

CRAFT SPIRITS

DATA PROJECT 2025

American
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ASSOCIATION

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In 2024, the U.S. craft spirits category performed in line with the larger spirits market, experiencing its second decline since the creation of this report in 2016. The craft spirits category represented 12.7 million cases (versus 13.5 million in 2023) and \$7.58 billion in sales for the year, representing a volume decrease of 6.1% and value decrease of 3.3%.

As a whole, craft spirits sales remain nearly evenly split between the home state (48.5%) and other states (51.5%) in 2024. Since 2021, craft spirits sales in the home state have increased share of total craft spirit sales (+1.1pp) while sales outside the home state have decreased as a percentage of total craft sales (-1.2pp).

Large craft producers shifted resources to focus on sales in their respective home states as well as exports. Medium-sized craft producers do the majority of business in the home state. Small craft producers focused primarily on increasing home state sales, with this channel gaining share of sales accordingly.

Despite economic headwinds, craft producers continue to reinvest in their businesses, though at a slower rate than previous years. The total investment by all craft producers declined for the first time, reaching \$811 million in 2024.

Key Findings

 The number of active craft distillers in the U.S. is now 2,282*.

 The U.S. craft spirits category volume reached over 12.7 million 9L cases in retail sales in 2024, marking a -6.1% growth rate year-over-year. In value terms, the market reached \$7.6 billion in sales representing a -3.3% growth rate.

 Craft spirits market share of total U.S. spirits decreased to 4.5% share in volume and remained steady at 7.5% in value in 2024, down in volume from 4.6% in 2023.

 Exports of U.S. craft spirits reached 142,000 9L cases, marking about 20.7% decrease from the prior year.

 Employment numbers within the U.S. craft market declined for the first time post-pandemic, reaching 28,628 full-time domestic employees, down from 29,373 in 2023.

*Updated research methodology resulted in fewer total active craft distillers in 2025, but does not indicate all DSPs removed from the list were closures.



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Craft Defined for Purposes of the Research

DEFINITION

U.S. Craft spirits are distilled spirits that are produced in the U.S. by licensed producers that have not more than 750,000 proof gallons (or 394,317 9L cases) removed from bond, market themselves as craft, are not openly controlled by a large supplier, and have no proven violation of the ACSA Code of Ethics

SIZE REQUIREMENTS

Not more than 750,000 proof gallons (or 394,317 9L cases) removed from bond by licensed producer (DSP)

OWNERSHIP STRUCTURE

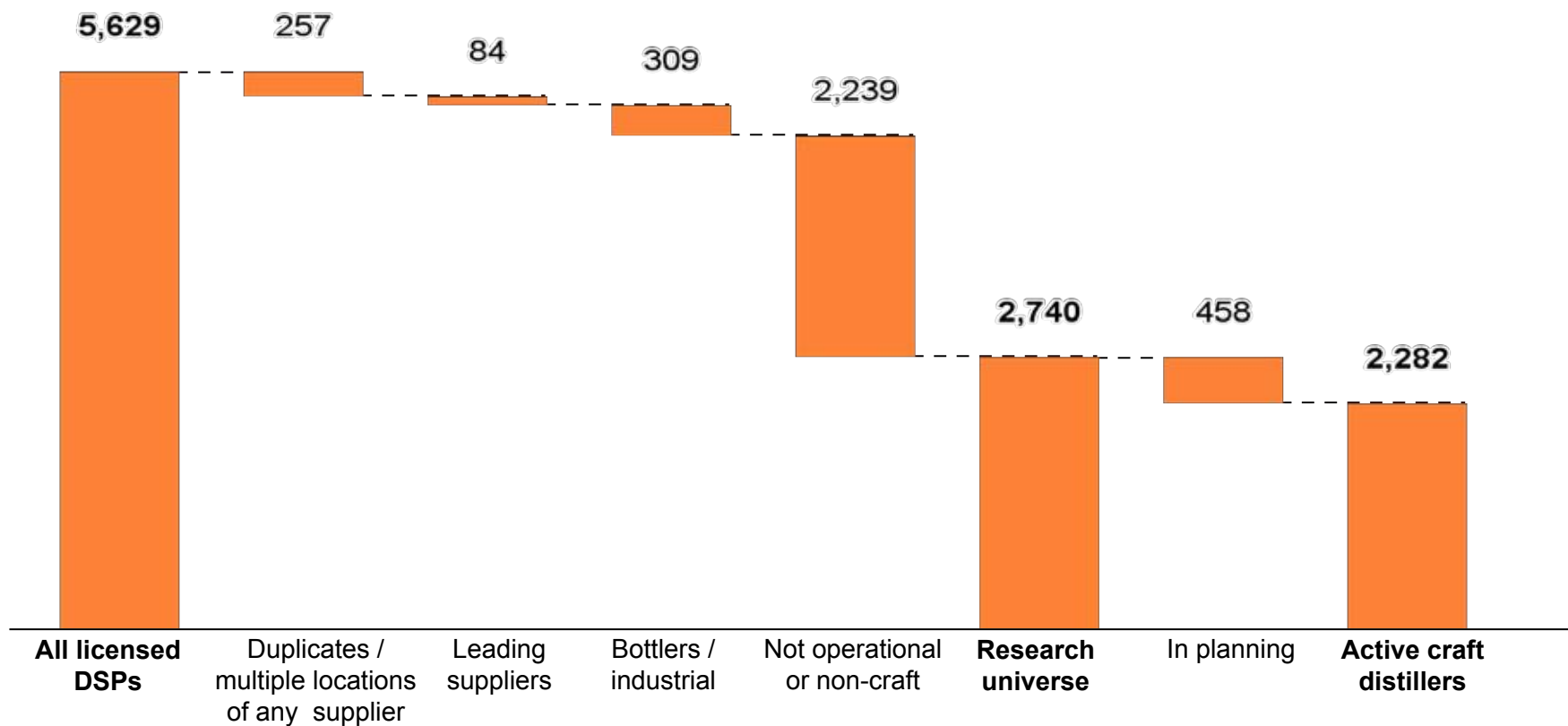
No more than 50% of the DSP is owned (directly or indirectly) by a producer of distilled spirits whose combined annual production of distilled spirits from all sources exceeds 750,000 proof gallons removed from bond.

ACSA CODE OF ETHICS

"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 dealing and respect amongst members. We obey all federal, state, and local laws."

Identifying Active Craft Distillers

DSPs by Segment as of August 2025

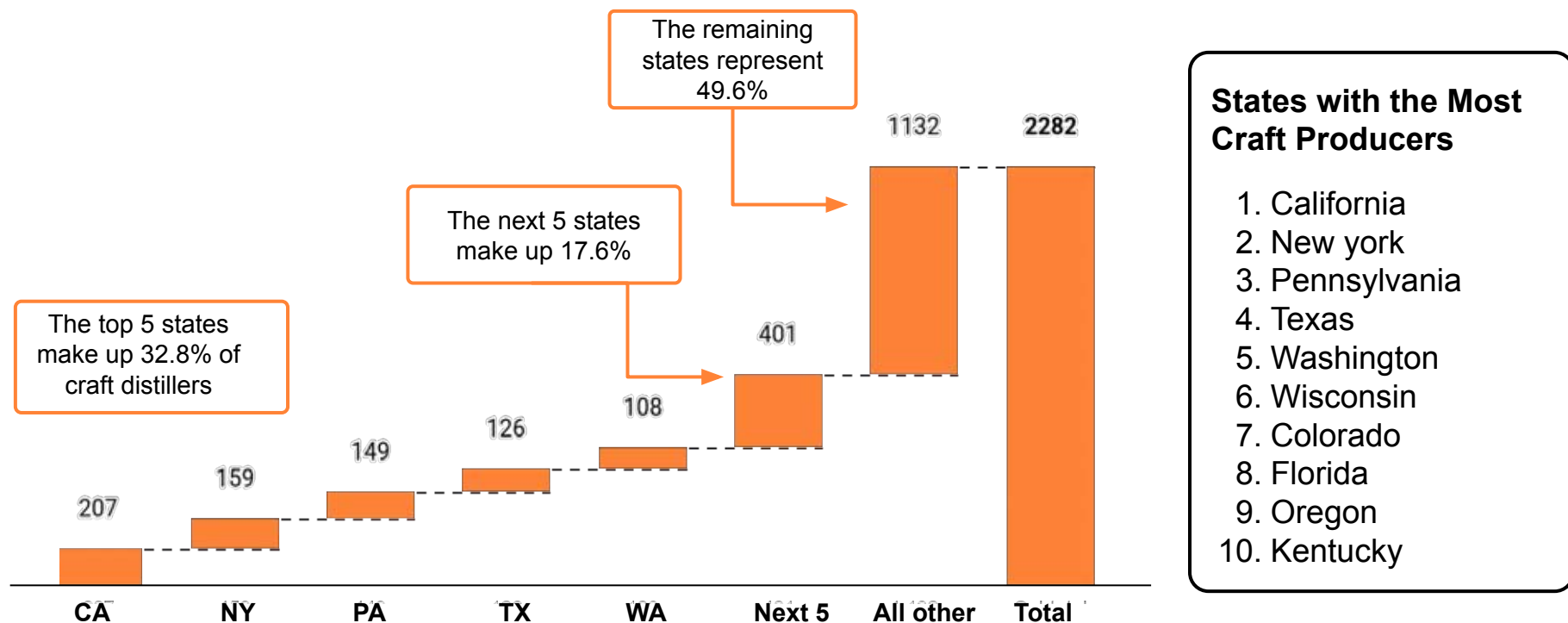


The total number of active craft distillers is determined by removing all inactive businesses and distillers that fall outside the definitions of craft from the federal database of DSPs.

*Updated research methodology resulted in fewer total active craft distillers in 2025, but does not indicate all DSPs removed from the list were closures.

Active Craft Distilleries by State

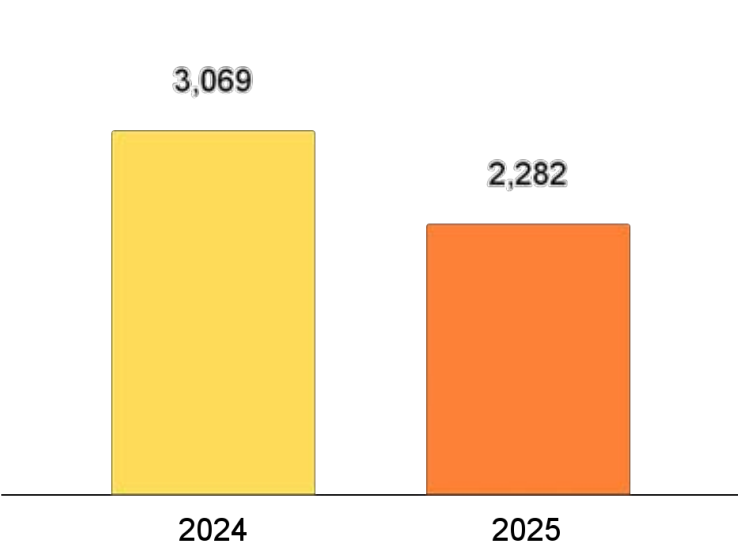
Active Craft Distillers by State as of August 2025



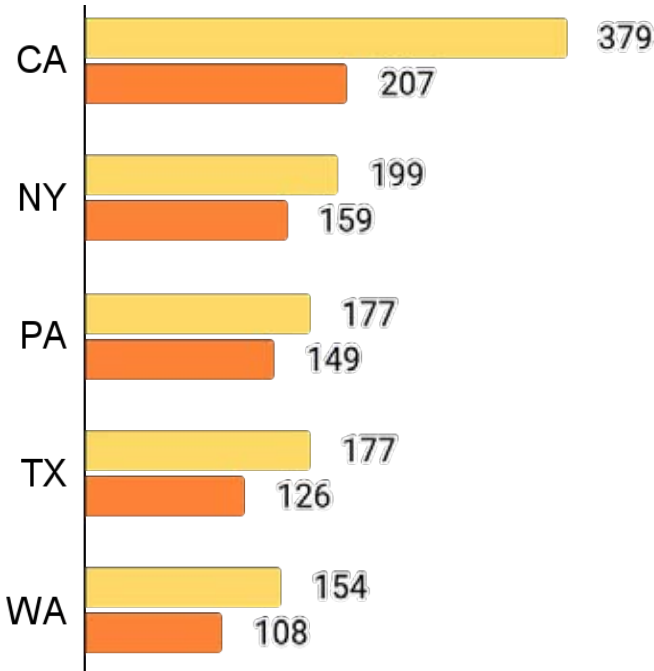
The top five states represent more than 32.8% of craft distillers, and just about half of all active craft distilleries are in the top 10 states.

