

WHAT IS CIDER?



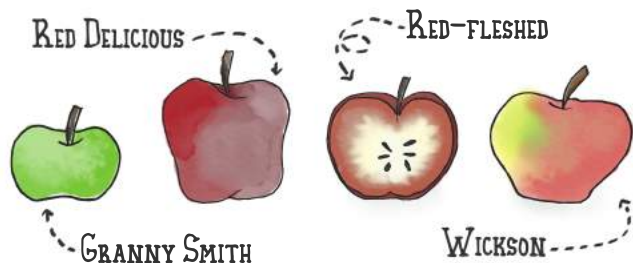
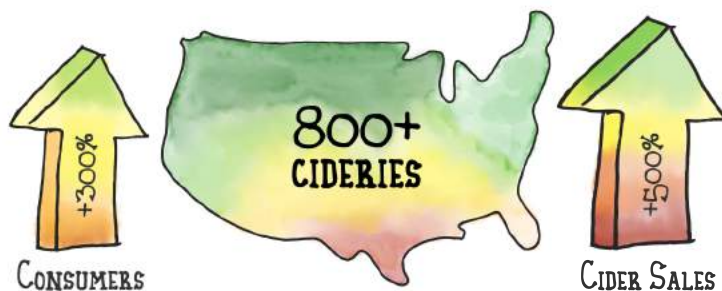
Cider is an alcoholic beverage made from fermenting apples. Other fruits, botanicals and spices are sometimes added. Cider is not brewed, but created using a process similar to making wine.



Apple-flavored or fruit-flavored malt beverages, apple ales, and hard lemonades are not cider. These are beer.

CIDER IS GROWING. Cider is its own category with at least a dozen different styles, and it's a category that's growing.

- Off Premise Cider is up 12.9% driven by Regional Cider brands (+24.3%, +\$7MM)
- National Cider is also growing up 9.2% equating to a \$8.3MM (Q2 2018)
- There are over 800 cideries in the US
- Cider sales have grown ~500% since 2011
- The number of consumers who prefer cider over beer, wine and spirits has increased 300% in ten years



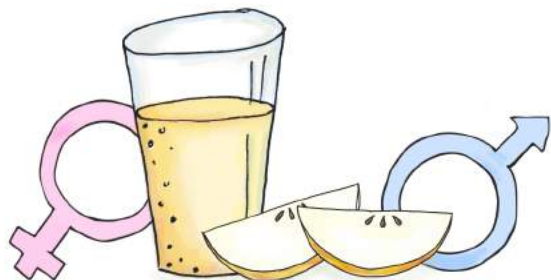
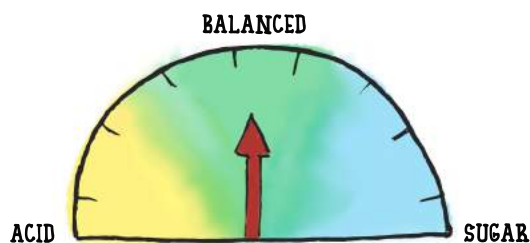
Qualities that impact the way a **CIDER TASTES:**

- Apple varieties have unique acid, tannin and sugar levels; Terroir (climate and soil) can also impact the flavor
- Amount of sweetness is the cidemaker's choice:
 - + Cider can be fermented bone dry or left semi-sweet
 - + Sometimes sweetness is added with juice, honey or different sugars
 - + Fruit or botanical additions, either pre- or post-fermentation can influence a cider's appearance, aroma and flavor

CIDER IS A YEAR-ROUND BEVERAGE:

Thanksgiving and 4th of July are the biggest weeks for cider, but Christmas, Labor Day, Valentine's, the Super Bowl and Memorial Day are also strong sales-drivers.

- Sales spike in the fall because of its seasonal harvest appeal.
- Sales grow in the summer because it is light, crisp and refreshing



CIDER is low-abv (compared to spirits and wine) & gluten-free. It is more food-friendly than beer OR wine! Cider cocktails are an increasingly popular low-abv option. Millennials & Generation Z seek low-abv and sessionable beverages when making purchase decisions.

Cider consumers are more gender balanced than beer consumers. 50% of cider consumers are men and 50% are women.

CAPITALIZING ON CIDER'S GROWTH:

- EDUCATION. Make sure staff is well-trained in cider
- Make staff recommendations with tasting notes
- Designate and label a dedicated cider section
- Work with reps to offer in-store samplings

