



Blackwood Brewhouse & Distillery

20th March 2023

Energy Labelling on Alcoholic Beverages Proposal
Food Standards Australia & New Zealand
PO Box 5423
KINGSTON ACT 2604

Via email to submissions@foodstandards.gov.au

Response to the call for submissions– Proposal P1059 Energy labelling on alcoholic beverages

My name is Jason Armfield and I am brewer and co-owner of Blackwood Brewhouse & Distillery, a very small craft beer and spirit producer in the southern hills of Adelaide. I write to you today, to humbly ask that you reconsider the proposal to introduce energy labelling on alcoholic beverages.

Small craft breweries are a vibrant, entrepreneurial industry that has grown significantly in Australia - 650+ breweries have an economic output of \$1.93 Billion, employing 6,891 people. Within South Australia, 72 breweries operate (including us); providing just over 2,000 jobs, boosting tourism and supporting local communities.

I would like to echo submissions made by both the national Independent Brewers Association and also the South Australian arm of the IBA, and make the following points.

- The economic climate currently for small breweries is very uncertain. Our brewery, being very small and having stringent liquor licensing requirements, means that we struggle to make any profit (and it's a husband and wife business where we don't draw any salary for our work as it is). Any unforeseen costs, like a packaging change will be detrimental to our industry generally and devastating to our small business, specifically.
- Any labelling change disproportionately affects smaller brewers. I feel like this proposed change is something that larger breweries with fewer SKUs would be able to easily accommodate. However, with smaller volumes runs, such as we have, any changes to packaging requirements would be untenable.

- Reading Section 5 of the proposal, I would submit the economic impact on my business would be catastrophic. We don't even know how we would be able to comply. I currently brew about 40 small batches of beer each year, comprising about 20 different styles/SKUs. Of these 20, approximately half would be one-off batches with maybe 45-60 cans per batch, currently with generic labels. Our cans are already printed as the costs of small printing runs are astronomical, meaning we have considerable costs tied up in existing labels. Given our small numbers of canned products, I do not see how it would be economically (or actually) feasible for us to comply with the proposed labelling legislation. These costs would mean our business is unable to continue. And that's not even considering what the costs would be in relation to determining the energy and nutrition information in the first place.
- Further, given the size of our operation, batch-to-batch variations in terms of energy labelling would be significant. So, it's not just the imposition of energy labelling per beer which would be incomprehensibly difficult to comply with, but batch to batch variations would make it impossible. Our beers are hand made and that makes for significant variation per batch. Also, for reference, we hand label our beers about 3 days (only) before releasing them to the public.
- Within the FSANZ submission there are references to an education campaign needed to help consumers understand the energy within alcoholic beverages. We would ask that this campaign is started in earnest before a labelling change is proposed.
- We also call for more in-depth studies to ascertain the effectiveness of energy labelling, when all studies presented have concluded that there is no significant effect on consumer buying or consuming behaviour. This is a big change for our industry, and we would like to be a part of the consultation process.
- We propose that FSANZ abandon any plans of a full Nutritional Information Panel on labels for craft breweries in order to avoid consumer confusion and reduce consumers' intentions to buy. As an especially small brewery, I can not see any way by which we could legitimately comply with any introduced requirements.

If you would like to speak to me in regards to this submission, please find my contact details below.

Kind Regards.

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Brewer

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