The Number of Craft Distillers Has Declined in a Challenging Environment

Number of Active Craft Distillers
August 2024 to August 2025



Top 5 States by Active Craft Distiller Count
August 2024 to August 2025

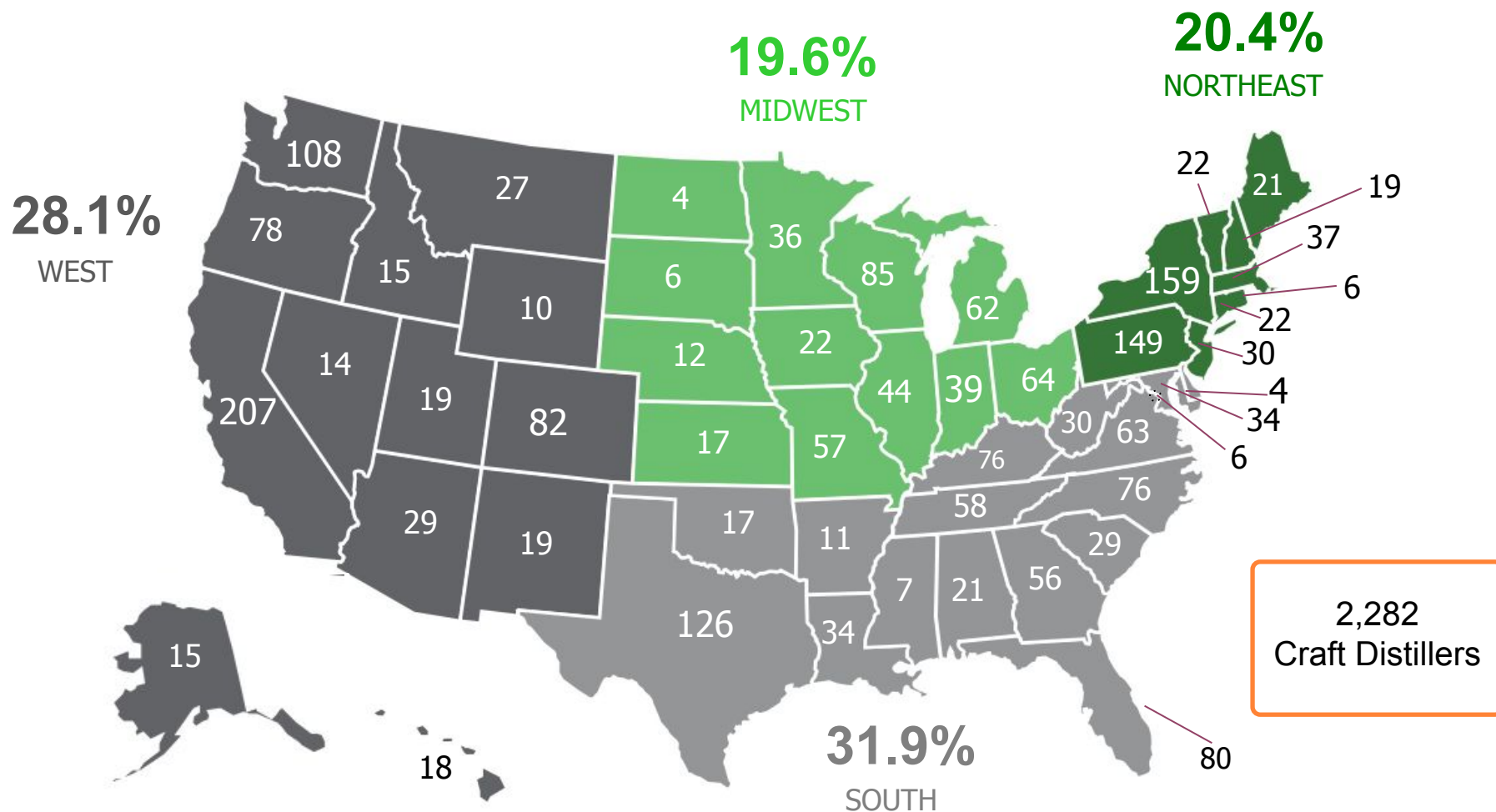


As of August 2025, there were 2,282 craft distillers active in the US, a 25.6% decrease from the 3,069 active distillers in August 2024.

*Updated research methodology resulted in fewer total active craft distillers in 2025, but does not indicate all DSPs removed from the list were closures.

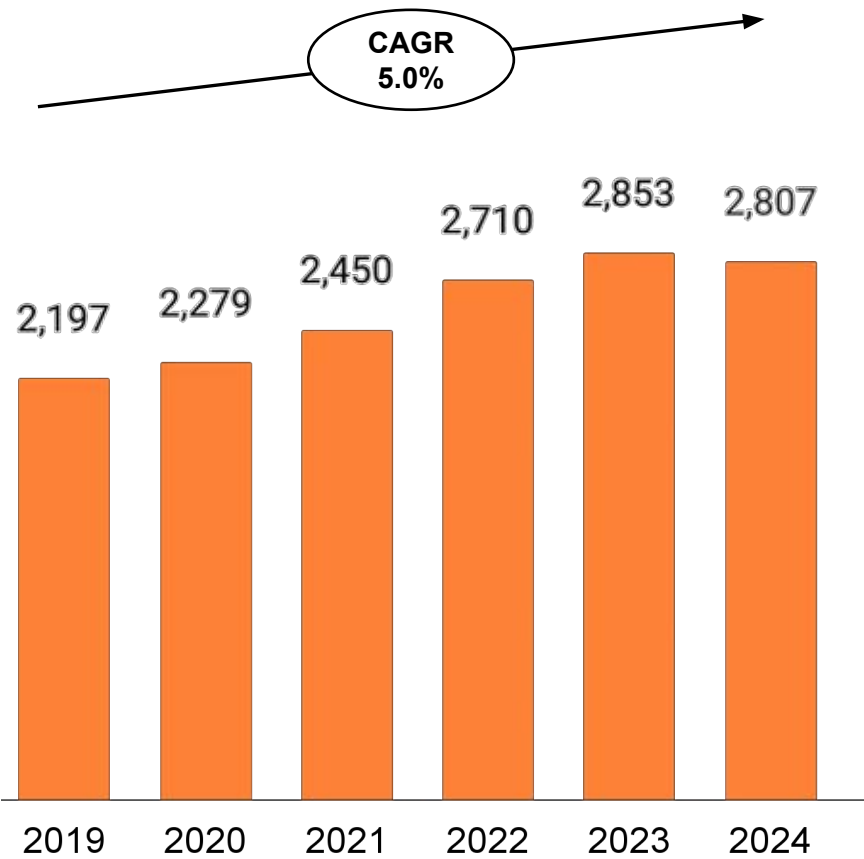
Active Craft Distillers by State and Region

