global drinks intel.

FOR THE GLOBAL DRINKS EXECUTIVE | NOVEMBER 2025

AWARDS SPECIAL



INSIDE

Production is ramping up, but global malt whisky stands at a crossroads

With craft distilling facing its first-ever downturn, could there be opportunities among the challenges?

Interviews with Distilled Spirits Council of the United States, American Whiskey Association, James B Beam Distilling Co, ARI and Tops at Spar

World's 50 Best Bars: is the centre of gravity shifting to Asian on-premise markets?

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RUM

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Copalli Rum won in four categories from the 2025 Global Drinks Intel ESG Awards including the prestigious Alexander Smith Grand Prix Award for ESG Spirits Producer of the Year. The recognition also includes wins for Sustainable Spirits Product of the Year, Water Preservation Achievement of the Year, and Greenhouse Gas Reduction Achievement of the Year. From rain to rum, find out more about Copalli Rum's award-winning taste and carbon impact at copallirum.com.









COMMENT

Joe Bates

After fat years on Easy Street, the once-booming bourbon business is circling Skid Row and in need of a new direction

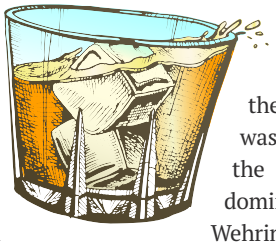
Well, the party's officially over. For the better part of two decades, bourbon enjoyed an enviable, almost effortless rise, graduating from an everyday brown spirit to an elite, coveted category. It was a golden age where, as US whiskey writer Lew Bryson recalls in Maia Gosselin's excellent report on p43, distillers felt they could simply "put it on the shelf and get out of the way".

That blithe attitude is now a liability. The US$9bn bourbon industry is grappling with a monumental Covid-19 hangover, evidenced by the more than 14m barrels of whiskey currently ageing in bulging Kentucky warehouses, a stunning inventory that has raised serious fears of oversupply and market saturation.

The news headlines this year have been hard to swallow — prominent operations, like large independent distillery Garrard County Distilling, have shut down, while farm-to-bottle startup Luca Mariano filed for bankruptcy in July, a month after the distillery's grand opening.

Even the category's giants have been feeling the squeeze. Earlier in the year, Brown-Forman, the owner of Jack Daniel's and Woodford Reserve, announced major workforce cuts and closed its cooperage in Louisville, while Diageo-owned Bulleit halted production at its Lebanon distillery in Kentucky until the middle of 2026.

Bourbon's domestic downturn — US whiskey sales fell 1.8% in the US in 2024 — has been compounded by crippling geopolitical headwinds which have seen US distilled spirits exports drop 9% in Q2 2025, according to the Distilled Spirits Council of the United States (Discus).



Given all this bad news, Gosselin asks pertinently: how can bourbon get its bounce back? She argues it must ditch the passive mentality of the boom years and, in the words of one veteran retailer, get back to the "art of the sell". Other store owners urge the category to roll up its sleeves and "sample, sample, sample", with a focus on hand-selling to create a more educated customer.

Innovation and exclusivity must also play an important role. Retailers are leaning into single barrels and micro-batching, while many distillers are abandoning the oversaturated US market altogether, aggressively targeting global markets like India, Japan and Australia with high-value American single malt line extensions.

The golden age of waiting for the money to roll in is over. Bourbon brands that are willing to roll up their sleeves and fight for growth are the ones that will likely prevail.

For a broader view of what's been happening in the US in this most volatile of years, turn to p40 where Gosselin interviews Discus CEO & president Chris Swonger on the fallout from the Trump administration's aggressive trade policies, which spirits categories are thriving in the US amid the turmoil, and the council's ongoing work with bartender networks and charities to empower bartenders.

And if you thought the spirits industry's ongoing love affair with the world of motor racing was solely about leveraging the popularity of a male-dominated sport, read Olly Wehring's fascinating interview with James B Beam Distilling MD Rashidi Hodari (p45), where Jim Beam's recent global partnership with the Cadillac Formula 1 team is discussed in depth.

Hodari explains this adrenaline-fuelled sport's traditionally male audience is changing fast, insisting that there is a "growing fanbase that's younger and more diverse from different demographics around the world".

With an additional interview with the American Whiskey Association (p32) and features on the US craft distillery and bulk spirits sectors, this month's issue really is a must-read for anyone with a stake in the US spirits world.

But that's not all. This issue also reveals the winners of *Global Drinks Intel*'s inaugural New Product Awards and our third annual ESG Awards.

Designed to spotlight the most exciting launches across 16 major spirits categories, the GDI New Product Awards prove just how bold, brilliant and boundary pushing NPD can be — find out who won on p12.

Meanwhile, with sustainability now a critical part of the future of the drinks industry, the GDI ESG Awards celebrates the companies leading this transformation. See p20 to discover their stories. GDI

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News briefs

Catch up quickly on the global drinks stories that matter

FINANCIAL RESULTS

Constellation Brands reported a second consecutive quarter of negative sales (-8% to US$2.48bn), this time at double the rate of decline as the previous three-month period.

Moët Hennessy returned to sales growth in Q3, for the first time since the end of 2023. The 1% top-line lift from the three months to the end of September marks the first green quarter this year for the group.

Pernod Ricard carried its negative performance in fiscal 2025 into the current financial year, with a worryingly weak showing in Q1, down -7.6% to EUR2.38bn (US$2.77bn).

An update on performance in its current fiscal year, which started on 1 July, prompted **Treasury Wine Estates** to warn of recent sales squeezes in two of its most important markets — China and the US.

Vranken-Pommery Monopole stemmed its sliding sales in the first half of this year, with the listed cooperative's top-line reaching parity with H1 2024.

COMPANY NEWS

AB InBev announced a marketing arrangement with Netflix that the brewer believes is "unprecedented in the global reach and scale of activations" across its portfolio.

Asahi Group Holdings restarted operations at several of its production facilities in Japan following a ransomware attack that disrupted its systems late last month, although a full recovery remains some way off.

BrewDog reduced its headcount across "several departments" as part of efforts to simplify operations and strengthen its position in a challenging trading environment.

Spanish brewer **Damm** opened its first production facility outside the Iberian Peninsula, following a GBP70m (US$94m) investment in its Eagle Brewery site in the UK.

The premier of Ontario in Canada, Doug Ford, threatened to pull **Diageo's** Crown Royal from the province's alcohol retail monopoly if the multinational goes ahead with the planned closure of its bottling facility in Amherstburg next February. In response, **Diageo** reaffirmed its long-term commitment to the country, vowing to "maintain a significant presence across Canada" despite the closure.

Heineken announced a "reshaping" of its head office in Amsterdam that will impact around 400 employees. **Heineken**'s Grupa Żywiec unit in Poland is also set to cease production at the Namysłów Brewery in the new year.

Molson Coors Beverage Co announced plans to cut 400 jobs in its Americas business unit by the end of the year as part of a restructuring plan that will refocus resources on priority brands and "must-win" categories.

The organiser of the **ProWein Düsseldorf** trade show completed a refresh that includes a slight name change and a marked increase in the size of spirits' presence.

Pernod Ricard's Chivas Brothers Scotch Whisky division extended its namesake flagship blended scotch with a clear spirit expression named Chivas Regal Crystalgold.

PEOPLE

The CFO of Tennent's Lager owner **C&C Group**, Andrew Andrea, will leave the company to take up the same role at Domino's Pizza Group.

Campari Group's Paolo Marchesini is to step down after 28 years as CFO. He will remain with the brand owner as vice-chair of its board of directors.

Molson Coors concluded the five-month search for its next CEO, with chief strategy officer Rahul Goyal taking the reins. **Molson Coors** CCO, Michelle St Jacques, will also depart the multicategory group this month.

Gordon & MacPhail appointed Mark Geary as CEO, confirming him in the role after a period as interim head of the scotch distiller.

Stock Spirits Group has appointed Nomad Foods' Steven Libermann to replace Jean-Christophe Coutures as CEO from December.



Chivas Regal describes Crystalgold, its first clear spirit drink, as a 'technical breakthrough'

MERGERS & ACQUISITIONS

Amber Beverage Group's UK division has acquired Ten Locks, the specialist distribution unit of Kingsland Drinks in the country.

Gallo purchased Gen Z-focused Whiny Baby, a US wine brand founded in 2020 by entrepreneur Jess Druey.

Heineken boosted its Central American footprint with the US$3.2bn purchase of the beverage and retail operations owned by FIFCO in the region.

Vranken-Pommery Monopole confirmed that **Lanson-BCC** is set to buy its Heidsieck & Co Monopole business.

Sazerac Co bought Texas-based Western Son Vodka and Distillery, expanding both its spirits portfolio and production footprint.

INDUSTRY NEWS

Kentucky distillers are maturing a high of 16.1m barrels of bourbon, the most since Prohibition, according to figures from the Kentucky Distillers' Association. (See bourbon report on p43.)

The **Distilled Spirits Council of the United States** (Discus) warned that the current weakness in exports for its members risks putting US distillers under "mounting pressure and financial strain". (See interview with Discus CEO Chris Swonger on p40.)

The **United Nations** updated its "political declaration on the prevention and control of non-communicable diseases", which includes alcohol consumption. The declaration which, according to the UN, comprises a "priority set of evidence-based, cost-effective and affordable actions", recognises that 2.6m deaths globally per year can be attributable to alcohol consumption.

Catch up on the latest industry news at ***www.drinks-intel.com***

The pitfalls of drinks enterprise and how to avoid them



Stateless American Single Malt Whiskey is aimed at global markets hungry for new brown spirits

Launching a successful alcohol brand is extremely challenging. Fewer than 10% of new products break even two years after launch, and for every new label that makes it onto a backbar or retail shelf, countless others fall by the wayside.

Joe Milner, managing director of Hong Kong-based **Milestone Beverages (HK)**, knows exactly what it takes to beat the odds. A former Diageo, Pernod Ricard and Constellation Brands executive, Milner now runs his own brand incubator, creating disruptive spirits such as Stateless Bourbon and Onikishi Japanese Whisky.

Mistake 1: Falling in love with the idea but not the market

Milner's message to aspiring drinks entrepreneurs is clear — this business is not for amateurs. "A lot of people try to enter without deep industry knowledge, the right contacts and a realistic strategy. It could be a banker who likes drinking gin and decides to produce a gin, or an entrepreneur who feels like they have the next big thing, but they don't have the contacts to reach out to potential distributors and partners."

Milestone Beverages takes a very different approach. When the company launched Stateless Bourbon, it wasn't solely about capitalising on the American whiskey boom. The goal was to identify gaps in international markets where bourbon was under-represented and offer distributors a compelling price-to-value proposition.

The brand's flavoured extensions — Apple, Banana and Peach — also tapped into one of the fastest-growing categories in the spirits world, offering something truly disruptive.

Mistake 2: Ignoring distribution

An exceptional liquid, a brilliant bottle and standout secondary packaging count for little if no one can buy the product. Building a robust route-to-market is essential, Milner maintains, arguing that too many entrepreneurs expect their distributors to build their brand for them.

Milestone has succeeded by being pragmatic. Rather than chasing fickle upscale off-trade listings and seeding multiple markets, the company doubles down on retail and a handful of high-volume markets. "Around 85%–90% of spirits sales in markets like the US, the UK and Australia are done through retail," Milner observes. "If you're small, competing with big multinationals for bar and restaurant listings is a losing game."

Milner finds old school trade shows and one-to-one meetings valuable ways of finding reliable partners. "This is an interpersonal industry. You need to be travelling in-market, meeting people. I say to my sales team: 'I don't want to see you in the office!'"

Mistake 3: Spreading yourself too thin

Another common misstep is launching too many brands at once. While Milner admits creating a brand is exciting, labelling himself an "innovation junkie", he warns that creating a new brand requires cash, compliance, marketing and operational bandwidth. In such circumstances, it's easy to overstretch.

Instead, Milner advocates brand extensions. Milestone is releasing an American single malt, for example, but it won't be a standalone brand; rather, a strategic expansion of Stateless Bourbon. Positioned at an accessible US$60 price point, well below the $60–$80 average, this line extension will allow the company to premiumise without diluting focus.

Mistake 4: Underestimating funding

Spirits are increasingly expensive to produce, ship and market. Milner argues that unless you have deep pockets, you need a business plan that generates cash quickly.

For Milestone, aggressive pricing has been the key to unlocking volume while still delivering margins. "In markets like India, where we've had real success, value-led products like Stateless Bourbon resonate," Milner says. "Premium scotch is a bloodbath, but bourbon and tequila offer white space. That's where we've found growth."

Mistake 5: Overlooking compliance

Each market has its own regulator quirks. Milner jokes that he sometimes refers to himself as the "supply chain manager" rather than MD. Bottle sizes, ABV limits, labelling requirements and tax structures vary wildly from market to market.

"If you don't get compliance right, you can waste a fortune," Milner warns. Milestone has learned to adapt packaging and formats, whether supplying 70cl for Europe or 43% ABV for South Africa, to local requirements without losing efficiency.

The Stateless success story

What happens when entrepreneurs avoid these pitfalls? Milestone's Stateless Bourbon offers a case study. By targeting underdeveloped segments, pricing strategically and innovating in flavours, the brand has carved out a niche in crowded markets. In India, where import duties are punishing, Stateless has still gained traction thanks to its accessible price and relevance to local tastes.

Now the company is premiumising with Stateless American Single Malt, a line extension aimed at global markets hungry for new brown spirits. "We're not looking at the US, where bourbon barrels are oversupplied and heavily discounted," says Milner. "We're focused on India, Japan, Australia and Eastern Europe — markets where the demand is real." GDI



MARKETING TRENDS

Chris Tyas

Why it's time to embrace 'big flavour energy'

Ongoing concerns about the health of the economy are impacting consumers in many ways — confidence, disposable income and spending priorities, to name just three. And now there's another: a growing desire for food and drinks with 'big flavour energy'.

Let's consider the evidence.

In food, demand for flavours and textures with maximum kick is rising, fast.

Spicy product launches are soaring and table sauces are hotter than ever. Chilli-infused liquid sugar drizzled across everything from pizza to fried chicken is all the rage. And there's now even Hot Honey Jaffa Cakes — that's right, UK biscuit manufacturer McVitie's has spiced up the jelly layer of its chocolate-covered classic British treat.

In confectionery, freeze drying is helping brand owners reimagine sweets with bold new flavours and textures. Grand View Research predicts the freeze-dried candy market will almost double from US$1.36bn to $2.4bn by 2030, its growth driven by a strong social media presence — notably on TikTok, where the hashtag #freezedriedcandy had received 4.7bn views as of March.

The mouth-puckering global sour candy market is experiencing strong growth too. IndustryARC forecasts it will reach $2.7bn by 2030, growing at a CAGR of 7.3% from 2023–30.

In drinks, meanwhile, high flavour, sugar and alcohol content is fuelling innovation and driving sales.

Take the US 'dirty soda' trend for flavoured syrups, cream and other ingredients added to a pop or soda base kicked off by Utah-based chain Swig Drinks in 2010. TikTok videos and reality TV show *The Secret Lives of Mormon Wives* helped spread the trend far and wide, and it's now widely embraced by big restaurant chains like McDonald's and Taco Bell.

Beverage makers are getting in on the act too. PepsiCo launched its dirty soda-



Image: iStock.com/Kateryna Lytvynenko

inspired line-up with Pepsi Wild Cherry & Cream earlier this year and will add to this with Dirty Mountain Dew Cream Soda Dew and Mug Floats Vanilla Howler in coming weeks.

It's not just the US either. Dirty soda stores have opened in Canada, New Zealand and Australia. The UK has seen the trend embraced by pop-ups and cafés, while its first dedicated retail space recently opened in Birmingham.

Then there's BuzzBallz with its range of 13.5% ABV cocktails and chillers, with bold flavours such as Choc Tease and Chili Mango. Invented by a cash-strapped teacher from Texas in 2009, the brand — instantly recognisable by its gaudy grenade-shaped packaging — was snapped up by Sazerac Company in an estimated $500m deal in 2022.

It's now the biggest-selling single-serve premix cocktail in the US *and* the fastest-growing RTD brand in terms of volume sales in the UK, where *The Guardian* newspaper recently proclaimed it 'the drink of the summer'.

All of which takes me back around 15 years to a period I spent working on a project for Danone in Ukraine when the French F&B giant was expanding into new dairy-based product opportunities in response to a surplus supply of milk.

One option was a high-fat yoghurt product. When we spoke to Ukrainian consumers, it was evident that they saw 'high fat' as synonymous with 'high quality'.

This struck me as interesting for two reasons. Firstly, because back then, health-conscious consumers in the UK equated 'high fat' with 'unhealthy'.

Secondly, because Ukrainian consumers' perception was shaped by economic experience. When questioned, these consumers said they associated 'high fat' with 'premium' because they remember 'low fat' as the standard in tough economic times when they were poor.

It was a powerful demonstration of how taste preferences and value perceptions can be shaped by economic pressures — as they are, again, today.

Just think of the different economic factors that have recently been at play. Inflation, for example. Shrinkflation too. And as more consumers in more countries feel their financial position is at best stagnating, there is a growing feeling we're getting less while paying more.

Which in part explains the recent and rapid uplift in demand for the products people do choose to spend on to deliver a bigger kick. The mentality is: "If I'm going to spend my hard-earned money on your product, you'd better wow me".

'Wow me' meaning a bigger sugar rush, sour burst or alcoholic kick.

For drinks brands, the upshot is that it may no longer be a question of no/low alcohol, sweet or sugar-free.

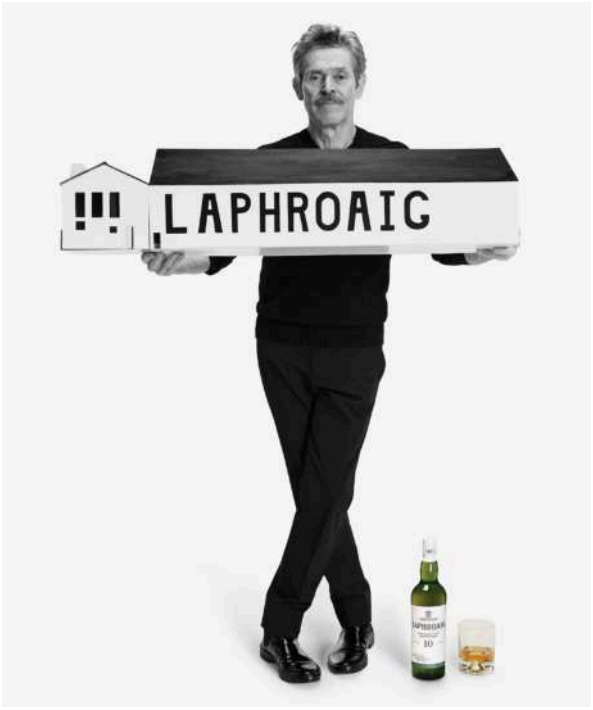
Brand stories might also take a back seat as consumers seek out products with big flavour energy that add both impact and impetus to their world.

The winners over the next few years may very well be those brands that put taste first and prioritise a punchy flavour profile. GDI

Chris Tyas is chief strategy officer at London and Buenos Aires-based independent consumer-centric creative agency Impero.
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On our radar

With celebrity collaborations and celebrations of tradition, here are five marketing campaigns making a splash



Laphroaig *Taste of Dafoe*

Laphroaig turns up the drama with actor Willem Dafoe in its latest global campaign, 'The Taste'. Directed by Tim Pope, the short film continues the Islay whisky's 'Unphorgettable' platform, setting the stage for a bold worldwide roll-out and a forthcoming limited-edition release in 2026.



Absolut *Defying gravity*

Absolut Vodka is adding some sparkle to the release of *Wicked: For Good* with a limited-edition pink-and-green sequin sleeve and cocktail collection. Partnering with Paris Hilton and Universal Pictures, the campaign blends film, fashion and philanthropy — supporting the Human Rights Campaign Foundation and offering fans glittering cocktails, exclusive prizes and premiere access.



Carlsberg 1664 *Supreme spotlight*

Carlsberg Group's 1664 is bringing star power to its next global campaign with actor Robert Pattinson as its first-ever brand ambassador. Directed by filmmaker Brady Corbet, the cinematic project — set for release next year — will explore "contrasting perspectives on good taste", marking the latest move in 1664's push to elevate its premium image.



Wild Turkey *Wild at heart*

Wild Turkey celebrates its unwavering heritage with its first global campaign since 2021, 'When You Know It's Right, Don't Change a Damn Thing'. Featuring three generations of the Russell family, including master distiller Jimmy, the push honours the bourbon's century-old recipe through cinematic storytelling, archival materials and a worldwide roll-out across digital, TV and print.



Champagne Bollinger *Heritage in gear*

Champagne Bollinger is joining forces with Aston Martin in a new global partnership. As Aston Martin's official champagne partner — and vice versa — Bollinger will feature at exclusive launches and VIP events worldwide, celebrating shared values of heritage, precision and timeless sophistication.

