

Tamarron Consulting Unveils 2024 Brewer Partnership Compass: Celebrating Excellence in Brewer-Distributor Collaboration

Denver, CO – July 24th – Tamarron Consulting proudly announces the release of its 2024 Brewer Partnership Compass, a comprehensive industry report that highlights the achievements and best practices among leading brewers in their relationships with distributors. This year's edition marks a significant milestone as it is the 26th annual Tamarron Survey, showcasing insights about top brewers, including: AB InBev (ABI), Boston Beer Co. (BBC), Constellation Brands Beer Division (STZ), Diageo Beer Company (DBC), Heineken USA (HUSA), Molson Coors (MC), Mark Anthony Brands (MABI), and New Belgium Brewing Co. (NBB).

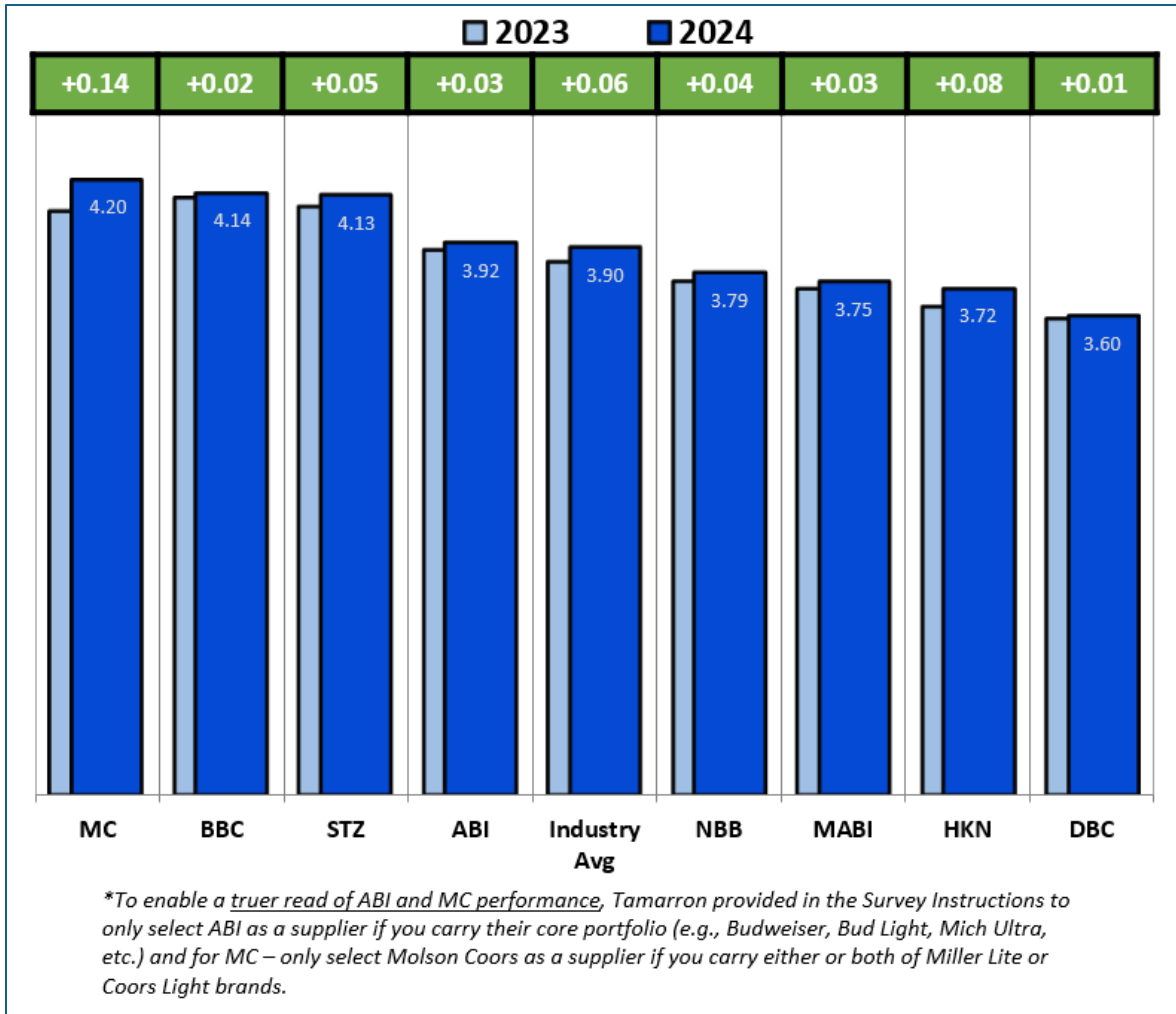
Key Highlights from the 2024 Brewer Partnership Compass:

1. Molson Coors Takes the Lead:

- Molson Coors achieved the highest overall rank in the 2024 Brewer Partnership Compass, demonstrating exceptional performance in several critical areas, including Relationships & Communication, Off-Premise Chain Accounts, Planning & Plan Management, and In-Market Support.
- With a significant improvement in its overall performance score (+0.14, the most of any brewer), Molson Coors reached an impressive 4.20 (on a scale of 1-5), the highest among all suppliers.

