



FRESH HOPS FOR QUALITY BEER

## International Hop Growers Convention -2011 (2010 crop year)

### Hobart

The Australian hop industry hosted over 80 hop growers from the far reaches of the world; Austria, Poland, Romania, Germany, England, Slovenia, United States and the list goes on. The convention was held during the Hobart Regatta weekend and with picturesque views of Sullivans Cove, Tasmania certainly impressed our overseas guests especially with Tasmania's unusually warm spell. The event created a great atmosphere with ideas and knowledge being spread amongst the guests and overall it was a great success.

The key points that came from the market reports are as follows;

- 65% of the world's hops come from Germany (35%) and the United States (30%).
- World average alpha was 9.4%.
- 77% of the world's alpha comes from United States (40%) and Germany (37%).
- Beer production in 2011 is expected to increase to approximately 1,830 million hectolitres
- With the use of pre-isomerized hop products, alpha production continues to exceed demand.
- In the United States it was noted that Microbreweries were able to achieve profit growth of approximately 7% compared to mainstream breweries which remained stagnant.
- There were concerns that some of China's hop merchants blending crops and years.
- Organic hops remain a small part of the market, less than 1% however these hops are demanding twice the price with the main users appearing to be American. Organic hop use is expected to increase in America as rules for organic beers have changed i.e. to be an organic beer they must use organic hops (previously this was not the case).
- Hop acreage in the United Kingdom remains stagnant although due to a lack of succession planning this is expected to decrease in the next 5 years.
- United States: with only 50-60 growers and being able to rapidly adjust to the market the United States expects a reduction in acreage in 2011, there is also a move to higher alpha hops on less acreage. The overall rule in the United States is to align the acreage (or garden) with the contract.
- Germany: hop production in 2011 is expected to decrease as growers transfer to more profitable crops, certain varieties are demanding higher prices than others. With over 1,200 growers able to change crops fairly rapidly it is difficult to judge at this stage what will occur in 2011. On a side note: the hail storms in 2009 occurred on the same day as the hail storms of 2010 fortunately the good yield on the unaffected crops made up for the shortage.
- Across the board there was a consensus that breweries are moving towards the aroma varieties due to growth and increased margins of the boutique brews.

Growers & Suppliers of Hops & Hop Products

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