New products

Take stock with our roundup of the latest drinks launches



Bunnahabhain 21yo Cask Strength — 2025 Edition

The second bottling of the 21yo cask-strength expression from CVH Spirits' Islay-based brand has been aged in two different types of ex-sherry casks.

- Scotch whisky, single malt, Islands (Islay), 21yo. Sourced from 21 ex-oloroso sherry casks, finished for 21 months in ex-pedro ximénez; 53.1% ABV.
- On sale from mid-October in markets worldwide through specialist off-premise operators, as well as online.
- In the UK, SRP of GBP275 (US$369) per 70cl bottle.

The Dalmore Cask Curation Series The Red Wine Cask Edition

The third in the Whyte & Mackay-owned brand's annual Cask Curation Series heads to France for its finishing barrels.

- Scotch whisky, single malt, Highlands. Set contains three expressions: 24yo (40.7% ABV), 34yo (40.5% ABV) and 43yo (40.3%), each finished for unspecified periods in 2023 vintage casks from Château Mont-Redon in the Châteauneuf-du-Pape region of France.
- Available worldwide since mid-October; limited to 150 units.
- SRP of US$44,450 per set, which features a case created by Italian luggage maker AB Florence.



1800 Triple Cask Añejo

Unveiled at TFWA World Exhibition & Conference in Cannes last month, Proximo Spirits will debut this iteration of 1800 at the start of next year.

- Tequila, añejo. Matured for an unspecified period in American and French oak as well as ex-cabernet sauvignon; 40% ABV.
- Lined up for release in January as a global travel retail channel exclusive.
- SRP not disclosed; set to be available in 1L bottle.



Edinburgh Gin Black Forest Gateau Liqueur

Ian Macleod Distillers has launched this new dessert-inspired liqueur for the festive season. The brand owner says the liquid, which blends gin with dark cherries, taps into the growing demand for spritz cocktails.

- Liqueur, gin-based and berry-infused; 20% ABV.
- Available in the UK off-premise through multiple retailer Tesco since the end of September.
- SRP of GBP16.50 (US$22.20) per 50cl bottle.





Fellr Watermelon Vodka

Australia's largest independent RTD brand has entered the full-strength spirits category, targeting Gen Z consumers driving growth in its home market. Gen Z alcohol participation in Australia has risen from 61% to 83%, according to IWSR data, while vodka is the country's top-selling spirit and accounts for a third of on-premise sales.

- Watermelon-flavoured vodka; 37% ABV.
- Available in Australia in BWS and Dan Murphy's stores alongside on-trade accounts.
- SRP of AUD57 (US$37) per 70cl bottle, with a special launch price of AUD49 throughout October.

De Kuyper Sex on the Beach and Passionfruit Martini 0.0% cocktails

De Kuyper Royal Distillers hopes to tap into growing demand for non-alcoholic 'spirits' with this zero-ABV extension of its namesake premix cocktail line.

- RTDS, premix cocktails, Passionfruit Martini and Sex on the Beach; both at 0% ABV.
- Rolling out this month in the Netherlands (De Kuyper's home market) through the off-premise channel.
- SRP of EUR9.99 (US$11.60) per 50cl bottle.



Stay up to date with the latest drinks launches at ***www.drinks-intel.com***

The Glenlivet 12yo Jamaica Edition

This is the first release in the Pernod Ricard-owned brand's Beyond Speyside series.

- Scotch whisky, single malt, Speyside, matured for 12 years in ex-Jamaican rum; 40% ABV.
- Available exclusively in the US through 'select retailers'.
- SRP of US$54.99 per 70cl bottle.





Cutty Sark 17yo

The 17yo iteration of La Martiniquaise-Bardinet's blended scotch whisky was first presented at TFWA World Exhibition & Conference in Cannes in October.

- Scotch whisky, blended, 17yo. Combines malt whiskies matured in ex-sherry and ex-port casks, with grain whisky aged in ex-bourbon; 42.3% ABV.
- Available in unspecified markets since mid-October.
- In the UK, SRP of GBP85–GBP90 (US$113–$120) per 70cl bottle.

Mount Gay Single Estate Series 25_04_Vt19dp

This is the fourth iteration of the Rémy Cointreau brand's Single Estate Series and the second single harvest year rum in the series.

- Rum, Barbados. Made with 100% sugarcane grown on the estate in St Lucy and harvested in 2019; 55% ABV.
- Limited to 2,754 bottles worldwide, with 312 available in the US at selected "premium" off-premise specialists.
- SRP of US$350 per 75cl bottle.





Navy Island Sauternes Cask Finish — 2025 Edition

Navy Island Rum Co's limited-edition release follows August's launch of a PX Sherry Cask Finish edition.

- Rum, Jamaica. Aged for "six-plus" months in ex-sauternes wine; 46% ABV.
- Available in "selected markets worldwide" since October.
- SRP of EUR55 (US$64) per 70cl bottle, on sale in limited — albeit unspecified — quantities.

Tomatin 2005 Single Cask

As a bourbon barrel-only release, this expression presents a style not found elsewhere in the Takara Shuzo International-owned brand's core range.

- Scotch whisky, single malt, Highlands. Distilled in 2005 and matured in first-fill ex-bourbon; 54.3% ABV.
- Available in specialist whisky retailers throughout the UK since October.
- SRP of GBP170 (US$227) per 70cl bottle; limited to 240 units.



Major Philippe Mauritian Rum

Mauritius-based energy and agro-industrial company Omnicane is diversifying into spirits with the domestically sourced Major Philippe Rum brand.

- Rum, Mauritius. Debut range comprises three expressions — Britannia white rum, Mon Trésor "oak-aged" golden rum, and Ilot Brocus spiced 'spirit drink'.
- Released last month with an initial target of the high-end on-premise channels in "premium spirits markets" in Africa, Asia and Europe.
- SRPs not disclosed.



O.H. Ingram River Aged Flagship Bourbon — 2025 Edition

The fifth bottling in the Flagship line has been matured, like its predecessors, in Brown Water Spirits' floating barrelhouses on the Mississippi River in Kentucky.

- American whiskey, bourbon, Kentucky straight. Mashbill comprises 60% corn, 36% rye and 4% malted barley; 58.25% ABV.
- Released in limited — unspecified — quantities to the US in October.
- SRP not disclosed.



GDI awards highlight the boldest and best new spirits bottlings

Innovation is the lifeblood of the drinks industry and *Global Drinks Intel*'s inaugural **New Product Awards** prove just how bold, brilliant and boundary-pushing NPD can be



Designed to spotlight the most exciting launches across 16 major spirits categories, including no/low, the Global Drinks Intel New Product Awards celebrate originality, commercial impact and sensory excellence.

The judging took place at Equal Parts in Hackney, named London's best cocktail bar by *Time Out* in July. Each entry was blind-tasted and assessed on its appearance, nose, taste, finish and overall impression by a panel of 12 expert judges drawn from the cutting edge of mixology.

Reflecting the overall high quality of entries, the panel awarded 30 gold, 17 silver and four bronze medals. The category with the most golds, eight in total, was scotch malt whisky, with Rock Island Blended Malt 16yo named overall winner. Featuring whisky drawn from the Scottish islands of Islay, Arran, Orkney and Jura, the judges described it as "beautifully stitched together" with "a big nose, some fruit and subtle smoke with a long finish".

Both the scotch blended and US whiskey categories pulled in five gold medals each.

Scotch blended was dominated by Dewar's, with all five of its entries picking up gold. The overall category winner was Dewar's Blended Scotch Whisky Double Double 21yo Tasting Level 1 French Oak.

The 'Double Double' refers to the brand's four-stage production process: individual malt and grain whiskies are first aged separately; the whiskies are then married and aged again; next, the blends are brought together; and lastly, the final blend is aged in French oak. The 21yo was praised for its "lovely honey notes, balanced flavour and smooth overall finish", while the judges complimented Dewar's other entries as all being "exceptionally balanced".

Closely fought contest

In the closely contested US whiskey category, four brands picked up gold medals, with Foley Family Wines & Spirits awarded two. The overall winner by a narrow margin was Heaven Hill's Old Fitzgerald Bottled-in-Bond Straight Bourbon 7yo, singled out for its "candied fruit and butterscotch taste" and "excellent long finish".

Rounding out the whisky golds was Radico Khaitan's Rampur Barrel Blush Non-Chill Filtered Whisky, which won the world whisky category. It was very close to claiming the overall top prize with its "complex nose with lots of layers" and rated by several judges as "highly drinkable".

Another tight contest was gin, which produced four gold medals. At the top was the Defiant Ones' Dre & Snoop Still G.I.N., classed variously as "smooth and complex" with a "delicate nose" and "lots of citrus". One gin, Noblewood's Oyster Fine de Claire Adriatic Gin Wild Citrus, was the only winner of two golds in both the flavoured and traditional categories.

The only other category with multiple winners was vodka, where Belvedere 10 was the outright winner. Named for its ten-step creation process and ten-month resting period, with a nod to the brand's origins in 1910, judges described Belvedere 10 as "floral, smooth [and] creamy" with a "clean, natural sweetness". It was one of three Belvedere vodkas to achieve gold medal status, including Belvedere Dirty Brew Organic Vodka & Coffee.

The medal winners featured below and on p14 represent the very best of what's new in spirits and offers a glimpse of where innovation is heading next. GDI

CATEGORY	COMPANY	PRODUCT	MEDAL
No Alcohol	The Social Drinks Company	Sentia Spirits Gaba Black	Silver
	The Social Drinks Company	Sentia Spirits Gaba Gold	Silver
	Bellaventura	Adriatico Amaretto Zero Proof	Bronze
Low Alcohol	Rémy Cointreau	Metaxa Peach Spritz	Silver
	Rémy Cointreau	Metaxa Ginger & Lime Spritz	Silver »


Glenbrynth
DOUBLE OAK
SINGLE MALT SCOTCH WHISKY
BOURBON CASK FINISH
BOURBON CASK
SINGLE MALT
RUM CASK FINISH
RUM CASK
SINGLE MALT
SHERRY CASK FINISH
SHERRY CASK
SINGLE MALT
global drink intel
2025 NEW PRODUCT AWARDS
GOLD
Glenbrynth
THE TASTE OF SUCCESS
Glenbrynth Whisky
Single Malt Collection
glenbrynthwhisky.com | anastasia@glenbrynth.co.uk

NEW PRODUCT AWARDS 2025 THE RESULTS

» CATEGORY	COMPANY	PRODUCT	MEDAL
Vodka	*Moët Hennessy*	*Belvedere 10 Vodka**	Gold
	Moët Hennessy	Belvedere Organic Vodka	Gold
	Foley Family Wines & Spirits	High Ground Estate Vodka	Silver
	Slab Ventures	D'YAVOL Single Estate Vodka Black Pearl Filtered	Silver
	Vodka57	Vodka57 Pure Glacier Vodka	Silver
Vodka Flavoured	*Moët Hennessy*	*Belvedere Dirty Brew Organic Vodka & Coffee**	Gold
Gin	*Defiant Ones UK*	*Dre & Snoop Still G.I.N.**	Gold
	Chyau Fwu Wine & Spirit	Atlas London Dry Gin	Gold
	Noblewood Group	Oyster Fine de Claire Adriatic Gin Wild Citrus	Gold
	Mikuni	Osaka Gin	Gold
	Noblewood Group	Oyster Fine de Claire Adriatic Gin	Silver
Gin Flavoured	*Noblewood Group*	*Oyster Fine de Claire Adriatic Gin Wild Citrus**	Gold
Rum	Pin Drop Rum	Pin Drop Rum 10yo	Silver
Rum Flavoured	One Eyed Spirits	Come Hell or High Water Reserva Honey & Orange Rum	Silver
Tequila	*Bacardí*	*Patrón El Alto Reposado 100% Agave**	Gold
	Ladydragón	Ladydragón Tequila Blanco 100% Agave	Silver
Speciality Spirits	Fundo Cacahuillo SAC	Kakawi Cacao Spirit	Silver
	Rockwood & Hines Glass Group	Thai 72 Soju Maceration of Lychee, Ginger, Lemon & Chilli	Bronze
	Zalud	Zalud Saffron Orange Sake Aperitivo	Bronze
Fruit Liqueur	Mast-Jägermeister	Jägermeister Orange Herbal Liqueur	Silver
	The Nolet Group	Bols Blue 1575 Curaçao Liqueur	Bronze
Coffee Liqueur	*Foley Family Wines & Spirits*	*Evil Bean Cold Brew Coffee Liqueur**	Gold
Cream Liqueur	Zamora Company	Licor 43 Caramel Cookie Liqueur	Gold
US Whiskey	*Heaven Hill Brands*	*Old Fitzgerald Bottled-in-Bond Straight Bourbon 7yo**	Gold
	Foley Family Wines & Spirits	Minden Mill Nevada Straight Bourbon Whiskey 4yo	Gold
	Foley Family Wines & Spirits	Minden Mill American Single Malt Whiskey 5yo	Gold
	Uncle Nearest Premium Whiskey	Nearest Green Tennessee Whiskey	Gold
	Brown-Forman	Woodford Reserve Barrel Finish Select Double Double Oaked	Gold
	Foley Family Wines & Spirits	Minden Mill Nevada Straight Rye Whiskey 4yo	Silver
	Pronghorn	Edmond's Honor Madagascar Vanilla Bourbon	Silver
Scotch Blended	*Bacardí*	*Dewar's Blended Scotch Whisky Double Double 21yo TL 1 French Oak**	Gold
	Bacardí	Dewar's Blended Scotch Whisky The Champion's Edition 19yo	Gold
	Bacardí	Dewar's Blended Scotch Whisky Mizunara Oak Cask Finish 18yo	Gold
	Bacardí	Dewar's Blended Scotch Whisky Double Double 21yo TL 3 French Oak	Gold
	Bacardí	Dewar's Blended Scotch Whisky Double Double 21yo TL 1 American Oak	Gold
	Slab Ventures	D'YAVOL Blended Scotch Vortex	Silver
Scotch Malt	*Douglas Laing & Co*	*Rock Island Blended Malt Scotch Whisky 16yo**	Gold
	Slab Ventures	D'YAVOL Blended Malt Scotch Inception	Gold
	Douglas Laing & Co	Scallywag Speyside Blended Malt Scotch Whisky Noir	Gold
	Glenbrynth Ventures	Glenbrynth Double Oak Single Scotch Malt Whisky Sherry Cask Finish	Gold
	Douglas Laing & Co	Strathearn Highland Single Malt Scotch Whisky	Gold
	Glenbrynth Ventures	Glenbrynth Single Scotch Malt Whisky 12yo	Gold
	Glenbrynth Ventures	Glenbrynth Double Oak Single Scotch Malt Whisky Bourbon Cask Finish	Gold
	Glenbrynth Ventures	Glenbrynth Double Oak Single Scotch Malt Whisky Rum Cask Finish	Gold
	William Grant & Sons	The Balvenie Single Malt Scotch Whisky Golden Cask 12yo	Silver
World Whisky	*Radico Khaitan*	*Rampur Barrel Blush Non-Chill Filtered**	Gold

**Overall category winner*

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As production ramps up, global malt whisky stands at a crossroads

At a challenging time for the global whisky category, non-scotch single malts still scent premiumisation opportunities both at home and overseas. **Richard Woodard** reports



Teeling's Rising Reserve 21yo offers a 'compelling liquid proposition at an attractive price'

These are complex times for the world's malt whisky brands. Sales of single malt scotch — for so long the most dynamic segment of that industry — have gone into reverse, with demand falling across key markets. In a difficult trading environment, does that create more opportunities for non-scotch malt whisky? Or is it also feeling the pain?

"The global macroeconomic environment and geopolitical uncertainties are undoubtedly testing consumer confidence and discretionary spending, a headwind felt across the spirits sector this past year," says Adip Agarwal, global brand director, malts & Irish, at Brown-Forman, whose responsibilities span the company's scotch and Irish whisky brands.

Teeling Whiskey co-founder Jack Teeling reports a "reluctance" from consumers to pay over a certain price point in most markets. "Our whiskey offerings up to EUR80–EUR90 [US$93–$104] continue to perform well, but our whiskies above EUR100 have been selling much more slowly and are a more challenging proposition in the current environment," he explains.

In this scenario, he says a "compelling liquid proposition at an attractive price", such as Teeling's Rising Reserve 21yo single malt series at just over EUR200, is a must.

At Proximo-owned Bushmills, global brand director Donagh Mc Henry reports the brand's single malt depletions up 20% in 2024, buoyed by the completion of the range to cover every major single malt segment, plus a dedicated GTR range spanning 10yo to 21yo. "We will continue to showcase Bushmills' single malt craft and pre-eminence via our prestige range and releases, as exemplified by our Bushmills 46yo Secrets of the River Bush, launched in March this year," he adds.

For Amber Beverage Group (ABG), owner of Irish whiskies Writers' Tears and The Irishman, this year has been one of reining in on NPD in the face of rising costs and competition from larger operators. ABG head of advocacy James Kilgannon reports a focus on "updated brand worlds, visuals and positioning for both of the brands in order to adapt them to the modern whiskey consumer and engage fans of other categories". »





Proximo-owned Bushmills launched Secrets of the River Bush 46yo (left) in March — the oldest Irish single malt ever released. Meanwhile, Amber Beverage Group officially debuted The Irishman in Nigeria in August, marking a strategic expansion into Africa's largest consumer market

'India is the growth story which surpasses every other market'

Brand owners' experiences over the past year are as diverse as the modern global malt whisky category, with spirit now originating from Taiwan, England, New Zealand, Australia and more.

But if one country stands out among malt scotch's many challengers today, it is perhaps the most whisky-mad nation on Earth: India.

At Radico Khaitan, owner of Indian single malt Rampur, president international business Sanjeev Banga points out IWSR data shows that Indian single malts outsold their scotch rivals in India last year.

"India and the Indian diaspora are our biggest brand ambassadors," Banga adds. "They take a lot of pride in the fact that world-class malts are being produced in India and competing with the finest in the world. Indian fine dining restaurants — the world over — are now serving these luxury Indian brands that pair very well with Indian cuisine."

While Indian whiskies aim to carve out a niche for themselves in international markets, the domestic scene remains a vital part of the mix.

"For us, India is the growth story which surpasses every other market," says Asa Abraham of John Distilleries, owner of the Paul John brand. "Not just in retail — the market is growing in the domestic civil market, the armed forces and duty free at the airports as well."



India's malt stars (from top): Amrut Fusion, Rampur Jugalbandi #8 and Mithuna by Paul John

But this is no overnight success story. "Establishing malt whisky outside Scotland has been both a challenge and an opportunity," says Amrut Distilleries MD Rakshit Jagdale, who reports sustained growth for the company's products. "Consumers are increasingly open to discovering quality whiskies with unique origins, and we've built our profile through authenticity, craft and consistency."

Banga concurs. "It has not been an easy journey," he says. "Educating malt consumers and making them taste the liquid at various whisky shows, masterclasses and bespoke events has been slow, but very rewarding."

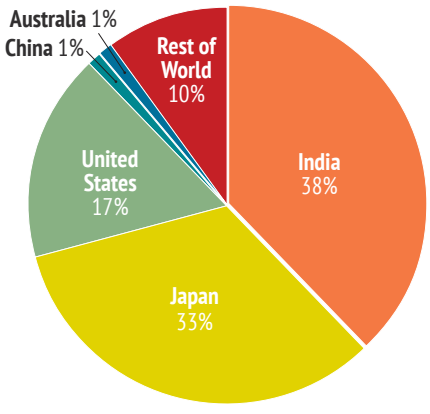
Taiwan: balancing success at home and abroad

Like India, Taiwan — and Kavalan especially — has spent the past decade or so slowly building global renown for its whiskies. Also like in India, the company balances overseas success with a strong domestic market.

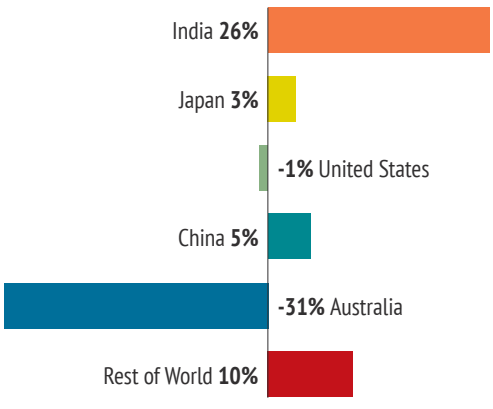
"We see a dual picture," reports Kaitlyn Tsai, Kavalan's brand ambassador and global PR officer. "Macroeconomic pressures certainly play a role, but at the same time there is a clear and accelerating trend of consumers seeking out New World whiskies." »

DATA DROP

Top 5 Global Markets for Malt Whisky* (Excluding Scotch and Irish Whiskey) Market Share (Vol) 2024



Market Share Chg (Vol) 2023–24



*Malt Indian whisky, malt Japanese whisky & US single malt. Figures rounded to the nearest whole number.
Source: IWSR, the global leader in beverage alcohol data and insights

Key Takeaways

- New World malts face growing global oversupply, rising costs and increasing price sensitivity among many of their consumers.
- Local markets remain essential strategic strongholds for driving credibility, sales and brand building, as well as showcasing malts to international travellers.
- Brand owners highlight the need for continued investment in consumer education through "tasting events, masterclasses and bespoke events".
- India is reshaping the malt landscape, with domestic malts outselling scotch malts.
- New World whisky, as a category in its own right, is finding fertile export opportunities in other New World malt whisky markets.