Active Craft Distillers by State and Region as of August 2025

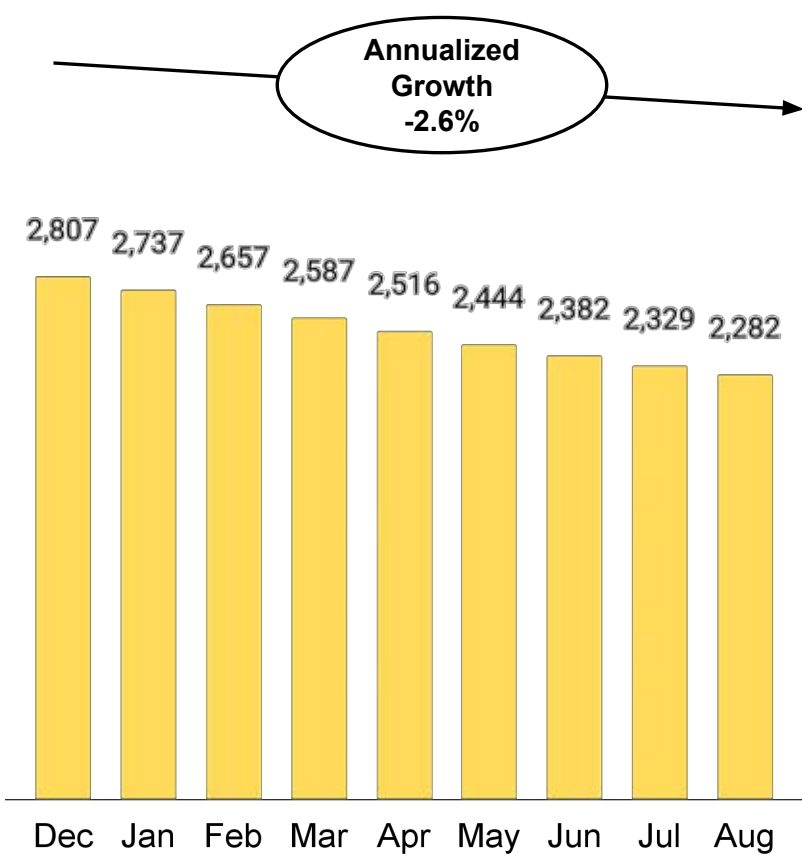


Number of Active Craft Distillers Dips Following Previous Years' Growth

Number of Craft Spirits Producers
2019 to 2024



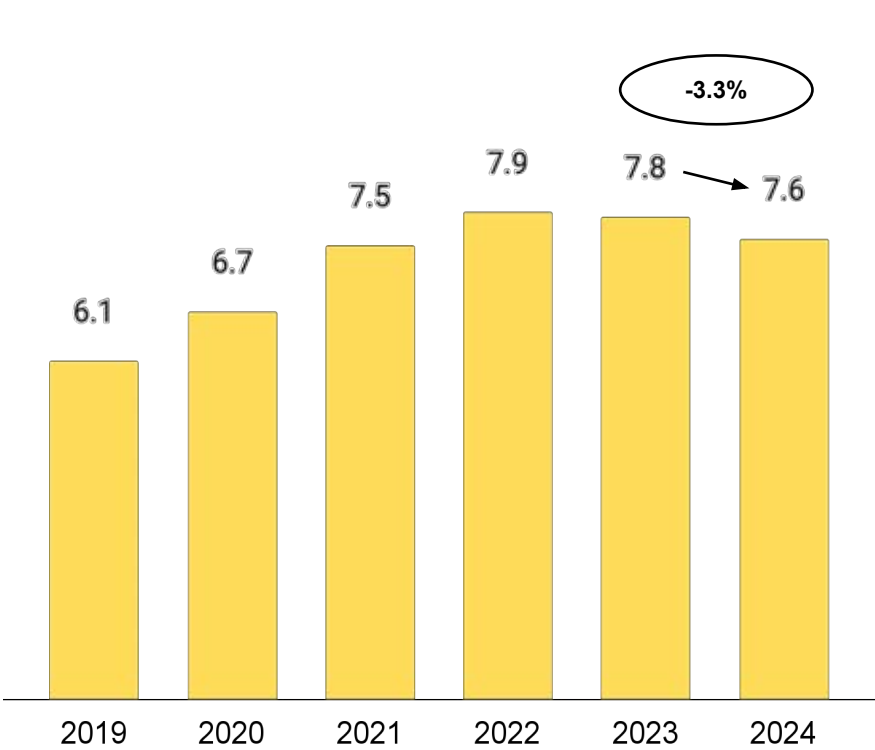
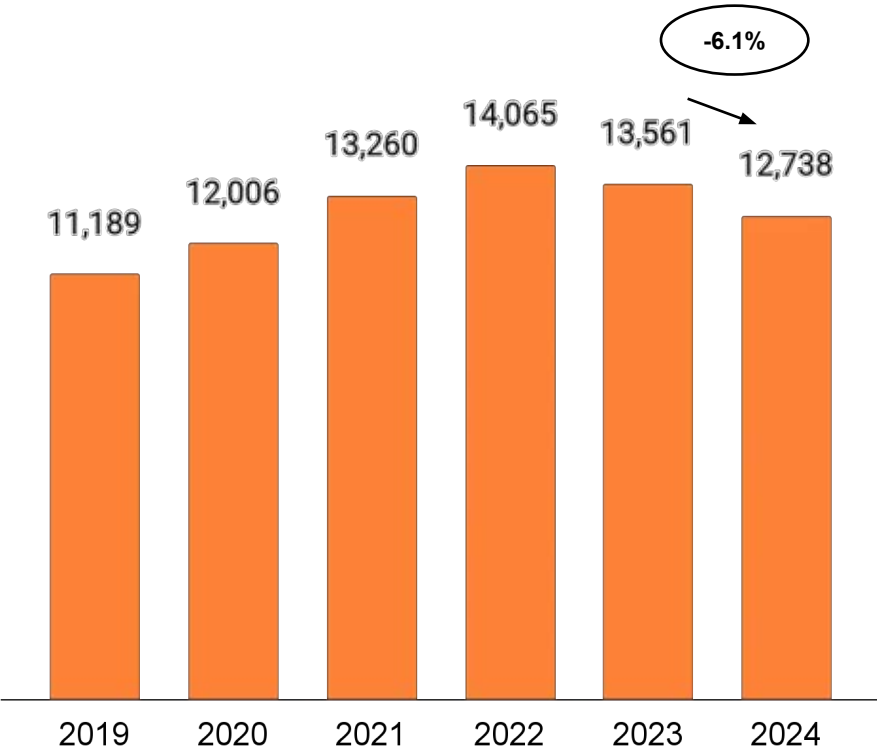
Number of Craft Spirits Producers,
December 2024 to August 2025



Craft Spirits Category Continued to Experience Declines in 2024

Craft Spirits Sales by Volume 2019 – 2024
9L Cases (000)

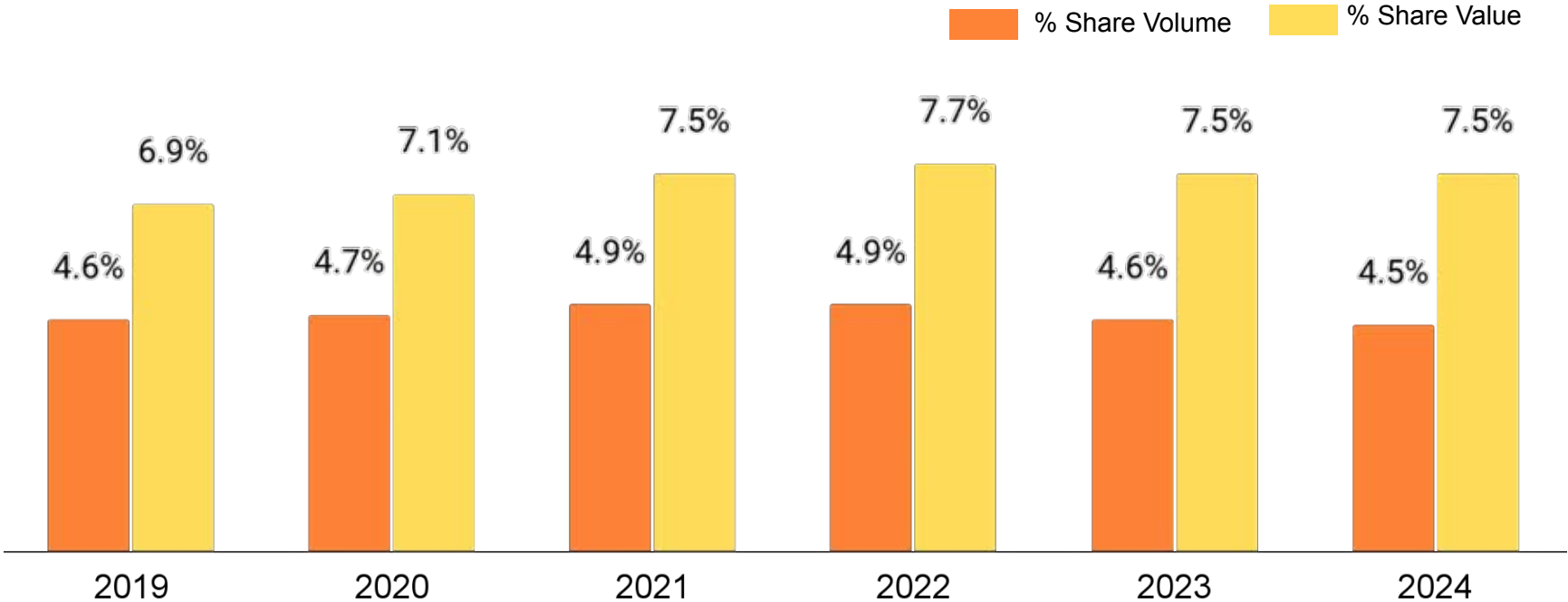
Craft Spirits Sales by Value 2019 – 2024
\$ Billions



Sources: TTB, ACSA, IWSR, State ABC Boards, State Guilds, Team Analyses

Craft Spirits Volume Share Declined in 2024

Craft Distiller Sales as a Share of Total U.S. Spirits Volume and Value

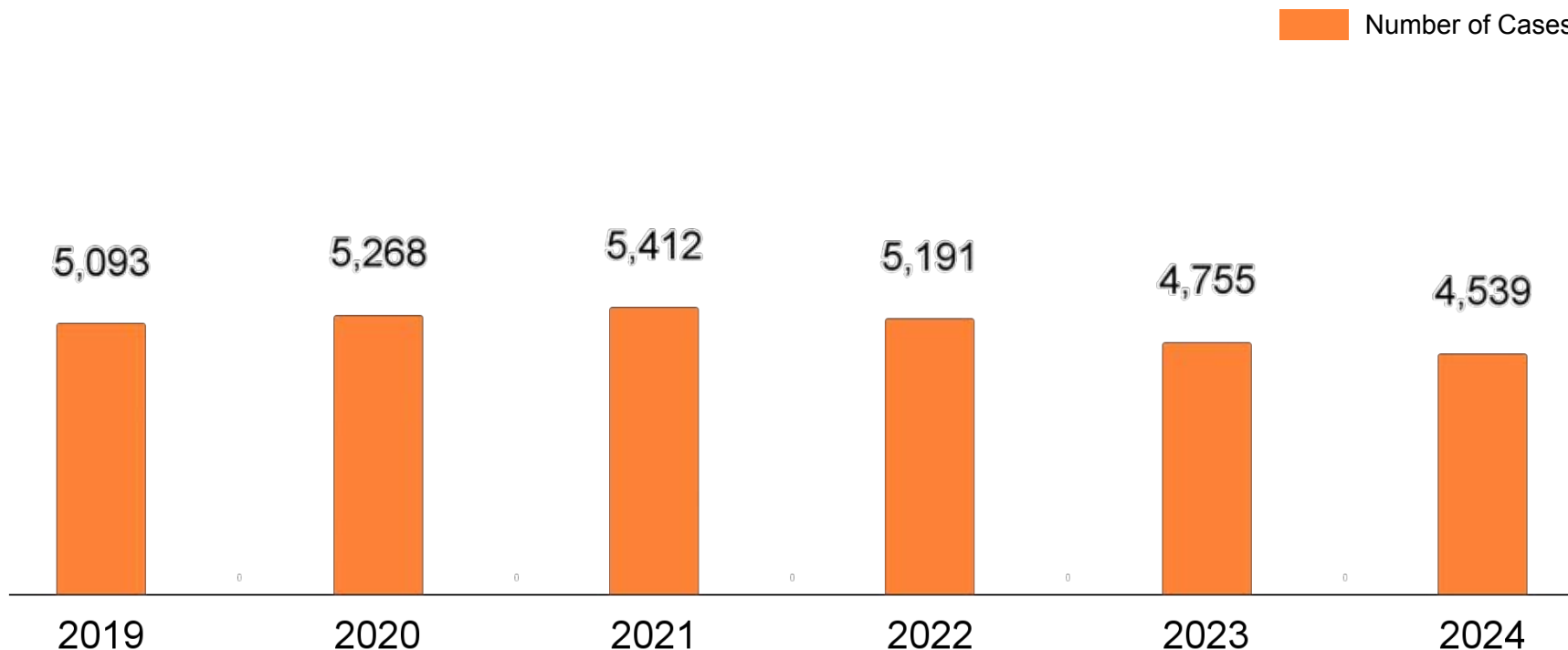


U.S. craft spirits has an estimated market share of 4.5% in volume and 7.5% in value, down from 4.6% in volume and up from 6.9% in value from 2019.

