



Will the lights go out for pubs, bars, and breweries in Europe?

Christine Cryne from CAMRA has interviewed EBCU members in December 2020 about the impact of COVID on bars and breweries across Europe. This is the article she published in CAMRA London Beer Magazine "London Drinker" February/March 2021.

As we go into 2021, we are all aware that pubs, bars, and breweries face a hard time with many likely not to survive. This situation is however not just to be found in the

UK; it exists right across Europe, with all social activities taking the brunt of measures against COVID. In December I contacted six people who I know through the European Beer Consumer Union (EBCU) to see what was going on and it doesn't make for pretty reading.

SPRING 2020

In March, COVID was beginning to make its mark across Europe and countries started to take action. The Netherlands, Belgium, Finland and Spain all closed their bars, pubs and restaurants, most of them until mid June. As in England, takeaways were generally allowed and many breweries switched to this mode of operation. Spain was an exception, with only outlets doing food allowed to do takeaways. In May, it was estimated that beer production losses for 2020 would be around 48%. It wasn't great news for all countries that could do takeaways either. To quote Fons Minne from Zythos (Belgium), "Pubs, bars, restaurants had to close doors for several weeks (13 March to 8 June). Takeaway was permitted but this was not a big success, especially not for cafés where no food is served".



André Brunnsberg, Finland (left) Reuben Gray, Ireland

André Brunnsberg (an EBCU Executive Member) reported on the mixed bag of a situation in Finland, "Some pubs tried to survive by also selling take-away beers up to 5.5% ABV in alcohol, something not possible before the new alcohol law was taken into use in 2018. Many small breweries saw during the spring a rise in their direct sales and there was clearly a national trend of supporting local small businesses. Most of the beers sold in Finland are sold in grocery stores so, for many breweries, the spring didn't have that much of an economic impact. But for other, not so rural breweries, the spring was a tough period."

Denmark and Sweden each took a different approach. In Denmark, pubs, bars and restaurants were allowed to open but had to comply with the two metre social distancing rule and there was a maximum limit of 50 people, although no restrictions on closing time. Discotheques and night clubs had to close. Sweden did something similar with no lockdown but restrictions on guest numbers. This resulted

SUMMER 2020

Although the summer saw a decline in COVID infections across Europe, the approach to relaxation was variable with most implementing change in June. In England, of course, it was July but some northern areas reverted to higher restrictions a month later. Belgium was strict although a 1am closure time was allowed and Fons said, "No drinking or ordering standing at the bar; this was only allowed when sitting down with a restricted number of people at one table and social distancing had to be respected. A circulation plan had to be organised (avoiding people crossing each other), restricted number of people in the lavatory room, mouth and nose masks had to be put on when standing up, people had to register when they entered a pub and when they left again, etc." This clearly had an impact on sales. Fons continues, "It was a lot of organisation for modest profit (maybe a third of the normal sales). It was no 'pleasure' going to the pub these days . . . only diehards did."

The Netherlands also had restrictions with limited numbers inside, although here the social distancing was 1.5 metres and terraced seating was more relaxed. Spain, like the UK, took a regional approach with four tiers based on COVID numbers. Angeline Drouant, another EBCU Executive Member who lives in Spain, commented, "By that time, most bars and specialised shops had developed an online shop or improved the existing one. That



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means the breweries could produce beer that could be sold online in addition to bars, as the general public was reluctant to go out." This, of course, is something that the UK also suffered from.

Finland also saw major relaxations and, in Helsinki, Finland's largest beer festival, the Suuret Oluet Pienet Panimot (Big Beers, Small Breweries) went ahead albeit with tightened restrictions on the number of visitors. Andre said, "Beer consumers that found their local breweries in the spring continued their support during the summer by buying beer directly. Weather-wise it was also a nice summer, which affected the economics of the breweries positively."

Positive comments on recovery also came from Sweden with companies having an opportunity to recover some of their losses in the spring. Tomas said, "During the summer a lot of breweries had some of their best months ever, both in restaurant sales and at Systembolaget." By comparison, Denmark appeared to tighten their approach. Lars Jeperson, from Dankse, said, "Admittance to bars, pubs and restaurants was limited to ten persons. Opening hours were restricted to be no later than to 2am and could not take in any more guests after 11pm. If they let in guests after 11pm they had to close at 12pm. Discotheques and night clubs remained closed."

AUTUMN 2020

It was definitely a case of 'here we go again' with the speed and severity of restrictions varying from country to country although most seem to have avoided the yo-yo approach taken in England.