2. Industry-Wide Performance Improvement:

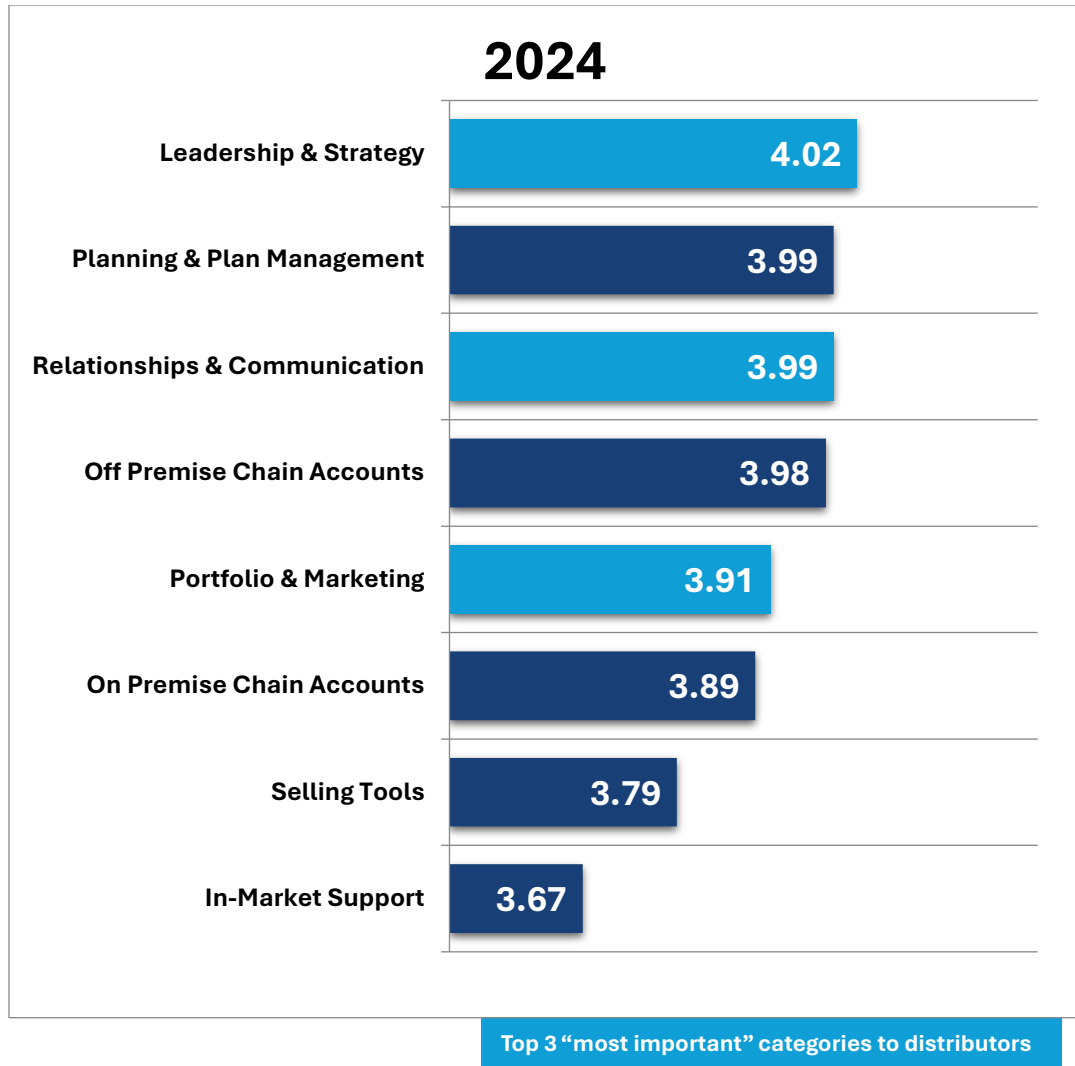
- The 2024 Brewer Partnership Compass revealed a positive trend across the industry, with all brewers seeing an increase in their overall average performance scores. This year, Boston Beer Company and Constellation Brands Beer Division maintained their positions as top contenders in the 2nd and 3rd overall positions.
- Other notable performers include Mark Anthony Brands Inc., Heineken USA, and Diageo Beer Company, all of which demonstrated improvements and contributed to the overall positive trend in the industry.