Kavalan has launched its first whisky with an age statement, a limited-edition Four-Cask Matured 15yo

» Tsai adds: "By the end of this month, Kavalan will celebrate the opening of its 67th whisky shop, making us the largest specialist whisky retail chain in Taiwan.

"Our home market not only supports us commercially, but also provides a powerful showcase for international visitors, who in turn bring the story of Taiwanese whisky back to their own countries."

English distillers keep the home fires burning

For smaller distillers, who cannot rival the big scotch brand owners in terms of production levels and investment, the home front is a vital part of any credible strategy.

Eric Heerema, owner & CEO of the Nyetimber Group, which owns The Lakes Distillery in Cumbria, England, believes the premiumisation trend in Western Europe and the appetite for luxury in Asia both offer opportunities.

He adds: "It is also worth noting the importance of London, where we have listings in many top accounts, such as Scarfes Bar, Lyaness and Disrepute. With the capital having welcomed over 20m tourists in 2024, there is a huge opportunity to show international visitors that England can really produce standout quality when it comes to single malts."

Swapping rugged Cumbria for the softer tones of the Cotswolds, Dan Szor, founder and executive chairman of the Cotswolds Distillery, reports that the company's UK trade depletions were up in single digits in 2024 — a performance with which he is "quite happy", since depletions have risen by more than 100,000 bottles since the Covid-19 pandemic.

"Our home market is extremely important to us and counts for three-quarters of our sales," Szor adds, highlighting national listings with retailers Waitrose, Tesco and Majestic. "Following a 30-year career selling currency investment to investors accustomed to buying only shares and bonds, I promised myself I would never again find myself in the 'education business' — clearly a promise I have broken, as there is much education required when you are establishing and growing interest in a new category."

Antipodean brands take a collective approach

On the other side of the world, Australia's Starward has taken a targeted, city-based approach to building its brand.

Founder David Vitale explains: "We've noticed a discernible difference in rate of sale where markets have existing craft whisky distilleries who are supporting the global effort to make New World whisky a category. "We are kindred spirits, and just as we are their biggest champion here in Australia, they are ours in their home markets."

This collective approach, Vitale believes, is a must in order to compete with scotch. "The New World whisky category, by nature of its fragmentation among individual countries, lacks the salience of single malt scotch. As a category, we just need to get out and share our stories and show people why single malt made in far-flung places is as exciting — if not more exciting — than single malt scotch whisky." Across the Bass Strait from Starward's Port Melbourne base, Tasmania's Sullivans Cove has benefited from strengthening demand for ultra-premium and rare single malts — which it produces in "extremely limited quantities", according to CMO Kristy Bloomfield.

"Whisky drinkers today are more globally curious, but are still happy to pay for quality and the brand association," she adds. "They're looking for craftsmanship, prestige and meaningful difference from the brands they choose. That shift has opened the door for exceptional malt whiskies from regions like Tasmania."

As Sullivans Cove hones its first full global brand strategy, Rachael Thomson, co-founder of New Zealand's Thomson Whisky, espouses a targeted approach focused on Australia, the UK, Germany and Switzerland. "For us, it is far more important to enter fewer regions and do an exceptional job than to expand into 25 new ones and deliver a mediocre result," she explains. "As a young distillery, you can only be 'new' once in each part of the world."

Category at a crossroads

As 2025 nears its close, global malt whisky stands at a crossroads. Some brands — including Amrut, Rampur and Cotswolds — are strategising how to balance keeping up with demand with the investment necessary to scale up production and build up stocks.

But, as Thomson Whisky's Thomson points out, the recent past has been marked by overproduction and a host of smaller distilleries joining an already cluttered market, leading to a glut of ageing stock.

"This has created a situation where brands are working hard to differentiate themselves to appeal to increasingly savvy drinkers," she says. "With so many small craft distilleries now releasing whisky from across the globe, consumers have more choice than ever before. It's a buyer's market and differentiation has become essential." GDI

The Lakes Distillery unveiled Signature, its first permanent single malt whisky expression, in August



Malt roundup

Distillers from Dublin to Goa have been releasing an eclectic mix of new whiskies this year, ranging from peated expressions to GTR exclusives



Cotswolds Wychwood celebrates harvest

The Cotswolds Distillery has released the latest in its series celebrating the English harvest: Cotswolds Wychwood Harvest Single Malt Whisky, named after an ancient forest near Witney in Oxfordshire. The expression, 50% ABV and GBP100 (US$135) a bottle, was created from a parcel of port and bourbon casks by 25-year-old distiller Alice Pearson.

Kavalan gets a little peaty

Taiwan's Kavalan has expanded its already diverse range with the introduction of a peated whisky line-up. The Peatist Series — described as "a bold new addition" to the distillery's portfolio — is launched with two expressions: Peatist Ex-Bourbon Cask and Peatist Oloroso Sherry, giving a new, lightly peated twist to Kavalan's signature tropical fruit character.





Teeling heads off to college

Teeling Whiskey continues its association with the University of Notre Dame in the US with the second release in its Phoenix Legends series, a 16yo single malt finished in marsala wine casks. It follows the series' first whiskey, a 24yo single malt finished in rivesaltes wine casks, released in 2024.

Amrut hits new heights

Amrut Distilleries has released India's oldest and most expensive single malt whisky to mark the company's 75th anniversary. Amrut The Expedition was aged for 15 years in tropical conditions, undergoing maturation in ex-pedro ximénez and bourbon casks. Bottled at 62.8% ABV, it is priced at US$12,000 per bottle.





Paul John captures joy of Bengaluru

Goa-based Paul John Whisky partnered with Avolta Duty Free at Bengaluru International Airport in September to release The Bengaluru Habba — a single cask whisky bottled at 56.4% ABV, with packaging aimed at capturing the joyous spirit of Bengaluru's festivals. There are 192 bottles available, priced at INR13,150 (US$150) each.

Award winners demonstrate 'real progress' across 12 ESG categories

Sustainability is no longer a tick-box exercise — it's a critical part of the future of the drinks industry. The third annual **Global Drinks Intel ESG Awards** celebrates the companies leading this transformation



From carbon-negative initiatives to water canopy capture, this year's Global Drinks Intel ESG Awards reflect real progress across 12 categories.

Judged by an independent panel of eight experts, each entry was assessed against rigorous criteria. Recognising the ever-higher standards, for the first time, judges were free to award gold medals alongside category winners.

Award and medal winners represent a mix of multinational companies and single product producers. Belize-based Copalli Rum impressively swept the board with three category wins and one gold medal.

Read on to discover this year's standout performers and a little of the stories behind their success. To find out more, visit ***www.drinks-intel.com***



Sustainable Spirits Product
Winner: Everleaf Drinks

Launched in 2019, alcohol-free aperitif producer Everleaf Drinks operates around a mission statement: "To draw from our deep understanding of the natural world to make the best non-alcoholic products."

The approach is exemplified by the names of the three expressions in its range: Forest, Marine and Mountain. The trio is produced by the UK-based company on the basis of a 'good-better-best' framework for their ingredients. 'Good' is represented by a commitment to "avoid any botanicals at risk". 'Better' saw a switch from Fairtrade cane sugar to UK-grown beet sugar, resulting in a CO2 saving. And, for 'best', the company highlights a procurement policy that favours "B Corp-certified, organic, Fairtrade and local/diverse suppliers".

With carbon neutrality also secured across all of its operations, Everleaf is a worthy winner of Sustainable Spirits Product.

Our judges said: *"A consummate submission that covers so many bases of ESG that is also backed by credible, reliable information collection. Everleaf stands out boldly."*

Gold Medal: Copalli Rum

Sustainable Wine Product
Winner: La Rioja Alta Viña Alberdi

Viña Alberdi by Grupo La Rioja Alta SA exemplifies ESG excellence, with every packaging element — bottle, cork, label, capsule — redesigned for sustainability.

Viña Alberdi's 100% recycled tin capsule — designed and produced for the Spanish winemaker by Green Packaging gold medal winner Crealis Group — is paired with onsite recovery; bottles are lightweight (from 440g to 540g) and sourced locally to cut emissions. Natural cork supports biodiversity and CO2 capture, while FSC-certified labels use minimal water-based inks.



In 2025, La Rioja Alta shifted all secondary packaging to 100% recycled paperboard. Beyond packaging, 30% of its vineyards use cover crops and its artisanal plots are hand-tended, while new high-altitude plantings have been selected to adapt to climate change. Energy systems include solar, biomass and heat recovery. Certified under Wineries for Climate Protection, La Rioja Alta leads with regenerative viticulture, circular materials and low-impact design — delivering environmental and social value across the chain.

Our judges said: *"This initiative captures every element of sustainable packaging — bottles, cork, labels and Crealis Group capsules — as well as a lot of sustainable initiatives around the liquid content."* »

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Alexander Smith Grand Prix Award for ESG Spirits Producer
Winner: Copalli Rum

» While its namesake brand owner earned credit from its use of spent sugarcane — either as fuel for the biomass boiler or as fertiliser for the fields — what really caught the judging panel's eye was the documentation of the Belize-based brand's carbon-negative status.

Through an independently verified Life Cycle Assessment, the company calculated a CO2e of 1.155kg per bottle in 2023. Factoring in greenhouse gas reduction efforts in the fields as well as in "other agricultural areas", that figure dropped to -5.5kg per bottle. Indeed, Copalli expects its per-bottle CO2e level to stay at -5.5kg for each of the next three years.

Our judges said: *"Copalli mightily impressed by demonstrating its rums are climate-positive, rooted in community benefit and produced utilising measurable ecosystem protection — a powerful combination that few of its competitors could match."*

Gold Medal: Clonakilty Distillery
Gold Medal: Downton Distillery



Alexander Smith Grand Prix Award for ESG Spirits Producer
Winner: Treasury Wine Estates

As one of the world's leading luxury wine companies, Treasury Wine Estates (TWE) has a stated ambition to "lead the wine and beverage industry in sustainability", with sustainability a dedicated function within the company's supply division.

Renewable electricity is used across 100% of TWE's global operations — the company aims to reach net zero for Scope 1 and Scope 2 by 2030, and has already reduced carbon emissions in these areas by 66% since 2021. Work is ongoing to refine TWE's Scope 3 inventory, alongside tackling material emission sources, such as glass.

Water is another key issue, with the company's global water strategy recognising its role as "stewards of water" in the regions where it grows grapes and makes wine. Smart water meters have been installed in 100% of TWE's vineyard, winery and packaging locations that operate in high and medium-risk catchments.

Our judges said: *"These are demonstrable, solid commitments from TWE. The company has managed to reduce Scope 1 and Scope 2 emissions by 66% since 2021. There's also a strong focus on water stewardship with the installation of smart water meters."*



Best Sustainability Marketing Campaign
Winner: The Gin Guild

Trade association The Gin Guild's members encompass both large and small brand owners, plus suppliers and stakeholders.

On Earth Day 2025 it launched The Gin Guild Sustainability Toolkit, a "practical, inclusive resource" addressing the industry's most pressing issues: greenhouse gas emissions, water, waste, packaging, sourcing, biodiversity and governance.

To drive adoption and engagement, it created #TenGreenBottles, a "memorable, inclusive and visually arresting" campaign constructed around a simple metaphor: if one distillery "drops a bottle", the whole industry is weakened.

With a budget of only GBP5,000 (US$6,700), the campaign included a narrated launch video, eight-week themed social media campaign and a host of other initiatives, translating complex challenges into simple, powerful messages, such as: "Saving 10,000 litres of water = 125 bathtubs."

Our judges said: *"This entry impressed for having a wider audience. It worked across the gin category from large to small producers, and tried to encourage the whole industry to operate to a higher standard and share best practice, offering excellent results on a limited budget."*

Gold Medal: Hallgarten & Novum Wines



Waste Reduction Achievement
Winner: Lion Brewery (Ceylon)

Sri Lanka's leading brewery with an annual production capacity of 2m hectolitres, Lion Brewery produces a range of beers under the Lion, Carlsberg and Guinness master brands, exporting to 17 countries.

When fermentation is completed during the brewing process, the liquid undergoes centrifugation followed by filtration carried out using a candle filter, incorporating *kieselguhr* (a fine-grained rock) as a filter aid. Normally, the waste *kieselguhr* would be managed as landfill.

The company addressed this issue through a number of steps, including installing a Limburg plate and cloth filter press so that used filter material is discharged in cake form rather than slurry. It has partnered with a local concrete manufactuer who uses the waste material as a partial replacement for quarry dust, a key ingredient in block stones, and is now working with a cement manufacturer on trials for it to replace fly ash in ready-mix cement.

Our judges said: *"This project focused on the avoidance of solid waste in liquid streams, finding a commercial outlet for the brewery's waste in the construction industry — proving that one company's waste is another's treasure."*

Gold Medal: Cotswolds Distillery »



Green Packaging Initiative
Winner: Champagne Telmont

» Since launching its 'In the Name of Mother Nature' project in 2021, Maison Telmont — the champagne house majority-owned by Rémy Cointreau — has had a laser focus on sustainability. Its most recent project saw it turn its attention to the champagne bottle.

Previously, the industry considered 835g the lowest weight possible for a 75cl champagne bottle; anything lighter would be unable to withstand the pressure caused by the second fermentation inside the bottle, which creates an internal pressure equivalent to three times that inside a car tyre.

Telmont worked with glassmaker Verallia to develop a bottle weighing only 800g, while preserving all the attributes of a standard bottle and without requiring changes to production equipment. The impact — 35g less glass per bottle — means a 4% reduction in carbon emissions for every bottle produced.

Our judges said: *"This was an extraordinary entry, pushing the boundaries of how light a champagne bottle can be with the potential to create a ripple effect across the entire sector."*

Biodiversity Achievement
Winner: Cotswolds Distillery

Cotswolds Distillery initially introduced its Wetlands Ecological Treatment System to deal with its production facility's process effluent, providing a natural filtration system for wastewater through a network of reed beds and ponds. Beyond limiting the need to truck wastewater off-site for processing, the project has helped create habitats, strengthen ecological networks and contributed to biodiversity recovery.

According to a biodiversity analysis, the distiller's work has created a mosaic of »

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high-value habitats in what was previously low-diversity land.

The wetlands are also linked to one of the UK's largest wildflower meadow restoration projects and sit inside a 'Buglife B-Line' — a national network of pollinator corridors. In this way the habitats contribute not only to local biodiversity, but also on a regional and national level.

Our judges said: *"This is a wonderful example of turning what is usually negative into a massive positive. Biodiversity is so important, and this distillery has demonstrated this in spades by showing the impact of its actions."*



Water Preservation Achievement
Winner: Copalli Rum

The organic rum producer takes a multi-layered approach to water stewardship, which encompasses the use of harvested rainwater, closed-loop systems, biological treatment and rainforest protection.

Production measures resulted in a 75.5% improvement in water intensity usage in 2024 — even as production volumes increased by 82%. Copalli also aims to prevent water pollution by treating wastewater in biological ponds before it is reintroduced into the environment and protects 12,000 acres of rainforest adjacent to its distillery, while its *vinasse* — a liquid byproduct of distillation — and boiler ash are reused as organic fertiliser.

Our judges said: *"Visionary activities include utilising canopy water, closed-loop systems and no untreated wastewater, entailing a holistic approach towards water management."*

Greenhouse Gas Reduction
Winner: Copalli Rum

Copalli claims a verified carbon footprint of -5.5kg CO2e per bottle — which the rum producer describes as a conservative estimate, with actual measured performance of -11.624kg CO2e in 2023. The calculations are based on a cradle-to-grave Life Cycle Assessment (LCA) of Copalli's operations, conducted by EarthOptics and verified by Preferred by Nature in 2024.

The company's carbon-negative credentials are built on its organic and regenerative sugarcane farming, which involves recycling organic matter into the soil, plus avoiding synthetic fertilisers, pesticides and field burning, thus improving soil carbon stocks year by year.

Our judges said: *"Copalli is carbon-negative, and the company provided detailed evidence of its LCA, showing the sequestration of regeneratively grown sugarcane. This provides a good blueprint for others to follow."*

Gold Medal: Diageo

Best Responsible Drinking/ Alcohol Harm Initiative
Winner: Collingwood Learning Solutions

Collingwood Learning Solutions developed 'Smashed', with sponsorship from Diageo, to tackle underage drinking via positive thinking. The mission is to educate 10m students globally, in partnership with international delivery partners and education ministries. Collingwood has designed the programme in a way that it is culturally and linguistically suited to different countries.



'Smashed' is rooted in prevention through education, not only presenting the facts, risks and consequences of alcohol misuse, but also offering techniques on how to resist peer pressure and make informed choices.

Its global reach has exceeded 7.5m students, with continuing year-on-year growth. Now delivered in 38 countries, it reached 1.9m young people across six continents in the 2024–25 academic year, with 87% of participants saying they were now less likely to drink underage.

Our judges said: *"This is a world-class, evidence-based programme that prevents harm before it starts and fosters a generation more open to alcohol-free norms — helping to drive long-term culture change."*

Gold Medal: Drinkaware



Social Achievement
Winner: Heaven Hill Brands

In 2023, Heaven Hill Brands launched the 'Spirited Neighbor Initiative' — a five-year, US$800,000 initiative to drive community investment in the California neighbourhood in West Louisville where it operates its Bernheim Distillery.

The initiative's 'Microgrant Program' offers grants from $500 to $5,000 to grassroots nonprofits, up to an annual total of $500,000 — the idea being that investment is channelled directly to community designed solutions that can have the greatest impact.

Heaven Hill says the programme has had a tangible impact in four main areas: education, economic development, mental health and neighbourhood resilience.

Our judges said: *"Heaven Hill Brands earned recognition for its 'Spirited Neighbor Initiative', investing back into the local community of West Louisville to make it a better place."* GDI

For the full report on the GDI ESG Award winners, visit ***www.drinks-intel.com***

Q&A De Kuyper Royal Distillers puts 'cocktail democratisation' into action

As De Kuyper continues its mission to 'democratise the cocktail', **CEO Leo Evers** and **global marketing director Godelief van Erve** outline the innovation that is bringing its drinks to a growing audience

De Kuyper celebrates its 330th anniversary this year. How are you strengthening your strategic direction to meet the challenges facing the drinks industry globally today?
Leo Evers: The market is very tough, especially when you talk about spirits and higher ABV. With De Kuyper we are fortunate that our strategic direction has, for a number of years, really focused on cocktails, which are still gaining traction — and that's both at lower ABV and 0.0, so we are in a good place. Also, our strategy in democratising the cocktail, making it available to a broader audience, is becoming effective. While we, of course, retain excellent connections with top bartenders in high-end cocktail bars, we see now that our premix cocktails are opening up other venues where we never were before, such as festivals and music theatres.

How are you tapping into these occasions?
Godelief van Erve: We are seeing consumers craving real connections and experiences, spending a lot more time and money on not only events and festivals, but also leisure and travel. Those are also areas where cocktails are being consumed, so that's where we introduced premix cocktails a while ago, and we are now increasing the number of flavours and innovating in formats, particularly to serve draft cocktails. Besides the five-litre bag-in-box which contains 40 servings at the same ABV as a freshly made perfect serve, we now also have 20-litre Key Kegs, which we use in higher-traffic locations to dispense on draught fantastic quality cocktails in a few seconds.

What is the next big step for the 0.0 range?
Evers: Next month we are launching De Kuyper Ready to Serve 0.0 into the off-trade, beginning in the Netherlands and Belgium with Passionfruit Martini and Sex on the Beach variants. We are predominantly in the on-trade, where we are partly solving an issue for the bartender — it's not that easy to consistently make a good 0.0 cocktail, and that's what we are offering. But now we will also be offering 50cl bottles in modern retail.
Van Erve: The activation in retail will be promoted mainly around tastings and trials to let people really try the product. And then we have some targeted retail promotion going on and, of course, interactive online activations.