The Netherlands closed their restaurants and bars from 19 October with a review in December, which ended up with an extension of the closures. Belgium and Finland followed a similar pattern, with a gradual tightening of measures as infections increased. Jos Brouwer, who lives in the Netherlands and is a member of PINT, said "Later, when infection numbers kept increasing despite the measures, there was a complete lockdown of bars, restaurants and catering. Most businesses switched back to pick-up/takeaway only. As for now, this is still in place." André commented, "This time the restrictions (in Finland), on top of the reduction of guests, hit alcohol selling times with bars and night clubs having to stop selling alcohol at 10pm. Sadly,

Finnish law doesn't make a difference between nightclubs and pubs, which led to discussion in daily media as many pub owners felt the time restrictions being unfair. The restrictions for bars and restaurants again had a negative impact on the sales for the Finnish breweries, especially for those situated in bigger cities, the limits for pubs had a negative impact on sales."



Jos Brouwer, The Netherlands (left) and guests at a EBCU reception

Denmark managed to keep their restaurants and bars open until December, albeit with reduced opening hours and numbers (parties of ten and no entry after 11pm but they could stay until 2am). However in early December they all had to close with alcohol takeaways allowed up to 10pm. Spain appears to have fared better but with reduced opening times and regional variations. Angeline reported, "Breweries took advantage of the time to buy new equipment (sometimes through crowd funding), do a paint job on their facilities and develop new recipes. Most of them have developed a good website to sell beer online, sometimes with the typical combo 'beer + cheese + coldmeat' and the sales have been very good, although not as good as sales in the taproom would have been." Happily, the situation has brought out the philanthropic element. Angeline added, "A beer has seen the light, called Cobeer- 19 and 19% of the margins will be transferred to needy sectors. At first 19 breweries were participating, now there are almost fifty". Spain is under partial lockdown again since 25 October for a six-month period but bars are open with a capacity limitation.

Similarly, in Sweden, bars are still open but with tightening rules. Tomas commented, "The autumn started well enough for the breweries, with some of the increase from the summer carrying over into September and October. When the second wave started in Sweden during October, the restaurant sales



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dropped quickly, and they were not equally compensated by increased sales through Systembolaget”. In November, there was a ban on alcohol sales after 10pm and a maximum of eight people meeting was imposed. This has now reduced to four people and a new time restriction of 8pm is in place until the end of February 2021.

OVERALL IMPACT

Not surprisingly, most contacts, as in the UK, commented on the decline in beer sales thanks to the pandemic. Although most countries reported the growth of off sales from bars and breweries, this doesn't appear to have made up for the loss of the sales through pubs and restaurants. It is worth noting that in some countries, off sales have been limited to outlets that are providing food. The other point that seems to crop up is the fear factor with people being reluctant to go to restaurants, bars

and pubs even when they were able. Also, the reduced numbers in an outlet due to the necessity of social distancing and the smaller number of people allowed to meet have had an impact on the atmosphere, which in turn reduces the attractiveness of going out.

Spain reported that, although some bars and breweries have shut down during the year, it has been a minority and it really is too soon to say what the overall impact will be. In comparison, Belgium seems to have already begun to see some of the signs of things to come. Fons reflected that, at the end of 2020, “Zythos counted 377 breweries and 265 beer firms (note 1). Compared to 2019, there are 38 more breweries and 9 beer firms meaning we had more starters than stoppers. There is a lot of fear amongst people working for breweries (sales people, representatives, etc.) that they will lose their jobs. A number of small breweries will also have to stop, I think. They do not only suffer from COVID, but the problems that the Shelton Brothers (note 2) have in the USA will bring down their export business to almost zero.

What is EBCU?

EBCU is a non-political, non-religious organisation formed in 1990 to give voice to the beer consumer at the European level, both within and beyond the European Union (EU).

Membership of EBCU is open to all non-exclusive national organisations of beer consumers, provided they are independent of all outside influence, represent the beer consumer and can wholeheartedly endorse the following Aims and Objectives:

- **T**o preserve and maintain the diversity of the traditional European beer cultures, with particular regard to local, regional and national brewing and beer styles.
- **T**o protect the consumer from the imposition of unfair pricing by opposing unreasonable taxation or exploitative business practices
- **T**o ensure that the consumer receives the best factual information about any beer on commercial sale.

We will take whatever steps we feel necessary, including lobbying, advertising, publishing or other campaigning methods, to gain the widest possible support for these Aims and Objectives.

EBCU will aim to act as an umbrella group for its constituent organizations, acting as a resource to make the work of national groups easier and more effective. It will not impose any restriction or obligation on its member groups beyond insisting on their adherence to the shared Aims and Objectives.