# The Monthly Mash Volume 1.7

Member-Owned, Industry-Driven



ACSA Mission:

To elevate and advocate for the community of craft spirits producers.

# From the Desk of Margie A.S. Lehrman, Executive Director

May -- It provides ample reasons to celebrate. From graduations, to weddings, to anniversaries, to the numerous national holidays; May Day, National Teacher Day, Cinco de Mayo, Mother's Day, Kentucky Derby, Armed Forces Day, and the queen of May holidays when most of us recognize the official start to summer, Memorial Day. Which day will you gather friends and family to share a libation? Will you shake, stir, blend, or muddle? With the warmer weather, will you revise your personal beverage program?

If you have a favorite "go to" summer cocktail, let us know on social media. We'll be sure to incorporate in our next issue.

This month we're again calling for your activism: WE NEED YOU to complete the craft spirits data project survey, register your whiskey in the Heartland Spirits Fest competition and consumer event, and mark your

calendar and reserve time to attend ACSA's Fly-In to advance the fight to reduce the FET.

Also reintroduced (in case you missed it) is our ACSA Board of Directors, those craft distillers who provide the vision and direction to advance our industry. Voting members elected these leaders

for the only national 501(c)(6) trade group created by and for you, craft spirits producers. Hear what's on the mind of two of the newest board members.

Please join us in welcoming new members and explore a region which showcases some of the best craft spirits produced in the U.S.

Enjoy the month of May!

Cheers -

Margie

#### **ACSA Board of Directors 2017-2018**

#### President

Mark Shilling
Revolution Spirits (TX)

Vice President
P.T. Wood
Wood's High Mountain Distillery (CO)

#### Secretary/Treasurer

Thomas Jensen
New Liberty Distillery (PA)

#### **East**

Maggie Campbell
Privateer Rum (MA)

<u>James Montero</u> Dogfish Head Distilling (DE)

#### **Central & Mountain**

Mike Blaum
Blaum Brothers Distilling Company (IL)

<u>Dan Garrison</u> Garrison Brothers (TX)

<u>Colin Keegan</u> Santa Fe Spirits (NM)

<u>Courtney McKee</u> Headframe Spirits (MT)

<u>Chris Montana</u> Du Nord Craft Spirits (MN) <u>Dan Farber</u> Osocalis Distillery (CA)

Jake Holshue Rogue Spirits (OR)

John Jeffery
Bently Heritage Distillery (NV)

Orlin Sorensen Woodinville Whiskey Co. (WA)

**Ex Officio** 

[\*Appointed by the Board of Directors]

Matt Hofmann\*
Westland Distillery (WA)

<u>Steve Johnson</u>\* Vermont Spirits Distilling Co. (VT)

> Paul Hletko\* Few Spirits (IL)

# Mr. Smith Goes to Washington No...WAIT...it is YOU Coming to Washington, D.C.



#### Save the Date!

ACSA's Legislative Affairs Committee will be hosting its annual D.C. Fly-In on Monday and Tuesday, July 24th and 25th. We have secured a highly discounted room rate at the Hyatt Place Washington/National Mall and encourage each of you join the effort to reduce the Federal Excise Tax. Full details of this important event to follow, so please keep an eye out for our upcoming emails.

#### THE CRAFT SPIRITS DATA PROJECT



ACSA, Park Street and the IWSR are making progress. We continue to receive great feedback on our data study and appreciate all of the DSPs who have responded to date...we could not do it without your help. For those distillers who have not yet participated, please help us out and complete the online survey. With your input, we can improve the quality of the data and provide a stronger economic analysis of the craft spirits community. Job growth, in-state versus out-of-state sales, and bottom line contribution to the US economy will be reported. Our industry partners in the wholesale and retail tier are actively engaged. Are you?

But, don't take our word for reasons why you should participate. Learn from a fellow distiller.

ACSA Vice President P.T. Wood told us how the Craft Spirits Data Project helped his own distillery, Wood's High Mountain, "We are in the midst of a fairly large expansion and this data has allowed me to explain the industry to both banks and investors. It also gives a very clear picture of where the industry is and what the opportunities are, which we use regularly for strategic planning. At the state guild level we have used the information to help move favorable legislation through the capitol."

