



WHAT'S ON TAP

VOL. XI

2024

Glazer's
Beer & Beverage

LEADERSHIP THOUGHTS

HARNESSING OPPORTUNITIES: A GAME PLAN FOR BEER DISTRIBUTION



"Most of us don't recognize opportunity until we see it working for a competitor."

— Jay Huenfeld

For a beer distributor, Memorial Day weekend through Labor Day is the most profitable and busiest time of the year. Forecasting the summer of 2024 was an exercise in optimism. Covid -19 and the serious misstep made by our main competitor changed consumer behavior in ways that were impossible to predict. Now that the summer is ending, and we are turning our attention to football and all the fall offers, it is a good time to talk about the opportunities we see in the market and our plans to address them.

First, we believe that C-Stores offer us an opportunity to grow share and drive profits. We will leverage the strength of your premium brands to gain space and displays. We will drive distribution of single serves and high abv flavor brands in the cold box and in the ice bins.

We will continue to focus on our growing portfolio of alternative alcohol and non-alcoholic brands to attract new drinkers and offer the best products for all drinking occasions. Prioritizing execution outside of the cold box in independent accounts continues to deliver strong results for these brands.

We will focus on best-in-class execution in all channels to ensure we close all chain mandates, deliver our mutually agreed upon distribution targets, gain "more than market share" display space, elimination of out of stocks, and ensure proper pricing in every account.

Finally, we look forward to hearing your brand plans for 2025 and developing great plans with you to seize the opportunities in the market. None of us can accurately predict what the consumer will do, but we remain certain that staying focused on the fundamentals will prepare us to make the most out of whatever opportunities present themselves.

Good Selling!

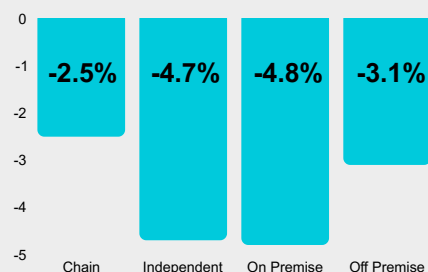
— Will Herrin

Senior Vice President of Sales & Operations



TRIMESTER 2 2024

CHANNEL REVENUE TRENDS



NET SALES

(ENDING AUG. 31ST 2024)

| | |
|-----------|-------|
| 3 MONTHS | -5.5% |
| 6 MONTHS | -1.7% |
| 12 MONTHS | 2.6% |

GROSS PROFIT

(ENDING AUG. 31ST 2024)

| | |
|-----------|-------|
| 3 MONTHS | -3.9% |
| 6 MONTHS | -0.3% |
| 12 MONTHS | 4.1% |

OPTIMIZE PROCESSES

SIMPLIFYING DATA ACCESS

To empower our business users with more intuitive and efficient access to critical data, we are introducing new workflows designed to streamline the integration of ERP data into our internal reporting solutions.

This initiative aims to simplify how users view and utilize ERP information, making it easier to generate insightful reports and drive data-informed decision-making.

By creating seamless flows for data access, we enhance usability and ensure that our internal reporting processes are both effective and user-friendly, ultimately supporting better business outcomes and more strategic insights.

In our pursuit of blending innovation with stability, we are excited to introduce the creation of BI dataflows designed to offer business users unparalleled flexibility while maintaining the robustness of our data warehouse.

EXECUTE AT THE HIGHEST LEVEL

WACO'S ON-PREMISE TEAM WITH ANOTHER UNFORGETTABLE EVENT

Thanks to the exceptional efforts of Brent Railsback, Kris Bail, and Ricky Gutierrez, Waco's On-Premise team delivered an outstanding 2024 Cinco de Mayo celebration.

The team's excitement and creativity truly embodied the vibrant culture that Cinco de Mayo represents, ensuring that every detail reflected the cheerful spirit of the holiday. The event featured instantly recognizable decorations with colorful displays that created a lively atmosphere.

This vibrant setup not only attracted a significant crowd but also fostered an inviting environment that encouraged attendees to join in the festivities. Throughout the day, a variety of interactive activities kept guests entertained,

This new approach allows users to explore and manipulate data with greater creativity and autonomy, fostering innovative analysis and reporting.

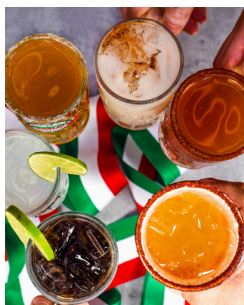
At the same time, it ensures that the underlying data warehouse remains stable and reliable, providing a solid foundation for consistent and accurate insights. By harmonizing flexibility with stability, we aim to enhance the power of our BI capabilities and support more dynamic and informed decision-making across the organization.



providing a brilliant mix of amusement and exposure into Cinco de Mayo traditions.

A Cinco de Mayo celebration wouldn't be complete without exceptional beverages, and Waco's Cinco de Mayo event certainly delivered. Drinks were intentionally selected to provide a delightful array of flavors, catering to various audiences and enhancing the overall experience. Attendees were keen to sample new beverages and embrace the holiday spirit.

Needless to say, Waco's On-Premise team is the perfect example of folks at GBB who have a knack for executing thoughtfully crafted events. Whenever this team identifies a chance to enhance brand exposure and contribute to the Waco community, they eagerly seize it. We're proud to have such exemplary employees who are enthusiastic about sharing their passion with their communities.