Leo Evers: 'Our premix cocktails are opening up other venues where we never were before'



Godelief van Erve: Research shows Amaretto Sour 'is again gaining popularity'

Are you planning to add new flavours to the existing line-up of batched cocktails?
Evers: The nice thing about cocktails is there is always something new going on — from 1 November we will introduce an Amaretto Sour (inset below) and will also bring that into the 0.0 range. One of the most important cornerstones of the company is continuous innovation, and I think it's only by doing so that we can still exist for another 330 years.
Van Erve: Amaretto Sour is not in the top ten of cocktails in the markets we are active in, but our research shows that this old classic is again gaining popularity. It is a good addition for us, because we have a lot of fruit flavours in our batched cocktails and it's great to have a flavour that is a bit different and a really good fit with a target audience who maybe like a cocktail that's a bit less fruity.

With the new Amaretto Sour cocktails launching this month, the De Kuyper Batched range now has nine flavours, while De Kuyper Batched 0.0 has five. The line-ups include original and 0.0 versions of Peachtree Sex on the Beach.

You relaunched the Archers packaging in April and have also just launched the brand in Australia. What are the plans globally?
Evers: With Archers and Peachtree, we are the world leader on peach liqueurs, so both brands are very important for us — Archers particularly in the UK and English-speaking countries, or where British tourists visit.
Van Erve: We had a whole campaign around the new packaging — 'Make it peachy' — bringing back a bit of Archers history, because it was always very well-known in the UK. This put the brand top of mind, especially among younger consumers. What is important is that consumers of both Archers and Peachtree focus on drinking occasions that are earlier in the evening, low energy and low ABV, which really fits with the moderation trend we are committed to supporting. De Kuyper has a very rich history, but with its newly developed premixed original and 0.0 cocktails, it is fully ready for a healthy future. GDI



Bulk spirits move with hi-tech times

While not immune from market headwinds and regulatory changes, the bulk spirits industry is modernising fast with a new focus on digitisation and efficiency. **Joe Bates** reports

Still an under-reported corner of the drinks world, the global bulk spirits business is having to adapt to a fast-changing marketplace and rising sustainability demands.

Once considered the industry's back room, defined by handshakes and dusty warehouses, the sector is moving with these high-tech times, embracing data-led logistics, pioneering digital trading platforms, more premium products and renewed investor interest.



Scotland's Tomatin Distillery views the India-UK free trade agreement as 'a very positive development'

Major bulk players feel the heat

Like much of the rest of the alcoholic beverage industry, the bulk spirits sector is feeling the impact of the economic and political headwinds buffeting the global economy. Kansas-based MGP Ingredients, a major US producer of bulk spirits, reported that consolidated sales dropped 24% to US$145.5m in the second quarter of the year.

The company attributed this drop to "expected declines in brown goods sales within our Distilling Solutions segment and value and mid-price tiered brands within our branded spirits segment".

On a brighter note, MGP's premium-plus spirits sales rose 1% to $31.1m over the same period, driven by American whiskey and tequila. However, the company's Distilling Solutions division saw sales decrease by 46% to $50m, a result of "elevated industry-wide barrel inventories" and reduced customer demand for brown spirits.

Meanwhile, in Guyana, Demerara Distillers Limited (DDL), a major international supplier of bulk rum, reported an international turnover fall of 10% over the first six months of 2025. Chairman Komal Samaroo blamed heightened global uncertainty, including a US tariff introduced in April that initially imposed a 38% duty on Guyanese exports, later reduced to 15% after negotiations.

The war in Ukraine and ongoing uncertainty over tariffs on European-manufactured goods further dampened demand, particularly in the premium and super-premium categories.

Yet, despite market softness, producers continue to invest. DDL recently completed a new GYD730 ($3.5m) barrel-ageing facility at its Plantation Diamond site, expanding its storage capacity to 130,000 barrels.

In Europe, The Main Rum Company, a division of Amsterdam-based E&A Scheer, opened the continent's first dedicated warehouse for rare rum casks in Liverpool. The new site holds over 2,000 barrels, some dating back to the 1980s, a sign that long-term confidence in premium rum remains strong even amid short-term turbulence.

Bulk spirits embraces digitisation

The bulk spirits business has long operated through personal networks and brokers. However, the launch this February of Hogshead, a Louisville-based online »

Legal pitfalls in bulk spirits deals in the US

The bulk spirits sector is a key enabler of private and white-label brands, allowing retailers and entrepreneurs to create their own spirits without the heavy investment of a full-scale distillery. In the US, however, the legal terrain is far from simple.

Founding partner of Spirit Law Partners, a boutique firm specialising in alcohol beverage regulation, Marbet Lewis (below left) explains: "Common pitfalls typically involve improper licensing, either by the actual producer or the bulk spirits purchaser, or failures in full disclosure of the production process and ingredients, or the flavourings that may be used. "Production and bottling require both federal and state licensing, and even some local facility permitting in some jurisdictions."



Lewis notes that while some brands prefer to keep bulk sourcing "in the background to protect brand identity and product integrity", US law demands transparency. "It is not something that can really be 'hidden' from the public as labelling and licensing requirements require disclosure with respect to where a product was actually made and bottled," she cautions.

Lewis's advice for newcomers: due diligence is everything – confirm every party is properly licensed. "Additionally, startups need to pay particular attention to interstate shipping and licensing requirements during their business plan development phase to ensure that bottling and sale strategies comply with federal and state laws."

» marketplace for barrel-aged spirits, created by five Kentucky-based entrepreneurs with backgrounds in technology, startups and bourbon, hints at a different direction for this traditionally opaque sector that could bring price transparency and enhanced efficiency.

On the Hogshead website, licensed buyers can browse an inventory of aged bourbon worth more than $310m, held inside over 135,000 barrels, many of them from well-known distilleries. The Hogshead team claims that all the sellers are vetted before they can begin listing their product on Hogshead, and all the inventory is checked to see if it's genuine.

"When the bourbon industry declined in the 1980s, it coincided with the rise of software and tech. But when the industry bounced back, it lacked the standardisation and documentation to keep up," says co-founder Beau Beckman. "That's why the first thing we built at Hogshead was a barrel commerce engine — to streamline transactions and create a centralised tool that aggregates, facilitates, tracks and manages everything from bulk sales to storage contracts, removing complexity from the process.

"By simplifying how brands source barrels for bottling and adding pricing transparency, buyers can make more informed decisions, finding the best barrels at the right quantities and prices," he adds. "Ultimately, this delivers more value to the customers enjoying the whiskey because without them, none of this works."

Technology is also reshaping the supply chain. In California, Sotira, a reverse logistics platform founded in 2023 by Amrita Bhasin and Gary Kwong, applies AI and automation to the recovery, resale and reuse of short-dated, surplus inventory across multiple sectors, including alcoholic beverages. The model connects retailers and producers with secondary market buyers, such as discount retailers and regional outlets, to reduce waste and maximise recovery value.



Amrita Bhasin reports an increase in bulk spirits surplus on reverse logistics platform Sotira

"I would say that beverages is our biggest category, and bulk spirits over the last few months seem like it's become a bigger business for us," says Bhasin. "There are a lot of companies reaching out with very large volumes of overstock."

She points to a mix of factors for the uptick in business: reduced alcohol consumption among younger Gen Z consumers, new Californian environmental legislation mandating a 75% reduction in organic waste, and the imposition of tariffs by countries such as Canada. Much of the surplus, she says, ends up in the cruise sector as part of onboard drinks packages, proof that even waste streams are finding new life in the bulk ecosystem.

India-UK free trade agreement

This year's volatile regulatory environment is creating both opportunities and challenges for the bulk spirits sector. The free trade agreement (FTA) agreed between India and the UK in July will provide substantial benefits to bulk spirits producers, primarily by lowering the cost of exporting to India and opening new markets.

The previous 150% tariff on spirits like scotch whisky and gin will be cut to 75% immediately upon implementation. This tariff will then be further reduced to 40% over the next decade.

For blended whiskies produced and bottled in India ('Bottled in India' or BII), the tariff reduction on bulk scotch will significantly lower input costs, potentially increasing profit margins or allowing for more competitive pricing to drive sales.

The FTA has garnered support from one of India's largest IMFL (Indian-made foreign liquor) producers, Radico Khaitan. "We welcome the India-UK FTA move because we are one of the largest importers of bulk scotch," Radico Khaitan managing director Abhishek Khaitan told Indian TV in May. "We will import close to INR2.5bn [$28.2m] of bulk scotch in the current fiscal [year]."

Scottish Highlands distillery Tomatin views the India-UK FTA as "a very positive development" that is "likely to have a significant long-term impact on the scotch whisky industry", according to managing director Stephen Bremner. Bulk scotch continues to be a significant share of Tomatin Distillery's annual turnover, despite its growing branded business.

"While [India] is a complex market and it will take time for the full benefits to be realised, the growing middle class is expected to drive increased interest in scotch whisky, supporting growth in both bulk and branded products." GDI

Wharf Distillery: small still with a big impact

In the English market town of Towcester, Wharf Distillery is proving that small-batch craftsmanship and contract distilling can go hand in hand. Founded by Laurence Conisbee, the independent copper-pot operation began life not as a distillery at all, but as a cider-maker. "When we started distilling in 2011, it was only natural to offer contract distilling services too," he recalls. "In 2017, we stopped cider-making to focus purely on creating spirits."

Today, around 90% of Wharf's output is private label or contract work, a significant pivot that has made the company a go-to partner for new entrants and established producers alike. Wharf offers a full service, from fermenting bespoke washes for breweries and vineyards to distilling, rectifying and blending spirits such as gin, rum, vodka and liqueur.

Clients can even take part in interactive flavour development sessions to create unique profiles using natural ingredients and botanicals of their choice.

Wharf's appeal lies in its commitment to quality and accessibility. "Being small-batch means our copper stills optimise contact between the copper and the spirit, producing a cleaner, more characterful liquid," says Conisbee. "Our ethos is quality and flavour, not mass production."



Laurence Conisbee: 'Our ethos is quality and flavour, not mass production'

Bitters with bite: herbal liqueurs defy the global spirits downturn

Even in a sluggish spirits market, one of the oldest categories is quietly staging a revival: bitter and herbal liqueurs. And it is proving unexpectedly resilient, reports **Henry Mathieu**



Hardenberg reports strong momentum for Schwartzhog Kräuter Liqueur 'in America and parts of Asia'

While total spirits volumes are under pressure across key regions, the herbal segment is holding firm. "In Germany, we're seeing a stable rather than growing market," says Hardenberg Wilthen business development director Carl Graf von Hardenberg. "However, household penetration remains high, indicating consistent consumer demand and strong familiarity with these products."

That enduring familiarity is being reinforced by modern relevance. Once reserved for after-dinner rituals, herbal liqueurs are increasingly present in aperitivo moments, cocktail menus and low-ABV serves. "Consumers are drawn to authentic, botanically rich spirits that offer depth and character," Hardenberg adds — and in today's marketplace, that's proving a powerful draw.

The aperitivo effect

If one movement can be credited with reviving interest in bitters, it's the rise of the aperitivo occasion. Once a purely Italian ritual, it has evolved into a global daypart and, for many brands, a lifeline.

Mast-Jägermeister CEO Michael Volke describes how early evening occasions have opened the category to a new audience. "Younger consumers are embracing early evening and daytime drinking, where spritz-style cocktails featuring these liqueurs are popular," he says. The trend has not only broadened consumption windows but redefined what these products represent — from niche digestifs to social, sessionable drinks.

This shift towards "refreshing complexity" has also paved the way for innovation. Jägermeister's citrus-led Orange variant, launched across more than 15 markets, was designed specifically for this.

Volke explains: "[It] blends our original herbal liqueur made from 56 natural ingredients with the fresh taste of oranges and mandarins, [and is] ideally served as an ice-cold shot or a base for long drinks." The variant's approachable, fruit-forward profile has resonated particularly strongly among female consumers, demonstrating how an established brand can evolve without abandoning its DNA.

For Luxardo, the aperitivo boom has been even more transformative. "The rise of the aperitivo occasion, and especially the popularity of spritz-style serves, has been a very powerful catalyst," says export manager Matteo Luxardo. Without it, he argues, "many amari and fernets would remain niche or specialty products; with it, they gain mainstream cocktail relevance, discovery pathways and growth leverage".

Gruppo Caffo 1915's global marketing & brand development director Matthijs van Zanten says the category's resilience is "enhanced by the continued rise of the Italian aperitif occasion, powered by the global spritz trend. This has matured into a category in its own right, where bittersweet liqueurs — especially Italian brands — benefit".

From Europe to everywhere

The bitter and herbal liqueur category may have its roots in European monastic traditions, but its growth trajectory is now global (see 'data drop' p30). As heritage markets stabilise, producers are increasingly looking to international audiences for momentum.

> *'Without the aperitivo trend, many amari and fernets would remain niche. With it, they gain mainstream cocktail relevance and growth leverage'*
>
> *Matteo Luxardo*

Both Hardenberg and Luxardo point to the same pattern: steady performance in Germany and Italy, but real dynamism elsewhere. "We're seeing strong momentum in America and parts of Asia," says Hardenberg, highlighting curiosity for "European drinking traditions" and "premium craftsmanship".

Volke sees similar promise. "Europe remains strong, with stable demand in Germany and dynamic growth in Poland and the Czech Republic," he says.

"In Asia, we are seeing growth driven by consumers' appetite for new taste experiences and an evolving cocktail culture." He describes a consumer base that is "open to innovation and premium Western lifestyle trends", particularly in urban centres — a combination that suggests "long-term opportunities" for the segment. »

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» Luxardo is more direct: "[The] biggest growth [opportunities are] in Asia and North America. Europe unfortunately is saturated." In those new regions, the intersection of modern mixology, premium positioning and storytelling is helping to reframe bitters as sophisticated rather than traditional.

Premiumisation and the new 'craft code'

Across the spirits industry, premiumisation remains the buzzword, but within bitters and herbal liqueurs, it carries a unique resonance. The category's very DNA of natural ingredients, local botanicals and small-batch production lends itself neatly to the craft conversation.

"There's a clear trend toward artisanal, small-batch expressions that emphasise origin, natural ingredients and unique botanicals," says Hardenberg, which produces herbal liqueur Schwartzhog containing wormwood, buckbean and "select herbs roots and fruits of the forest". He adds: "Producers are responding with limited editions, flavour-forward variants — think citrus, floral, smoky — and transparent storytelling around sourcing and production methods."

The innovation pipeline across brands supports that view. Jägermeister's extension strategy — from the freezer classic to Orange — shows how heritage brands are using craft cues to refresh their image without alienating their base. "People are increasingly curious about new flavours and drink formats that go beyond the traditional," Volke notes. "For us, innovation isn't reinvention but meaningful evolution."



Citrus-led Jägermeister Orange launched across more than 15 markets in April

Luxardo, meanwhile, observes a similar pivot across the wider category. "There is a noticeable and growing shift toward premium, craft and experimental expressions," he says. "Producers are responding in a number of ways, from small-batch releases, aged expressions and novel botanicals, to reinterpretations of classic recipes."

In short, consumers still want authenticity; they just want it served with a modern twist.

Behind the bar: a category recast

Ask anyone in the trade who's really driving this category forward, and the answer is unanimous: bartenders. They're not just serving bitter liqueurs; they're rewriting their reputation. "Bartenders are instrumental in driving category growth," says Hardenberg. "They're not only educating consumers, but also showcasing the versatility of bitter liqueurs in modern, lower-ABV cocktails."

Volke agrees that the bartender's influence now extends well beyond the bar-top. Through Jägermeister's international Hubertus Circle network of bartenders, the brand feeds professional insight directly into product development. "Bartenders are key sources of inspiration," Volke says. "Their insights help translate emerging trends into relevant serves."

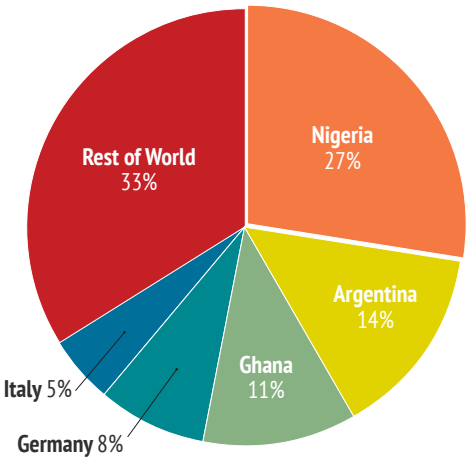
The company's 'Scholarship' initiative deepens that relationship, mentoring young talent and fostering creativity. "Bartender feedback plays a central role in shaping new variants that balance innovation with consumer expectations," Volke adds, a reminder that behind every new expression lies a dialogue between producer and pourer.

Caffo's Van Zanten adds: "Lower-strength cocktails and bartender creativity are expanding flavour experimentation and helping recruit new audiences. We believe that long-standing Italian traditions and rituals are being reimagined for a new generation, giving fresh life to timeless habits of sharing and celebration."

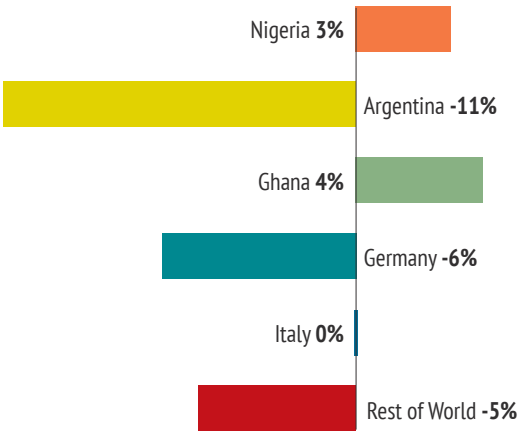
Luxardo describes bartenders' impact even more broadly: "Their influence works on multiple levels, from creative innovation and flavour translation to consumer education, channel influence and pull-through »

DATA DROP

Bitters: Top 5 Global Markets
Market Share (Vol) 2024



Market Share Chg (Vol) 2023–24



Source: IWSR, the global leader in beverage alcohol data and insights. Figures rounded to the nearest whole number.

KEY TAKEAWAYS

- **Bitters are thriving by bridging tradition and modernity**, with their versatility spanning aperitivo, cocktails and low-ABV occasions, repositioning from pure digestifs to lifestyle spirits.
- **Bartenders are driving category reinvention**, shaping product development, educating consumers and expanding bitters' relevance.
- **Premiumisation is evolving into an emphasis on the category's craft cues**, with producers embracing authentic botanicals and small-batch innovation.
- **The future will be defined by moderation and cultural connection** as consumers seek better-for-you formats, emotional brand engagement and sustainability alongside bold flavour experiences.

» into retail." In other words, the bartender's role has evolved from category gatekeeper to growth architect.

The next wave: moderation, meaning and modernity

Looking ahead, the evolution of bitters seems set to track two parallel movements: moderation and meaning. The no/low-alcohol trend is already shaping adjacent spirits categories and, while opinions vary on how far it will go, most agree that lower-ABV formats will remain key.

"For sure, the non-alcohol trend is growing, but I'm not sure about it," says Luxardo. "I think low ABV is the key to a successful trend as consumers continue to lean into moderation. 'Better-for-you' formats will become increasingly essential."

Hardenberg predicts that innovation and transparency will define the next chapter. "We expect to see continued innovation in no/low-alcohol formats, bold flavour experimentation with exotic botanicals and stronger brand narratives that connect with lifestyle and heritage," he says. "Sustainability and transparency will also play a bigger role as consumers seek authenticity and purpose in their choices."

Volke frames the future around identity and cultural connection. "The next phase of growth will be shaped by brands that stand out through new taste experiences, cultural relevance and clear positioning," he says.



Luxardo introduced Del Santo Herbal Liqueur into US markets in January

Jägermeister's creative-community initiative '#savethenight' exemplifies that shift: a platform that goes beyond product marketing to emotional brand engagement. "Staying true to our DNA," Volke adds, "we continue to explore new ways to surprise and engage our audience."

An evolving tradition

Few spirits categories have travelled as far, or adapted as fluidly, as bitters and herbal liqueurs. Once pigeonholed as Old World digestifs, they've become symbols of contemporary craftsmanship, bridging the gap between past and present.

Their appeal lies as much in their contradictions as their flavours: bitter yet balanced, classic yet current.

As Hardenberg sums up: "Consumers are increasingly drawn to authentic, botanically rich spirits that offer depth and character." The difference now is that those same spirits are being enjoyed not just at the end of the night, but at every moment in between. GDI



5 MINS *American Whiskey Association CEO Michael Bilello*

American whiskey is the 'quintessential American product throughout its entire supply chain', the head of the category's new trade organisation tells **Olly Wehring**, as he begins his mission to make it 'the world's whiskey'

What's your background prior to joining the American Whiskey Association (AWA) in September? I spent six-and-a-half years with the Wine & Spirits Wholesalers of America, working with distributors of wine and spirits. I was also the executive director of SipSource, the wholesaler depletion data set that shows how the marketplace for wine and spirits is performing. I also helped run Access Craft, a brand incubator that helps craft brands get distribution. I really enjoyed my time at WSWA.

