The Monthly Mash

Volume 1.6

Member-Owned, Industry-Driven



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

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

Spring reminds me of new opportunities for growth. With each new bulb pushing through the warming soil and seeds beginning to germinate for an early crop, excitement builds for a reinvigorated landscape. Actions of our trade group parallel the path of mother nature – ACSA is growing, rebuilding the panorama of the craft spirits industry, and providing a bounty of hope for good things to come.

Newly elected board members rejuvenate an already energized Board of Directors. See below to gain insight into our freshly minted board, including our newest officers whose task is to advocate on your behalf. We also reveal the thoughts of some of our newest members.



We've planted the seeds for revitalization of the Craft Spirits Data Project. Have you completed the new survey? If not, find out how.

Committees continue to "till the soil," continuously preparing to work on your behalf. Notice the commitment of the ethics committee to ensure craft spirit producers are held accountable for what's in the bottle and help you remain socially responsible with advertising. The guild committee is enlivened after an especially productive exchange of ideas at a round-table gathering in Nashville.

Building on a silo of knowledge, sign-up for our next webinar on Global and US Trends in Beverage Alcohol. Also, particularly for those in the Midwest, learn what judges think about your whiskey when you enter your spirits in the Heartland Spirits Festival where corn takes center stage.

It's a hot place (yes, both literally and figuratively) - what's going on in Austin? Come find out.

And, as usual, let's collectively give a shout out to some of our newest members.

Spring provides an occasion for rebirth –and with that, renewed optimism for more good things to come. I'm feeling it – are you?

Cheers,

Margie

Democracy at Work

Our voting members, with a turn-out of about 60%, elected 5 board members to the ACSA Board of Directors. Just last week, that new board elected our national officers. We are pleased to announce the 2017-2018 Board of Directors. ACSA extends a special thank you to Robin McDougall (Lake George Distilling Company) Chair of the Elections Committee and Jeff Wuslich (Cardinal Spirits), Election software guru. Their collective efforts guaranteed a fair election process.



Robin McDougall certifies the election results at Lake George Distilling Co.

ACSA Board of Directors 2017-2018

(Newly elected members are in bold. Additional ex officio members will be announced shortly.)

President Mark Shilling Revolution Spirits

Vice President <u>P.T. Wood</u> Wood's High Mountain Distillery

> Secretary/Treasurer Thomas Jensen New Liberty Distillery

> > East

Maggie Campbell Privateer Rum

James Montero Dogfish Head Distilling

Central & Mountain

Mike Blaum Blaum Brothers Distilling Company

> Dan Garrison Garrison Brothers

<u>Colin Keegan</u> Santa Fe Spirits

Courtney McKee Headframe Spirits

<u>Chris Montana</u> Du Nord Craft Spirits

Pacific

Dan Farber Osocalis Distillery

<u>Jake Holshue</u> Rogue Spirits

John Jeffery Bently Heritage Distillery

Orlin Sorensen Woodinville Whiskey Co.

Ex Officio [*Appointed by the Board of Directors]

> Matt Hofmann* Westland Distillery

<u>Steve Johnson</u>* Vermont Spirits Distilling Co.

Outgoing Members

It's never easy to say farewell, particularly to those who helped create ACSA. This 501(c)(6) trade group will be eternally grateful to Paul Hletko, FEW Spirits; Thomas Mooney, House Spirits; Ted Huber, Starlight Distillery; Nicole Austin, Kings County Distillery; Chip Tate, Tate & Co. Distillery; and Steve Johnson, Vermont Spirits Distilling Co. (who is moving into an ex officio role). Their contribution is immeasurable.

Who Are They?

Here is a chance to learn a little bit about our newest members, as excerpted from their candidate statements:

James Montero:

"I doubt there is a category at this moment with as much dynamism, creativity, products so beloved by consumers, and with the growth & potential as craft spirits! In short, I see ACSA as a coordinated voice to educate those outside the industry to our potential, as well as be a mentor to its members. As a board member, I would draw upon my experience as General Manager of Dogfish Head Distilling Co, as well as +9 years previous with Diageo NA, helping shape brand marketing and innovation strategy for some of those 'big guys,' such as Don Julio & Guinness. My role as GM is to balance long-term strategy with shorter term, actionable plans. In addition to translating the equity of our beer into the spirits category. I focus my time building a team of off-centered, technically awesome co-workers, striving constantly to raise the bar on quality, improve our processes and support our products with plans & resources to recruit as many fans into our portfolio of 100% scratch-made Goodness."

