

Montana

Business Programs • Business & Industry Loan Guarantees & Rural Business Development Grants

Craft Malt Company Germinating Growth in Butte

[Montana Craft Malt Company](#) (MCM), which sprouted as an idea from a 2016 white paper published by the State Dept. of Agriculture and the Dept. of Commerce, is now America's first commercial-scale specialty malting plant. With the help of a USDA Rural Development [Business & Industry Loan Guarantee](#), MCM notes that they have become the "biggest of the little guys" in the craft space.

"Our goal was to be the supply hub for Montana brewers and growers," shared Matt Drew, the director of marketing for Montana Craft Malt. "We've exceeded these expectations and have established worldwide malt distribution to breweries and distilleries, as well as a process to do contract malting and toll processing." However, COVID-19 challenges related to brewery and distillery closures and supply chain challenges almost waylaid their success, forcing MCM to seek creative ways to address their financials and remain operational.



Matt Drew illustrates how controlled germination, which essentially tricks the grains into waking up, allows Montana Craft Malt to yield up to 10,000 metric tons of product annually from Montana-grown barley.

"We worked through [TrailWest Bank](#) to obtain a [USDA Business & Industry loan](#), giving us the working capital we needed to cover costs," Drew noted. "We chose this option because the B&I loan terms made sense for our longer-term goals."

"TrailWest Bank is proud to finance Montana Craft Malt by partnering with the USDA B&I program. Jen O'Brien and her team created a business that showcases what Montanans can accomplish with the right leadership and financing," added Ryan Sears, the associate vice president of loans and investments for TrailWest Bank in Dearborn.

With the B&I loan in place, and four germination vessels at the ready, MCM quickly ramped up operations and began producing about 35 tons of malt per batch. But they knew they needed some additional technical assistance to ensure their online presence was as noteworthy as their commercial facility. So, MCM reached out to [Headwaters RC&D](#) for assistance. Headwaters had received [USDA Rural Business Development Grant program](#) funding, which was designed to provide technical assistance and training for small rural businesses. With these monies, Headwaters provided MCM with two separate awards that were used for marketing assets and website integration. Now, Montana Craft Malt is telling the story of how one idea sprouted into a world-class operation which remains rooted in Montana's agricultural landscape.

Date of Obligation: Business & Industry Loan: 9/29/2020; Rural Business Development Grant: 7/8/2021

Congressional District: Representative Rosendale Sr.; Senators Tester and Daines

Partners: TrailWest Bank (Business & Industry Loan); Headwaters RC&D (RBDG)

Demographics: Butte is located approximately 70 miles south of Helena and has a population of 35,267 (2021)

Impact: The B&I loan covered a 12-month period, allowing MCM to thrive despite a struggling economy. The RBDG allowed MCM to hire digital professionals so they could establish an engaging web presence to tell their brand story, especially with prospective customers outside of Montana.