



# Pay Per Fill Program

## Keg Management for Craft Brewers

HopGistics

### Managing your keg float is not simple...

- The three-tier system creates complexity in the supply chain especially when breweries begin distributing outside of their local markets.
- To service a single tap at a bar, a brewery needs to invest in approximately 5 to 8 kegs and running out of kegs at the wrong time is costly.
- Breweries are responsible for getting their empty kegs back from wholesalers and managing keg deposits and credits.
- Keg inventory shrinkage is estimated to be approximately 5% - 10%.

### Our Pay Per Fill program makes it easy.

Breweries participating in our Pay Per Fill program turnover most of the keg float management activities to us and pay only when they use a keg. The brewery's focus is filling kegs and shipping them out the door. The program is designed to remove headaches and improve the economics of the brewery.

- No more worrying about the location of empty kegs (while still paying for them).
- No more hassle coordinating empty keg retrieval and waiting for kegs to be returned.
- No more managing keg deposits and credits with wholesalers.
- Reduce financial risks of over purchasing because of inaccurate projections.
- Facilitate growth and planning by moving kegs to a true variable expense versus a fixed monthly expense or upfront capital investment.





- **Regional Focus:** Our regional focus aligns with breweries seeking to build their brands in the south. We have simplified our Regional rates into a single per keg rate so brewery members do not have a disincentive to expand within the region due to pay per fill rates.
- **Volume thresholds:** HopGistics works with breweries that otherwise may not qualify to participate in other PPF programs because of volume.
- **Projection cushion:** Members of our PPF Network enjoy a 20% downside cushion on their projections which is particularly helpful for breweries expanding into new markets for the first time.
- **Executive access:** Network members of all sizes benefit from direct access to executive management and the opportunity to influence future offerings.
- **Fleet Flexibility:** Our members have the flexibility to use PPF for specific distribution versus the all or nothing approach.
- **Keeping it Simple:** No hidden fees or 50 page contracts. You will know exactly the cost of each keg.

**HopGistics is building a network of Pay Per Fill brewers in the south in order to deliver the benefits of keg pooling to more breweries in the region.**

**HopGistics currently has kegs in its network across 8 states.**

