



Port Ellen Distillery Plans Approved

Diageo's plans to bring the "lost" Port Ellen Distillery on Islay in Scotland back into production have been given the green light by local authorities.



As part of the plans, the historic pagoda-roofed kiln house will be restored alongside the creation of new state-of-the-art production buildings.

"We are delighted to have reached this important milestone in our journey to bring Port Ellen back into production," said Georgie Crawford, the master distiller leading the Port Ellen project.

"The new Port Ellen stillhouse will bring together traditional and innovative approaches to distilling under one roof with two pairs of copper pot stills and two separate distillation regimes," according to a company statement.

The primary distillation regime will recreate the original spirit character of the distillery using two stills that exactly replicate the original Port Ellen copper pot stills. Alongside this will be a second, smaller pair of stills, which will produce alternative spirit characters, allowing the Port Ellen whisky makers the freedom to experiment with new whisky styles.

"This approach to distillation pays homage to John Ramsay, who owned Port Ellen in its formative years and made it one of the most innovative distilleries of the 19th century," the statement continued. "His pioneering skill and dedication helped develop many of the techniques and equipment that have since become mainstays of the Scotch whisky industry."

The buildings at Port Ellen have gone through many changes since the distillery first opened in 1825, with the distillery closing and largely being demolished in the 1930s before being rebuilt in the 1960s.

Following its most recent closure in 1983, few of the original buildings remain. The original kiln building with its classic pagoda roofs and the traditional sea-front warehouses will be restored as integral parts of the revived distillery, with a new stillhouse created to house distillation.

In October 2017, Diageo announced a £35 million investment program to bring back Port Ellen on Islay and Brora distillery in Sutherland, both of which closed in 1983.

Since then, the company has embarked on an additional £150 million investment program in Scotch whisky tourism — the biggest ever seen in the sector — which will create the Johnnie Walker Princes Street global flagship visitor experience in Edinburgh, as well as investing in the company's existing 12 distillery visitor centers.

What Consumers Want: U.S. Bartenders Divulge What's Driving Sales in the On-Premise

Special to Modern Distillery Age by IWSR, www.theiwsr.com

Based on one-on-one interviews with bartenders from across 15 U.S. cities, and from across account tiers, here are three key trends from the U.S. on-premise.

1) Move Over Tequila: Consumers Are Increasingly Intrigued by Mezcal & Its Versatility

Americans drink more tequila than any other nation in the world. Off of this, mezcal is making serious inroads with the American consumer, and, although from a small base, mezcal consumption in the U.S. was up 32.4% in 2018. Collectively, the agave-based spirits category is forecasted to grow in the U.S. by 4% CAGR through 2022. Consumers are increasingly intrigued by mezcal, thanks in part to the increased marketing and advertising by the category's brand owners. Bartenders highlight that mezcal's versatility means it is requested for everything from group shots to use in signature toddies. As more consumers learn about this category, bartenders stress that it is a key spirit to watch.

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U.S. Demand for Distilled Spirits Forecast to Rise 1.9% Annually in Volume Terms Through 2023

U.S. demand for distilled spirits is forecast to rise 1.9% annually in volume terms through 2023, according to *Distilled Spirits: United States*, a report recently released by Freedonia Focus Reports. Suppliers will continue to benefit from a consumer trend toward premium and super-premium distilled spirits and away from beer and wine. Suppliers will also benefit from increasingly tight consumer budgets, particularly among Millennials, as distilled spirits can offer a higher value in terms of drinks per dollar than beer or wine.

Demand for vodka is expected to decline slightly to 2023 while remaining the largest segment due to the spirit's versatility. Penetration of flavored vodkas has reached a saturation point, which will restrain growth prospects, particularly as suppliers field flavored versions of other spirits.

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