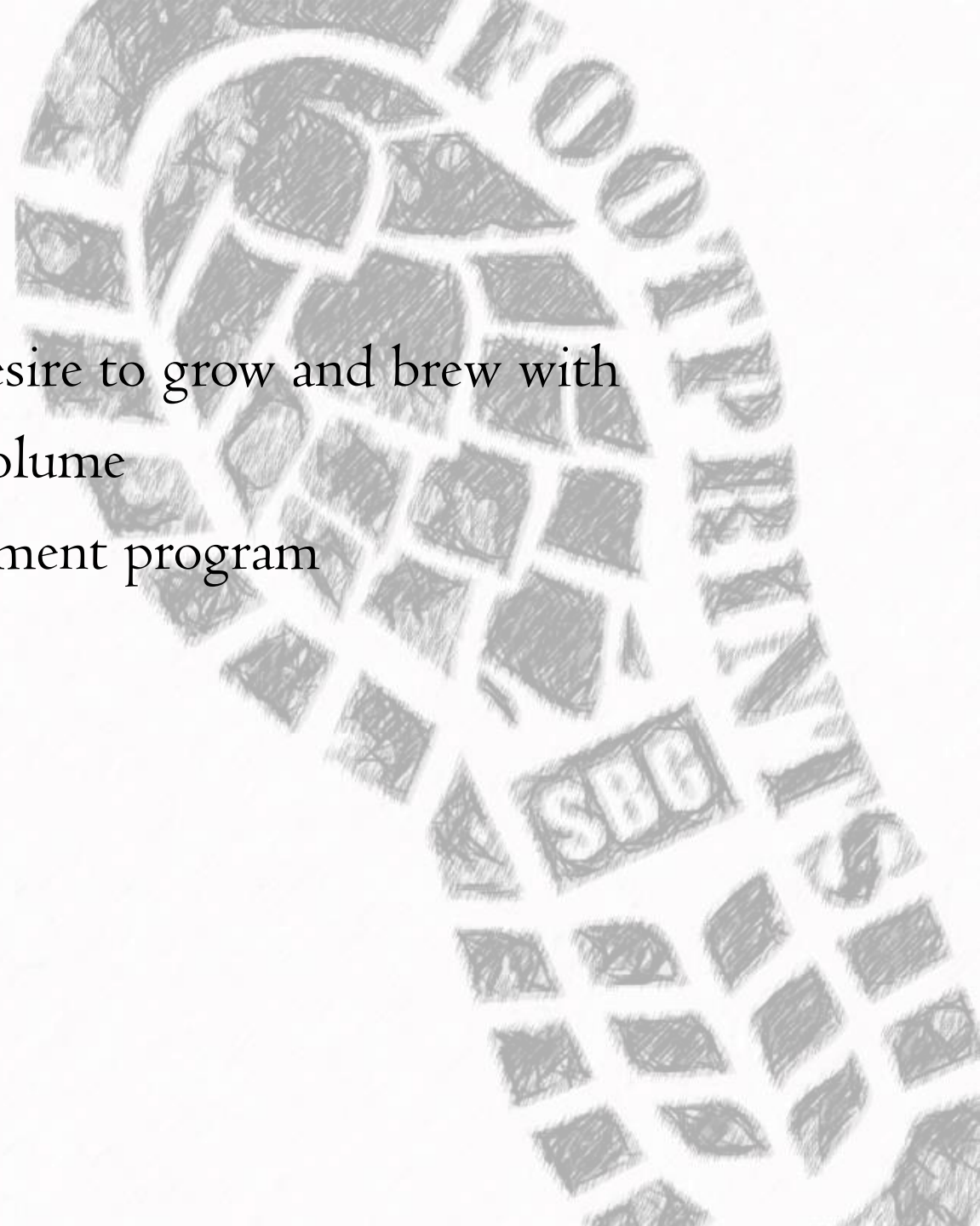
# Developing varieties that bring value to the brewer





# Varietal Release

- Proven to have value to stakeholders and desire to grow and brew with
- Trademarked and planted to cover initial volume
- Transferred from R&D into brand management program



# Select Botanicals Group Brands

Released Prior to joint venture through Hop Breeding Company

## Ahtanum™ Brand YCR I

Released in 1997

Sensory Notes: Citrus, Earthy, Floral



## Palisade® Brand YCR 4

Released in 2003

Sensory Notes: Apricot, Grass, Floral

## Warrior® Brand YCR 5

Released in 2000

Sensory notes: Very clean bittering hop



## Simcoe® Brand YCR 14

Released in 2000

Sensory notes: Piney, Citrus, Passion Fruit, Earthy

# Hop Breeding Company Brands

## Citra® Brand HBC 394

Released in 2007

Sensory Notes: Tropical Fruit, Grapefruit, Melon, Gooseberry, Lychee Fruit, Citrus



## Mosaic® Brand HBC 369

Released in 2012

Sensory Notes: Fruity, Floral, Citrus, Earthy, Melon, Tropical, Blueberry, Grassy



## Ekuanot™ Brand HBC 366

Released in 2014

Sensory Notes: Melon, Berry, Citrus-Lime, Apple, Papaya, Green Pepper



## Loral™ Brand HBC 291

Released in 2016

Sensory Notes: Floral, Citrus, Peppery, Dark Fruit



# Brand Management

We define our footprint as everything and everyone from grower to beer drinker

What is Footprints™?

Footprints™ is the name we have given to our whole brand management program, including the following areas:

- Vertically integrated supply chain
- Fair, sustainable returns and pricing to growers and brewers
- Quality and food safety guidelines
- Employee development
- Community Stewardship





# Footprints™ Supply Chain

All hops produced under our Footprints™ program are sold through Yakima Chief Hopunion, another grower owned organization that is focused on long term value and sustainability.

YCH and SBG work together:

- Fair, sustainable Pricing to Brewers and growers
- Feedback to growers
- Best Practice guidance
- Food safety standards
- Transparency through the supply chain
- Traceability
- Aligned Supply and Demand
  - Over 40 growers covering three states in the pacific northwest



# Footprints in the field

## Varietal Purity

- Clean plant propagation
- Site prep requirements for plantings
- Dedicated field quality program with interns from around the country

## Crop Management

- Guidance on training and pruning dates
- Research on best practices for growing different brands

## Harvest Quality

- Optimum picking date
- Proper harvesting techniques
- Proper handling of harvested hops



# BUILDING ON WHAT MATTERS MOST

## Employee Development

We invest time and resources in our people by offering training and educational opportunities to grow personally and professionally



## Stewardship

Footprints™ in the Community

Our way of investing in the community around us





# Questions, Comments, Concerns?

- Thank you so much for inviting me to be a part of today's conference, I look forward to getting to know many of you over the rest of the day!