- The report highlights that industry-wide improvements were driven by better communication, strategic planning, and effective execution of market initiatives, setting a new standard for excellence in brewer-distributor collaboration.
- It's important to note that the Average Performance Score provides an overall view, but the actionable information for suppliers is at the question level. All suppliers had individual question scores that exceeded the 4.00 benchmark, but they also had scores that were below the benchmark. The table below indicates the variation in scores noting the highest question score as well as the lowest question score for each brewer.

RANGE OF SCORES	HIGHEST	LOWEST
AB InBev	4.43	3.25
Boston Beer	4.51	3.39
Constellation Beer	4.65	3.07
Diageo Beer	4.23	3.03
Heineken USA	4.27	3.14
Mark Anthony Brands	4.24	3.10
Molson Coors	4.54	3.52
New Belgium	4.32	2.67

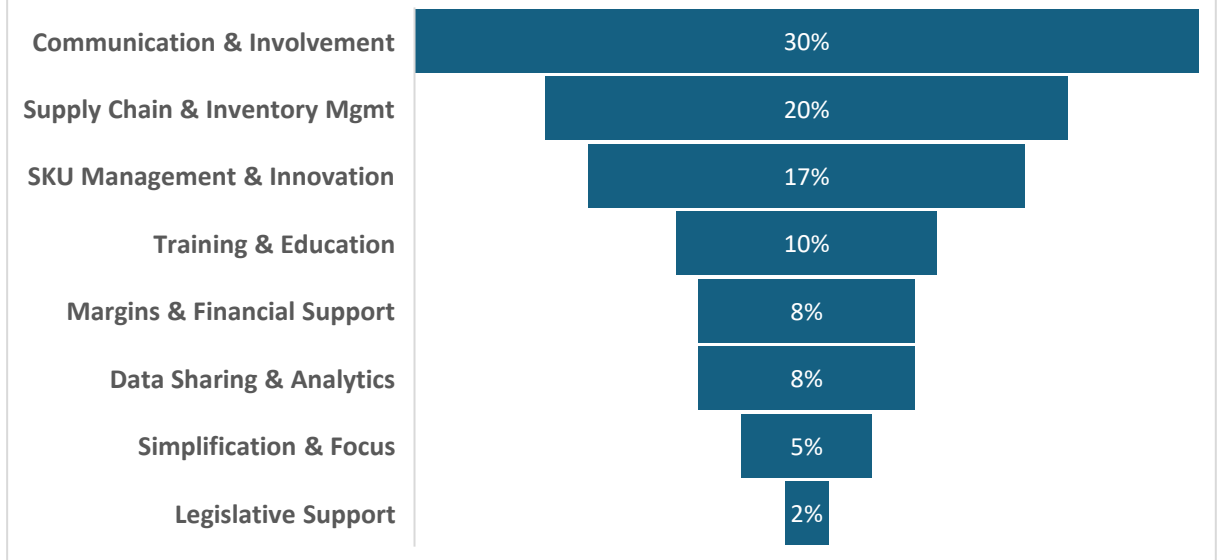
- Tamarron groups the 47 questions into 8 different categories. The average scores for each category are shown in the following chart. Leadership & Strategy, for the second year in a row, is the only category to score above the 4.00 benchmark. On Premise Chain Accounts has typically been the lowest scoring category, however in 2023 Selling Tools and In-Market Support tied or scored below On Premise Chain Accounts; this trend continued in 2024. The biggest concern relates to the lowest scoring category – In-Market Support.
- For the first time, Tamarron asked distributors to rank the top 3 most important Capability Categories for suppliers to have. The ranking in order were: #1 – Leadership & Strategy; #2 – Portfolio & Marketing; and #3 – Relationships & Communication.



3. Best Practices and Distributor Recommendations:

- The survey collected valuable feedback from distributors, identifying key areas for supplier improvement and best practices that can drive success. Major themes included Supply Chain & Inventory Management, Communication & Collaboration, Marketing & Brand Focus, and Innovation & Product Development. In 2022, Tamarron began asking an open-ended question about what it takes for a supplier to break through the clutter & become a preferred partner to distributors. Per the chart below, distributors identified several key areas for suppliers to excel.