In April, I was asked if I'd be interested in putting myself in for candidacy to become the president & CEO of the AWA.

I was very excited for a couple of reasons. One, I love this industry. Not only is it a lot of fun, it also goes so much deeper than just the liquid in the bottle, all the way back to the farmers who are growing the grain. Second, I was really excited about being part of a category that has a special place, not only in American history, but also with American consumers.

When they told me the mission was to make American whiskey 'the world's whiskey' and stand shoulder to shoulder with scotch and Irish whiskey, then I really wanted to get onboard.

What problem do you feel the AWA has been created to solve? The founding members include Brown-Forman, Suntory Global Spirits, Sazerac Co, Campari Group, Diageo, Pernod Ricard. These organisations all have broad portfolios and have teams that focus on individual categories and products. I imagine they believe that now would be a good time to have a trade association that focuses entirely on American whiskey to really unlock its potential.

Some of the inspiration came from one of the best to do it — the Scotch Whisky Association, which I will work to emulate. The mission to make American whiskey 'the world's whiskey' is really important and is going to take a lot of time and focus.



Michael Bilello: 'We have to protect American whiskey's geographic indications globally'

What will sit under the AWA's remit? The pillars of the association are to promote, to lead and to protect.

To promote, we're going to collaborate with the broader industry to advance American whiskey. We'll talk about areas like sustainability, where we're ensuring the next generation of American whiskey has a future and a place. We're also going to be unveiling a first-of-its-kind socio-economic report on the American whiskey industry, which will show the category's complete value chain.

The lead piece will be about uniting the industry across all sizes and all categories and coordinate advocacy. There are a lot of things that take place at federal, state and local levels that impacts our industry. We have to make sure that all voices involved in American whiskey are heard. AWA will also be a leading voice for the American whiskey industry globally.

Finally, we have to protect American whiskey's geographic indications globally. We'll work with our trade representatives and trade partners to ensure that our geographic indications are understood and respected. We'll work with the industry to take enforcement action against anybody who infringes upon American products. Then there's market access; we have to make sure that we're reducing tariffs imposed on American whiskey.

There's been a lot of trade tension. American whiskey has fared well so far, but we know that if we don't resolve the tariffs that have been put on our international trade partners, that could result in retaliatory tariffs on American whiskey.

There's a symbiotic relationship between American whiskey and Irish whiskey and scotch. We have to be able to sell American whiskey to get it out of those barrels, because our friends in Ireland and Scotland need those barrels. At the same time, we need Irish whiskey and scotch to be successful because if they aren't, then American whiskey won't be successful.

Educating everyone on this relationship and reducing tariff barriers is critical. At the same time, so is addressing non-tariff trade barriers in high-potential markets.

What level of influence do you see a trade association having on the current US administration's trade policy? In the context of President [Donald] Trump's 'America First' agenda, which has a great vision to bring American business into what he's calling the 'Golden Age', American whiskey is the quintessential American product throughout its entire supply chain.

It's also a multibillion dollar export. It brings America around the world. It'll be my job to tell that story to this administration and to continue to educate them to ensure that American whiskey has a future, because American jobs are at stake.

Trade is totally interconnected. We know that we'll get beyond this, and the AWA, along with our partners, will play a vital role in all of this. GDI

The full interview is available to subscribers. Join them at ***www.drinks-intel.com/subscribe***

Türkiye: alcohol in the crossfire

Every bottle of alcohol purchased in Türkiye is a triumph over state regulation, high taxes and ideological disapproval, yet this fascinating market refuses to fade away. **Joe Bates** reports



Yeni Raki, one of Türkiye's best-selling raki brands, has been part of the Diageo stable since the British multinational acquired Turkish producer Mey İçki in a US$2.1bn deal in 2011

Türkiye's alcoholic beverage business is a tale of two extremes. On the one hand, it continues to be squeezed by some of the world's highest taxes and increasingly restrictive regulations.

On the other, it is being propelled by a resilient wave of premiumisation, craft innovation and a booming tourism sector. This paradox lies at the heart of an underreported market navigating a complex web of economic headwinds, political pressure and shifting consumer tastes.

ÖTV: the government's favourite lever

One constant is the government's long-standing antipathy towards the alcohol industry, with President Recep Tayyip Erdoğan's ruling Justice and Development Party (AKP) continuing to hike the country's Special Consumption Tax (ÖTV) on alcohol.

The ÖTV was raised by 12.5% in December last year — a move widely seen as targeting imported spirits, as domestically produced raki, Türkiye's most popular spirit, was excluded. Since Erdoğan's AKP came to power in 2002 and implemented its religiously inspired anti-alcohol policy of biannual tax hikes, the tax on raki has increased by more than 2,500% since 2010. A 1L bottle of raki from a supermarket typically costs around TRY1,300 (US$31) in a country where the national minimum monthly wage is only TRY22,104.67.

In July this year, the ÖTV on alcoholic beverages (and tobacco) was raised by a further 13.76%, taking the tax on pure alcohol to TRY1,428 per litre, which typically adds about TRY60 to a 70cl bottle of raki.

"Regular alcohol prices in Türkiye are already high in comparison to Western countries, and therefore the new tax is making alcohol even more expensive for the average Turkish consumer," says IWSR research director for Eastern Europe & the Middle East Piotr Poznański.

"Currently, prices in Türkiye are on a par with the UK and are almost 50% higher than in neighbouring Greece," he adds. "Night bars and clubs are suffering as locals often choose to go to Greece for the weekend instead of going out locally. There is a special free-visa agreement with ten of the Greek islands. Tourists are also spending less because of the higher prices."

Human toll of counterfeit spirits

One of the tragic consequences of such high alcohol prices is the rise of counterfeit alcohol and deaths from illicit products.

In January, more than 100 people died after consuming bootleg spirits containing methanol in Istanbul and Ankara, with a further 230 hospitalised. The government has tried to combat the problem by installing security cameras in liquor stores and carrying out regular inspections, but the lure of cheap homemade spirits remains.

For US spirits producers, partial respite came in September after Türkiye took unilateral steps to remove retaliatory »

Anadolu Efes makes a move into spirits

For over half a century, Türkiye's beer market has been dominated by just two companies — Türk Tuborg and Anadolu Efes.

Now Anadolu Efes, which reported 9.5% volume growth in the second quarter of 2025, has taken a new direction, announcing in September a non-binding deal to acquire 60% of raki producer Tariş Üzüm Alkollü Alkolsüz İçecekler A.Ş. for US$26m.

Tariş Üzüm's flagship Mercan Raki brand (pictured) will join the Efes portfolio, marking the brewer's formal entry into the spirits category. Once finalised, operations will be folded into a new joint subsidiary owned 50.1% by Efes and 49.9% by Anadolu Group Holding.



This diversification underlines Efes's strategy to become "a beverage company that goes beyond beer," positioning it against Diageo-owned Mey İçki, the country's biggest spirits player, and signalling confidence in premium spirits despite regulatory friction.

» tariffs on certain US products, including spirits, first imposed in 2018. The move came ahead of bilateral talks between Erdoğan and US President Donald Trump.

The goodwill gesture saw the removal of an additional 70% tariff on ethyl alcohol and alcoholic beverages, including American whiskey, vodka, rum, tequila, liqueur and gin.

According to the Distilled Spirits Council of the United States (Discus), since the tariffs were introduced, exports of American spirits to Türkiye dropped by nearly 36%, from about US$17m in 2018 to $11m last year.

"Türkiye currently ranks as the 27th largest market for US spirits due to its prohibitively high retaliatory tariff," Discuss CEO Chris Swonger said in response to Türkiye's announcement. "Lifting this burdensome tariff significantly increases access to the Turkish market and unlocks valuable new export opportunities for US distillers."

Red tape and regulation

Beyond tax hikes, new regulatory hurdles are emerging. One proposed communiqué (2023/50) will require producers of fermented alcoholic beverages, such as wineries and breweries, to deposit significant financial collateral to cover potential fines. This measure could prove insurmountable for small craft producers and new entrants, threatening the diversity of the market.

Türkiye's long-standing advertising ban has also now firmly extended into the digital sphere. In March, court orders blocked several international drinks companies' websites, including those of Jack Daniel's, Jameson, Martini and Chivas Regal. Unlike country specific sites tailored for the Turkish market, the blocked websites were the brands' global platforms.

Being seen in a dark market such as Türkiye takes ingenuity. "Türkiye enforces a complete ban on digital alcohol ads. Brands bypass restrictions through stealth marketing," explains IWSR's Poznański. "This includes subtle product placement, influencer and vlogger content, and platform-native posts to attract younger LDA+ audiences."

New tastes for a new generation

With inflation hovering around 33% in August, more Turks are drinking at home, according to Poznański. He says high cocktail prices in the on-trade are pushing this shift towards at-home entertainment.

"Whisky remains the go-to category for consumers who entertain at home, as it doesn't require food preparation in the same way raki does," he notes. In terms of category trends, traditional beverages like raki and beer dominate, but whisky and gin are gaining significant traction, especially among younger, urban LDA consumers, a demographic that is growing by around 500,000 each year.

"Premiumisation continues to gain momentum in Türkiye, particularly within the spirits category," says Poznański. "Whisky remains at the forefront, driven by numerous new product launches and recent changes in the distribution of major brands.

"Interest in premium and super-premium offerings is also rising across gin, vodka and locally produced raki. The premium gin segment is expanding rapidly as new players enter the market, and companies boost the off-trade visibility of their gin portfolios."

The tourism lifeline

Türkiye's booming tourism sector remains a lifeline for the alcoholic beverage business in a market where only about 16% of the adult population drinks. In 2024, the country became the fourth most visited nation worldwide, attracting 56.7m international visitors.

In resort towns from Bodrum to Antalya, international guests demand choice — craft beers, boutique wines (the country still boasts around 200 small wineries) and imported spirits — creating on-trade revenue that partly offsets domestic decline.

For Türkiye's smaller producers, foreign palates are increasingly proving the ultimate marketing channel. GDI

Türkiye's first craft brewer Gara Guzu: the black sheep shaking up the beer scene

In a beer market dominated by two mainstream brands, Efes and Tuborg, Gara Guzu, meaning 'black sheep' in Turkish, feels like a much-needed disruptive presence. Located in Yeşilyurt, in the south-western province of Muğla, and run by married couple Ataç and Akgonca Besi, Gara Guzu's colourfully labelled beers are now available in Japan, Australia, Canada, the US, the UK and France.

Getting Gara Guzu off the ground was a long, protracted bureaucratic process that took 3.5 years, Akgonca recalls. Production finally commenced in 2014, initially focusing on American and European-style beers: a Blonde Ale, Red Ale and Amber Ale were the first offerings, followed by a Wheat Beer, an IPA and a Porter. The company worked with local artists to create distinctive, colourful labels for each product.

"The beer culture in Türkiye was narrow, with two brands that offered no surprises," says Akgonca. "First, we needed to explain what craft beer was. For us, craft beer is not just about the taste or ingredients. It's also a kind of presentation of our thoughts about life that cannot otherwise be given a voice."



In a tightly controlled market where breweries cannot advertise or have a presence on social media, Gara Guzu opted to form high-profile collaborations, beginning in 2018 with its 'Chef's Beer Project', which saw the brewery partner with acclaimed Turkish chef Mehmet Gürs to create a Tangerine IPA.

Two years later, the brewery collaborated with Jameson Irish Whiskey on its 'Caskmates Project', resulting in Meşeli, a limited-edition nitro stout aged in Jameson oak barrels. In 2023, Gara Guzu joined forces with Moldova's Keller Holz Brewery to create Uçurtma Pils, a 4.7% ABV pilsner.

Despite these successes, Akgonca says trading conditions remain tough due to inflation, high taxes and having to comply with the same legal and tax requirements as the multinationals. "This makes it difficult to operate in an unstable economy," she says. "It reduces our chances of competing with the craft beer brands owned by larger producers."

KEY TAKEAWAYS

- Regulatory restriction: Whether it's trading hours, taxes or advertising, the Turkish government continues to restrict the activities of domestic and overseas alcohol producers.
- US spirits reprieve: The removal of Türkiye's 70% tariff on US spirits levels up the playing field for US drinks companies and should be especially good news for bourbon producers, given the growth of American whiskey.
- Spirits play: Brewer Anadolu Efes' recent entry into the spirits category through the acquisition of a raki producer will shake up the country's spirits market which is dominated by two players: Diageo-owned Mey İçki and Efes Raki.

Q&A Beluga Vodka expands horizons through innovation and cocktail culture

Since its acquisition by Noblewood Group in 2023, Beluga Vodka has entered an exciting new era defined by portfolio expansion and a renewed focus on high-end mixology. **Global business development MD Andreas Ioannides** discusses its evolution

What have been the main focuses for Beluga since the acquisition and what is its current status? We've moved incredibly fast. We've acquired a new distillery, a bottling facility, set up offices and teams — everything was from zero. Despite that, we have been growing at 50% over the past two years and expect to close the year at around 300,000-plus nine-litre cases for Beluga Vodka.

Overall, we are focused on expanding our global footprint, driving price harmonisation and ensuring clarity and consistency in every market. We have grown distribution from 70 to more than 100 countries, with expansion mainly coming from new markets in the Middle East, Africa and Latin America.

We are back on track with global travel retail, having regained listings in over 250 airports. Beluga was once the world's No.2 vodka in the super-premium GTR segment.



Beluga Gold Line, one of the pillars of the brand's super-premium positioning



Andreas Ioannides: Beluga's 'cocktailisation mission' has seen it partner with five-star hotels

Today we are No.3, but we believe we will reclaim second place soon.

Beluga Noble remains our flagship, followed by Beluga Gold Line. While we continue to support the wider portfolio — Transatlantic, Allure and Celebration — the strategic focus is firmly on building Noble and Gold Line as the pillars of our super-premium positioning.

I'm proud of how far we've come. From day one, our priority was to create global coherence by unifying distribution and price harmonisation. Previously, Beluga's pricing varied widely across markets, but now we've established a clear, consistent super-premium identity worldwide.

What have been your latest product innovations? We've recently successfully launched Beluga Epicure Series II by Lalique, our second collaboration with the legendary crystal house Lalique, featuring 888 limited-edition decanters retailing between GBP12,000 (US$15,000) and GBP15,000 ($20,000). We have also premiered Beluga de Connoisseurs, a partnership with French porcelain producer Bernardaud, with only 2,000 bottles available.

You are now also moving into spirits beyond vodka... We've entered the gin category with Oyster Gin, a super-premium spirit available in two distinctive expressions — Gin Adriatic and Wild Citrus. It is now available in 25 to 30 countries and gaining selective global distribution. In the UK, it's featured in selective key on-trade venues and will soon roll out to retail. It's a very focused strategy with a very deliberate approach. Furthermore, we also plan to unveil an ultra-premium rum in the near future.

What is your strategy for growing Beluga's presence across the world's most prestigious on-trade venues? We are on a 'cocktailisation mission' and have been partnering with five-star hotels, putting a lot of emphasis behind the Beluga Gold Martini and focusing on how to elevate the consumer experience through premiumisation.

In top accounts worldwide, consumers will not just go for the house brand in a cocktail — they want a preferred brand of choice across all categories. So instead of simply ordering a vodka tonic, they will ask for a Beluga Martini to elevate their experience. In select five-star hotels worldwide, we have a dedicated Beluga menu page offering a shot of Epicure for GBP1,000 and a Beluga Gold Martini for around GBP50. Alongside that, we're introducing signature serves such as the Beluga Noble cocktail.

In partnership with our distributors, our focus is on premium accounts to ensure Beluga occupies pride of place on cocktail lists — something that wasn't always the case in the past.

What are the next steps? Since Noblewood's inception a couple of years back, we've undergone tremendous change, so it was very important for us to ensure we have a consistent approach globally and are able to convey our renewed production base and our international success. We're proud to be competing in tier-one and tier-two markets worldwide.

Over the next few years, our focus will remain on strengthening Beluga's presence and portfolio globally, while also carefully building gin and rum in select markets. The goal is to ensure a strong foundation for both the brands and the company, which will sustain future growth and acceleration. GDI



Okanagan Spirits Craft Distillery CEO Tyler Dyck: 'Craft distilleries need to move to a model that is terroir-specific, because in the next 20 or 30 years there is going to be a decline in those ubiquitous spirits that don't have a link to anywhere or anything unique about them, and an uptick in those with a story to tell'

Craft distillers find a path through the storm as market headwinds persist

As spirits struggle globally, craft distilling faces its first-ever downturn, accented by several high-profile bankruptcies in the US. But are there opportunities to be found among the challenges? **Stephen Beaumont** reports

KEY TAKEAWAYS

- Craft distilling volume and value is down in the US, but the industry continues to grow in terms of distillery numbers.
- The craft industry in general needs to adjust to a changing demographic if it is going to continue to thrive.
- Provenance, uniqueness and authenticity are becoming evermore important as consumers gravitate to brands with stories to tell.
- Canadian craft distilleries are riding a wave of optimism thanks to a surge of patriotic behaviour.
- The category with by far the most growth and potential globally is whisky.

The years since the end of the Covid-19 pandemic have not been kind to distilleries of any size. Sales are down, although some studies show that they are consistent with historical patterns, just reduced from inflated pandemic consumption. And the media never seems to tire of reminding us that Gen Z is turning its collective back on alcohol, although there are signs there, too, that this might be more a temporary blip than long-term trend.

For the multinational distillers, with their deep pockets and ability to rely on emerging markets to compensate for declines in more established regions, it is a serious situation, but for the most part a manageable one.

However, for craft distillers with exponentially smaller customer bases and comparatively miniscule distribution, it is a tightrope walk between survival and insolvency.

It is also indicative of an industry that has changed rather dramatically through the decades, and particularly so over the past ten to 15 years. Few people have had the sort of front seat view of these changes as Marko Karakasevic, master distiller & co-owner of the craft pioneering Charbay Distillery in California, famously the holder of US distilling permit number 177.

"When I first started making vodka with real fruit and distilling whiskey from finished beer, nobody else was doing that," says Karakasevic.

"The industry's evolved a lot [since then], but the core hasn't changed; great spirits still come from real ingredients, real technique and time. The landscape keeps changing, but for us, it always comes back to doing the work and letting the spirit speak for itself."

Over the border in Western Canada, the Okanagan Valley is home to British Columbia's oldest craft distillery, Okanagan Spirits. Distillery CEO & head of the Canadian Craft Distillers Alliance Tyler Dyck, like Karakasevic, says the sector is »

» evolving. "The spirits consumer is now catching up to the wine industry and the culinary industry, and demanding to know where the product comes from," he says.

"[So] craft distilleries need to move to a model that is terroir-specific, because within the next 20 or 30 years there is going to be a decline in those ubiquitous spirits that don't have a link to anywhere or anything unique about them, and an uptick in those with a story to tell."

One brand that definitely has a story to tell is the new Swiss vodka, Vodka57. In fact, says distillery founder & director Giulio Dorrucci, its story and ingredients are key parts of the spirit's identity.

"Unlike mass-market brands, every detail of Vodka57 is intentional, from the choice of raw materials to the traditional handcrafting in small batches," says Dorrucci.

"The key is building a loyal audience that identifies with the refinement, provenance and artistry behind our brand, [which is] a slower but ultimately more lasting process."



'Every detail of Vodka57 is intentional', according to distillery founder & director Giulio Dorrucci



Charbay Distillery master distiller & co-owner Marko Karakasevic: 'The landscape keeps changing, but for us, it always comes back to doing the work and letting the spirit speak for itself'

Refined distillery experience

Also key to building and maintaining a core consumer base is a refinement of the craft distillery experience, says industry watcher & author of *The Spirit of Rye,* Carlo De Vito.

"The waves of Baby Boomers who paid exorbitant sums for bottles of single malt scotch or high-end bourbons are not being replaced; their children and grandchildren are looking to forge their own paths, and with that the craft beverage industry must reshape itself," says De Vito.

"For this reason, in the coming years you will see the days of the speakeasy and darkly lit bar give way to brighter spaces and a different set of offerings, especially innovative cooking with fresh ingredients."

That changing demographic is also on the mind of Joe Milner, managing director of Milestone Beverages HK, makers of Onikishi Japanese Whisky, who sees pricing and branding as key components of his four-year-old product's success.

"[Companies like] Suntory have amazing brands, but they do tend to price them significantly higher and with allocations, so we feel that the opportunity is to strategically price Onikishi slightly lower," says Milner.

"And since much of the Japanese whisky category has the same design elements, like a pagoda with a mountain or *kanji* calligraphy, we think that Onikishi has hit a sweet spot with our Demon Knight anime branding, which seems to resonate really well with trade and consumers."

Declines in volume and value

Still, there would appear to be as much pessimism as there is optimism in certain corners of the craft distilling industry, especially in the US where a dourer view is fuelled by the recent bankruptcies of several high-profile craft distilleries.