Average Volume of U.S. Craft Distillers Declined in 2024

Number of Cases of Average U.S. Craft Distiller 2019 – 2024

9L Cases

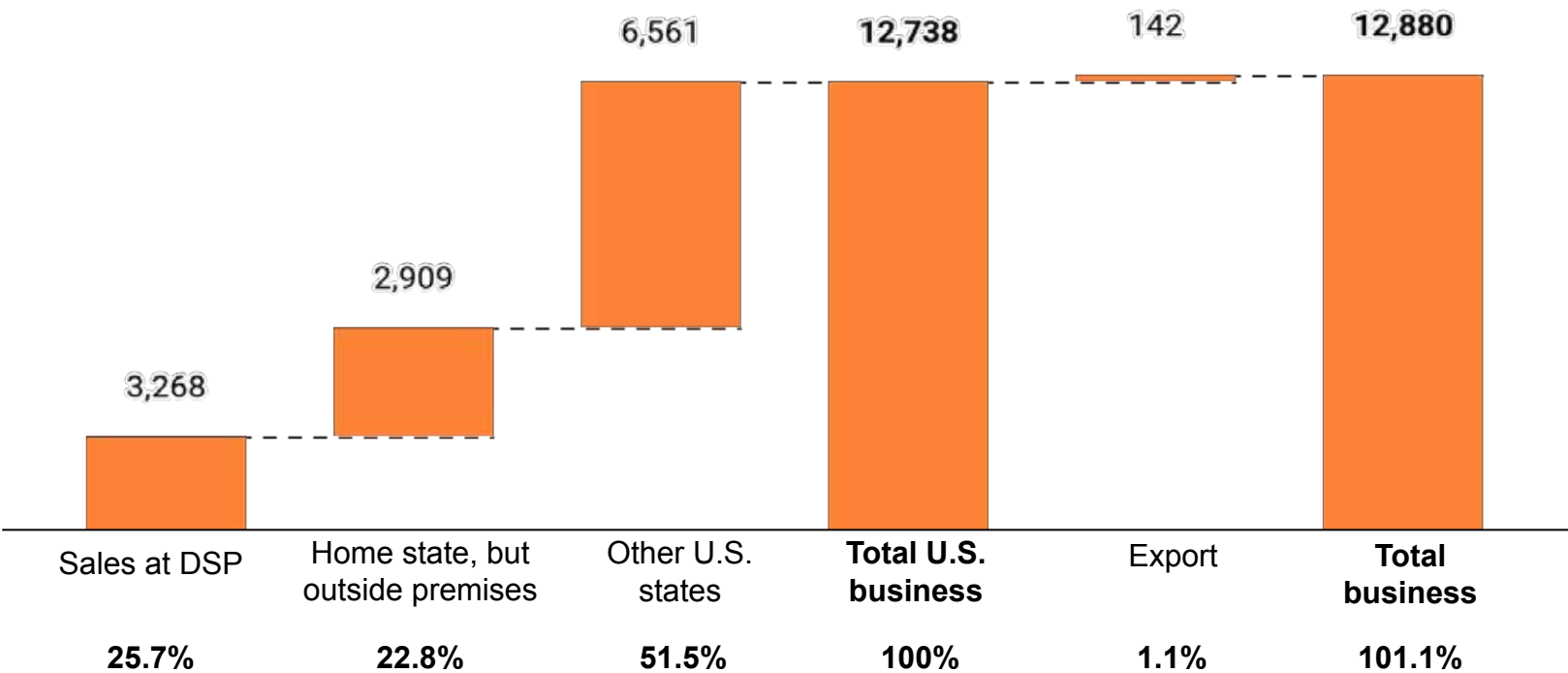


In 2024, the average number of cases removed from bond declined to 4,539 9L cases, a -4.6% decrease from 2023.

52% of U.S. Craft Business Takes Place Outside the Home State

Sources of Case Sales – Total U.S. Craft Spirits Industry (Domestic and Export 2024)

9L Cases (000)



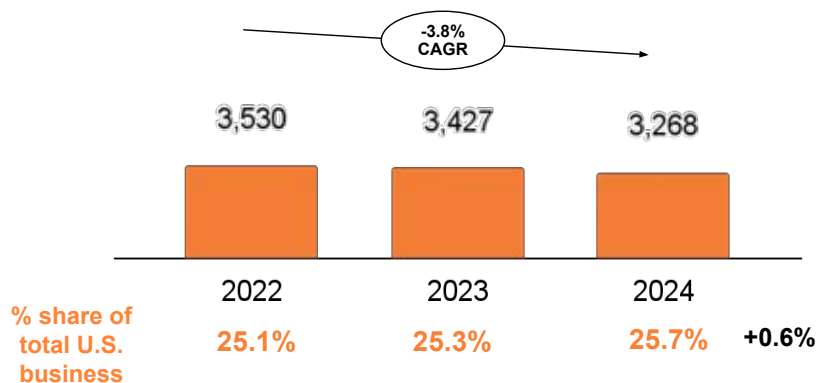
The percentage of craft spirits sold at the DSP represented 25.7% of all spirits sales, up from 14% in 2015.

Share of Sales in Craft Distillers' Home State is Increasing

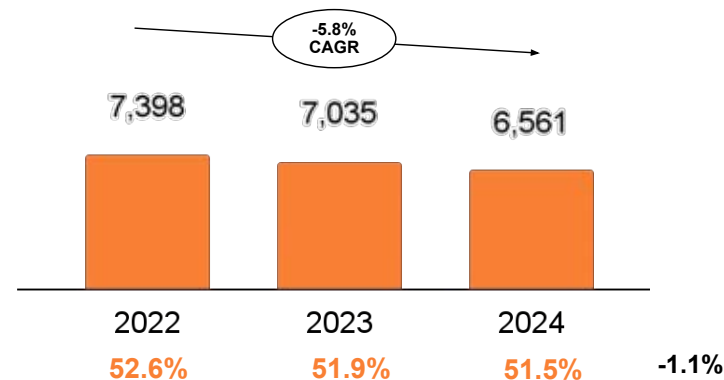
Total Craft Spirits Industry, Sources of Case Sales, 2022 – 2024

9L Cases (000)

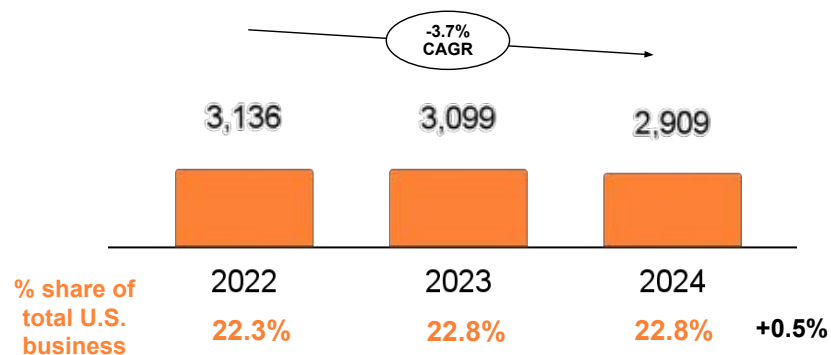
Sales at DSP



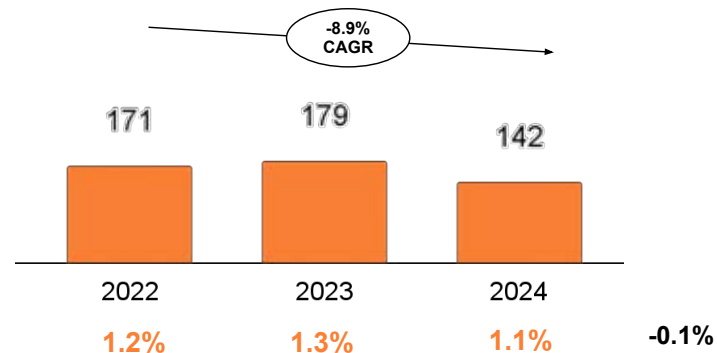
Other States



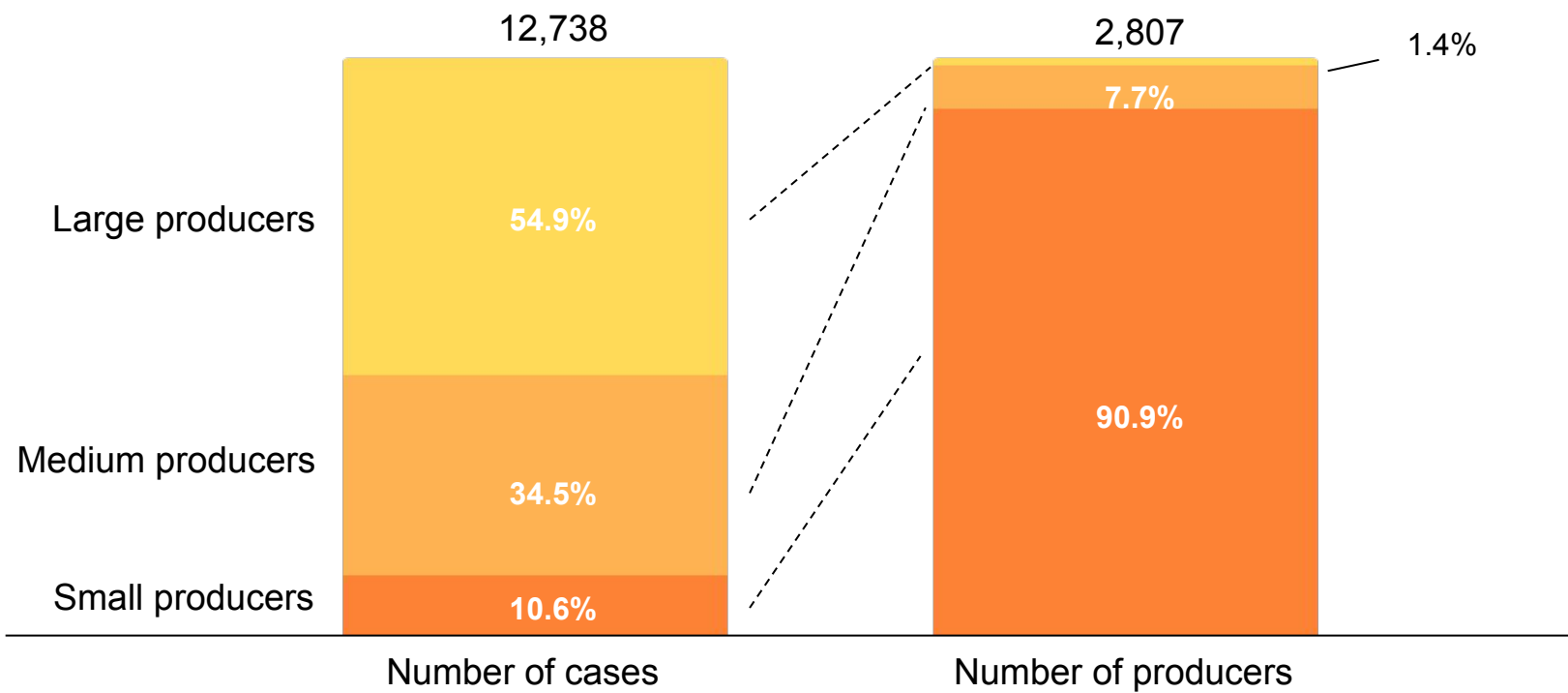
Home State



Export

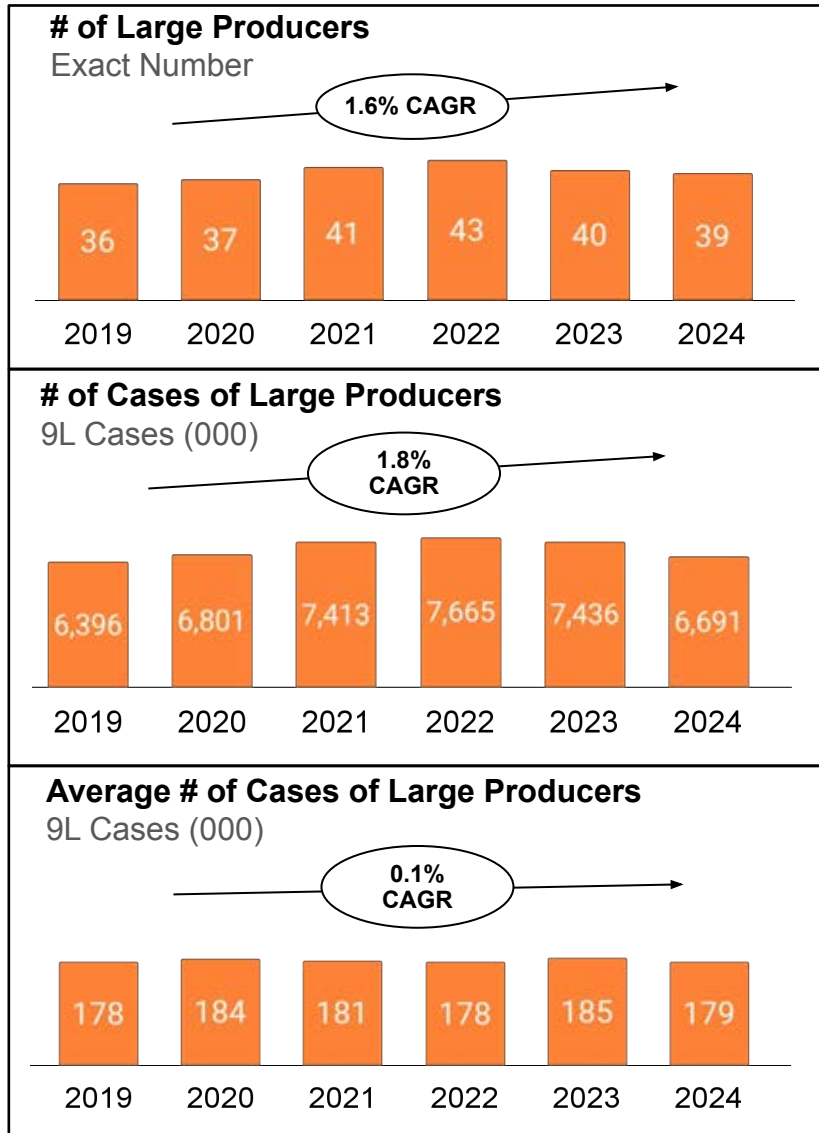


Craft Distillers and Case Volumes by Producer Size, 2024
of Producers, 9L Cases (000)



Less than 2% of craft spirits producers are responsible for over 54% of the cases produced while 90% of producers are classified as small and are responsible for under 11% of cases produced.

