

Important Announcement: The Future of SOBA and a Fond Farewell

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Dallas Potz-Nielsen <president@soba.org.nz> To: SOBA Members <members@soba.org.nz> 3 September 2023 at 04:48

To Our SOBA Members,

I hope this message finds you well, hopefully with a well-crafted beer in your hand (if not, please grab one now - I'll wait). I would like to take a moment to provide you with an update on recent developments within SOBA that have led to a decision we never anticipated having to make.

As you know, SOBA has been a vibrant haven for craft beer enthusiasts like us, a place where our collective devotion to high-quality brews has thrived. Over the years, together, we've welcomed and celebrated a myriad of styles previously unseen in New Zealand, enriched our knowledge through the *Pursuit of Hoppiness*, and etched lasting memories at vibrant beer festivals such as City of Ales, Mountain Ales, and others we proudly organised and supported.

Our journey has been punctuated with milestones that resoundingly attest to our impact. We have championed the cause of microbreweries, facilitating them to flourish in many ways including famously advocating during 'Radler dispute'. Our efforts have significantly shaped New Zealand's identity in the global beer community, leaving an indelible mark.

Nonetheless, over the past year we've encountered some formidable challenges. The SOBA AGM on September 4th, 2022, was a significant milestone that brought us all together. The subsequent months, however, proved more demanding than expected, as the new committee faced personal commitments and constraints that delayed our first in-person gathering until February 11th, 2023. Throughout this period, our financial situation remained a pressing concern, and at our February meeting we committee to restoring stability.

Recognising the importance of revitalising our society this year, we set our sights on achieving meaningful accomplishments before the next AGM. We were acutely aware that previous years had witnessed setbacks due to the departure of long-standing members who had been the driving force behind vital activities including the National Homebrew Competition, City of Ales, Winter Ales, and Awards. Moreover, the unanticipated impact of government restrictions to gatherings over the previous years had exerted an additional toll. Events during that time were delayed and/or cancelled, hurting our national presence (and incurred significant cancellation costs), an unwelcome reality that we could not ignore. We decided to focus on Awards as a way to re-establish the SOBA brand's prominence among both our members and partner venues, and rebuild the now defunct SOBA supporting venue map (also known as the SOBA beer map).

In the subsequent months, our tenacity paid off, resulting in progress. We meticulously cut costs, navigating the challenging waters of a tough financial economy. However, we continued to find ourselves spending more than we were taking in, primarily due to the substantial increase in IT expenses for the new website and Google services. This predicament placed us in a tough position. While we contemplated raising membership fees to offset these mounting costs, the dilemma lay in the fact that we hadn't yet provided our members with significant value to justify such an increase. The risk was real: raising fees might further discourage membership and exacerbate our financial conundrum.

Simultaneously, I travelled the North Island visiting well over twenty breweries and venues, canvassing for ideas and support. Through many of those meetings it was apparent that the craft beer industry has undergone a paradigm shift, laying bare harsh economic realities. Escalating commodity prices, unprecedented excise tax hikes on alcohol, CO2 shortages, and inflation bore disproportionately on our beloved craft breweries. Shrinking profit margins presented a challenge, hindering breweries and craft beer bars from offering discounts – a way we traditionally benefited our members. As venues opted out of this type of support, the dynamic changed, further adding to our predicament.

I would like to take a moment to acknowledge the invaluable contributions of Lesley and Andy. Lesley's diligent efforts to keep the craft beer community informed through timely social media posts & updates, and her time spent organizing the awards shouldn't go unnoticed. Andy's multi-faceted approach to cost reduction, financial clarity, and the creation of a draft version of a SOBA-supporting venues map were commendable. Reflecting on these initiatives, it's with sincere regret that we were unable to launch these programs and realise their potential. While it's important

to acknowledge that these endeavours wouldn't have altered the outcome, celebrating the small victories could have brought a sense of closure.

On a personal note, circumstances led me to relocate (with only a month's notice) to Texas on May 31st. My intention had been to fulfill my term and transition the responsibilities to the next president as we were only a few months away from the next term. In hindsight, perhaps resignation would have been the more appropriate step, given the challenges I faced in maintaining our regular meetings. During my absence, the committee embarked on a journey of introspection. We collectively recognised that much of SOBA's original mission had been accomplished while we also grappled with a decline in membership and dwindling volunteer resources. It's also worth mentioning that New Zealand passed the Incorporated Societies Act 2022, which introduced more significant legal and accounting responsibilities requiring us to re-register under the new rules – quite an administrative undertaking. In light of all these factors, the July meeting, in my absence, culminated in a motion to dissolve SOBA.

This decision, while painful, was rooted in a profound appreciation for what SOBA has achieved and a realisation that it was time to gracefully acknowledge the changing landscape. While the formal chapter of SOBA draws to a close, let it be known that we are not bidding farewell to the spirit that unites us. Our shared love for craft beer will endure. The incorporated society and national organisational framework of SOBA is concluding, however all regional groups can continue to gather together and support their local venues in their preferred manner. We will hold dear the connections we've cultivated, the knowledge we've exchanged, and the friendships that have blossomed.

I'll be supporting the end of this journey as best I can, with my formal resignation effective on the dissolution date. Thank you for contributing to our collective story. Let's raise our glasses one final time, toasting to the cherished memories we've cultivated and the promising future that lies ahead.

With sincere gratitude,

Dallas Potz-Nielsen SOBA President 2022-2023

