



## **BREWERS SUPPLY GROUP**

### **Dear Valued Homebrew Supply Retailer**

As you are aware, Brewers Supply Group (BSG) has acquired Crosby & Baker Ltd. (C&B). The purchase was officially concluded on May 1, 2011 and we have been very busy integrating the various parts of the two companies into coherent units so that the “new” and enlarged BSG can better serve its existing and new customers. Therefore may I introduce myself and welcome particularly C&B’s homebrew supply retailers into the world of BSG. My name is Ian Ward and I am the President of BSG. May I assure you that we will do our best to make you feel as comfortable with us as your new partner as you were with C&B over the years; and we hope that we can earn the same trust that you have placed in C&B in the past.

With staff, offices, and warehouses of the “new” BSG spread out from coast to coast, obviously some functions from the old units are merging much faster and with much less effort than others. That said, we have been working diligently to complete the entire integration process as quickly as possible; and we hope we can count on your forbearance as this process nears its completion. Here is an interim report of the progress we have made thus far and the challenges that still lie ahead:

One of the greatest logistical accomplishments to-date is the integration of the physical inventory and its re-stocking into the merged warehouse and distribution center network. Specifically, we have moved all materials for professional brewers—which are frequently much bulkier than homebrew supplies—out of the previous C&B warehouses in Westport and Salt Lake City. These sites are now dedicated exclusively for serving the homebrew market, which reduces the number of SKUs per site. We hope this will expedite the order fulfillment process in the future. Only the old C&B Atlanta site will continue to handle both brewery and homebrew product lines.

The software challenge of integrating the accounting systems of the two companies into one, we discovered, turns out to be a much bigger deal than sorting of the physical inventory. However, we have experts working at merging the two business databases. We expect to be up and running with a unified system no later than by the end of September. Until then, we will continue to rely on the two existing—and very different—systems for order entry and billing. Thus we hope that you will continue to accept the old forms for invoices until we are able to make the switch.

Importantly, the “new” BSG we will continue to carry the portfolio of brands of both previously separate companies. As we go forward, therefore, you can rely on the same inventory for your business as in the past! The “new” BSG will also continue the old C&B policy of never selling directly to end-users—not in person, and not online!

Finally, we are in the process of redrawing our sales and service districts so that all 50 states of the United States will be covered appropriately with expert personnel. This process is nearly complete and we will soon publish the new sales map with all the appropriate regional contacts. Until then, for another month or two, during the transition, we would like to ask you to use the following phone numbers to place orders:

- **800-999-2440 (Westport site)**
- **800-666-2440 (Atlanta site)**
- **877-675-9463 (Salt Lake City site)**

Meanwhile, should you have any questions about the merger of BSG and C&B, please contact **Brian Fenstermacher at 813-215-0939**. He will be happy to talk to you!

I will write to you again soon with further details about our integration progress and how we hope to serve you better in the future.

Thank you for your continued loyalty as a customer!

Best regards,

A handwritten signature in black ink, appearing to read 'Ian L. Ward', with a long horizontal flourish extending to the right.

Ian L. Ward  
President  
Brewers Supply Group