Average Number of Cases Removed From Bond by Large Craft Producers Remains Consistent



The number of large craft producers was 39 in 2024, down 9.3% from its peak of 43 in 2022.



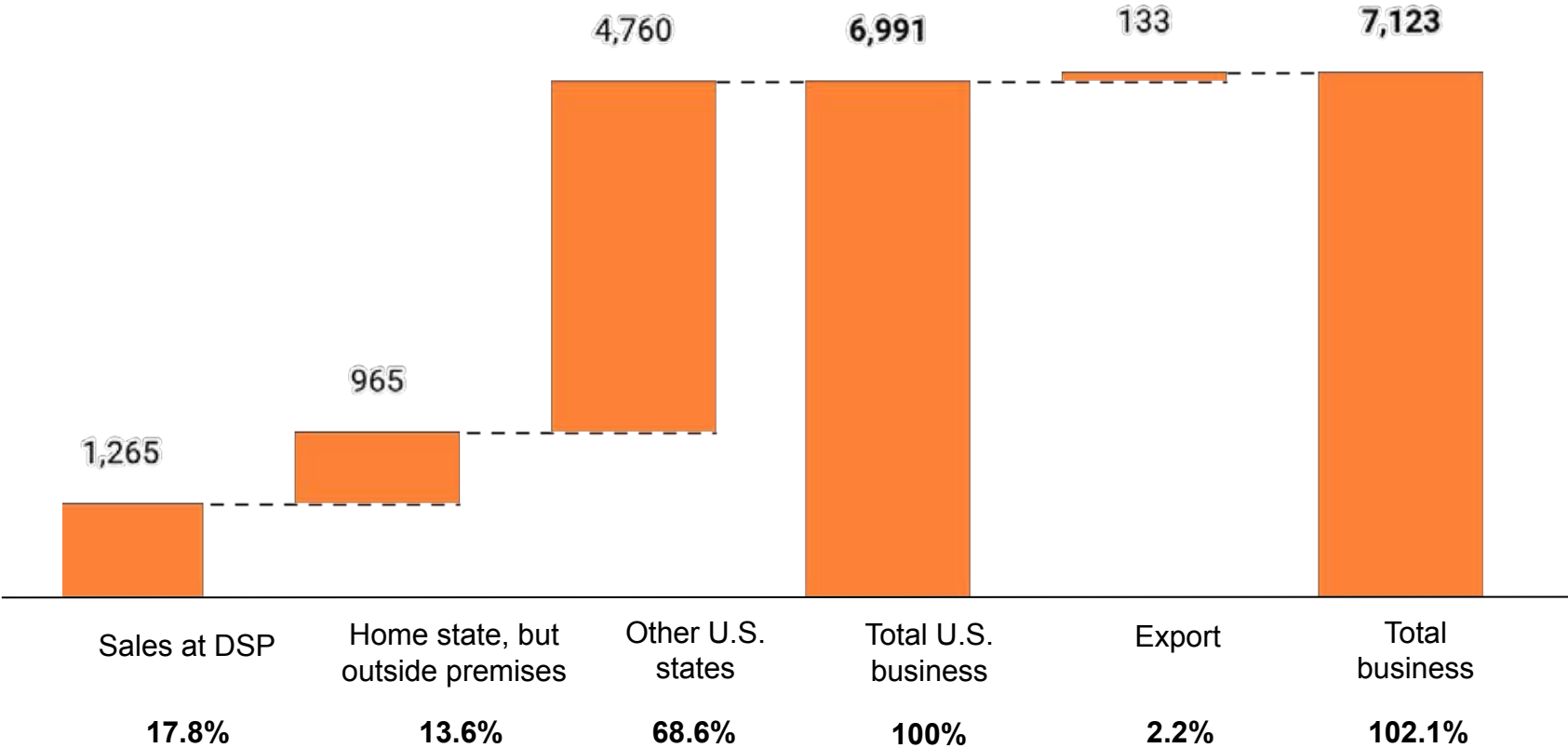
The number of cases of large craft producers has grown from 6.4 million 9L cases in 2019 to over 6.7 million 9L cases in 2024.



The average number of cases removed from bond by large craft producers has remained fairly consistent from 2019 to 2024, totalling 179,000 9L cases in 2024.

Large Craft Producers Do Vast Majority of Business Outside the Home State

Sources of Case Sales – Large U.S. Craft Spirits Producers Domestic 2023
9L Cases (000)



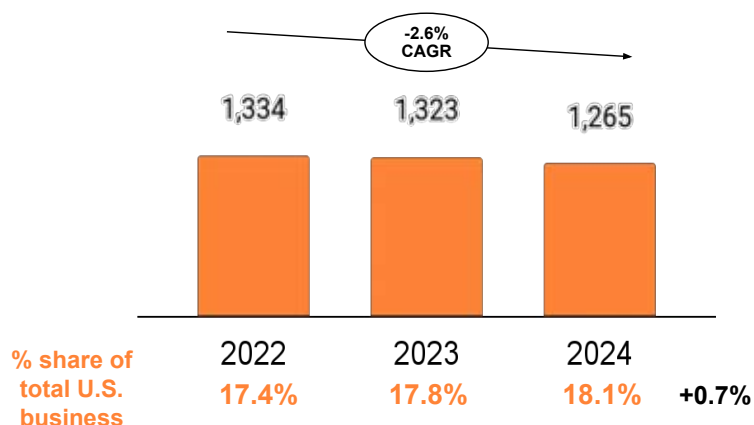
Large craft producers are more likely to drive growth outside of their home state.

Large Craft Producers Increase Sales in Home State

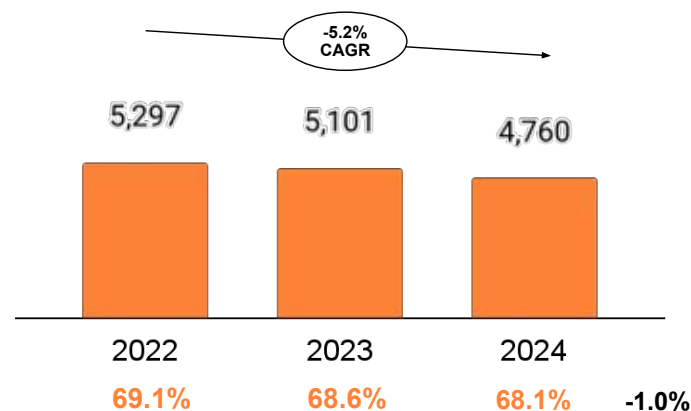
Large Craft Spirits Producers, Sources of Case Sales, 2022 – 2024

9L Cases (000)

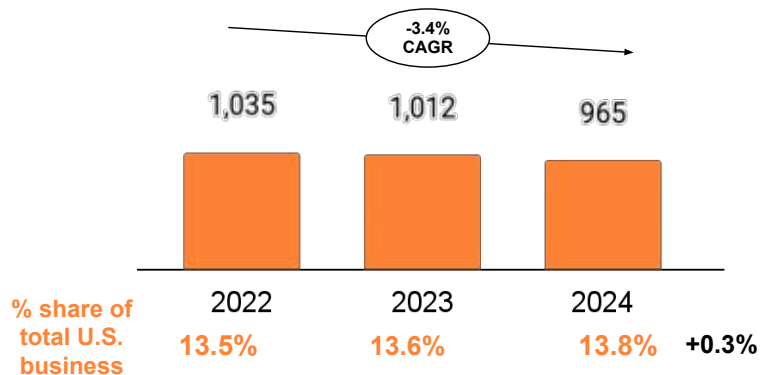
Sales at DSP



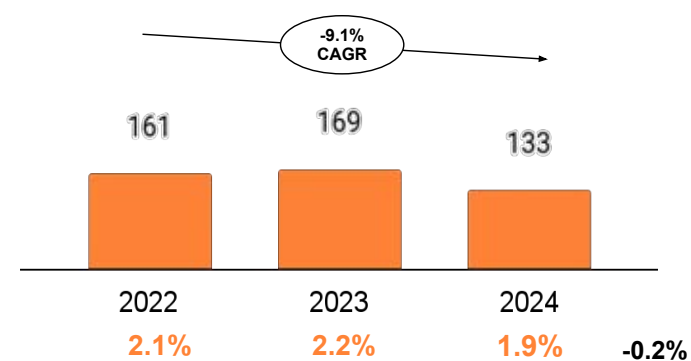
Other States



Home State



Export

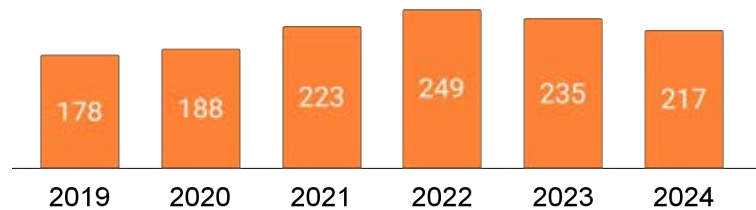


Medium-Sized Craft Producers Remain Consistent at 20,000 9L Cases in 2024

of Medium-Size Producers

Exact Number

4.4%
CAGR

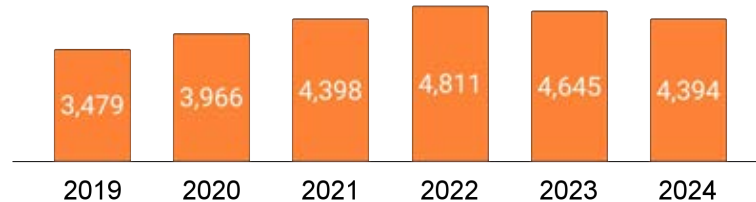


The number of medium craft producers was 217 in 2024, down 12.9% from its peak of 249 in 2022.

of Cases of Medium-Size Producers

9L Cases (000)

4.8%
CAGR



The total number of cases removed from bond by medium craft distillers has grown from 3.4 million 9L cases in 2019 to nearly 4.4 million 9L cases in 2024, down from its peak of 4.8 million cases in 2022.