FOCUS ON PEOPLE



"I started as a Category Analyst then moved to a C-Store DSM and now Brand Manager. Throughout every move, I had the support of my direct supervisor, my peers and other managers. I'm grateful to have been encouraged and empowered by my coworkers' support."

SARAH AREDONDO
Brand Manager

SAN ANTONIO



FRIENDLY COMPETITION

The GBB network loves to admire exceptional efforts of its Large Format Off Premise Sales Team. Among its standout members are Luis Villareal and Rafael Rosales, who exemplify dedication and strategic skill in their roles. Covering two of Glazer's top-performing Walmart Supercenters in El Paso, TX, Luis and Rafael consistently deliver outstanding results.

In a lively display of professionalism and competitive spirit, Luis and Rafael engaged in a friendly battle to maximize sales and secure incremental displays ahead of Memorial Day. Their efforts culminated in a remarkable outcome: both individuals successfully sold and delivered over 1,000 cases to each location on the Friday preceding the holiday weekend.

Luis and Rafael's recent achievement not only highlighted their individual capabilities but also paints a picture of how two passionate individuals can influence a market. Their collective impact on sales and promotional initiatives is significant, but furthermore, these two stand out employees encourage others in the industry to lean in and inspire folks to go the extra mile.

The energy and enthusiasm that Luis Villareal and Rafael Rosales bring to work each day will continue to drive impressive sales results at top Walmart Supercenters in El Paso, Texas. In the meantime, the Glazer's Beer & Beverage network is enticed to see how their leadership inspires emerging employees and shapes the work ethic of the next generation.



ACHIEVE DIFFERENTIATED RESULTS

LABOR DAY GEAR RESULTS

GEAR is an initiative where leadership conducts surveys to evaluate off-premise displays. There are seven assessments throughout the year, each timed to coincide with key beer holiday weeks. Leadership rotates through branches to visit all markets and support sales teams.



95.49% OF ACCOUNTS SURVEYED HAD GLAZER'S MEXICAN IMPORT DISPLAYS

94.36% OF ACCOUNTS SURVEYED HAD GLAZER'S PREMIUM AND ABOVE PREMIUM DISPLAYS

97.74% OF ACCOUNTS SURVEYED HAD GLAZER'S FMB, SELTZER, CRAFT AND ECONOMY DISPLAYS

84.21% OF ACCOUNTS SURVEYED HAD GLAZER'S NON-ALCOHOLIC / ALTERNATIVE BEVERAGES

EXECUTE AT THE HIGHEST LEVEL



**LOWE'S MARKETPLACE
#37 | ODESSA**



**STRIPES 40724 |
MCALLEN**



**MARKET STREET #674 |
MIDLAND**



**WALMART 1041 |
MCALLEN**



**BORDER TOWN FOODS
#1 | MCALLEN**



**DOLLAR GENERAL
#19045 | MIDLAND**



**WALMART 1041 |
MCALLEN**



STRIPES 5093 | WACO

ACHIEVE DIFFERENTIATED RESULTS

T2 2024 RESULTS

| GBB PERFORMANCE | CASE EQUIVS | NET SALES | GROSS PROFIT |
|-------------------------|-------------|-----------|--------------|
| | ▼ -5.0% | ▼ -3.3% | ▼ -1.8% |
| SUPPLIER PERFORMANCE | CASE EQUIVS | NET SALES | GROSS PROFIT |
| MILLERCOORS | ▼ -7.3% | ▼ -6.2% | ▼ -3.9% |
| HEINEKEN USA | ▼ -5.1% | ▼ -8.0% | ▼ -7.0% |
| CONSTELLATION BRANDS | ▲ 6.7% | ▲ 7.8% | ▲ 8.4% |
| BOSTON BEER CO. | ▲ 2.3% | ▲ 4.5% | ▲ 7.5% |
| PABST BREWING CO. | ▼ -6.5% | ▼ -6.6% | ▼ -4.3% |
| DIAGEO-GUINNESS USA | ▼ -4.9% | ▼ -4.8% | ▼ -4.1% |
| THE GAMBRINUS COMPANY | ▼ -8.6% | ▼ -6.4% | ▼ -5.1% |
| MARK ANTHONY | ▼ -6.2% | ▼ -5.8% | ▼ -2.7% |
| FIFCO USA | ▼ -14.7% | ▼ -12.4% | ▼ -12.3% |
| NEW BELGIUM BREWING CO. | ▲ 15.0% | ▲ 15.1% | ▲ 15.4% |

DEVELOP INFLUENTIAL BRANDS

MONACO

Glazer's Beer & Beverage of Texas will launch Atomic Brand's Monaco Cocktails in a wine based format this October. Previously available as a spirit based RTD, the addition of wine based will open distribution opportunities in large and small format stores throughout the state of Texas.



AMERICAN LIGHT

As beer drinkers are seeking lighter easy drinking options, the Boston Beer Company is launching Samuel Adams American Light in 15 US markets including Texas. National distribution is expected in March 2025.



VMC

E&J Gallo Winery found success in Texas with it's VMC cocktails line up. The 5.5% RTD is available in Margarita, Jamaica and Paloma flavors. GBB is currently expanding distribution of VMC cocktails to it's other states.