According to the *Craft Spirits Data Project* produced annually by the American Craft Spirits Association in partnership with Park Street, 2023 witnessed the first decline in volume and value for the craft »

» segment since the report's creation in 2016. The decreases were relatively small, 3.6% in volume and 1.1% in value, and more broadly in line with the performance of the larger spirits market but still give the industry cause for some concern.

Craft's share of the overall spirits market was likewise down, although in increments so small that they might well qualify as rounding errors, 0.3% in volume and 0.2% in value.

Interestingly, despite such headwinds, the *Craft Spirits Data Project* report notes that craft distilling remains in growth mode in the US, adding 316 distilleries from 2023 to 2024. Distilleries also continue to invest in their infrastructure, with overall investment by American craft distilleries reaching an impressive US$885m in 2023, although down slightly on a per-distillery basis.

For author De Vito, the declining volume and value numbers are not just statistical irregularities or corrections, but rather signs of the new status quo.

"I do not see small craft spirits producers making a bigger dent in the market in coming years, [but] simply holding onto those percentages will be seen as a major victory in the current environment," he says. "For many, flat is the new win [and] just as in wine or beer, any craft distillery that gets too big will eventually be bought up by the big boys."

Unexpected upside of Trump's threats and tariffs

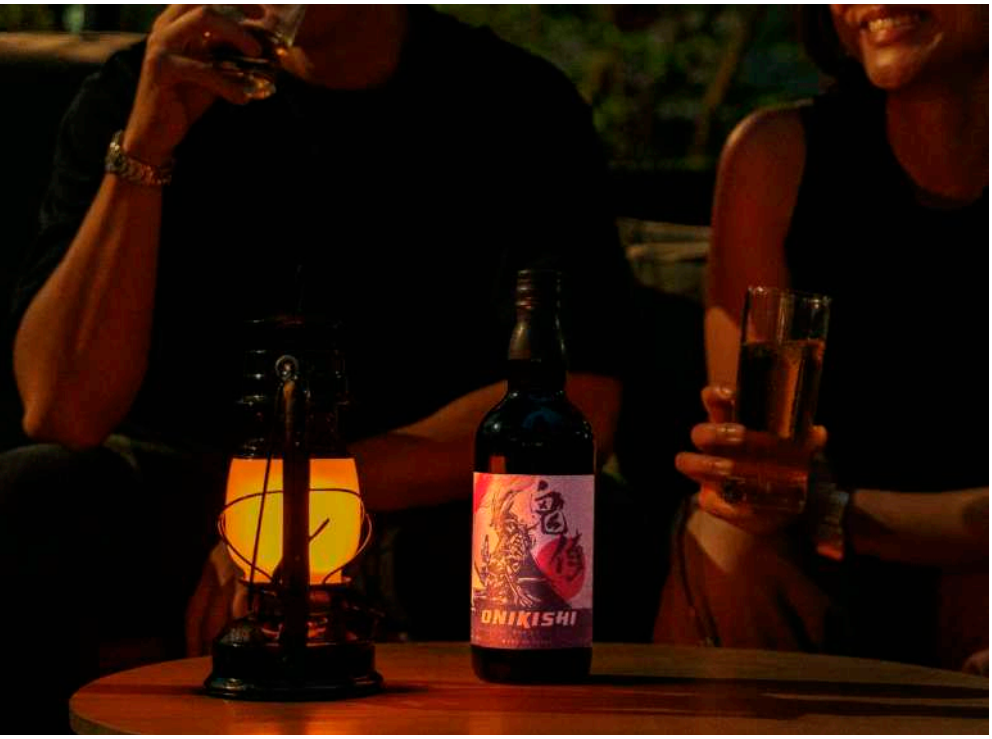
North of the border, Okanagan's Dyck offers a rosier outlook.

"Before [US President Donald] Trump's comments about Canada becoming the 51st state, I'd say that the industry was a bit pessimistic overall," he says.

"But that statement really rallied Canadians around Canadian products and Canadian-made spirits, to the point that people who come to our distillery are asking us where our grain fields are. Frankly, this is the most optimistic our industry has been for the last decade, and it's because of Canadians supporting Canadian companies."



Canada's 'original double-wood single malt', The Laird of Fintry from Okanagan Distillery



Onikishi Japanese Whisky 'plays in the broader whisky space, rather than Japanese whisky specifically'

Whisky shoots ahead

In what seems to be a bit of a global spirits trend, Dyck says that he sees one particular category performing at a far better rate than all others combined — whisky. "This year has been the year of whisky, for sure," he says, noting that 80% of his distillery's sales are now whisky and 75% of those are his bourbon-style whiskies.

Both De Vito and Charbay's Karakasevic agree.

"Whisky has kind of taken over in popularity," notes Karakasevic. "It makes sense, since it's what a lot of people drink and it's what they expect from a distillery, and if a distiller sits on it for a few years, you can charge more for it, so I understand why distilleries get into it."

De Vito takes the view one step further. "The real brass ring of North American distilling, no matter which side of the border you're on, is single malt whisky," he says. "It is still the dream of many of the distillers out there and it is still seen by many as the highest expression of the distiller's craft."

It is also, of course, a segment in which the multinational distillers are extremely active, which raises the question of whether crafts can compete on whisky. For Milestone's Milner, it's hardly a concern.

"I have always thought that Onikishi plays in the broader whisky space, rather than Japanese whisky specifically," he says. "Sure, there might be a small subset of consumers who are loyal to Japanese whiskies, but I feel in general that many consumers are starting to experiment outside of traditional scotch categories."

Ultimately, those 'broader' spirits markets may be where craft has to perform, rather than in the more specialised craft niche. But where craft beer headed towards the mainstream when growth began to slow, and wound up suffering for it, craft distilling needs to maintain its integrity and uniqueness.

As Karakasevic notes: "What makes craft distilling special is the human part. You can't automate intuition — knowing when to cut, when something's right, when to leave it alone — that only comes from being there and doing it yourself." GDI

Craft spirits roundup

Where craft spirits are concerned, experimentation and innovation are as important as provenance and authenticity. These five releases from distilleries around the world boast interesting combinations of all four elements



US *Happenstance Single Barrel*

Four years after launching with its flagship Founder's Edition Bourbon, this 100% women-owned and women-led company headed by Anheuser-Busch InBev alumni Paige Parker has introduced its first line extension, a single barrel bourbon aged for nine years and bottled at 55% ABV.

Switzerland *Vodka57*



After five years of research, experimentation and refinement, Vodka57 founder Giulio Dorrucci settled on a recipe featuring French winter wheat, which he says brings a subtle sweetness, soft mouthfeel and roundness to his vodka. Distilled in Switzerland with fresh Alpine water, this innovative spirit is set to make its global debut in 2026.

Wales *Penderyn Bad Wolf*

To celebrate the distillery's 25th anniversary and the 10th anniversary of the Cardiff-based production company Bad Wolf, pioneering Welsh distillery Penderyn collaborated with Bad Wolf CEO Jane Tranter and her team to produce the 13th in its Icon of Wales series, a 10yo whisky fully matured in tawny port pipes.





Belgium *De Cort Wild*

Farm distillery De Cort is also a brewery specialising in the spontaneously fermented beer known as lambic, so for this a one-of-a-kind product the family-run operation distills its own 3yo lambic and ages the resulting spirit in pedro ximinéz barrels for five years.

Canada *Okanagan Spirits Rum Barrel BRBN*

The bourbon-style BRBN from British Columbia's Okanagan Spirits is already unusual in its mash blend of 54% corn with not rye or wheat, but 46% malted barley. This special limited edition then takes that unconventionality one step further by finishing the whisky for two years in Martinique rhum agricole barrels.



‘There is great opportunity and hope’ in the US distilled spirits market

Distilled Spirits Council of the United States president & CEO Chris Swonger is confident the US beverage alcohol industry will ‘persevere and prevail’ in the face of current market headwinds. Interview by **Maia Gosselin**



Chris Swonger became president & CEO of the Distilled Spirits Council of the United States in 2018

It’s been a tough year for the American spirits industry after decades of unprecedented growth. What is contributing to the changing tide and is this only temporary? I think everyone in the beverage alcohol industry recognises that we’re all grappling with the constricting market with a variety of headwinds. There is evidence that legal drinking age [LDA] consumers aren’t going out and enjoying the products like they used to. There are also lifestyle/life balance issues, a combination of market factors and inflation challenges.

I’ve been pleased to see that, despite those headwinds, spirits continue to play a leading role in the marketplace, and it’s going to be incumbent on organisations like the Distilled Spirits Council of the United States [Discus] to play a positive role in helping to secure a more permanent trade environment to assist us with our American spirits exports.

I know, on behalf of all the Discus member companies, they’re working hard to engage with the consumers, to bring great products with great stories and authenticity to the marketplace.

It *is* challenging and it’s something the industry hasn’t seen in a very, very long time. But we’re resilient and we bring cheer and conviviality to consumers. The ongoing debate of whether this is cyclical or structural remains to be seen, but if the spirits industry continues to be consumer-led, it will persevere.

‘Spirits-based RTDs are enjoying the most exciting growth. This category is currently really the shining light in the marketplace’

Which spirits categories have been affected the most? Where are the bright spots? Across the board, all the spirits categories have been affected. We’ve seen an unfortunate downturn in both wine and beer consumption as well. I think that’s just a reflection of the marketplace.

Spirits-based RTDs are enjoying the most exciting growth and it’s because of the taste and the authenticity. And I would say Discus has been on point from our advocacy perspective in some states to make sure that LDA consumers can access these products with the same level of alcohol as many other products.

In some states, the taxation on spirits-based RTDs are extraordinarily high. In Washington State, it’s 50 times higher than a malt product. So, we’re working to reduce the taxes on those products and enable greater market access, because this category is really the shining light in the marketplace.

Tequila also continues to intrigue the American consumer. Even with a slowdown, there’s no doubt there has been a long runway of momentum for tequila and American whiskey. I’ve put whiskey in there to inspire the imagination of the American consumer.

What is the sentiment among your members? They continue to focus on the consumer. I can’t say there’s no anxiousness, but really, it’s the sheer focus on bringing great products to the marketplace.

The spirits industry over the last 15 to 20 years has utilised storytelling, the heritage of products, great innovation and great-tasting products to connect with consumers like never before. That gives me optimism and hope that we will persevere and prevail from the current market headwinds.

And look, anytime there are challenges in the marketplace, it can make you better, right? When it’s an easy marketplace, it’s easy. Challenges bring strength and creativity and finding unique ways to connect with consumers. Across the board I’m seeing many of our companies focused on that. »



Image: iStock.com/3dmitry

India slashed its tariffs on American distilled spirits products from 150% to 100% in February, but Discus's Chris Swonger says 'that 100% tariff still needs to come all the way down to zero'

» **Discus also represents craft companies that have been particularly hard hit recently. How do you see the segment evolving?** It's going to require resilience, but the craft distilling movement is a great American success story. Twenty-five years ago, there were about 60 distilleries in the US, and today there's over 3,100. I've had the privilege to visit many of them. I see numerous craft distillers really zoning in on their communities.

It's important, through proper regulation of alcohol, that policy helps enable the craft distilling community to thrive in the marketplace. One of the challenges that we're having in the current trading environment, reflected in our recent export report [*American Distilled Spirits Exports 2025 Mid-Year Report*], is we've seen a 9% decline in American distilled spirits exports to many of our key trading markets. So we hosted a group of craft distillers through our market access programme to go to Berlin, and we worked with the US Department of Agriculture to help promote US exports.

There are opportunities to bring craft distilled spirits to markets around the world, but a key enabler is to have a more predictive trade policy environment.

The Trump administration is leaning in on a fairly aggressive trade posture in an effort to reduce the US trade deficit with key trading partners and to bring more American manufacturing jobs. Our industry really is the model for fair and reciprocal trade; whenever there is a predictable zero-for-zero, meaning zero tariffs, the trading environment will enable the American distilled spirits industry to thrive.

One of the alarming aspects of the significant decline in American distilled spirits exports is the fact that we have not been operating in a predictable trading environment as the Trump administration kind of locks in to negotiate free trade agreements, or more balanced trade agreements, with key markets around the world. Our industry is not immune to that.

That has created a lot of uncertainty, probably some reluctance to invest time and effort, and Discus is working hard to help the Trump administration understand why a zero-for-zero predictable trading environment will ensure the American distilled spirits industry will continue to thrive and ultimately benefit the American economy.

The bourbon industry is experiencing a steep decline in sales for a multitude of reasons. How can 'America's Native Spirit' regain its spark? First and foremost, with our efforts with the Trump administration, getting a more predictable trading environment, particularly with our key trading partners — Canada, the UK and the EU — is critical.

We've seen phenomenal growth for American whiskey over the past 15-plus years, and we certainly saw it 2020–2023. This is just the beginning of the re-emergence of American whiskey, whether it's Tennessee whiskey or the bourbons that come from 45-plus states. Making whiskey and bringing great products to market is a combination of science and art. Distillers have to both predict and forecast when they're looking to take a product and age it. There is great opportunity and hope, despite the current challenges. One of the critical aspects that will help us is a zero-for-zero trading environment.

I'll give one sidebar where this is a longer-term opportunity. India is the largest whisky market in the world and has historically held a 150% tariff on American distilled spirits products. Thankfully, Indian Prime Minister Narendra Modi, when meeting with President Donald Trump in February, made the proactive decision — thanks to the support and engagement of organisations like Discus — to reduce that tariff from 150% to 100%.

Now it's still a 100% tariff and way too high, but as the Trump administration hopefully negotiates a more balanced, fair and reciprocal trade agreement, the opportunity for American whiskey there is going to be significant. But that 100% tariff still needs to come all the way down to zero.

Canada recently removed its 25% retaliatory tariff on American spirits. Has this increased exports and sales, or are territories continuing to boycott? If so, what will change this? Many of the provinces still have a ban on purchasing American distilled spirits. We were very thankful that, on 1 September, Canadian Prime Minister Mark Carney eliminated the 25% tariff being applied to

'The magic recipe for our industry success is zero-for-zero tariffs and a predictable and fair trading environment. We don't have that right now'

American distilled spirits products, but it's unfortunate that many provinces continue to dig in and keep our spirits off their shelves.

I am happy to report that Alberta and Saskatchewan have put American spirits back on the shelves, but it's really incumbent upon the president and the prime minister to get US spirits back to the Canadian marketplace. Canada exports US$500m in Canadian distilled spirits to the US. The US exports about $220m to Canada, and it's had a significant impact on American businesses.

What's unique is that we're an industry of distinctive products. You can only make American whiskey in the US. You can only make Canadian whisky in Canada, same with Irish and Scottish whisky, Cognac in France, and so forth. So we're not an industry of widgets and we're doing our best to try to educate the Trump administration on that.

The US and Canadian distilled spirits industry are so intertwined, their success is our success and vice versa. We're working hard to call on the Canadian political leadership and the Trump administration to help get this resolved.

There had been hopes that ongoing UK tariff discussions might lead to the elimination of the current 10% tariff on scotch and other spirits, but that has yet to materialise. What is the next step for this? We continue to be hopeful that there's a deal to be made. We know that the UK and the US are in direct negotiations on hopefully removing the 10% tariff on UK spirits, and grappling with other issues related to steel, aluminium, and so forth. »

» We work very closely with the Scotch Whisky Association. I was in Scotland in August when the president was there. First Minister of Scotland John Swinney and UK Prime Minister Keir Starmer have engaged directly with the president, so we are optimistic and hopeful that the 10% tariff will be removed in good order.

You know, again, the US and the UK have long enjoyed a zero-for-zero trading environment, with the exception of a few years ago when the UK was applying a 25% tariff on American whiskey. We're working in close coordination with our UK counterparts where we're an industry of one lined up. Really, the ball is directly in the president of the United States' court.

How is this predicted to impact sales here in the US? Well, and we've conveyed this to the Trump administration, it could impact the US hospitality industry by US$300m in economic dollars annually and 3,000 jobs for the 15% tariff on all EU spirits exports coming into the US. We've projected a US$1bn impact annually on the US economy and over 300,000 jobs — in return, that has created a very unpredictable environment.

We appreciate at this point that most of our key trading partners are not applying a tariff on American distilled spirits. That's good news. But the magic recipe for our industry success is zero-for-zero tariffs and a predictable and fair trading environment. We don't have that right now.

'We have certainly seen examples that an advocacy agenda against alcohol may have infiltrated the [US Dietary Guidelines] process this time around'



Discus has joined with Badass Bartender to support the beverage alcohol and hospitality industries

The final draft of the federal government's *Alcohol Intake & Health Study* was withdrawn in September. There has been criticism that it was suppressed because it highlighted the negative impacts of alcohol. A different review, reportedly more favourable towards alcohol's health effects, is being published instead. As a result, do you anticipate that the 2025 US Dietary Guidelines might drop daily alcohol consumption limits? The beverage alcohol industry is committed to and supports the US Dietary Guidelines, which have been guided by the preponderance of evidence over decades. We have certainly seen examples that an advocacy agenda against alcohol may have infiltrated the process this time around, but we have advocated that the US Dietary Guidelines are guided and directed by the preponderance of science and evidence that is fair and balanced and independent. And we are hopeful, that when they are published, they will follow the preponderance of evidence.

Discus recently formed a strategic alliance with Badass Bartender, the global network of more than 55,000 professional bartenders that aims to provide support and create better opportunities for those in the trade. What are the goals of this alliance and what will the role of Discus be? Well, Discus has had a long-standing, great relationship with founder Deborah Brenner and Women of the Vine & Spirits [which advocates for empowering and advancing women across every industry sector]. Due to Deborah's leadership, she's been able to forge this terrific online coalition of, in large part, female bartenders.

Discus previously partnered with Women of the Vine & Spirits to launch the 86 Harassment initiative [which aims to tackle sexual harassment and gender-based violence in the industry], and we're really excited about forging a collaborative relationship with Badass Bartender, because they play such an important role in communities around the country on behalf of the industry and on behalf of individual brands.

If we can galvanise and collectively bring their voice to our advocacy agenda, that's going to help. We'll be doing an event with them in our nation's capital to highlight their important role and contributions.

A lot of major spirits suppliers have been making changes to distribution networks and moving to traditional beer wholesalers to support growth in the RTD cocktail category, as well as gaining access to wider points of distribution. Do you see this trend continuing and suppliers becoming more focused on a total beverage portfolio? We've seen a lot of change and more companies really venturing into the spirits and wine market with the innovation of spirits-based RTDs and more access points in cold boxes. Change creates some uncertainty, but hopefully it's going to present a great opportunity for the industry. I anticipate that this trend will continue.

What are the biggest challenges the spirits industry faces in the future? Economic headwinds and the constricting marketplace. There's been a lot of media attention on the alcohol and science issues that were generated, unfortunately, by organisations like the World Health Organization, where they produced a document a couple of years ago saying there is no safe level of alcohol to consume.

The industry, as I mentioned earlier, is very invested in ensuring we follow the preponderance of evidence when it comes to alcohol — we want all consumers to be guided by their doctor and guided by the science, whatever choices they make.

Of course, that means supporting a balanced lifestyle and the moderate consumption of alcohol if they choose to drink. We want to ensure there is a balanced review, even in the media, and that has been a significant challenge for the industry.

For an international spirits brand considering coming to the US market, what advice would you give? Support industry efforts where we're in line on zero-for-zero tariffs. Discus works closely with [EU trade group] SpiritsEurope and our trade associations around the world to knock down trade barriers in support of a zero-for-zero environment.

So No.1, if you're an international brand that wants to come to the US, get engaged in your country's spirits trade association to support knocking down trade barriers.

There are relatively no trade barriers for distilled spirits coming into the US. We're an open market. The US market is the greatest distilled spirits market in the world. The opportunities are great, don't hesitate to get engaged in the process. GDI

Can bourbon get its bounce back?

Demand skyrocketed during the pandemic, but now bourbon-makers face sliding consumption rates, as well as fallout from tariffs and trade wars. **Maia Gosselin** reports



Lofted Spirits reports that expanding its sales footprint and marketing spend resulted in its brands – which include Bardstown (above) and Green River Distilling Co – 'growing at a rapid clip'

Is bourbon's heyday over? It's a question many have been asking. For the better part of the past two decades, bourbon has enjoyed an enviable status as one of the US spirits industry's crown jewels.

What was once an everyday brown spirit became an elite category. Novices turned into experts, rare bottles became coveted auction items, the Covid-19 pandemic gave rise to at-home mixology and trendy cocktails. Bourbon basked in all of it.

But things have slowed for America's native spirit. Sales are down; there have been bankruptcies, closures and layoffs, as well as ongoing tariffs and trade wars, all of which have prompted doom-and-gloom prognostication. On the surface, it would seem that bourbon has indeed lost its bounce, but can it get it back?