Average # of Cases of Medium-Size Producers

9L Cases (000)

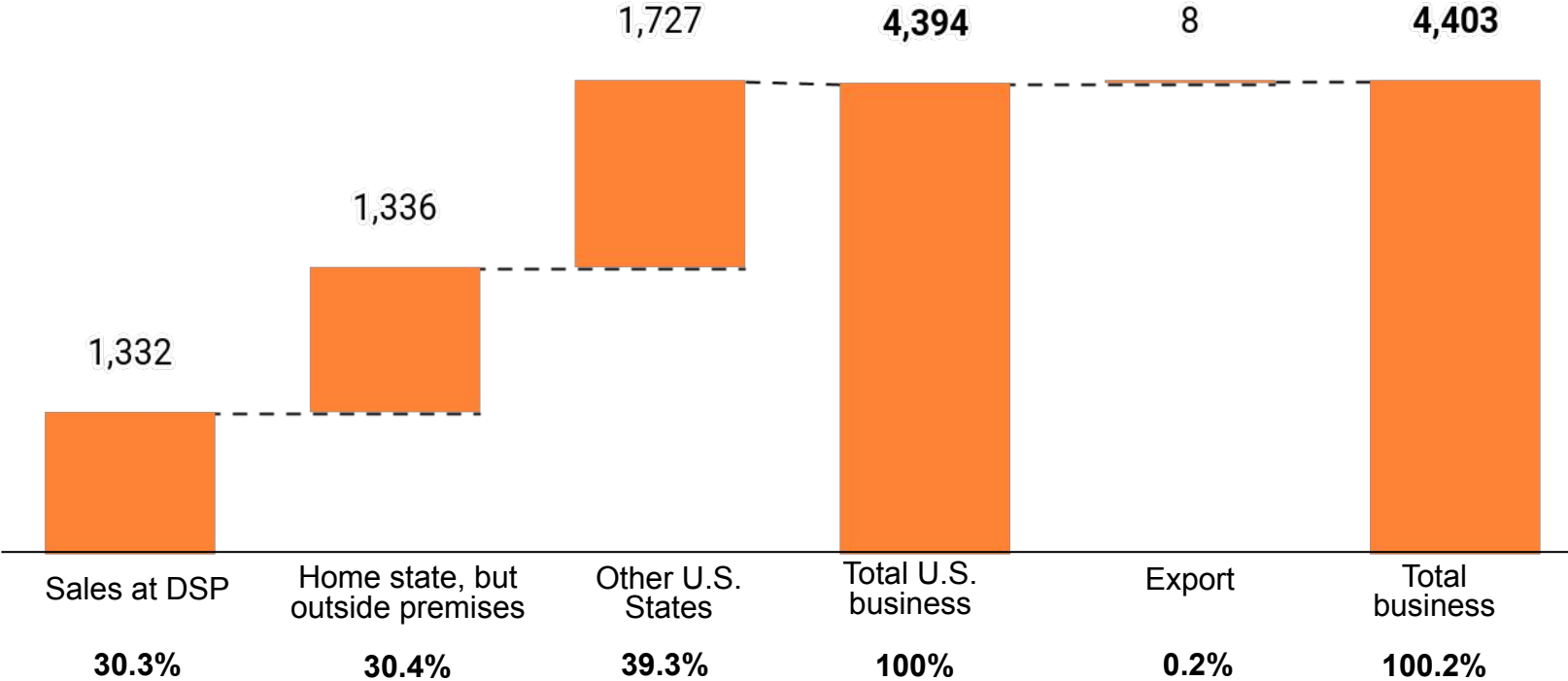
0.0%
CAGR



The average number of cases produced by medium craft distillers has remained consistent from 2019 to 2024 at approximately 20,000 9L cases.

Medium Craft Producers Do the Majority of Business in the Home State

Sources of Case Sales – Medium U.S. Craft Spirits Producers 2024
9L Cases (000)



60.7% of the total U.S. business of medium U.S. craft producers takes place in the home state of the craft distiller.

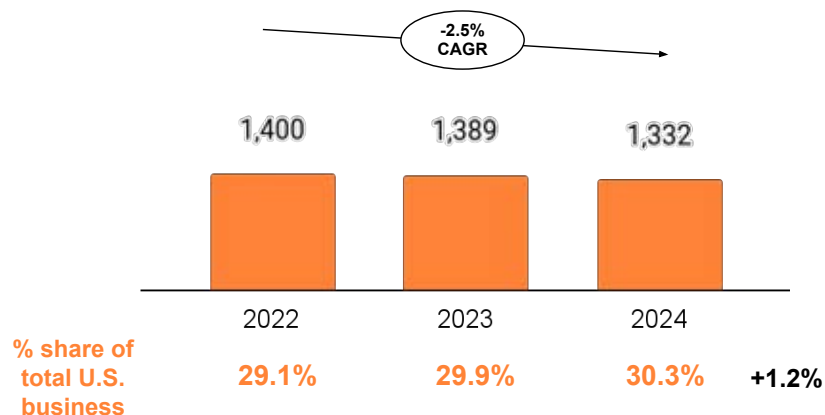
Medium Craft Producers Sales See Strongest Growth at the DSP

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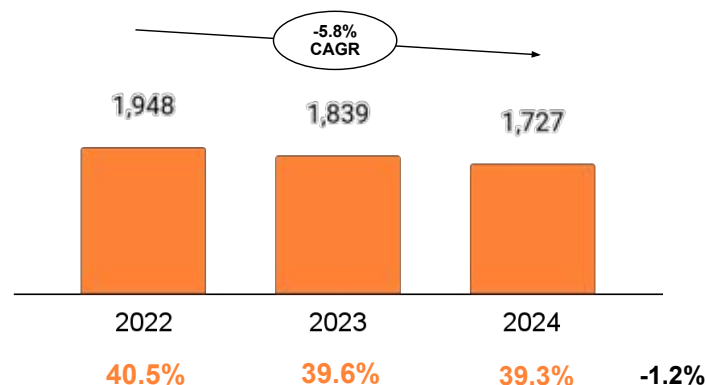
Medium Craft Spirits Producers, Sources of Case Sales, 2022 – 2024

9L Cases (000)

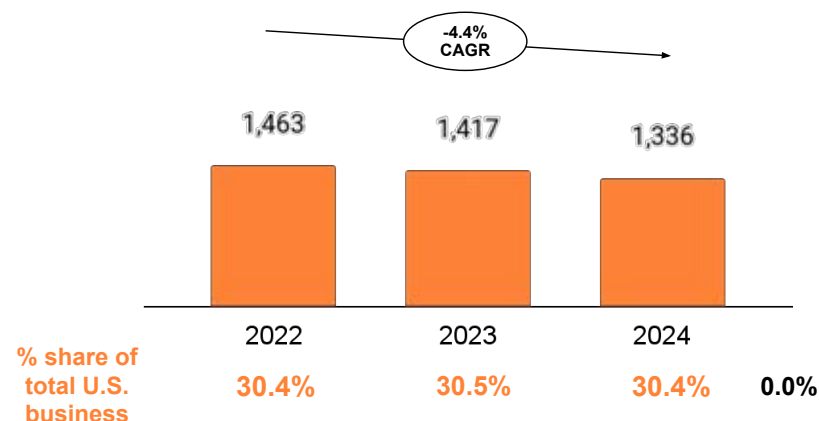
Sales at DSP



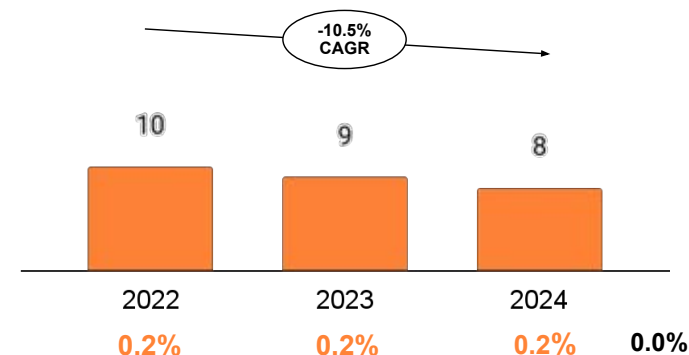
Other States



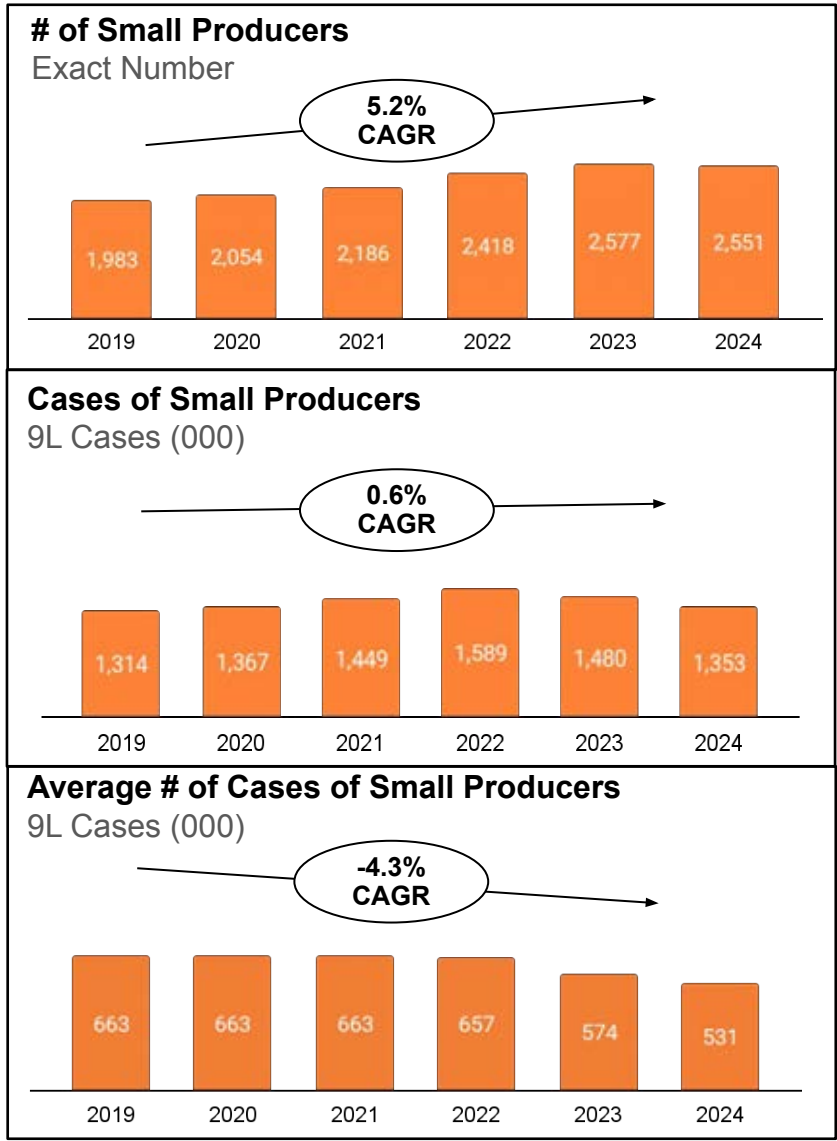
Home State



Export



Number of Small Craft Producers Decrease for the First Time



The number of small craft producers was 2,551 in 2024, down 1% from its peak of 2,577 in 2023.