BREAKING THROUGH THE CLUTTER & BECOMING A PREFERRED PARTNER

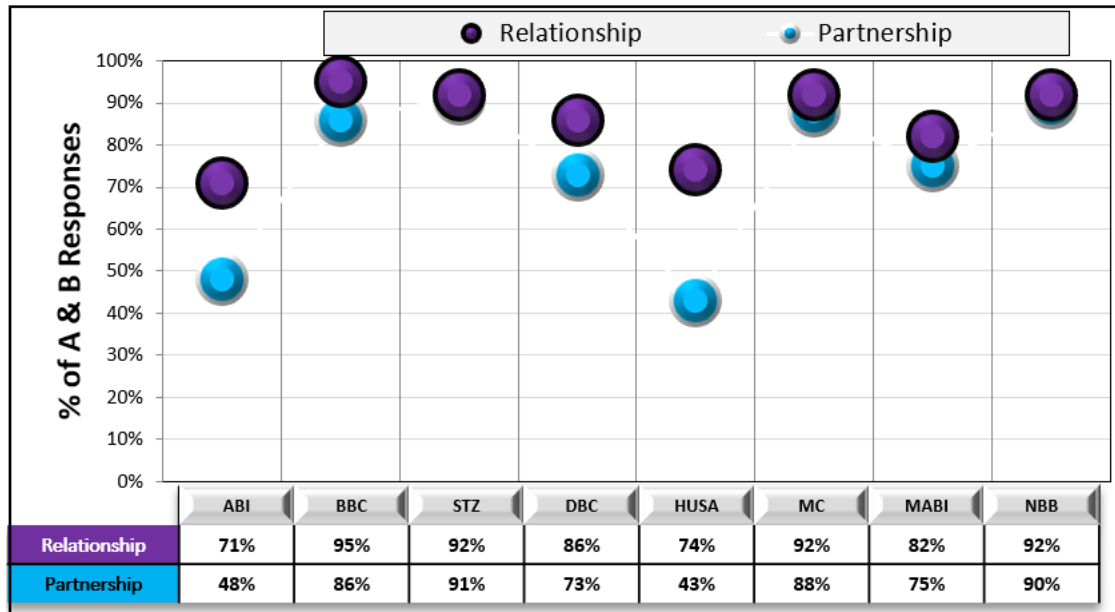


- Distributors emphasized the importance of timely and transparent communication, robust local market support, and proactive collaboration to achieve mutual business growth. These recommendations provide a roadmap for brewers to enhance their relationships with distributors and address common challenges effectively.
- **Communication & Involvement** incorporates both improved communication as well as greater presence in the distributor's operation and at retail.
- With **SKU Management & Innovation**, distributors are looking for suppliers to reduce underperforming SKUs, focus on high potential innovation and generally maintain a more streamlined portfolio.
- **Training & Education** refers to a supplier providing meaningful training for distributors as well as supplier field teams.
- Distributors are looking for healthy margins especially on the high end. They are also looking for more flexibility with pricing models and sharing of marketing and outdated product costs. **Margins & Financial Support** encompasses these asks.
- In general, suppliers have more access to **data and insights** than distributors. Distributors are looking for suppliers to help them leverage this data to optimize decision-making and sales.

4. Category Leaders in Partnership & Relationship:

- The 2024 Brewer Partnership Compass recognized Constellation Brands Beer Division as a leader in the percentage of A's and B's for Partnership grades, demonstrating their strong commitment to effective collaboration. Boston Beer

excelled in Relationship grades, reflecting their dedication to building and maintaining strong distributor relationships.



5. Focused Innovation and Market Adaptation:

- Distributors highlighted the need for focused and realistic innovation goals, urging brewers to prioritize high-potential products and discontinue underperforming brands. The survey revealed a growing interest in spirit-based ready-to-drink beverages and other Beyond Beer categories, indicating a shift in market preferences.
- The report also noted the importance of adapting to market feedback and supporting new product launches with adequate resources and transparency. Brewers are encouraged to invest in core brands while exploring innovative opportunities that align with market trends and consumer demands.

Survey Overview: The 2024 Brewer Partnership Compass survey aims to understand distributor perceptions of supplier performance, identify opportunities for improvement, and benchmark performance across the industry. The survey included 47 performance-based questions grouped into eight categories, with responses from 171 distributors from across the country. Recall that this survey goes out to distributors asking them to rate the 47 different questions on a 1-5 scale indicating how often suppliers exhibit the behaviors in the question. The scale ranges from 1 = Never to 5 = Always, with an aggregate score of 4 (often) being the minimum target. The survey was conducted from early April through mid-May.

About Tamarron Consulting: Tamarron Consulting is a leading provider of strategic consulting services to the beverage industry. With a focus on fostering successful partnerships between brewers and distributors, Tamarron delivers actionable insights and comprehensive market analysis through its annual Brewer Partnership Compass and other industry reports.