Take the survey **HERE** 

## **Heartlands Spirits Fest Whiskey Competition**

Corn Grower Associations play a vital role in state agriculture. Now, in the Heartland states, specifically Ohio, Kansas, Indiana, Michigan, Kentucky, Missouri, Illinois, Wisconsin, Iowa, and Minnesota, these entities--with the Illinois Corn Marketing Board--are playing a role in helping you elevate your brand by underwriting a whiskey competition in honor of your transformation of their grain -- CORN -- into whiskey.

What do you do? How do you take advantage of this offer?

Review the details:

- Heartland Spirits Fest Whiskey Competition on May 18th at the CH Distillery in Chicago
- Registration open through May 11th. Products must be received by May 15th.
- · Read the protocols and submission guidelines here.

Then...

Register NOW. Click here.



## **Craft Spirits Classroom:**

#### "Batch and Continuous Stills: The Science and the Cashflow"

#### Wednesday, May 17th, from 3pm-4pm ET

This presentation, delivered by John McKee from Headframe Spirits in Butte, Montana, will focus on introducing the distinctions between batch vs. continuous flow distillation from both the science and the financial sides. It will provide financial implications for both new and established distilleries. The three main learning topics are:

- 1. Distillation equipment will be your most expensive investment and should NEVER be your bottleneck to growth. It is vital to understand a still's production capacity in order to plan for growth.
- 2. Sales and Marketing efforts are directly impacted by your ability to produce what you're selling and the ability to scale is critical.
- 3. Consistent product quality is essential to brand growth and equipment is a key piece in ensuring product consistency.

#### Register here!

The education committee is hard at work planning future sessions with topics including branding and marketing, brand ambassadors, and trademark issues. Do you have topics that you'd like to learn more about? Let us know below in our survey and we will try to arrange more quality presentations.

#### A Q&A with Your ACSA Board



We asked two of our new Board members to answer a few questions about how they started their distilling career and what a normal day looks like. Read below to find responses from Colin Keegan, founder of Santa Fe Spirits (NM), and Jake Holshue, head distiller of Rogue Spirits (OR).

What is your craft spirits history? Where did you start and how did you get to where you are now?

Keegan: "I founded Santa Fe Spirits in 2010, firstly thinking of just making apple brandy from the orchard I lived in NM. When putting together a business plan it was apparent I needed other products as well. Before starting SFS I had no prior distilling experience, so the learning curve was pretty steep.

Then over the next couple years we added a total of nine products, two whiskies, a gin, apple

brandy, and two liqueurs. We have expanded the facility four times in our seven years, and today, we have a staff of twelve

We got to where we are now by treading carefully! There are no magic bullets in our industry, and we now have a team that pushes hard to grow, but nothing risky enough to collapse the company. So I think our success is based on hard work and a great team, which has grown organically from the makeup of Santa Fe people, which we believe is a crucial part of what SFS stands for. "

**Holshue:** "I am originally from Montana, a place I am very proud to be from a place of majestic panoramas, big sky and a thriving brewing and distilling industry. In my previous career path, I was an Emergency Veterinary Assistant. I assisted with ER calls, surgeries, blood work and I even supervised and ran an animal crematorium. I started as a home brewer during that time, and eventually started the Rimrock Brewers Guild, a local homebrewing club.

I met a gentleman named Casey McGowan, who was opening a distillery (Trailhead Spirits) in my hometown of Billings. Someone had told him if you can't find a distiller, find a brewer. I went to other distilleries around the state, read every book I could grab a hold of, and started experimenting with different distillates. So in 2012 we started with vodka, but soon expanded to a couple of gins, and several whiskies. Once the awards for our spirits started rolling in, I started consulting for other distilleries around the country, and internationally as well.

One of my consulting gigs eventually lead me and my family outside of Montana. I took a job at the Baltimore Whiskey Company. While my time there was brief, I took advantage of the situation and helped organize and found the Maryland Distillers Guild as their first Secretary. The experience of traveling across the country meeting distillers and blenders was very rewarding. However, my heart yearned to go back West. And in the fall of 2015 I accepted a job at Rogue Ales and Spirits in Newport, Oregon.

