

# A Vodka Even a Mixologist Can Love

While today's marketplace focuses on value, super-premium Double Cross Vodka remains patient and rallies the bartender trade

By Kristen Bieler

**D**ouble Cross CEO, Malcolm Lloyd, M.D., certainly didn't set out to revolutionize the world of super-premium spirits. A biomedical engineer, Lloyd first worked at a biotechnology venture capital firm before launching a healthcare information technology firm which manufactured hand-held computers for doctors.

How he ended up launching a luxury vodka—in the middle of a worldwide recession, no less—is the result of his fascination with his godfather's New Jersey-based brokerage business (which for years served as the broker for Ultimat Vodka) as well as his preoccupation with the science of brand-building. “If you build a strong brand, you create an incredibly valuable asset,” Lloyd describes. “I have seen this in the medical world, and although it is very challenging in any industry, it has amazing potential from a business perspective when you get it right.”

Why enter the most crowded category in the industry? “Vodka is the most competitive category, but it is also the largest,” Lloyd explains. “You don't have to create category awareness as you would for Pisco or Cachaça, for example, so this is where I wanted to be.” Even before the economic crisis, Lloyd knew that he had to create an extremely competitive product to survive in the super-premium sphere, so he set out to find and develop the highest quality liquid available.

Having fallen in love with Eastern Europe when he spent time in the Czech Republic during medical school, Lloyd toured dozens of distilleries. On one of his visits, he met up with master distiller Dr. Jan Krak in Slovakia and the idea for Double Cross began to take shape—a vodka made from locally-grown winter wheat and mountain spring water and named for the “double cross” on the Slovakian flag.

## Winning Back Mixologists

The absence of flavor and character is what Lloyd believes turned many mixologists against vodka, and winning them over was an

early goal for the brand. “Most brands promote their vodka by talking about what it lacks—it has no burn, no calories, no bite, it doesn't give you a hangover—and we want to talk about what our vodka actually offers. Mixologists don't like vodka because it is very easy to mix—there is no challenge there. But with a vodka like Double Cross, I believe we can encourage mixologists back to the category.”

Once he selected the final blend for the brand, he assembled a panel of mixologists led by Lloyd's friend Dale DeGroff. Dale invited Dave Wondrich, Julie Reiner, Dushan Zaric and Francis Schott amongst others, and conducted a blind tasting of many popular vodkas. Double Cross was the hands-down

favorite. “Mixologists appreciate the artisanal approach and the product's complexity. This is a sipping vodka today and eventually it will be a staple for the Bloody Mary,” Lloyd says.

Lloyd also wanted people talking about the package. Double Cross plays up its Slovakian heritage with verses of old-world poetry silk-screened on the back of the back bottle, along with the Slovakian flag and coat of arms on the front. At the 2008 San Francisco World Spirits Competition, Double Cross was the first and only vodka ever to win the gold medal for both taste and design.

But the close-to-\$50 price tag? “I studied the evolution in pricing in this category, and we wanted to be part of the next wave. I am confident that the discerning drinker is willing to step it up; history is on our side,” he says.

It was in the middle of the recession when Double Cross hit the market. “We launched in metro New York and New Jersey in 2008, and because of the economic climate, we had very low expectations. But while people are definitely trading down, they are still drinking top shelf products.”

There is one way in which he thinks the recession might even help the brand in the long term: “A lot of the industry is scared away from super-premium right now. There is a real vacuum being created in this segment as every company is chasing value. But we will be there when people get back into the super-premium game.”

## Slow and Steady

Nothing about creating Double Cross has been speedy. From the four year-plus incubation phase to the market roll-out, Lloyd has been taking a lot of time to get things right: “We want to be successful in every market we are in before we move on to another one. When you push a brand too fast you can damage relationships as well as the brand equity. You have to let consumers experience the product.” ■