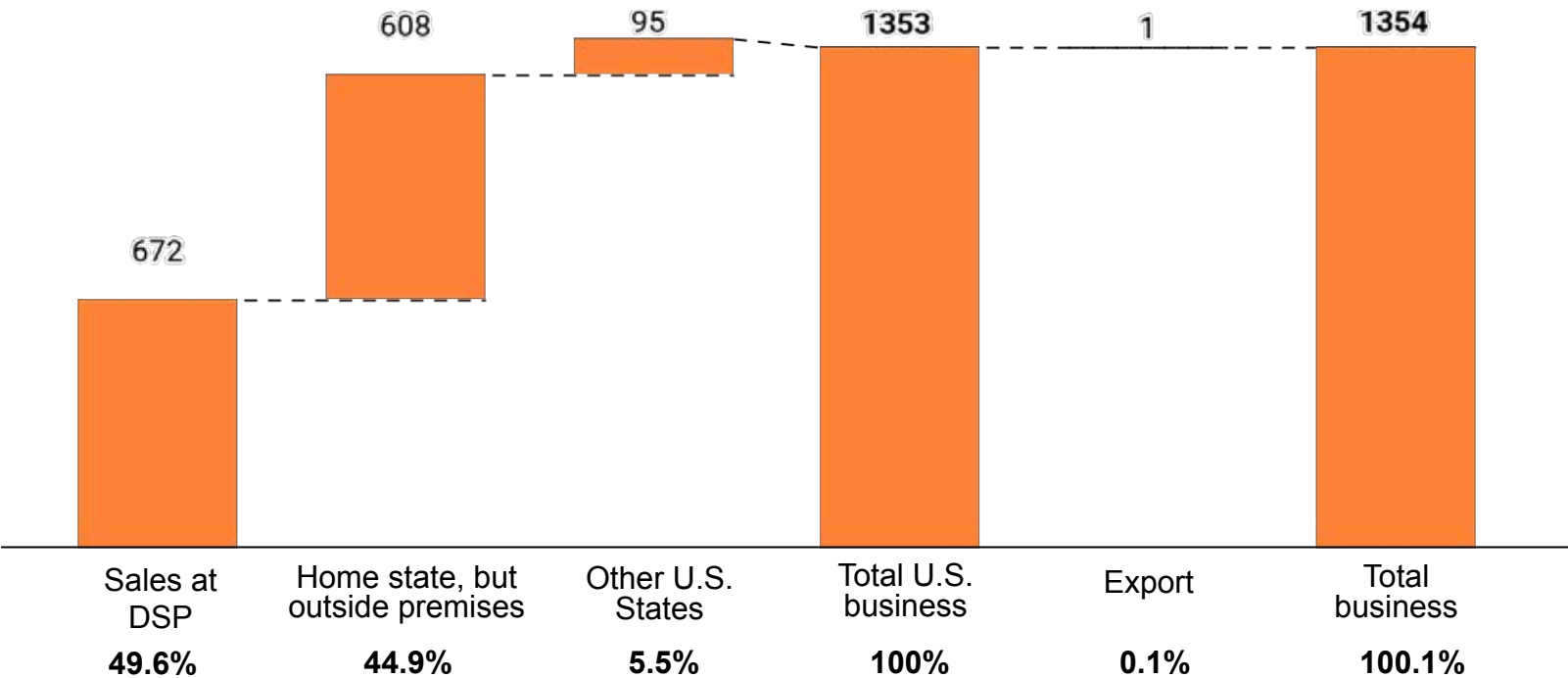
The number of cases of small craft distillers has grown from 1.3 million 9L cases in 2019 to almost 1.35 million 9L cases in 2024.



The average number of cases removed from bond by small craft distillers has decreased from 663 9L cases in 2019 to 531 cases in 2024.

Small Craft Producers Do Nearly All Their Business In Home State

Sources of Case Sales – Small U.S. Craft Spirits Producers, Domestic and Export 2024
9L Cases (000)



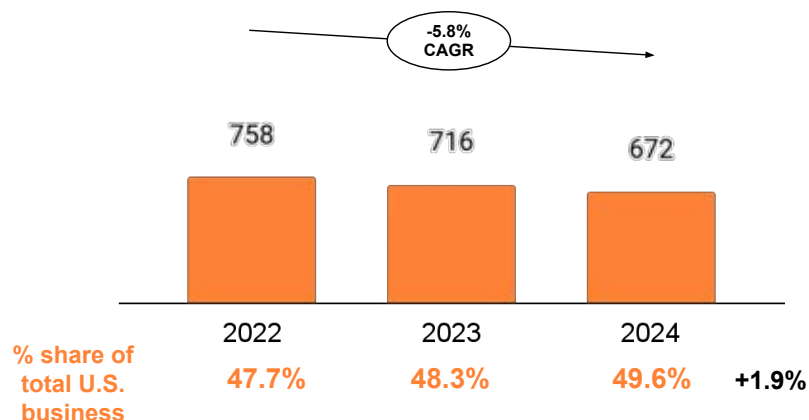
Over 49% of the total business of small craft producers comes from sales at the DSP. Less than 6% of the total business comes from sales outside the home state, including exports.

Small Craft Producers Heavily Rely on Sales in the Home State

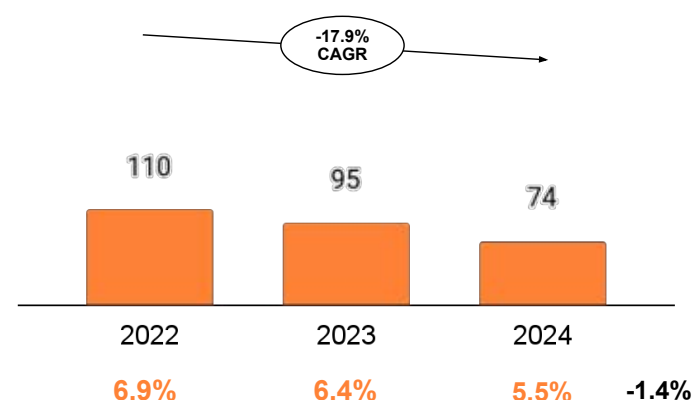
Small Craft Spirits Producers, Sources of Case Sales, 2022 – 2024

9L Cases (000)

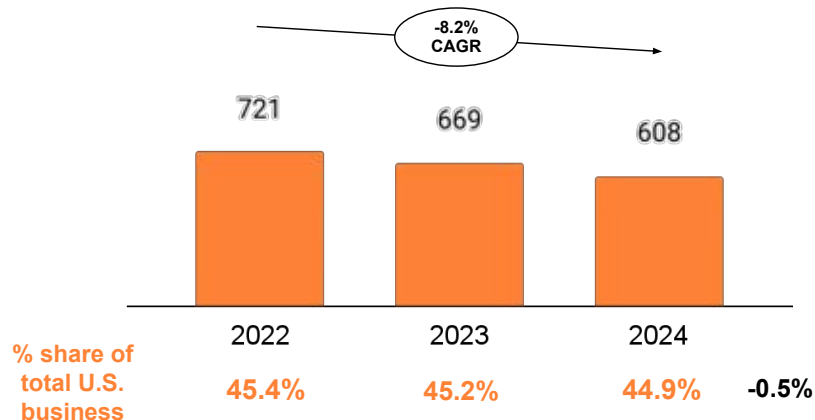
Sales at DSP



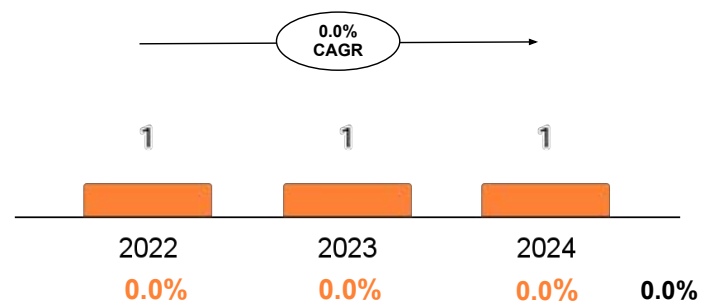
Other States



Home State



Export



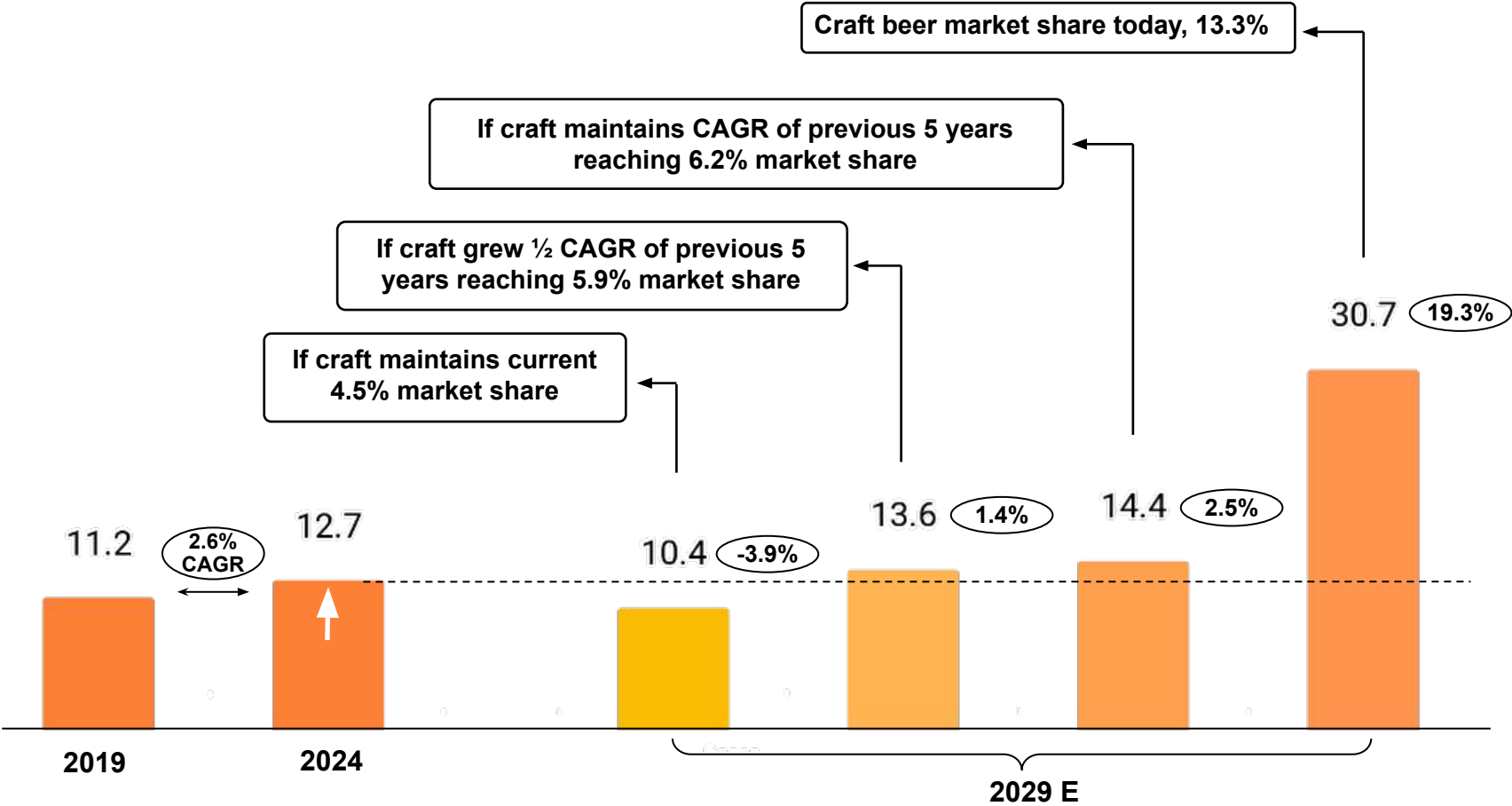
Future Scenarios for the Craft Spirits Market in 2029

U.S. Market Size Scenarios for 2029

9L Cases (millions)