Jack Holshue:

"I am originally from Billings, Montana where I helped start Trailhead Spirits in 2012, and in the last four and a half years I have acted as a private consultant for distilleries all over the world. I also participated in the foundation of, and am the first acting secretary of, the Maryland Distillers Guild. A year ago, I joined Rogue Ales and Spirits in Newport, Oregon as Production Manager and Head Distiller. In the last year, I have volunteered my time on the Education Committee for the ACSA."

Colin Keegan:

Colin Keegan founded Santa Fe Spirits in 2010 and has since grown it to a company with seven products distributed in nine states and internationally. He began the New Mexico Distillers Guild and still serves as its president. He truly believes in community involvement and serves on various local boards and committees; he is currently chair-elect of the Santa Fe Chamber of Commerce. He is a founding member and active participant in ACSA and believes the best way to serve the distilling community is to serve as an active board member.

Chris Montana:

Chris began his professional career in electoral politics. Starting first as a trainer with a non-partisan organization focused on grassroots advocacy, lobbying, and electoral strategy. Chris then moved to a congressional campaign as a field director and ultimately landed in Washington, D.C. as a congressional aide. Chris left the congressional office to pursue his education, graduated first in his class at the University of D.C., and then moved back to Minnesota to attend Hamline University Law School. After graduating law school, Chris joined the law firm of Fredrikson & Byron. While still in law school, Chris had an idea to create a micro-distillery in the heart of his hometown. In 2013, he and his wife Shanelle founded Du Nord Craft Spirits in South Minneapolis.

Chris and Shanelle led the Minnesota Distillers Guild in its first efforts to change the then-entrenched three-tier laws in Minnesota. With the help of many other distilleries in Minnesota, the guild was successful in passing cocktail room legislation allowing for unlimited cocktail sales and a restricted form of bottle sales. Chris currently serves as chair of the legislative committee for the Minnesota guild.

Courtney McKee:

"I am the co-owner, co-founder, and CEO of Headframe Spirits and Headframe Spirits Manufacturing in Butte, Montana. Founded in 2010 and open to the public in 2012, we are both a distilled spirits producer and a distillation equipment manufacturer. We are the second distillery in the country to receive B Corporation certification, signifying that we prioritize and value our return to our community.

In my role as CEO, I oversee our 30 employee-operation including all of our sales, production, tasting room and manufacturing efforts and keep my finger on the pulse of our industry. I measure the success of our company by the value we create to our employees, our customers and to our community—both our Montana community as well as our industry community. As a founder of the Good Guy Distiller's group, I look for avenues to unite and collaborate with our industry peers, believing that the better each of us does, the better we all do together.

I am the secretary for, and founding member of, the Montana Distillers Guild and a member of the ACSA Education committee. My husband and I were awarded as the Montana Entrepreneurs of the Year in 2014 and in 2015 as Ambassadors of the Year by the Montana Office of Tourism. Recently, we were awarded 2016 Small Business Champions of the Year by the Small Business Administration.

I like long walks on the beach, whiskey, shenanigans and making great things happen...together. I would be honored to serve on the ACSA Board of Directors."

THE CRAFT SPIRITS DATA PROJECT



ACSA, Park Street and the IWSR are asking for your help. We again need to collect, analyze, and report on economic data for our craft spirits community. Job growth, in-state versus out-of-state sales, and bottom line contribution to the US economy will be reported. We cannot do this without your assistance. We will again collaborate with our industry partners to secure updates from the wholesale and retail tier.

Take the survey HERE

State Guild Committee Update

The ACSA State Guild Committee is going strong after an incredible meeting in Nashville. We are in the

process of evaluating the legislative needs of each state and how the ACSA can best help achieve those goals. A major part of that will be a survey of the state guilds about existing laws, organizational structure, and their needs and wants. One of the obvious things from our Nashville meeting is that loosening tasting room restrictions to include tours, cocktails, samples, and bottle sales can have a huge economic impact on the success of the industry.