Rogue was a fit for me from the very beginning. Dare, Risk, and Dream. These principles are what this company has been founded on, and what will carry us into the future. Though Rogue has been distilling since 2003, there are still quite a few people who are unaware that we have a distillery, as well as a cooperage. I like to call us the 'Best kept secret of the distilling industry'. "

# What are your expectations of ACSA going forward and what are some ways we can continue to grow?

**Keegan:** "I'm looking for ACSA to lead our industry in growing all our businesses. I believe this will be by lobbying for small producers and exploring other avenues to markets (online sales, tasting rooms, etc). I also believe that growing ACSA depends on membership growth. "

**Holshue:** "The ACSA, in my opinion, has always been at the forefront of high value/high level education. I also expect the FET parity to be resolved. Going forward, there are many issues facing distillers today that I am looking forward to discussing with my fellow board members. Some of those issues include Direct to Consumer (DTC) parity, TTB class and category expansion (to include American Single Malt Whiskey), as well as pushing for craft producers to produce high quality spirits."

#### What does a typical day in the life of Colin look like?

**Keegan:** "There really is no typical day for Colin, but they seem to break into three types:

On the road promoting the brand, at sales meetings, ride-withs, conferences etc., both in and out of state, which all takes about 45% of the time.

With such a great team at SFS I do get to leave the day-to-day running of the operation to them. So I have team meetings to catch up on what's new as a group and I meet regularly with everyone, one-on-one. This takes about 35% of my time.

And then there's the much needed returning phone calls, reading reports and general desk work, which takes about 20% of my time. This is not exactly my strength, but it is important and always gets done."

#### What does a typical day in the life of Jake look like?

**Holshue:** "Typically, I get to the office after getting my two teenagers off to school. We run a pretty bare bones crew here so I distill, bottle, and manage our Ocean Aging Room, coordinate our Mash Transit tanker transfers with our brewery, give tours, blend, coordinate with our on site cooperage, build orders and take them to our shipping department, answer emails, R&D, lead tastings and clean. All of this gets done before noon, with lots of Big League Chew. The end of my day is spent at one of our Rogue Pubs here in Newport, which is a great place to grab a pint and some food!"

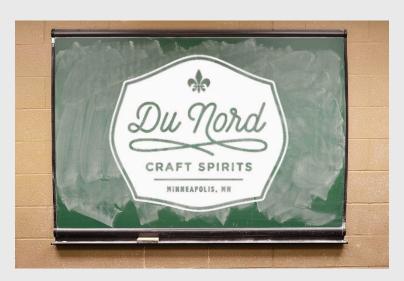
## **Welcome Newest Voting and Affiliate Members!**

ACSA extends a warm welcome to a few of our newest members:

- Swallowtail Spirits (OR)
- Ornua Foods North America (IL)
- CH Distillery (IL)

Find out more about becoming a member here.

# Regional Focus: Minneapolis, Minnesota



Minneapolis is growing quickly as a food and drink destination and just as an attractive city to visit. One of the two cities that makes up the "twin cities," Minneapolis is situated on the Mississippi river and its name is derived from the Dakota Sioux word for water (*mni*) and the Greek term for a city (*polis*). Minneapolis was recently featured on <u>Travel + Leisure's top craft distilling destinations</u>, which comes as no surprise to us! Minneapolis is home to many excellent distilleries including <u>Du Nord</u>, whose L'etoile vodka was Best in Class for vodka in <u>ACSA's 2017</u> judging competition.

Minneapolis' cocktail scene has grown over the past few years at restaurants and bars around the city. Parlour features creative cocktails made with craft spirits and built on traditional foundations. The cocktails of Lyn 65 complements the locally sourced bites. Bar 508 offers a lively and dynamic atmosphere with casual food and cocktails. Across the river from Du Nord lies Tattersall Distilling offering the chance to try its spirits in the Tattersall crew's house cocktails. Lastly, Marvel Bar, a hip speakeasy, features a deep whiskey menu and cocktails crafted with specialty bitters.

#### Did You Know?

- The TTB has issued over 2280 DSPs! Find the full list here.
- Check out the latest TTB newsletter with info on the interim policy on gluten content statements in

# Survey

What topics do you want covered in future Craft Spirits Classroom webinars? Let us know!

# **Social Media**

Do you have a new spirit release, an upcoming event, or some news to drop?

Follow our social media channels and <u>Tweet at us (@craftspiritsus)</u> or post to our <u>Facebook Page</u> and we'll be sure to share it! Make sure to use the hashtags #ACSA and #CraftSpirits!

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# SPIRIT





































































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