Beyond the numbers

According to the Kentucky Distillers' Association, bourbon production was up 475% between 1999 and 2022, but figures from the Distilled Spirits Council of the US (Discus) show domestic sales of US whiskey grew from US$1.3bn in 2003 to $5.27bn in 2023, an approximately 300% increase. The result is an excess of inventory of more than 14m barrels sitting in warehouses.

For the 12 months ending July, overall bourbon sales were down 1.5%, while revenue dropped 1.4%. But the figures don't tell the complete story, according to Peter Marino, president of Lofted Spirits, which has both Bardstown Bourbon and Green River Distilling Co in its portfolio.

"Category sales are certainly down year on year," he says, "but it has less to do with category health than a continued correction from the unsustainable behaviours that emerged during Covid, when sales surged across all categories by as much as a billion dollars a month. Many in the industry saw this outlier growth and bet on it being the new norm. Instead, we're now back to the moderate annual growth that we were on before, but because of the blip, it feels like a massive backslide."

Julio's Liquors in Westborough, Massachusetts, has been a bourbon destination store for more than two decades. Owner Ryan Maloney comments: "I don't see that bourbon is 'over'. Rather, I see it as a realignment. Dig into the numbers. All that gets reported on are depletions, which don't give a big picture. US whiskey is actually down less than everything else, but barrel inventory is sitting at 14m barrels. It's a big supply increase."

Behind the slowdown

Lew Bryson, whiskey writer & author of the recently released *American Whiskey Master Class*, attributes the downturn to a few things: "First, cost. Bourbon prices have gone up a lot, partly through demand, just more people drinking bourbon, but partly because of lowering resistance to big tickets on 'rare' bottles. People wanted every fancy bottle that came along. That tends to be the rising tide, lifting all prices. Eventually, that reached a limit.

"Next, younger people are not drinking as much. They have other choices, like legal weed and THC drinks, finally some good NA options, and when they do drink, they don't want to spend bar prices. Lastly, the wheel keeps turning, and whiskey's been at the top for a while. Fascination passes, and people who've been in the industry 30 years or more have seen the cycle. It never ends."



Peter Marino: 'We're now back to the moderate annual growth that we were on before'

Whether it's economic concerns or changing tastes, the slowdown is rattling. Sailor Guevara is a brand consultant & whiskey specialist who works with clients big and small. She says: "What I am doing with my brands is focusing on what they *can* control. Decline or not, costs are too high. I'm advising clients who have not yet invested heavily in other markets to come back home and stay home. In your own tasting room you have the ability to make direct-to-consumer sales, focus on digital marketing and create stronger relationships with local retailers and bars/restaurants.

"Most importantly, I am filtering the scary news for them. I act as a sounding board, and they know they have someone on their side who gets it." »

Work smarter… and harder

» What once sold itself now requires a different strategy, a concept that is paramount to grasp. Whiskey writer Bryson recommends going back to basics: "Sample, sample, sample. Binny's in Chicago built a huge whiskey business by keeping a library of open bottles to do sampling. It's not free, but it works. It's all about hand-selling; hand-selling leads to up-selling; up-selling leads to regular sales.

"None of this is new, it's just that for the last eight to ten years, bourbon was so hot, all you had to do was put it on the shelf and get out of the way. Those days are over; time to get back to work."

Julio's Maloney agrees: "We must get back to the art of the sell, letting people try before they buy. The best customer is an educated customer. Is it work? Yes, it's work! It's not called a job for nothing. We all have to take the time to do this. Single barrels didn't originally sell for me; I had to learn how to sell them. If you say brown goods are dead, it's only true if you didn't do anything about it."

Positive changes are already taking place in stores, reports Lofted Spirits' Marino. "Retailers are displaying whiskey in ways that they haven't in previous years," he says. "There are smaller pack sizes emerging that are providing different price points to enter the category. Many are offering more store picks and special single barrels than ever before."

Bourbon projects are a mainstay at Julio's. Maloney says: "We are doing more projects: single barrels, micro-batching [two barrels blended] and barrel finishes. We work with local guys like Boston-based Bully Boy Distillers, re-barrelling some of their barrels to come out with products that are distinctly different. We recently did a private blending with Old Elk for our 50th anniversary called The Center Cut." It's innovations such as these that have kept Maloney on track to do 100 projects in 2025, the same number he did in 2024.

On-premise possibilities

Bourbon drinks may not hold the allure on cocktail lists they once did, but Jon Santer of consulting company Liquid Productions sees potential in the on-premise.

"While everyone — especially the big houses — is slashing budgets and laying people off and abandoning the on-premise, now is the time to lean into the trade," he recommends. "There's far less noise. Bartenders are just as eager for knowledge and experiences and brand engagement as ever. Embrace them now and build your brand over the bar again."

Positive payoffs

Some brands have rolled up their sleeves and are seeing positive results. Marino comments: "We've expanded our sales footprint and invested in the right distributor partnerships. We've expanded our marketing investment and doubled down on broad reach media, earned media and our owned channels.

"We've invested in building a team with the right people and continue to innovate on both brands and leaning into what defines each of them and blowing that out. We've spent a lot of time designing and testing new packaging that aligns with our brand's ethos and stands out on the shelf.

"It's working. While the category is flat, our brands are growing at a rapid clip. Recent Nielsen data shows our portfolio up 72% versus the last 52 weeks. We're contributing more value growth than any other brand in our price band. If the category isn't growing but we are, that tells us that we are doing something right."



Image: Ryan Maloney/Julio's Liquors

From barrel finishes to micro-batching, Julio's Liquors is on track to run 100 bourbon projects this year

Three tips to boost bourbon sales

Whiskey writer & author of *American Whiskey Master Class* Lew Bryson says the days of bourbon walking off the shelves may be over, but he has three suggestions of how brands can improve sales.

1. Find new demographics that still aren't drinking bourbon, and sell to them, instead of trying to sell *more* bourbon to demographics that are already buying it. It's harder, but better in the long run.
2. There are a lot more bourbon drinkers than there were ten years ago, and so many, *many* more than when I wrote my first bourbon article 30 years ago. Work with that. Encourage sharing, encourage whiskey clubs. Hell, sell flasks to make more drinking opportunities.
3. Focus on real value brands. Not cheap 3yos, but a solid 6yo for a true 'daily drinker' price. Position them to be 'discovered' by discerning drinkers. I know a lot of pros who regularly drink Turkey 101, OGD Bonded and Elijah Craig, brands many drinkers turn their noses up at. Their loss. Make special bottlings really special again, not just "we put a different label on this one, you'll want it".



There are other reasons for optimism. Bryson asserts: "Craft innovation continues to be a positive. Many are backing down on production, understandably, but the stuff they have that's coming to maturity is the best they've ever made. I've had American single malts in the past two years that are as good as single malt scotch. I wouldn't have said that five years ago."

Brand consultant Guevara adds: "New brands are still emerging that are owned by good people who are adding to our industry positively. Recently, a distillery in Rochester, New York, was saved by its local community and a last-minute investor injection. Brands that are problematic are being called out and left on the shelves. Consumers are more educated than ever and that's always a good thing. I believe that community is the most powerful tool we have, and our community is strong as hell."

Are there significant headwinds and challenges for the category? Absolutely. But the bourbon industry is nothing if not resilient. It may be down, but it's far from out. **GDI**

Q&A

with James B Beam Distilling Co managing director Rashidi Hodari



Suntory Global Spirits has signed a multi-year global partnership for its flagship bourbon brand, Jim Beam, with the Cadillac Formula 1 Team. James B Beam Distilling MD Rashidi Hodari says the deal 'feels like we're doing the right thing in the right place'. Interview: **Olly Wehring**

How did you get where you are today? My background is in consumer packaged goods, but before that I was a proud member of the US Army for five years. I've been with Suntory Global Spirits for just over eight years and joined when we were headquartered in Chicago.

I've worked across a lot of different sectors and categories. Before I became the MD for James B Beam, I was the MD for our tequila portfolio. I've been in my current role since the beginning of 2024 and report to chief global brands officer Robbie Millar.

My responsibilities are to oversee the growth strategy both in the short to long term, as well as oversee the product portfolio and innovation pipeline. I also work closely with our founders to make sure that our home place communicates the stories that we want to tell and ensure the markets have what they need to grow and win with our portfolio.

Where does James B Beam Distilling Co sit within Suntory Global Spirits? It's one of our brand houses, along with The House of Suntory and our scotch whisky house. It's one of our pivotal houses.

What prompted the sponsorship arrangement with Cadillac Formula 1? We did look across the whole gamut of beverage brands in Formula 1. There's no cookie-cutter approach, be that in activation or engagement scale. That gave us confidence that we could come with our own approach — we can be Jim Beam and do so globally and connect with the F1 audience.

While the audience currently is predominantly male, that's rapidly changing. There's a growing fanbase that's younger and more diverse from different demographics around the world. They're not necessarily a singular type of consumer.

How long will the tie-up run for and how much has it cost? It's for multiple years. We're not getting into the details of the agreement in terms of financial outlay, but it's important enough that it's going to organise engagement on a global level.

Has Beam had any motor racing connections previously? We've had partnerships in Nascar and in IndyCar here in the US, and Beam was a major sponsor of Dick Johnson Racing in Australia's Supercars Championship. We've participated before, but not at a global level. It's been more of a regional play in the past.

Have these arrangements provided a textbook for the new one? What you're seeing here is in line with how our company's evolving — it's also in line with a lot of our competitors. The world is very different to how it was five or ten years ago. The need to compete at a global level is critical — to the brand, to our brand house and to the company. It feels like we're doing the right thing in the right place.

Which markets do you expect to connect with best through the sponsorship? The best way that we think about this is there are markets where there's a direct overlap between a Grand Prix and brand excitement, such as China and Brazil. Then there are other markets, such as Germany and India, that are important to our business but don't have races.

There's an F1 fanbase and there's a way to engage with them, but it won't be around a race weekend. We'll be thinking about the optimal way to make sure those consumers in those markets understand why Jim Beam is partnered with Cadillac.

The traditional view of F1 and its premium nature is one way of showing up — we know from the very beginning that's not what Jim Beam is; Jim Beam's a whiskey »

'The old playbook was that you just execute race weekend 20 times and you win. Nowadays, we're in a war for attention. That's a different thing'

» for everybody, so we can't show up at exclusive events that limit who gets access to it. We have to think about how to be Jim Beam everywhere we go.

How are you going to leverage this partnership across markets with different levels of familiarity with Jim Beam? We work closely with our local marketing teams to understand their appetite, their investment, their growth profile and how much they want to — and can — engage across the different races.

The old playbook was that you just execute race weekend 20 times and you win. Nowadays, we're in a war for attention. That's a different thing to just trying to win on race weekend.

Are you at the stage yet of having the KPIs nailed down? We are at that stage, but I prefer to keep them within our team.

If we can make sure that people know what Jim Beam's all about and give them a refreshing cocktail when they're enjoying F1, then we're going to have a chance to accomplish the goals that we have before us.

What's your definition of success for the sponsorship? People, particularly in the industry, perceive that they know what Jim Beam's about. We get very caught up in price point being an indicator of quality. The narrative is that as a standard whiskey, Jim Beam must not be that good.

We're very proud of the whiskey we make and why it was created. We want to share that story around the world, which is why we've partnered with Cadillac. Jim Beam's always had a community connection here in Kentucky. We want to show that connection around the world, which is something that nobody else is trying to do.

Is F1's premium position an opportunity to premiumise Jim Beam's price point? The mission of the brand is to make a quality whiskey that's accessible to people. We have to do that while remaining cognisant of our price and our price strategy.

The plan isn't to do this so that we can price more. It's to make sure that the quality is known and give people a chance to try it and share it with those that they care about, and make it a valuable part of the communities that they live in.

How has Jim Beam been performing in 2025? I don't want to speak for everybody in the spirits industry, but over the last few years it's been easy to get comfortable that growth was readily available.

We're excited that we're growing share in the categories and segments that we play in. We also know that these are hard yards right now — it's not easy. It's going to take everyone working together to get where we want to go.

'The mission is to make a quality whiskey that's accessible to people. We have to do that while remaining cognisant of our price and our price strategy'



Jim Beam's tie-up with the Cadillac Formula 1 Team will begin at the Australian Grand Prix in March

Is the growth opportunity for Beam primarily geographic or in premium extensions? Without wanting to give a non-answer, it's a little bit of both. Part of what we're trying to do is compete at a global level against the biggest players that exist. We've always done that but in a sort of followership mindset. Now we're looking at what the brand needs, to become a meaningful part of the community. That's what will provide ample opportunities for growth.

What are Beam's top markets? There's Germany, the US, Japan, Australia. Global travel retail's also pretty big for us.

Which macroeconomic headwinds are impacting the brand the hardest? As an industry, we talk a lot about structural changes and cyclical changes. Both of them are real, but part of what's getting us so excited about this sponsorship is that we need to break away from what's worked in the past and do new things to make our brands come to life.

The market conditions are challenging, and their difficulty means we have to operate differently. We have to think about how to engage with consumers where they are and how to give them solutions that fit into their lives. The economic climate often impacts discretionary income and we want to make sure that we're in the consideration set for it.

How do you get a brand that's been around for as long as Beam to connect with younger LDA consumers? There's no singular answer. A lot of it is about going back to basics, telling your brand story clearly and succinctly in the mediums and channels that they pay attention to. Our 'best enjoyed together' positioning is an integral part of why we exist, and we want to push that connection to them in the appropriate channels, to express to them that that's what Jim Beam's all about.

Does the Cadillac sponsorship come from a personal love of F1, by any chance? It's F1! It's the most popular global sport that exists. For me to say that no fans of F1 contributed to this would not be accurate. But it wasn't me saying that it's F1 or nothing.

We're trying to solve a business challenge. We're trying to tell our brand story in a way that's going to be attractive to the next generation of whiskey consumers — F1 provides a huge opportunity to do that. GDI

Cygnet Gin makes US debut

UK high-end gin brand Cygnet has debuted in the US after securing distribution with Southern Glazer's Wine & Spirits. Cygnet 22 (SRP US$66) and Cygnet 77 (SRP $150) are now availble in top bars, high-end restaurants and speciality retailers in New York City, Miami, Los Angeles and Las Vegas. The Welsh brand, co-founded by opera singer Katherine Jenkins, launched in late 2022.

Spiribam bolsters domestic distribution portfolio

France-based Spiribam secured agreements with seven spirits brand owners to handle their spirits marks in its domestic market. The brands are Turntable Blended Scotch Whisky, Sailor's Home Irish Whiskey, Indri Indian Single Malt, The English Whisky Distillery English Single Malt, El Sueño and Siete Leguas tequilas, and Mezcal Trascendente.

Enotria&Coe returns to original name — Enotria

UK-based wine and spirits distributor Enotria&Coe has rebranded to its former name, Enotria. The change comes five months after the company was acquired by Majestic Wine Group. The move forms part of a wider repositioning, with Majestic investing in Enotria as a standalone business focused on "premium supply" to the UK on-premise.

New CEO for Lark Distilling

Australia's Lark Distilling Co named Stuart Gregor, the co-founder of Four Pillars Gin, as its next CEO. Gregor, who joined the company's board as a non-executive director in 2024, will replace Satya 'Sash' Sharma at the start of next year. Sharma is stepping down at the end of December after three years in the role to pursue a senior leadership position at a "major global spirits industry player".

Von Payne Spirits to open US distillery in Louisville

Von Payne Spirits purchased the former Whiteside Bakery Co building in Louisville for conversion into a distillery and tasting facility. The 60,000 sqft Mission-style property was designed by architect Arthur Loomis and opened in 1908 as Bond Bread. Von Payne plans to restore the building and rebrand it as 'The Von Payne Castle', a production site and visitor centre that will appear on the Kentucky Bourbon Trail.

End of the line for bottled beer at Moosehead

Canada-based Moosehead Breweries confirmed it will cease production of bottled beer at the end of this year, in response to what it calls "consumer preferences".

The New Brunswick-based brewer said that bottled production of its Moosehead brand will end in December, with limited quantities available into early 2026. The company has already stopped international shipments of bottles, earmarking future investment into the canning infrastructure at its brewery.

To mark the transition, Moosehead has launched a domestic marketing campaign. 'The Last Bottle' offers one consumer the chance to take home the final bottle off the production line.

"When I started my career at Moosehead 32 years ago, 90% of the beer being sold in Canada was in bottles," said Moosehead Breweries CEO Andrew Oland. "Today, consumer preference has shifted."

Bottles now account for just 7% of beer sales in Canada, compared with 85% in cans, according to Oland. Only five years ago, cans represented 65% of the market.

"This decision to move away from bottles hasn't been taken lightly," Orland said. "But ultimately, we're following the lead set by Canadians, who have made it clear that cans are their preferred way of enjoying not just our beer — but every beer across the category."

Industry-wide, cans are increasingly favoured for their lower production and transport costs, as well as superior protection against light and oxygen, which can damage the liquid.

Au Vodka debuts alcohol-free RTD extension

UK-based Au Vodka expanded its portfolio to include a non-alcoholic RTD canned variant. Blue Raspberry 0.0% has launched exclusively in the UK, online and in multiple retailer Tesco nationwide.

The RTD, an alcohol-free version of Au Vodka's pre-existing 4% ABV Blue Raspberry premix, has an SRP of GBP7.99 (US$10.65) for 4x33cl cans.

"We've been watching the way the 0% alcohol market is exploding and how people's drinking habits are changing," said UK sales director Tom Smith. "More and more, consumers are looking for premium choices that let them enjoy the social side of drinking without compromise."



La Molinari secures Asia distribution tie-up with Eclipse Beverages

Italian liqueur producer La Molinari is preparing to roll out its sambuca and limoncello brands to a clutch of markets in Asia-Pacific and Central Asia.

The family-owned business has signed a deal with Eclipse Beverages, part of brand management, importation and distribution company Metagroup, to launch Molinari Sambuca and Limoncello Dicapri in "more than 25 markets". The countries the two brands will debut were not disclosed.

"These dynamic markets are experiencing an exciting rise in cocktail culture and demand for premium Italian products," said Eclipse Beverages export director Adam Green. "Molinari and Limoncello Dicapri are ideally positioned to capture this momentum, and we look forward to building their presence across Asia-Pacific and Central Asia."

Hong Kong-based Eclipse Beverages works with companies including Pernod Ricard, Amaro Montenegro, Stauning Whisky, Finlandia Vodka and Cincoro Tequila.

‘Your first price isn’t your forever price’: building smarter pricing architecture

For early-stage producers, there’s no room for vanity pricing or misjudged premiumisation — only disciplined strategy, according to the managing partners of advisory firm BevAssets. Interview by **Henry Mathieu**

Start from the bottom up

Young brands must treat pricing as a strategic system that flexes with scale and story, according to the managing partners of advisory firm BevAssets, Alicia Vargo and Samuel Anderson. “Your first price isn’t your forever price, but it must be rooted in reality, not hope,” says Vargo.

BevAssets encourages founders to reverse engineer pricing from the ground up: begin with a precise understanding of COGS (cost of goods sold), then build in the required margin for each route-to-market — distributor, retailer, on-premise. The resulting SRP provides a working framework which should then be pressure tested against comparable brands.

That benchmarking doesn’t need to be expensive, according to Anderson. Founders can collect qualitative insight through local retailer feedback, on-shelf observation and informal category audits. “Even without research budgets, local feedback and shop-alongs can tell you more than a spreadsheet,” he notes.

Anderson warns, however, that pricing cannot sit in isolation from brand strategy. “Price sends a message — make sure it’s aligned with the rest of your brand story, or customers will write their own.”



‘Price sends a message’: BevAssets managing partners Alicia Vargo and Samuel Anderson



Image: iStock.com/Naveed Anjum

Premium not precious

The spirits category is increasingly crowded with brands calling themselves ‘premium’, often without the pricing logic to match. Vargo calls it the danger of aspirational pricing too early. “You can be premium without being priced out,” she says. “Premium doesn’t mean precious. Don’t overprice yourself out of the bartender’s or buyer’s comfort zone.”

In practice, that means using perceived value cues — packaging, format, provenance and tone of voice — to justify positioning, rather than price alone, the partners add. Many new entrants benefit from launching slightly below their long-term target to build early rate of sale and credibility.

In the on-premise, the psychology is particularly sensitive. Bartenders and buyers expect to see the velocity to match your claims. If your price sits above category norms, the liquid, story and trade support need to earn it. “Your price has to make emotional sense as much as economic sense,” adds Vargo.

BevAssets frames early pricing not purely as a margin decision but as a customer acquisition strategy — a way to build visibility, volume and trust before stretching into higher tiers.

Model for tomorrow, not just today

Founders often miscalculate margins by working from current costs rather than projected scale or trade requirements. As Anderson puts it: “Think of pricing as a system, not a moment. Early margin mistakes compound over time.” The most common errors include overlooking distributor and retailer mark-ups, ignoring promotional spend or failing to anticipate freight and ingredient volatility. BevAssets recommends building in 40%–50% gross margins from launch to absorb those variables and retain agility.

