



Thank you for allowing me to testify in support of Senate Bill 381.

Boulevard Brewing Company was founded in 1989 in Kansas City, Missouri. The company has grown to become the largest craft brewer in the Midwest, with over 100 employees and investments in plant and equipment totaling more than \$60 million. Although we distribute our family of fresh, flavorful beers in 21 states, the state of Kansas currently accounts for 24% of our total sales.

On our drawing board is a plan to create a full-flavored, lower alcohol product, below 3.2% in strength — what would be classified in Kansas as a "cereal malt beverage." Under current state law, this new product could not be sold in any on- or off-premise account in the state of Kansas licensed to sell full-strength product, known as "beer." For example, no restaurant, no liquor store, no stadium, racetrack, concert venue, etc. that possesses a "beer" license would presently be able to legally sell such a lower alcohol product, despite the seemingly clear benefits of moderation that such a product would represent.

Simply put, we do not understand the rationale for preventing the sale of lower-strength "cereal malt beverages" in any account already legally empowered to sell full-strength "beer."

Please note that Boulevard Brewing Company has no position on Senate Bill 54.

I appreciate this opportunity to share my thoughts with you, and thank you for your consideration.

John R. McDonald Founder and President