The boat from Asia bringing spirits to the U.S. may be fast, but it remains to be seen if these products’ acceptance by mainstream U.S. consumers will take off. by Gregg Glaser
There aren't a great many Asian spirits available in the United States. Shochu from Japan and soju from Korea (in essence, the same drink) account for the bulk of labels to be found. Japanese Yamazaki whisky from Suntory has a strong presence. There are several vodkas from China and one from Japan, liqueurs from Japan and some mixed-style beverages using saké as a base. Saké isn’t distilled, so it doesn’t fit the definition of a spirit.

Speaking about the topic of Japanese shochu, a clear spirit often compared to half-strength vodka, Stephen Mapes of Japan Food Corporation says, “It’s not quite the boom we thought it would be. At least not yet.”

SHOCHU AND SOJU

Japan Food Corporation (JFC) lists 20 different Japanese shochu (on average, about 24% ABV) on its website that the company imports into the U.S. These are distilled from a number of different raw ingredients, as are all shochu and soju. Most common are sweet potatoes, barley, rice and buckwheat. New York Mutual Trading Co. lists 24 shochu; Takara Sake USA has eight; and Suntory carries four.

Mapes of JFC said that Japanese saké makers started making more shochu several years ago when shochu sales overtook saké in that country. This occurred in 2002, as young drinkers moved to the higher-alcohol shochu (saké is typically 15-17%), especially as the base of fruity...
mixed drinks. It was thought that shochu would become the “next big thing” from Japan in the U.S. and around the world.

“It’s tough to get it in places,” Mapes said. “Distributors will take at most one to two brands, and we have no real marketing dollars to promote it.” Two places JFC does promote shochu are at its annual trade shows in New York City and Los Angeles.

Ami Nakanishi of New York Mutual Trading Co. (NYMT) said it’s difficult to get U.S. consumers to understand the difference between shochu and saké, but that Mutual has had some success and doubled its sales of shochu in 2006 from the previous year. She said there’s also the problem that of NYMT’s 200 restaurant accounts in New York City, for example, only 40 hold a liquor license, thus making shochu sales challenging.

NYMT holds a trade-only Japanese Food & Restaurant Show in New York City each year, at which shochu seminars are held in between saké seminars. Yukari Pratt gave this year’s shochu seminars. Pratt, trained in Japan as a shochu advisor with the Saké Service Institute, said she has “very high hopes for the future of shochu in America.”

Masatoshi Ohata of Takara Saké USA agreed with the others that the shochu market in the U.S. is small and that most of the customers are Japanese or the few Americans who have traveled to Japan. “Interest in Asian culture, especially Japanese, will help the sales of shochu increase,” Ohata said. Takara’s marketing plans for shochu are to keep “good relationships with Japanese restaurants and groceries,” Ohata added.

Korean soju is represented in the U.S. primarily by the worldwide mega brand Jinro. Sean Cha of Jinro America said that Jinro Soju has been sold in the U.S. since 1986. The company now imports several labels besides the flagship.

“We concentrate on promoting Jinro Soju to two main markets,” Cha said, “Korean and Asian stores and restaurants and at trade shows, such as the Night Club & Bar Show in Las Vegas and the Food Expo & Beverage Shows in Los Angeles, where we introduced soju four years ago.”

On its website, Jinro claims, “Globally, Jinro has been the world’s best selling spirit for six consecutive years, outselling other leading brands like Stoli, Bacardi and Johnnie Walker.” Jinro America also played a key role in successfully lobbying the alcoholic beverage control boards in California and New York to allow restaurants with only a beer and wine license to sell soju, but only soju, not Japanese shochu, according to Cha.

