

Welcome to Hop Country

Maggie Elliot – Hop Growers of America

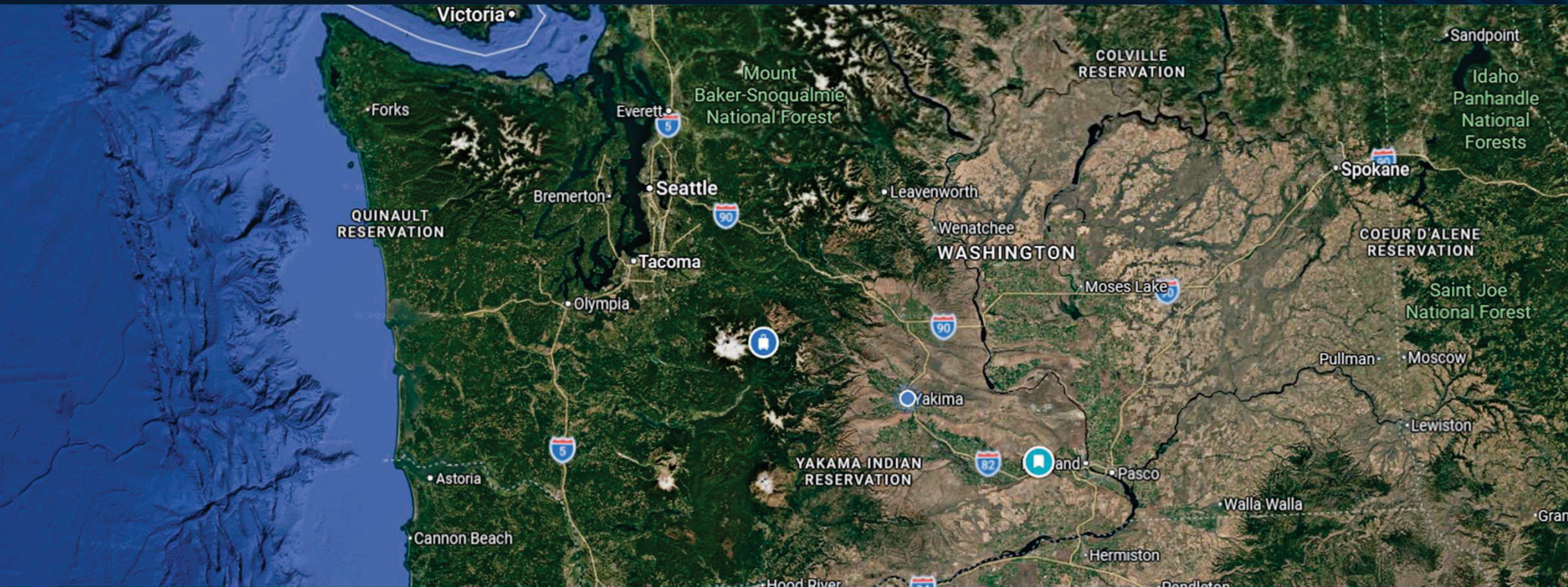




**HOP &
BREW
SCHOOL**



Washington State



Yakima Valley



Pacific Northwest Growing Regions

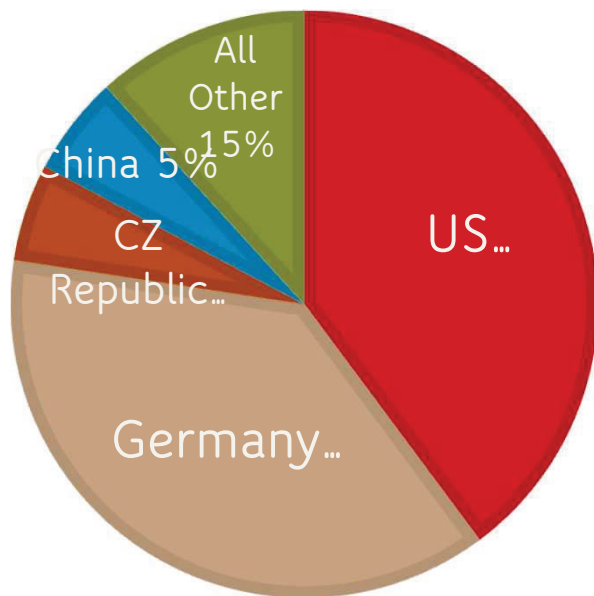
Idaho



Oregon



World Hop Production



- Pacific Northwest cultivates over 98% of hops in the United States
- The U.S. contributes 35-40% of the world hop supply
- Germany provides 35-38% of the world hop supply
- U.S. and Germany dominate market: all other countries contribute remaining ~15%
- Market concentration = volatility in supply chain

What's so special?

