

DISTILLERS CREATE A BUZZ OF THEIR OWN WITH PREMIUM AND SUPER-PREMIUM WHISKEYS

By Ron Givens

The labels say, “Straight Kentucky Bourbon,” but some of the high-end whiskeys coming out of the Bluegrass State these days resemble spirits from Scotland and Ireland.

The likeness is not a matter of taste — no one would ever confuse the sweet, caramel-and-vanilla richness of bourbon with the maltier (and sometimes peatier) stuff from the British Isles.

No, the similarity comes from a continuing and growing emphasis on distinctive, sometimes pricier products. Bourbon is taking on more and more of the pizzazz associated with single-malt Scotches and pricier Irish whiskeys.

First of all, there's the allure of extra aging. More than a dozen products on the market have spent 15 years or more in casks. And that doesn't include two new products out this fall: the 2005 release of George T. Stagg from Buffalo Trace (nearly 17 years of age), and a new Pappy Van Winkle Family Reserve from the Old Rip Van Winkle Distillery (23 years of age).

Then there's the appeal of vintages. Heaven Hill has been putting out Evan Williams Single Barrel bourbons from specific vintages since 1995, and the latest, from 1996, is just out this fall. So is the spring 1993 bottling in the line of Old Forester Birthday Bourbons from Brown-Forman, which began its vintage program in 2002.

On a more esoteric level, Brown-Forman will introduce a new whiskey that does something bourbon distillers haven't done in recent memory — maybe since

before Prohibition. They've made a whiskey out of four grains — corn, barley, rye and wheat — rather than the usual combination of three (corn, rye and barley, or corn, wheat and barley). Woodford Reserve Distillery's Four Grain is also the first bourbon to come entirely out of pot stills in several years, taking advantage of the renovations made at the company's facility in Versailles, Kentucky.

Some of the distinctions being made by bourbon distillers may be rather fine, but sales figures show that consumers want the same buzz of connoisseurship they've been getting from Scottish and Irish products. This is a trend that began quietly in 1984, with the introduction of the single-barrel Blanton's from what is now Buffalo Trace, and then accelerated with the introduction of Booker's in 1988 from Jim Beam and the Small-Batch Bourbon Collection from Beam in 1992.

The greatest growth in bourbon sales over the last 15 years has been among high-end premium and super-premium whiskeys. The latest figures out of the Distilled Spirits Council of the United States show that this trend continues to be strong. Total sales of bourbon (and Tennessee whiskey) were 13.1 million 9-liter cases in 2002 and 13.4 million 9-liter cases in 2003. At the lower end, with value brands and premium brands, sales were





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essentially flat, but high-end premium brands were up 4.4% and super-premiums jumped 7.5%. And yet there is plenty of room for growth, as the high-end products are only about 5% of total sales in the category.

“Among people drinking bourbon, there is a small but dedicated group that we call connoisseurs,” says Jeremy Betts, the brand manager at Jim Beam for the four brands (Knob Creek, Booker's, Baker's, Basil Hayden's) in the Small Batch Bourbon Collection. “At the other end, there are a large number of people who are bourbon-and-Coke drinkers. They are less interested in the flavor of bourbon than in its ability to mix. A lot of growth in bourbon sales is in the group of people in between. They are growing their knowledge, drinking bourbon in cocktails sometimes and on-the-rocks sometimes.”

Over the past year, Knob Creek has made a major promotional push with the red-hot game of poker, becoming the official spirit of the World Series of Poker, sending out top pros for promotional appearances and creating off-premise displays and non-wagering

poker nights in stores. A new ad campaign for Knob Creek will be out early next year.

Heaven Hill will spend about \$5 million on a new ad campaign to promote its Evan Williams brand in magazines like Field & Stream, FHM and Playboy. And there will be a limited campaign, in publications like the Wall St. Journal and Cigar Aficianado, for the Evan Williams Single Barrel Bourbon. The company will continue its ties with fishing competitions, sponsoring bass tournaments and a professional fisherman.

Brown-Forman will double its ad buys for Woodford Reserve with a new campaign that will include Esquire, Details and Playboy magazines. A major on-premise push has come through large infusion jars that can be used to flavor the bourbon with various kinds of fruits or spices. The 5-liter containers are in the shape of the Woodford Reserve bottle, so they help to promote the brand visually. The brand has a new customer-relations program (the 1870 Society) and a racehorse (Distill My Heart) as part of its Thoroughbred Society outreach program. Early Times

has gone fishing for customers as well, sponsoring three fishing teams and launching a contest where the person who reels in a specially tagged bass will win \$50,000.

And Pernod Ricard will launch a new ad campaign for Wild Turkey Russell's Reserve, a bourbon that has recently been reformulated. The theme of “The Perfect 10” was inspired by the preference of co-master distiller Eddie Russell for bourbon that has been aged, like Russell's Reserve, for 10 years.

All of this activity may end up boosting the lower-priced bourbons as well. Says Josh Hafer of Heaven Hill, “The popularity of super-premiums seems to be adding fuel to the market as a whole.” ■

Ron Givens' new book, *Bourbon: the Lore and Allure of America's Finest Spirits*, covers the hottest bourbons going, with a comprehensive guide to all the small-batch and single-barrel whiskeys on the market. It also provides a history of bourbon, a description of how the whiskey is made, information on cocktails and tips on how to create your own spirited Kentucky vacation.

