Madame Chairperson Taylor, Vice Chair Bonham, and esteemed Committee Members,

My name is Paul Reiter. I am a Co-Founder and CEO at Great Notion Brewing and I am submitting my testimony today in support of Senate Bill 616, which would increase the case per residence per month from two to five. We have 3 taprooms in Oregon and employee around 100 people. We just hit our 7 year anniversary and last year was unfortunately our toughest year in business. Had we been allowed to ship and deliver more beer directly to Oregon consumers than we currently are allowed, it could have significantly helped us financially last year and headed into this recession and for sure helped us sleep better at night.

Great Notion is a bit different than most other breweries in Oregon. We were the first ones in the state to brew hazy IPAs and overly fruited culinary-inspired sours. We also focus predominantly on selling our beer direct to consumers. Before the pandemic, our customers would line up every Saturday morning to purchase multiple cases of beer directly from us. We frequently sold out of beers on the same day they were released, having taken three weeks to produce.

Lining up large groups of people became a problem when the pandemic hit. We no longer wanted to promote nor encourage large gatherings. Luckily - our App was ready 1 month after the pandemic hit.

We started our direct to consumer shipping and delivery initiatives pre-pandemic. We had the foresight to do this because opening new locations is extremely costly (around $500,000+ per new location for equipment and construction). We thought to ourselves - "what if we could simply deliver beer locally with DoorDash like Amazon delivers gadgets or pizza shops deliver pizza? Or what if we could ship to Bend or Astoria or even to other states direct to peoples' homes?" We started working on a mobile App back in 2018/2019. We wanted to build something fun like Nike's App, for example. We applied for the beer carrier for hire license and were approved early on. The pandemic hit in March 2020 and our App was ready in April 2020. It allowed customers to purchase beer from us on their phone and then no longer have to come wait in line - they could then come pick the beer up from us at their leisure within a couple of days. We thus stopped encouraging large gatherings.

Version 2 of our App allowed us to pack and ship beer via UPS ground direct to beer drinkers' homes in Oregon as well as 10 other states. We also integrated our platform

with DoorDash and customers could have our super limited batches of beer delivered locally to their homes within an hour or less. Many states allow a much higher volume of cases of beer to be delivered or shipped to their homes, i.e., California or Washington. Some, I think Kentucky allow up to 10 cases.

These e-commerce services of shipping, local delivery, and pre-pay App pickup services SAVED US during the pandemic. When people could not legally come drink our beer in person, and also even after - during difficult times like Omicron, RSV, forest fires / poor air quality times - having these services saves our business. And if people can't order enough beer for large gatherings like BBQs, weddings, holiday soirees, happy hours, friends and family get togethers - it hurts our business. PLEASE PLEASE PLEASE increase the amount of beer that people can have delivered or shipped to their homes to 5 cases of 16oz cans! If wine is allowed to be sold at much higher quantities, then why not beer? Our customers need Great Notion beer in bulk for their special occasions.

As for age verification - on the Great Notion Mobile app, where 90% of our e-commerce sales come from - we have an "ID" section where users have to enter their DOB. Then, at delivery time, UPS and DoorDash verify the customer is 21 or over.

Thank you very much for your time!

Paul Reiter
CEO
Great Notion Brewing