

Craft beermakers prefer more expensive hops

By Venessa Wong, Bloomberg

The most popular style of craft beer in the U.S. right now is India Pale Ale. Not only do Americans want hopped-up craft beer in pale and brown ales, they prefer more fragrant, costlier hops.

The average price for all hops was \$3.59 per pound in 2013, nearly twice as much as in 2004, according to data from the Hop Growers of America.

Craft beers make up about 8 percent of U.S. sales by volume and tend to use more aroma hops (which give beers their citrus, pine, and other notes) than alpha hops (which lend a bitter flavor). Aroma varieties cost more because of lower yields, says Ann George, executive director of the Hop Growers of America, and the higher demand is luring some growers to remove alpha varieties to grow the aromas. Aroma hops can cost two to as much as seven times more per pound than alpha hop varieties, according to Chris Swersey, technical brewing projects manager at the Brewers Association.

Cost has not stopped craft brewers from using higher-priced hops in high concentrations. While the average beer is made with about 0.2 pound of hops per 31 gallons, craft brewers use 1.25 pounds, according to George.

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