



# THE MBAA Communicator

News of the Master Brewers Association of the Americas

## CROP 2012 HOP SUMMARY REPORT

The 31,933 acres of hops harvested in the United States in 2012 represented an increase of 2,146 acres (+7.2%) from the acreage harvested in 2011. The 2012 U.S. hop crop represented approximately 25% of the world's hop acreage, approximately 30% of the world's hop production and approximately 40% of the world's alpha acid supply.

The increase in acreage from 2011 to 2012 was market-driven and reflected the increased demand from craft breweries for aroma varieties and the continued over-supply of bitter hops. Within the three hop growing states of the Pacific Northwest, Washington acreage increased 7.4%, Oregon acreage increased 6.4% and Idaho acreage increased 7.0%. With these increases the U.S. hop acreage is closer to the level of 2007 when a hop shortage precipitated an increase in acreage the following year by approximately 32%.

The U.S. Department of Agriculture's National Hop Report, <http://usda01.library.cornell.edu/usda/current/hops/hops-12-17-2012.pdf>, released December 1, 2012, reported that the 2012 crop totaled approximately 61.2 million pounds (27,782 MT). The 2012 harvest was 3.5 million pounds (-5.5%) less than 2011 and 4.2 million pounds (-6.5%) less than 2010. Crop 2012 yields decreased from 2011 by 259 pounds per acre (-11.8%) to an average of 1,941 pounds of hops per harvested acre. This decrease in yield was due largely to the increased planting of lower-yielding aroma varieties.

According to the National Hop Report, the Super High Alpha varieties of Columbus/Tomahawk and Zeus decreased by 1,330 acres (-18.7%) from 2011. Proprietary varieties Citra and Simcoe increased by 744 acres (+101%) while Millennium, Palisade, and Warrior varieties decreased by 115 acres (-12%). Proprietary varieties Apollo, Bravo, and Super Galena decreased by 170 acres (-6.4%). The proprietary varieties of Amarillo, Chelan, and Summit were not individually reported in 2012 in order to avoid disclosure of individual operations, however, Summit acreage accounts for a meaningful segment of Washington bitter hops. An estimate of 2,477 acres for 2011 Summit acreage was provided by the owners of the variety. This amounts to a decrease of 761 acres (-24%) as compared to acres reported in 2009. Traditional U.S. bitter varieties of Chinook, Galena, and Nugget had varying degrees of increases and decreases in acreage. Chinook continues to be supported by one major brewery and many craft breweries and increased by 643 acres (+112%) to 1,215 acres in 2012. Galena acreage continued its decline (-33%) as a result of brewers making a transition to Super Galena. Since its peak in 1993, Galena acreage has decreased by 896% from 9,184 acres to 954 acres in 2012. Nugget acreage increased in 2012 by 195 acres (+8%) as compared to 2011 and remains an important variety with multiple users who value its brewing characteristics.

In 2012 Willamette continued its decline with a further reduction of 76 acres (-4.5%). It is anticipated that Willamette acreage will continue to decline in acreage in 2013 due to reductions in contracted quantities by a major brewer. Since its peak in 1997 Willamette acreage has decreased by 789% from 7,578 acres to 1,597 acres in 2012. In 2012 Cascade was for the second time the most widely grown aroma variety. It increased by 668 acres (28%) to 3,039 acres. It is now grown on more acres than Nugget and is the second most widely-planted variety accounting for approximately 9.5% of U.S. hop acreage. It is anticipated that Cascade acreage will increase again in 2013 due in large part to the growth in the craft brewery segment of the industry. Cascade also continues to gain acceptance by international brewers. Centennial also saw a major increase in acreage in 2012, climbing from 641 to 1,686 acres (+163%).

Other aroma and mid-alpha varieties including Cluster, Fuggle, Glacier, Golding, Mt. Hood, Perle, Sterling, Tettnang, and Vanguard continue to be supported less by larger brewers and more by the U.S. craft brewing industry. In most cases it is expected the acreage of these varieties will remain stable or increase due to favorable growth in the craft brewing segment of the industry which represents about 5% of the U.S. beer market. There are now 2,751 breweries operating in the United States—more than at any other time in American history, according to data recently released by the Beer Institute, an industry research group.

The Pacific Northwest is highly dependent on snowfall in the Cascade Mountain Range to supply hop growing regions with irrigation water. The winter of 2011–2012 saw above average precipitation and snowfall which benefited irrigation districts. A prolonged cool period during the spring delayed emergence of first year planting. Later in the growing season hot weather caused an increase in mite pressure. The industry was also affected by a new strain of powdery mildew which required increased pesticide applications on previously resistant varieties. All of these factors affected the crop, however, the total production was still very close to the August 1 estimate of 61.5 million pounds.

The outlook for 2013 is for further decreases in bitter hop acreage coupled with further increases in U.S. aroma hop acreage.

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