- Extremely sensitive & demanding of day length and light
- Susceptible to mold/mildews and fungus



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SCHOOL**



Hop Growing Latitudes



Comparatively Speaking

REGION	LATITUDE	EFFECTIVE DAY LENGTH ¹	DAILY LIGHT INTEGRAL	AVERAGE TEMP (F) ²	PRECIPITATION
George, South Africa	34 00'S	15:00	45-60	63°	27 inches
Victoria, Australia	36 35'S	15:48	50-65	65°	20-30 inches
Tasman Region, New Zealand	41 30'S	16:33	45-55	62°	35-45 inches
Hallertau, Germany	48 35'N	17:39	40-48	60°	30-35 inches
Zatec, Czech Republic	50 00'N	18:13	42-50	60°	20-25 inches
Wye, England	51 10'N	18:26	38-45	59°	25-39 inches
Yakima, WA, USA	46 34'N	17:02	50-65	64°	8-10 inches
St. Paul, OR, USA	45 12'N	16:51	45-55	60°	33 inches
Wilder, ID, USA	43 36'N	16:36	55-65	63°	10-12 inches

1 - Effective day length (photoperiod) calculated by adding daylight + civil twilight during the summer solstice at each location

2 - Average temperature from April - September in northern hemisphere and October - March in southern hemisphere

Status of Supply Chain



Status of Supply Chain

The Craft Beer Boom

Popularity of hop-forward beers dramatically increased demand
Craft beer uses considerably higher hopping rates (5.6x more hops)
American craft brewers generally purchase U.S. hops
Between 2011-2021 American hop acreage doubled
Shifted the paradigm of the U.S. industry

- *Aroma and proprietary hop varieties*
- *Harvest on-farm selection access*
- *Attention to food safety and quality*
- *Sustainability initiatives*
- *Increased consumer interest*



Status of Supply Chain

2022- Present Day: Market Correction

In 2011 U.S. harvested 29,787 acres of hops.

In 2021, U.S. harvested 62,259 acres.

In 2025, 41,654 acres harvested.

- Washington state decreased 28.7% since 2021
- Oregon decreased 28% since 2021
- Idaho decreased 47% since 2021

PNW decreased 32%



Status of Supply Chain

Looking Forward:

Still Too Much Alpha in Global System¹

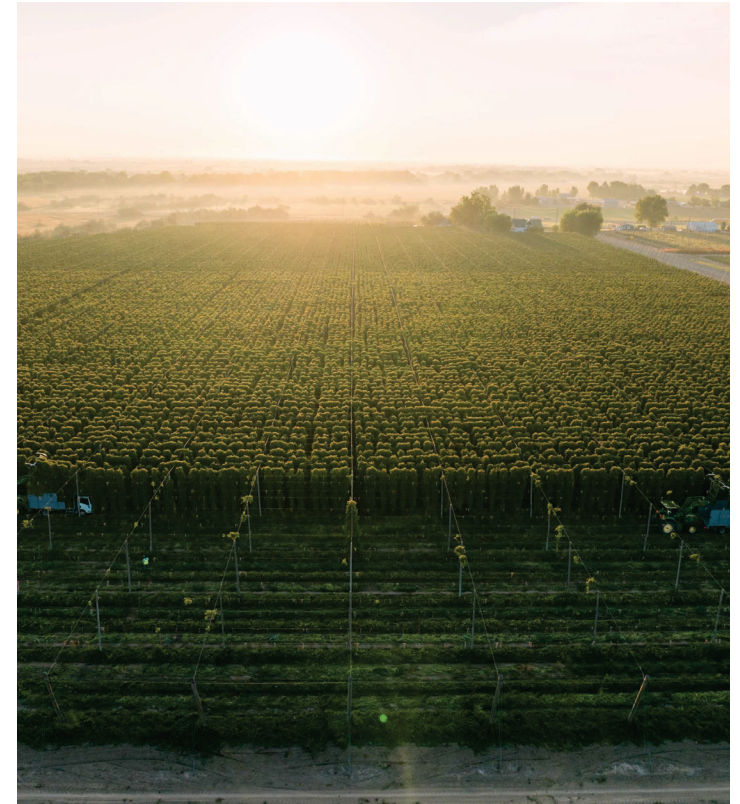
Alpha demand fallen 12% since 2021

Alpha demand may be below 10,000 t, last seen 2015

Anticipated surplus of 1,300 t alpha 2025

Since 2021, US has cut 19,218 acres (32%)

Since 2021, Germany has cut 4,097 acres (8%)



1- November 2025 IHGC Market Report

Status of Supply Chain

2025 World Market Dynamics

Aroma:

U.S. produced 43% of total global pounds of aroma hops

Germany harvested 27% of total global pounds of aroma hops

Alpha:

U.S. constituted 24% of total global pounds of alpha hops

Germany produced 53% of global total pounds of alpha hops

2025 Aroma & Alpha Split

United States: total pounds produced were 66% aroma, 34% alpha varieties

Germany: total pounds produced were 36% aroma and 64% alpha varieties



Trade Access



Trade Access

What are MRLs?

Maximum Residue Level

- The legally permissible highest level of pesticide residue allowed in or on food and animal feed
- Determined through scientific assessment considering toxicity, expected levels on food, and potential exposure for consumers



Trade Access

Integrated Pest Management

- Goal is to control, not eradicate
- Pest populations are continually evolving
- Avoid selecting for resistance
- Need diversity of tools -different modes of action



Trade Access

Challenges Spur Collaboration on Hop MRLs

Issues impact global hop industry
Uncertainty poses business risks
US-EU Hop Industry Coordination
IHGC Representation on Codex



Thank you!