As a committee, we have defined a number of goals:

Information Project:

· Legal, structure, legislative, tech/social media, events, etc.

Guild By-Law/Organization:

State guild by-laws, articles of incorporation, etc. so we can create a consensus of best practices for state guilds to form/organize.

Guild Communication Feed:

 Collect all forms of state guild communication so we can create a universal "info feed." Include things like monthly newsletters, press releases, social media accounts, etc.

Lobbyist Information:

 Create a database of information (or even a whitepaper) on how to find, hire, and work with a lobbyist.

Guild Retreat:

• Consider an annual retreat for guild representatives.

The committee is hoping to facilitate a high level of guild-to-guild communication and provide support and information. Ultimately, a state guild, whether just forming or pushing for complex legislation, will be able to come to ACSA and find the tools they need to reach their goals.

ACSA Ethics Committee Update

A key role of the ACSA Ethics committee is to provide guidance to our members on how they can embody our code of ethics in their business practices. Our powerful ethics code is: "We operate in an honest, transparent and non-deceptive fashion. We inform consumers truthfully and accurately about the sources and methods used to make our spirits through our labels, materials and communications. We expect fair dealings and respect amongst members. We obey all federal, state and local laws."

We have now built upon this ethics code by creating helpful member guidelines in key policy areas that affect our industry. It is very important for the ACSA to have a solid foundation of written ethics policy for responsible marketing and <u>social media usage</u>, as well as a manner by which to handle compliance against our code.

Our new code of responsible marketing guides our members on how to create and place media advertising in a manner that helps prevent access by underage consumers, as well as guidance on how to make sure advertising follows industry norms on proper content. Our digital marketing guidelines help our members understand how to conduct themselves on social media and utilize concepts such as age gates to ensure responsibility. Equally important, we created a process for dealing with consumer complaints in these areas in case a member company accidentally or intentionally violates our guidelines.

Our goal is to continually provide ways to help our members manage their own business by supporting and guiding them in areas that can be difficult to fully understand on their own.

Heartlands Spirits Fest Whiskey Competition

Corn – it starts as a seed and, with any luck, can take an incredible journey to advance its pedigree to a key ingredient in whiskey. ACSA will be sanctioning a Whiskey Competition, combined with the Heartland Spirits Fest on May 18th in Chicago at the CH Distillery. [Registration closes on Thursday, May 11th and products must be received by Monday, May 15th.] Working with the Corn Growers Associations across multiple heartland states, including, Ohio, Indiana, Michigan, Kentucky, Missouri, Illinois, Wisconsin, Iowa, and Minnesota, ACSA will help host this event, offering a platform to recognize great whiskey being produced by our craft distillers in the heartlands.



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The spirits judging competition is meant to recognize and honor the new breed of craft distillers. The categories of judging include straight whiskey, bourbon, corn whiskey, four grain whiskey, and more.

For more information, go to <u>https://www.heartlandspiritsfest.com/</u>. For more information on submission guidelines and protocols, click <u>here</u>. To register products, click <u>here</u>.

IT'S NOT TOO LATE TO REGISTER

Craft Spirits Classroom: Quenching Your Thirst for Knowledge

Global and US Trends in Beverage Alcohol: 6 Key Drivers



This webinar will focus on the category trends driving both global and US beverage alcohol. The IWSR is the world's leading data and analysis company in the industry, tracking historical and future growth. Utilizing the IWSR's extensive data and insights, Brandy will share the story behind the numbers. From category blur to premiumization, to changing consumer dynamics, this webinar is critical for companies looking to invest in export markets, create new brands and focus on growth drivers in the US market.

Who: Brandy Rand, President of The IWSR, US When: Wednesday, April 12, 3-4 p.m. EST Where: Online Webinar How: Register <u>here</u>.

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 Courtney McKee, CEO of <u>Headframe Spirits</u> (MT), and Chris Montana, Owner and Head Distiller of <u>Du Nord Craft Spirits</u> (MN).

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

McKee: "We founded Headframe Spirits when my husband lost his job and we needed to find a way to create employment for himself in our community. We began the process in 2010, opening to the public on Leap Day 2012, so we just celebrated 5 years in operation. Our New Year's present to ourselves was becoming a Certified B Corporation. We're proud of the impact we have on our industry and in our community.