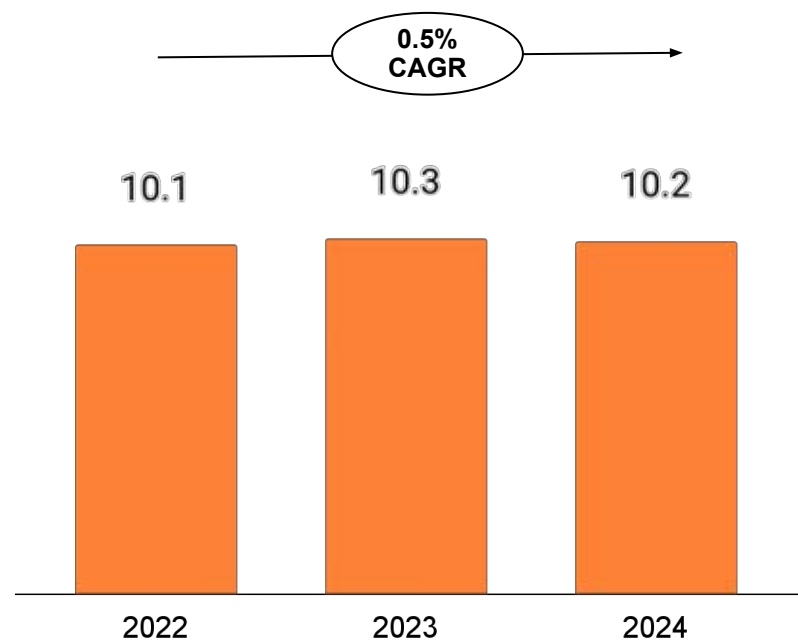
2024 – 2029
CAGRs

Scenarios

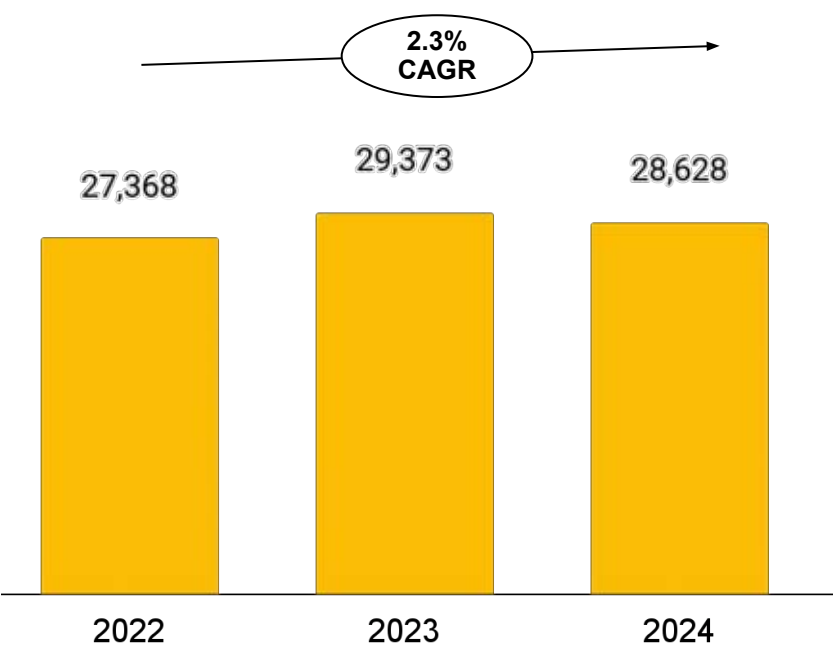


U.S. Craft Industry Sees Dip in Total Number of Employees

Average Full-Time Domestic Employees of U.S. Craft Spirits Producers



Full-Time Domestic Employees of U.S. Craft Spirits Producers

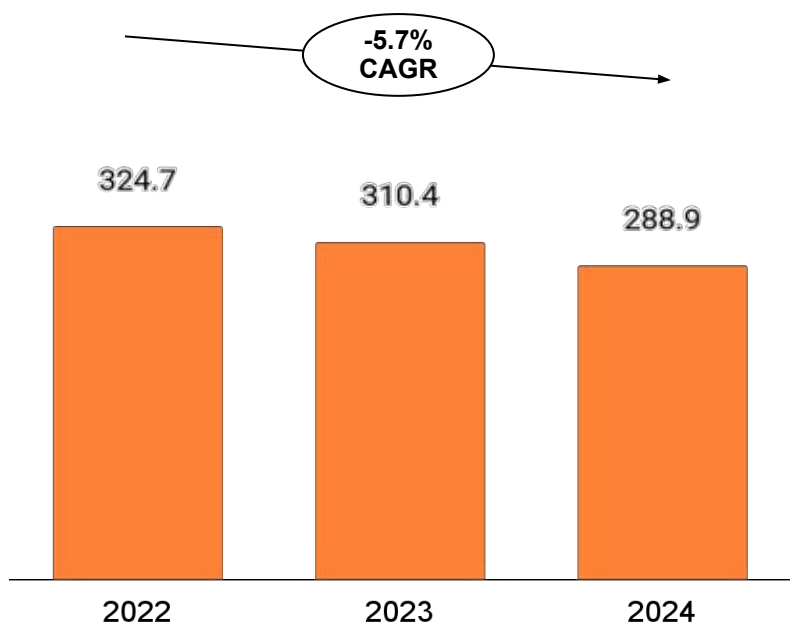


The pandemic resulted in a significant decrease in full-time domestic employees in the craft segment. While those numbers have consistently gone up post-COVID, 2024 saw a decline in the total number of employees working in the craft spirits industry.

Investment in the U.S. Craft Industry Has Stalled

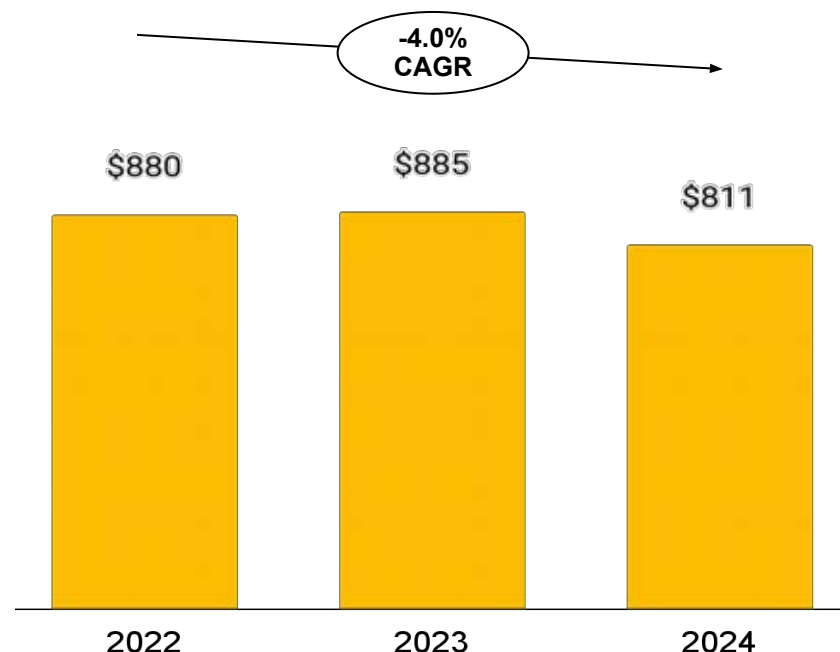
Average Investment of U.S. Craft Spirits Producers

\$ Thousands



Total Investment of U.S. Craft Spirits Producers

\$ Millions



Both the average amount invested by individual craft distillers and the total amount invested in craft spirits producers decreased in 2024.

Questions?

For more information on the data and analysis included in this presentation,
please contact

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CRAFT SPIRITS

DEFINITION &

PROJECT BACKGROUND

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THE PROJECT SERVES TO:

- Quantify the number, size, and impact of craft spirits producers in the U.S.
- Create a deeper understanding of the U.S. craft spirits landscape among four key groups: DSPs, wholesalers, retailers, and consumers
- Provide findings on craft supplier best practices and success factors

THE FOLLOWING INFORMATION WAS COLLECTED (all information was collected with the assurances of full confidentiality):

- Data on craft distiller production size and patterns, sources of revenue, and the category's overall economic impact within the spirits industry
- Data on craft spirits business size, patterns, and outlook on the wholesaler and retail levels (both on- and off-premise)
- Input on craft spirits brand perceptions

THINGS TO REMEMBER:

- When estimating the number of producers behind the U.S. craft spirits production, the Project team relied on a combination of official data released by regulatory authorities, survey data, other industry data sources both national (e.g., NABCA, ACSA) and regional (e.g., guilds), as well as interviews and team assessments using the craft distiller definition
- In the accompanying data sets, the team assumes independent ownership as having equal or more than a 75% equity stake and/or operational control of the DSP. The team has set up a process that asks industry members to notify the ACSA of all ownership or strategy changes away from craft so the changes can be reflected accordingly in the database

Project Organizer: American Craft Spirits Association (ACSA)



The American Craft Spirits Association (ACSA) is the only national registered non-profit trade association representing the U.S. craft spirits industry. Its mission is to elevate and advocate for the community of craft spirits producers. Membership in ACSA is open to anyone.

ACSA is governed by a Board of Directors elected by the eligible voting members of the Association. Voting members must be independent, licensed distillers (DSPs) annually removing fewer than 750,000 proof gallons from bond (the amount on which a federal excise tax is paid.)

ACSA was founded in 2013 by 23 founding craft distillers and now has hundreds of members throughout the U.S.



Park Street delivers productivity-enhancing and cost-saving back-office solutions, advisory services, and working capital to more than 18,000 alcoholic beverage brands from the U.S. and around the world. Established in 2003, the company provides a fast and reliable conduit to the U.S. and EU markets and a cost-effective operating platform. Park Street works with suppliers at all stages of growth and its clients range from entrepreneurial craft distillers to multi-brand global portfolios



TTB: Provided Beverage Spirits Producers and Bottlers by Average Taxable Removals; agreed to change annual reporting moving forward to enable consistent fact basis



NABCA: Provided in-depth view of craft distillers using control state data

What Constitutes a Craft Spirit?

- There is no universally accepted definition of craft spirits in the industry, and the expression “craft spirit” is not protected in any way
- Given the positive trends for craft spirits from a consumer perspective (e.g., premium to other spirits, rising demand), there is a natural incentive for brands to utilize craft spirits cues and position themselves as a craft spirit
- The industry has responded with different definition attempts based on criteria for the producer of the craft spirit including production steps at the location, ownership and operational control of the distillery, subscription to an ethics code based on honesty and transparency, production methodology, and size of production
- Many of the criteria used or suggested by industry members would require a formal certification or peer approval process in order to be used as a universal base for quantification purposes
- As long as a universally accepted craft spirits certification or approval that could be used as an industry wide criteria remains unavailable, the quantification has to rely on certain verifiable quantitative metrics which are complemented by estimates to bridge gaps
- Looking at the manufacturer, size of production, ownership/control, and production specifics are criteria that could possibly be measurable and verifiable. However, the consistent collection of the data is not without barriers and could be very cumbersome, which suggests the potential use of a pragmatic approach

U.S. craft spirits, as defined pragmatically for the purposes of the research, are distilled spirits that are produced in the U.S. by licensed producers that have not more than 750,000 proof gallons (or 394,317 9L cases) removed from bond, market themselves as craft, are not openly controlled by a large supplier, and have no proven violation of the ACSA Code of Ethics

Craft Distillers by Size – Classification Definition

	Range of gallons removed from bond annually*	Range of 9L cases removed from bonds annually*	Characteristics
Large craft distiller	100,001 – 750,000	52,577 – 394,317	• Often nationally distributed • If negative cash flow, then by choice in favor of investment
Medium-size craft distiller	10,001- 100,000	5,259 – 52,576	• Often regionally distributed • Often still cash flow negative
Small craft distiller	1- 10,000	1 - 5,258	• Often only locally distributed • If no on-premise business, typically cash flow negative