

B.C. Brewers and Distillers Pivot Production to Support COVID-19 Response



BRIGHT IDEAS IN ECONOMIC DEVELOPMENT

SYNOPSIS

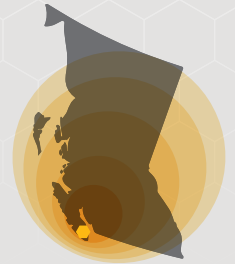
As we know all too well, the COVID-19 pandemic has affected B.C.'s health system and economy since the declared State of Emergency, causing businesses throughout the province to look for creative ways to help out and stay open. Distilleries and breweries in B.C. have been able to reduce the shortage of personal protective supplies and disinfectants in the province by pivoting their business models to make hand sanitizers.

LOCATION

Throughout B.C.

INNOVATORS

B.C. Brewers and Distillers



THROUGHOUT B.C.

Small businesses throughout B.C. are adjusting their production and distribution in the wake of the COVID-19 pandemic.

Many craft distilleries and breweries in the province are leading the charge, using ethyl alcohol from their distilling process to produce hand sanitizer for frontline workers and the public. Without this essential pivot, the shortage of this personal protective item in B.C. would be devastating.



THE CHALLENGE

Media coverage for the COVID-19 outbreak has been clear: at the onset of the pandemic, there was a worldwide shortage of hand sanitizer and disinfectants.

Traditional manufacturers of these products were running out of stock and they didn't know when they would be able to get it back. It was necessary to explore other ways to get supplies, and changing the production regulations.

With so many craft distillers and brewers in the province, the switch to hand sanitizer was welcome! Orders could get filled quickly and businesses were keen to help their communities.

THE STRATEGY

A NEW PRODUCT

The key ingredient in hand sanitizer is a solution called ethyl alcohol. This solution also happens to be a by-product brewers and distillers create when producing their spirits

and beers. So now, they were able to take something that would have normally gone to waste and turn it into a potentially life-saving solution, while also keeping staff employed and money coming in.

A big part of these businesses being able to shift quickly was thanks to the [World Health Organization's step-by-step guide](#) for manufacturers looking to produce hand sanitizer. This guide acts as a key resource used by distillers in the creation of the new solutions.



With the ethanol already produced in house, distilleries just had to source and add glycerol, hydrogen peroxide and distilled water.

REGULATIONS

There were existing federal and provincial regulations that typically slowed the process for new manufacturers looking to produce hand sanitizer.

In response to the pandemic, both B.C. and Canada worked quickly to revise their regulations so brewers and distillers could create this new product with limited red tape.

Provincially, liquor manufacturers would have needed various approvals to produce anything other than their licensed beverages.

In response to the pandemic, [this requirement has been lifted](#), and a blanket approval for all distillers to produce alcohol-based hand sanitizer has been given.

Federally, both a site licence and a product licence are needed to produce and distribute hand sanitizer (even if the business is planning to give it away).

To get a site licence, there used to be a comprehensive review process to go through. [Canada has sped up that review process](#) to help businesses looking to support COVID-19 relief to be able to do it faster!

“We responded to the incredible demand for hand sanitizer in mid-March but supplies were scarce so we could only produce a small amount,” explains Gordon Glanz, Odd Society Spirits founder and distiller.

“Over the following weeks, government regulations loosened, and we received generous support of organizations, small businesses and individuals, which connected us with the supplies we needed so we could increase production and distribution.”

DISTRIBUTION

A key consideration for businesses pivoting to hand sanitizer is how they are going to distribute the product. We’ve seen many businesses selling directly to the healthcare industry, while others are creating products for sale to the public. In some cases, they’re even giving product away for free to first responders and charitable organizations.

As of March 19, 2020, there were [37 distilleries in B.C.](#) that had started producing hand sanitizer in response to the shortage.

In many cases, these businesses were able to switch from their traditional products over to hand sanitizer in a matter of days.

“The flexibility shown by distillers to create much-needed hand sanitizing products demonstrates the leadership of B.C.’s agriculture sector and highlights the additional and unforeseen roles that B.C.’s food and beverage producers can play in an emergency response.”

- Lana Popham, Minister of Agriculture



SUCCESSES

- B.C. now has [over 50% of its artisan distilleries](#) producing hand sanitizer in response to the pandemic.
- Notably, Parallel 49 Brewery has teamed up with AG Hair to manufacture, package and distribute a large bulk order of hand sanitizer purchased by the B.C. government for frontline workers.
- Canada and B.C. have shown their ability to be agile and innovative in regulation reviews and amendments.
- Distilleries have opened new revenue streams that could potentially continue after the pandemic.
- These actions have reinforced the sense of community in the province, and the message that we are all in this together.

Are you a business that can supply products and services in support of B.C.’s COVID-19 response? Visit gov.bc.ca/supplyhub



For more information, visit gov.bc.ca/economicdevelopment