**WHISKY**

Asian whisky in the U.S. is represented by Suntory’s Yamazaki Single Malt 12 Year Old and 18 Year Old labels. Satoru Shimizu of Suntory’s New York office said that Yamazaki first entered the U.S. in 1993, aimed only at the Japanese consumer. In 2004, Suntory launched the 18 Year Old and began marketing to all consumers. Yamazaki whisky is now sold in 35 states and more will be added next year. “We doubled sales in 2006 from 2005,” Shimizu said, “and we expect 50-percent higher sales in 2007.” Sun-
VODKA AND OTHER WHITE SPIRITS

Baojing Bai Jiu and Baojing Vodka are Chinese white spirits imported by Chatham Imports. Joe Nardoci of Chatham said these products are traditional spirits from the People’s Republic of China, each filtered through 168 carats of diamonds. The number 168 symbolically represents “being on the road to infinite prosperity” in China. Baojing Vodka is distilled from corn and the hugely aromatic and flavorful Bai Jiu uses Gaoliang grain (red sorghum) as its base. This white spirit is matured 12 months in terracotta pots.

“We spent six years developing this product in China,” Nardoci said, “and now we’re focused on getting distribution.” The products were introduced in the U.S. in New York City in September 2007. California, Florida and Chicago will open as markets in 2008, with promotions tying in with the Chinese New Year, a trip sweepstakes and some on-premise events. “We view these as specialty niche items,” Nardoci added, “and will market them to accounts with an interest in niche and high-end products.”

“I don’t think people know about China making vodka,” said Dennis Wang of Shun Lee West, a gourmet Chinese restaurant in New York City. “I’ve recommended Baojing Bai Jiu to a few of my customers who are regular spirit drinkers and they have switched. However, I think the sales of Asian spirits are going to remain with Asian restaurants for a while.” Shun Lee West features The Hidden Dragon cocktail made with one part Bai Jiu, one part Chambord and two parts sour mix, which Wang said is a popular drink.

A vodka called “Asian” in the U.S. is Han Vodka, imported by Progressive Brands. Han is distilled from polished rice and barley. Progressive also imports Tori Kai Distilled Sake, which at 24% some might call vodka and others shochu.

Kissui Vodka comes from Japan and has been imported by Takara Sake USA since October 2006. “Since it’s real vodka,” said Takara’s Ohara, “the target consumer is mainstream. These days there are a lot of Pan-Asian restaurants and Asian-infused bars and clubs. We’re starting with them and then will spread to American restaurants and bars, with some promotions in selected areas like San Francisco and Los Angeles.”

LIQUEURS

Ty Ku is a “sake liqueur” made with 20 botanicals that include ginseng and damiana. Trent Ulincy and Kirk Spahn met four years ago as Columbia University business school students. They saw the world moving East with Asian influences and thought there was a gap in the beverage business. They developed a product that uses Japanese sake as a base, a production facility in Shanghai and a Taiwanese bottler.

Ty Ku was launched in the U.S. in February 2007 in Las Vegas, “a distinctive place that is open to new things,” according to Ulincy. For 2008, 10 new cities are planned for introductions of Ty Ku, and the partners will have sake and shochu product extensions. “We’ll build slowly on an Asian platform,” Ulincy said, “and strategically with high-end, on-premise accounts.”

The unique glowing Ty Ku bottle (a light comes on from underneath when the bottle is picked up) makes the product a popular gift item, which should increase retail sales.

Bar manager Trish Barillas at Marquee in New York City said she only carries Ty Ku as a gift item, which should increase retail sales.

At Union Square Wines in New York City, Jesse Salazar said that every other year there’s a big thrust for Asian spirits, “but my guess is when boutique mixologists start using them, that will really propel the category.”

Fred Tibbits, based in Thailand as an international wine consultant for drinks programs with hotel and restaurant chains, believes that these days, marketers “think globally; act globally.” He continued, “The most interesting aspect of the themes in spirits is the globalization of the spirits business and the growth of premium and ultra-premium brands. The advertising is similar everywhere, taking into account regional differences.” That said, it seems likely that Asian spirits will have an impact here in the U.S.