Prior to that, it was a passion for great cocktails and the stories we write when we share them. Additionally, like so many of us, it's really a community project. We're tourism ambassadors for our little corner of the world and that's a role we've always enjoyed, even if it was less formal before the distillery."

Montana: " Like many in our industry, I don't have a direct path to distilling. I worked in Congress for a bit, got a degree in English, then a law degree, and practiced law in Minnesota. I liked booze (still do) and I didn't see it being made in my city. Given my

(still do) and I didn't see it being made in my city. Given my background in politics and law, I was, and am, well versed in the art of B.S. and I saw a lot of it in the spirits industry. My wife Shanelle and I thought that it must be possible to make a spirit that competes on the basis of taste and quality as opposed to pure marketing, we are still on the path to finding out if we were right. I have learned a great deal since I started and continue to learm more everyday. Our spirits are better now than they were in 2013, and I hope they will continue to improve. I attribute the growth of our distillery to a lot of hard work, help from friends, and a big heavy bag for frustrating days. "

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

McKee: " To my mind, ACSA is the go-to source for education and professional development in our industry. The fun part is that I've also discovered that it's an incredible opportunity for what I call "professional vulnerability." In our businesses, as business owners and bosses, and in our communities, we're expected to show up as leaders. When we meet with distributors or do events, we're supposed to show up like we've done this a thousand times. And when we sit down to do our books, we're supposed to know what we're doing there as well. Turns out, most of us are not experts at all of these moving parts. ACSA, meaning the Board members and the rest of the members, have really surprised me in their willingness to share this space of professional vulnerability. We can meet and discuss challenges and can support one another in facing those challenges without losing face out in the world. It's truly a surprise and a gift. When we allow ourselves to enter that space of professional vulnerability, we create opportunities to learn so much. I'm hoping that's something that ACSA will continue to nurture for us and I'm committed to continuing to value—and sing the praises of—professional vulnerability."

Montana: "One of the challenges for ACSA will be to continue to improve the industry and not sit back on the recent growth of the organization. This past convention was impressive, and membership continues to grow, but there is much left to do. We still have work to do in the area of new distiller competency which will require a doubling down on our educational programs, we have a great deal of work to do to ensure FET reduction and better support for state efforts to modernize distilling laws, and the lack of women and people of color in technical and decision-making positions our industry is appalling and must be addressed with tangible action. We have a lot to do; we can focus attention on these tasks because the organization has built a solid foundation."

What does the typical day in the life of Courtney look like?

McKee: "Headframe employs 31 people across our production, tasting room, sales & marketing, still fabrication, and administrative teams. A typical day contains a meeting with one of my departmental managers, who monitor accountability (theirs and mine), as well as some professional development and asking and answering of strategic questions. This is followed generally by some emails and a check in on our social media. After that, there's often some grant work to follow up on, some project management



work to complete, and some support to provide to each of our departments.

My role at Headframe is mostly to support our teams so they can continue to excel at what they do. I work to help identify obstacles and find the tools or tweaks we need in order to eliminate those obstacles. I strive to find great people and give them the tools and resources they need to be successful. And I work hard to help us cultivate a culture which enables each of us to feel celebrated, respected, valued, and elevated in all that we do.

At the end of the day, if we're lucky, we work to live the life we want for ourselves. And we work really hard, which is okay, if we're proud of what we're doing and if we feel fulfilled and enriched by it. My goal is to ensure that everyone at Headframe, not just the owners, feels that pride in what we do. "

What does the typical day in the life of Chris look like?

Montana: "There is no typical day. We are a small shop, so I may be fixing a sink, cleaning an ice machine in our cocktail room, running a still, or grinding corn. I have two boys, aged three and one years old, and one more on the way, so the only constant part of my day is wrestling with munchkins. We have built a solid team of people who really dig making, shaking, and talking about spirits, so I become less relevant every day. If things continue on this path, I expect I will be reduced to TTB reports and trade shows one day, but for now I still have my hands in everything."

Welcome Newest Voting and Affiliate Members!

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

- Iron Goat Distillery (TX)
 Boathouse Distillery (CO)
- <u>FusionRMS</u> (TX)
- Cincinnati Dowel & Wood Products (OH)

Find out more about becoming a member here



Austin, Texas has recently risen to national prominence as a hub of technology, culture, and growth. The Texas state capital plays host to the annual SXSW festival bringing large crowds of eager pop culture and science enthusiasts. Festival-goers can watch the newest films and listen to the hottest bands right in the middle of town. The city is very well-equipped to making the most of this pilgrimage by hosting guests at chic bars, old school eateries, and craft alcohol producers. The beer scene in Austin has turned the city into a destination locale with mainstays like Jester King and Austin Beerworks.

Austin is well known for its cheap eats around town, but the rise of craft spirits and cocktails has led to a proliferation of trendy, upscale watering holes. Pair cocktails with rich BBQ and Frenchinspired delicacies at spots like <u>Lamberts</u> and <u>Hopfields</u>. The Warehouse District is home to <u>The</u> <u>Roosevelt Room</u>, whose bartenders are dishing up delicious drinks. "Austin's first absinthe bar," <u>Peche</u>, also sports a robust cocktail program.

Austin's distilling scene has grown in tandem with the growth of the city. <u>Revolution Spirits</u>, tucked away in a jam-packed alcohol district, right along Fitzhugh Road, with Jester King, Last Stand Brewing Co., and Argus Cidery all nearby, produces quality liqueurs and gins. The tasting room is open for guests to sample their house cocktails. <u>Armadillo Texas Whiskey</u> makes use of local Lone Star ingredients to craft grain to bottle whiskeys. Their tasting room is only available by appointment but includes a tour of their facility. Austin's <u>Treaty Oak</u> produces both beer and spirits on their ranch. The brewery/distillery offers a quieter escape from the city and guests can sample their Red-Handed Bourbon or Treaty Oak Rum. About an hour west of Austin is <u>Garrison Brothers</u>. <u>Distillery</u> in Hye, TX. Garrison Bros. reps Texas proudly and showcases their love of the Lone Star by using Texas corn in their whiskeys and bourbons.

Mark Shilling, co-founder of Revolution Spirits, recommended a few local spots in Austin:

- <u>King Bee</u> "Owner/Bartender Billy Hankey is one of the most thoughtful, knowledgeable, and approachable barmen I've ever met. Not just great cocktails, but the beer is on point and wines by the glass are some of the most well-thought ever. Bonus: Somewhat by accident, it has become one of the best pizza places in town."
- <u>Kitty Cohen's</u> "Relatively new, and deep into the east side, Kitty Cohen's has a cool vibe, great outdoor space (complete with a tiny pool), and one of the best vinyl collections (not large, just perfect). Bonus: Managed by craft spirits pro Melody Plate, formerly of Treaty Oak Distillery."
- <u>The Townsend</u> "The Townsend is known for its unique guest residency program, bringing in renowned bartenders from around the country and paying royalties in cocktails created by them."
- <u>Émmer & Rye</u> "Chef Kevin Fink (one of Food & Wine's best new chefs in 2016) focuses on local, seasonal ingredients, does everything in house from butchering, milling grain, fermentations, etc."
- <u>Odd Duck</u> "One of Austin's first food trailers to go full brick and mortar, Odd Duck is small plates, local ingredients, innovative dishes and sister restaurant to the highly acclaimed <u>Barley Swine</u>."
- <u>District</u> "An outpost for great food and drink in South Austin, also focused on seasonal dishes and craft cocktails. Lots of talent in the kitchen and behind the bar. Always solid."
- <u>Revelry Kitchen & Bar</u> "Revelry could almost go in the restaurant list as they have a bit more substantial kitchen than most bars, though it's still really a bar first, at least in my opinion."

 Jack Allen's Kitchen - "One of the originals, owner/chef Jack Gilmore can credited for a huge portion of turning Austin into a foodie town. Focusing on local farmers, ranchers, beer, wine and spirits, there are now four locations around Austin. Always a solid whether for a full meal or happy hour."

Did You Know?

• The TTB has issued 2270 DSPs! Find the full list here

- We made a mannequin challenge photo (as opposed to a video) at the ACSA Convention in Nashville. Check it out your friends <u>here</u>. Recognize anyone?
- The TTB has released its 2016 Alcohol Beverage Sampling Program results. Click here for more info.

Survey

What social events would you want to attend at next year's ACSA convention in Pittsburg?

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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