Equally important is planning for price ladders — different pack formats or limited runs that can widen the brand’s pricing architecture as it matures. Small-batch SKUs, gift formats or duo-packs allow startups to test higher perceived value without disrupting core volume lines.

“You earn the right to premium pricing through traction,” says Anderson. “Don’t start there — build there.”

Benchmark the big players, then break away

Competing with established portfolios does not require a comparable marketing spend. Instead, BevAssets advises founders to use the majors as category context. “You don’t need their budget to learn from their behaviour,” says Vargo. “Audit their footprint: where they’re listed, how they’re priced across channels and how they promote.”

Reverse engineering larger players’ price architectures can reveal gaps — whether it’s underserved price bands, underdeveloped pack sizes or trade channels ripe for disruption. But imitation is not the goal. “Just because they can buy space doesn’t mean they own the story,” Vargo adds. “That’s your edge.”

Here, storytelling and design become tangible economic levers. “A premium price is earned before the first sip,” says Anderson. “Your bottle has to sell the experience — not just the product.”

This means aligning every brand touchpoint — from format and closure to label tone — with the consumer moment you’re targeting, whether that’s gifting, aperitivo or wellness-led moderation. In categories defined by abundance, clarity of purpose carries commercial weight.

As Anderson concludes: “Don’t raise price just because you can, raise it because your story, traction and value say you’ve earned it.” GDI



Mohit Singh: 'I certainly didn't realise how competitive the industry is. That was a big eye-opener. We have to be more innovative and smarter in how we do things'

'We're doing things differently to other brands by trying to make it fun'

Desi Daru co-founder Mohit Singh describes the vodka brand, which combines Alphonso mangoes from India with English winter wheat, as a 'culture collision'. He tells **Olly Wehring** about the company's journey so far

Where were you before Desi Daru? I don't have a drinks background. I studied mathematics at university, did a masters in financial mathematics and did a PhD in mathematical finance. I wanted to work in a bank as a quantitative analyst. I got a job at Deutsche Bank for two years, then joined a startup hedge fund, but that didn't take off, so I was only there for nine months before moving to JP Morgan for seven-and-a-half years. During that time, I knew I wanted to do something different.

My passion has always been to create things of a high quality and my skill set is research. My father was a serial entrepreneur, so I knew my genes had some entrepreneurial spirit! I understood that starting a business and making it profitable is the ultimate challenge, especially in the drinks world. I liked vodka, but could see that flavoured vodka had such a bad reputation.

In 2021, I told my manager at JP Morgan I wanted to start a vodka brand and call it Desi Daru. I got two consultants in to help me — one of them was Nick King, who contributed to the WSET textbook for spirits. We launched in July 2022, while I was still at JP Morgan — I only resigned last year. I wanted to grow Desi Daru as much as possible while still working, because losing a salary when you have a new brand that isn't cashflow positive when you're trying to expand is a big deal.

Why did you choose vodka? I wasn't thinking about how competitive the vodka category is, I was just thinking how much better I could do than other people in the market at that point.

My wife [and co-founder Aneet Kaur] and I have always loved Alphonso mangos; for us to create an Alphonso mango vodka was such an exciting thing. I've created something that I would like to drink. Although it's a competitive category, I felt the opportunity was higher because I didn't see many handcrafted, great-quality vodkas on the market.

Where does the brand name come from? The idea was to use something that resonates with our heritage. The direct translation from Hindi into English means 'Indian booze'. *Desi daru* was also used historically to refer to moonshine spirit.

We liked the name not only because we thought it sounds cool, but we've also turned its local meaning on its head to apply to a premium vodka. It's also really easy to say!

Who did you identify as your competition? There's not too much competition out there for a mango vodka — it's almost like its own category.

For our original vodka, there are loads! The brands of a similar scale that are also targeting the on-trade here in the UK are Konik's Tail and Sapling, so that's who I feel we're pitching against.

We're doing things differently to other brands by trying to make it fun: we run a cocktail competition [called Culture Colliders], for example, where bartenders have to use one ingredient from India and one ingredient from their home country. »

» [We ask]: 'Desi Daru is our culture collision of England and India. What's your culture collision?'

What has the production journey been? The idea wasn't ever to make it myself — I didn't have the capital for it and I didn't have the know-how. I visited loads of distilleries across the UK and eventually narrowed it down to two — one in Scotland and one in the Cotswolds [Southern England]. I went with the latter, Wood Brothers Distillery Co, which is on a sixth-generation farm. It feels real and I love working with them.

Then I started looking at sourcing mangoes from India, which is an area of the business that I'm still involved in.

Is the plan to expand into different flavours? I'm a bit uncertain. We're the only brand that has just one flavour; that's quite a novelty. I don't want to become the brand where we have to keep releasing new flavours. It's so easy to get distracted.

That said, I do loads of research and development, because I'd rather have a recipe in my back pocket if we need it for commercial reasons. It's always good to have options. The priority right now, though, is to really grow the mango.

What's the size of the company at the moment? It's me, Aneet, along with two full-time employees — a director of operations and a sales & marketing guy.

'When I see bartenders showing their passion for the brand, that means so much to me'



Desi Daru founder Mohit Singh presents a trophy to the winner of the first Culture Colliders Cocktail Competition, Vitor Sousa, assistant bar manager at The Churchill Bar & Terrace in London



Desi Daru offers two varieties: Original Vodka and Alphonso Mango Vodka

Volume-wise, July was our best month; we sold around 200 cases in the on-trade. For the next six months we want to be selling 200–300 cases per month. We're still quite young — and premium — so we're working hard to build our volumes. For bars, we're priced at around the same level as Grey Goose. I want to grow the brand sustainably.

I left JP Morgan — and my parents were not happy, let me tell you! — because I knew that I wasn't going to really push myself until I put myself under immense pressure. That pressure happens when there isn't any money coming in. If Desi Daru doesn't go to plan — although I really hope it does and I'm doing everything I can — I won't feel bad, because I know I gave it my all.

What was your funding journey? Until I resigned from JP Morgan, I was totally self-funded, up to around April last year. Then I started raising money through friends and family, to the tune of around GBP500,000 (US$673,000). That puts me under even more pressure — you don't want to lose your family's money, right?!

I'll admit that I'm not very good at raising money; I was super-naive. I put a post on LinkedIn saying I was raising money and me being the delusional person I was at that point, I thought the money was just going to come in.

We're OK for funding at this point in time. I may do a crowdfunding round in the future, but we've raised enough money for the time being that we can breathe. We have enough runway.

What's been your impression of the drinks industry? One thing I didn't realise when I joined was how in London, the high-end on-premise venues charge brands for their listing. In one of my first meetings, I was told it would cost me GBP2,000 (US$2,680) a year for Desi Daru to be on the venue's cocktail menu. I don't have a hospitality background, so it took me some time to get my head around this arrangement. I need to pay you to use my drink?!

In London, all these big brands are throwing money at venues, because they see it as marketing spend. You need to have your brand in the top cocktail bars, no matter what it takes, and the bars can command a lot of money from these brands.

I certainly didn't realise how competitive the industry is. That was a big eye-opener for me. We have to be more innovative and a bit smarter in how we do things.

What's your exit strategy? To be very honest, I think the idea would be to sell the company at some point, probably in the next five to seven years. We want to build the brand up enough in that time to be something that people love — and so that it's worth a lot. That's the goal.

Are you enjoying yourself? Yes, but it's stressful. The grass is always greener on the other side, right? When I left JP Morgan, I was looking forward to being my own boss and to have time for my family. 'This is going to be so good', I remember thinking.

I need to go back in time and tell myself: 'Oh, my God, no. That is not going to happen!' I'm way more stressed because all the decisions are on me, and I have less time for the family because everything is always manic.

I do think it will get better — we're not at the point where I can delegate decisions yet — but for sure, it's been very stressful so far.

I will say this, though: when I see bartenders showing their passion for the brand, that means so much to me. GDI

The full interview is available to subscribers. Join them at ***www.drinks-intel.com/subscribe***

Five lessons from a drinkpreneur
Compass Box's Racheal Vaughan Jones

From scotch to alcohol-free startups, Racheal Vaughan Jones has built a career on challenging convention. Now CMO at Compass Box, she's learned what it takes to make drinks brands stand out. Interview: **Henry Matthieu**



Racheal Vaughan Jones: 'your packaging is your most powerful storyteller'

Creativity beats cash

If there's one thing Vaughan Jones believes sets great brands apart, it's imagination. "You're never going to be able to outspend the bigger brands," she says. "The only way you'll get cut-through is by using creativity as the multiplier."

It's a philosophy that's become a compass point for her career. When Compass Box launched Scot-Free — an English whisky from a scotch brand — it divided opinion but ignited conversation.

"Lots of traditional scotch people said it was an abomination, while others thought it was the coolest thing ever," she recalls. "We did the whole project in-house in seven weeks. It cost us pennies, but it created the most noise we've had in five years."

Her golden rule: aim for reaction, not consensus. "It's better to be Marmite — truly loved or truly hated — than to be met with indifference," she says. "Indifference should be your biggest fear."

Simplicity sells

In an industry that loves complexity, Vaughan Jones champions clarity. "If you can't explain your brand in a single sentence, you're probably not ready to explain it," she says.

When she worked with Real Drinks, a sparkling alcohol-free wine alternative, the turning point came when the team distilled their story into one sharp line: 'The real alternative to champagne and sparkling wine'.

"At the top level, everything needs to be super simple," she adds. "Once people are in, you can tell them all the wonderful detail. But if they can't grasp it in a split second, you won't be remembered."

That lesson is particularly relevant for new categories like mid-strength. "Brands need to explain simply why they exist," she says. "When challenger brands align their messaging and support each other, everyone wins."

Collaboration grows categories

Having worked both in the corporate boardroom and the startup trenches, Vaughan Jones has seen how openness fuels innovation.

"When I worked at Chivas Brothers [Pernod Ricard], it was very secretive — even within the same company," she says. "You didn't tell the person sitting a few desks away what you were doing, because they might steal your ideas."

That mindset, she argues, doesn't work for emerging brands. "In the world of alcohol-free, brands like Real Drinks and Mother Root might be competitors, but they know that by supporting each other, more consumers discover the category. More people buy it, and everyone wins."

For new segments such as mid-strength, she believes that same spirit of cooperation will be key to building consumer understanding and driving long-term growth.

Design is your silent salesperson

Marketing budgets come and go, but packaging is forever — or at least, it's the first and loudest ambassador for your brand.

"Packaging is the most democratic form of marketing," says Vaughan Jones. "When you're on the shelf, everyone has roughly the same amount of space. The most powerful packaging will win." She advises brands — especially premium ones — to "massively overinvest in design".

"It's great to win your first listing, but the hard work happens from the shelf," she says. "Design isn't about decoration; it's about communication and distinctiveness." In a crowded drinks aisle, she adds, "your packaging is your most powerful storyteller".

Protect the magic

As brands mature, it's easy to let data dictate every decision. Vaughan Jones cautions against letting the pursuit of performance metrics kill the creative instinct that made a brand great in the first place.

"Everything you'll be asked to do from a brand-building perspective will be about measuring performance," she says. "But brand building isn't all about those metrics. You need to protect the magic of your brand and still invest in it."

For Vaughan Jones, the art lies in balancing creative intuition with commercial rigour. "Don't let process and performance metrics suffocate your instincts," she says. "Those instincts are what make your brand unique. Protecting that magic is what consumers fall in love with — and what keeps them coming back." GDI

Irish travel retailer ARI taps growth in whiskey, localism and sustainability

After a record-breaking year, the Irish state-owned travel retailer is proving that global growth and local identity *can* coexist. **Joe Bates** speaks to global buying manager liquor & tobacco Shane O'Sullivan





Shane O'Sullivan (left) says ARI exclusives like the Two Stacks Flight Series create a point of difference and a reason for passengers to shop on their journey

Aer Rianta International (ARI) remains one of the world's largest travel retailers, with a presence in 14 countries worldwide and a managed turnover of over EUR1.4bn (US$1.6bn) in 2024.

From its home base in Ireland, the state-owned subsidiary of Dublin and Cork airport operator Daa has built an airport store network spanning Europe, North America, the Middle East and Asia, operating or co-owning stores in markets such as Canada, Oman, Portugal, Barbados and Cyprus.

Despite market headwinds, 2024 proved to be a banner year for the company. Revenue growth jumped 13% year on year, underpinned by traffic growth and higher per-passenger spend. Highlights included strong results from ARI's Middle Eastern division, which boasts operations in Cyprus, where sales exceeded EUR100m for the first time, as well as in Bahrain, Oman, Saudi Arabia and Abu Dhabi.

Irish whiskey: the beating heart of Dublin offer

While its footprint is global, Dublin Airport Duty Free, rebranded from The Loop in mid-2024, remains both ARI's showcase and its testing ground for innovation. Nowhere is that clearer than in the travel retailer's liquor business at the Irish hub, where ARI global buying manager liquor & tobacco Shane O'Sullivan leads a strategy that blends local authenticity, exclusive releases and a deepening focus on sustainability.

The Irish Whiskey Collection at Dublin Airport Duty Free has evolved into a global showcase for the country's signature spirit, boasting over 200 lines. "So far this year we are seeing single-digit growth across all Irish whiskey, but this is against the biggest-ever year we experienced for Irish whiskey in 2024," reveals O'Sullivan.

"Single malt, grain and premium blends are all showing steady growth," he adds. "We feel it's our responsibility to promote and deliver the best representation of Irish whiskey in travel retail. I am proud to say that we deliver on this."

O'Sullivan attributes ARI's ongoing success with Irish whiskey to a combination of innovation and exclusivity. Recent additions to the range this summer include Mr Fox Irish Whiskey, a three-strong cask-finished range available in 10cl recyclable cans and a 4x10cl gift pack, and the first travel-exclusive expression from Two Stacks Irish Whiskey, a 48% ABV, Barolo wine cask-finished release inspired by Ireland's migratory birds.

ARI's Irish whiskey business has been further boosted by the Duty Free Irish Whiskey Club, launched at Dublin Airport and now boasting over 35,000 members worldwide, making it the second-largest whiskey club in the world, according to ARI. The free-to-join online community provides access to exclusive content and previews of new releases.

Exclusivity is the new edge

In an era when travellers can check prices on their smartphone in seconds, exclusivity has become a key differentiator for travel retailers, an insight ARI has leaned into. "Exclusivity is hugely important in travel retail," O'Sullivan says. "It creates a point of difference and a reason for passengers to shop on their journey. We always aim to have at least 20 Irish Whiskey Collection exclusives in the stores at any given time, and this covers anything from single cask exclusives to limited bottlings or permanent SKUs."

Among recent standouts is Redbreast Cuatro Barrilles, a single pot still whiskey aged in four different cask types. A collaboration with Pernod Ricard GTR released last year, the whiskey has become the retailer's most successful exclusive to date.

Meanwhile, the appetite for rare and collectable Irish whiskies from the industry's bigger players continues to rise, according to O'Sullivan. "We recently launched a 46yo single malt from the »

KEY TAKEAWAYS

- Record breaker: ARI posted double-digit revenue growth in 2024, driven by recovering passenger traffic and higher per-head spend.
- Innovation hub: Dublin Airport Duty Free has become ARI's innovation hub, showcasing Ireland's whiskey heritage, sustainability initiatives and exclusive product partnerships.
- Local focus: A 'Living Local' strategy underpins ARI's global footprint, tailoring each location's range to local tastes.

» Bushmills Distillery, which was really successful," he recalls. "We also had great interest from the Midleton Silent Distillery Collection, which finished this year after six releases, aged from 45 to 50 years."

Beyond whiskey: Ireland in a bottle

While Irish whiskey remains a star performer at Dublin and Cork airports, local craft gins play a vital supporting role, with the category still the second biggest-selling spirits category. O'Sullivan admits ARI has seen a small "taper off" in demand for gin in recent times, but a high level of innovation keeps traveller interest in the category ticking over.

Drumshanbo Gunpowder Irish Gin, owned by County Leitrim-based The Shed Distillery, continues to prove particularly popular among travellers, O'Sullivan reveals, with the brand's flavoured line extensions and ceramic Chinese New Year editions selling well.

Irish cream liqueurs, led by the ever-popular Baileys, continue to thrive, according to O'Sullivan, with the category growing high single digits in 2025. Flavoured Baileys extensions, such as Tiramisu, Toffee Popcorn and Mint Chocolate Shake, have driven much of this growth, he explains.

Guinness, Ireland's iconic stout, is another cornerstone of ARI's Dublin business. O'Sullivan explains that in addition to the beer, ARI sells branded Guinness souvenirs and even confectionery. "We have two Guinness stores in Dublin Airport Duty Free, one in each terminal, with a selection of hero products in each store, and passengers love the concept.

"We've also recently introduced engraved Guinness pint glasses and this has been a huge success," he adds. "The Guinness four-pack and eight-pack draught cans are also seeing a huge surge in sales, due to the overall explosion the brand is seeing across Ireland and the UK."

Sustainability: ARI's journey with purpose

ARI's 'Journey with Purpose' ESG strategy is blazing a trail for how a global travel retailer can make meaningful progress towards its sustainability goals. The programme launched in April and is structured around four pillars — People, Planet, Product and Passenger. It is being embedded across ARI's network, with 'ESG champions' appointed in every market.

"The key influences to the [liquor] category fall under the Product and Passenger pillars," global buying manager liquor & tobacco Shane O'Sullivan explains. "We continue to double down on our sense of place commitments, sourcing local products, which also helps us to reduce the carbon footprint in terms of supply chain and sourcing."

That sustainability lens is increasingly visible in the stores themselves. "We have seen suppliers remove packaging from their products, like gift boxes or tubes. This can work both ways as it's the right thing to do, but the product also loses its 'gift-ability' appeal," O'Sullivan says. "The industry has more to do in this regard, but we are certainly moving in the right direction."

The retailer's efforts are also shaping its offer in the emerging no/low-alcohol space. "In terms of health and wellness, and in response to passenger needs, we have supported the launch of no/low alcohol with mixed success — we have recently launched Guinness 0.0%, which has been an early success."

Ultimately, ARI sees sustainability and localism as two sides of the same coin. "Our focus on sense of place and supporting locally made products helps achieve part of our sustainability goals in terms of reduced carbon footprint, as well as supporting local businesses and communities."

Mixed fortunes overseas

While ARI's liquor business in Dublin and Cork goes from strength to strength, the retailer's overseas locations face more mixed trading conditions.

In Canada, where ARI operates the duty-free concessions at Montréal, Vancouver, Winnipeg, Quebéc and Edmonton airports, it has had to remove all US-made products as part of Canada's official pushback against the imposition of US tariffs.

O'Sullivan reveals that Canadian whiskies and liqueurs have surged in popularity at its stores as travellers opt to buy local, but declines to be drawn on whether this patriotic surge has offset the loss of US key brands, such as Jack Daniel's, Jim Beam and Tito's.

In the Middle East, the conflict in Gaza continues to impact ARI's long-standing joint venture at nearby Beirut-Rafic Hariri International Airport in Lebanon, which is operated in conjunction with local partner Phoenicia Trading. Traditionally a strong location for premium whisky, O'Sullivan says the business continues to trade and "displays remarkable resilience".

However, the biggest setback for ARI's overseas liquor business this year has been in India, where the Irish retailer lost its 15-year joint venture at Delhi's Indira Gandhi International Airport in July when GMR Airports took full control of the concession following a competitive tender.

Delhi Duty Free, India's largest airport-based duty-free retail operation, was highlighted by ARI as one of its brightest-performing overseas locations in its latest set of financial results.

Bright spots: Portugal and beyond

On a brighter note, ARI's joint venture in Portugal — where the company operates stores at eight airports, including Lisbon, Porto and Faro — is in rude health, driven by booming tourist traffic and specialist concepts, like the Port Cellar, which boasts a selection of over 230 local port wines.

"Getting local specialities and a local sense of place right in each of our locations is absolutely vital for us," says O'Sullivan.

O'Sullivan argues that ARI's bespoke approach to the locations it operates is a real point of difference. He highlights the retailer's Rum Collection concept in Barbados and Kypriaka concept in Cyprus, which showcases Cypriot wines, spirits, food and confectionery, as further evidence of the 'Living Local' pillar of its category strategy.

"ARI's point of difference has always been, and continues to be, our bespoke approach to each of our locations," says O'Sullivan. "We don't use the cookie-cutter approach — each region has its own unique identity." GDI

Lisbon duty free: 'Getting local specialities and a local sense of place right' in each location is vital for ARI



Data-backed decisions: three areas to define on-premise performance

The on-premise remains a crucial touchpoint for drinks brands seeking growth, recovery and long-term success. CGA by NIQ's **Jonny Jones** reports on how focusing strategies on 'markets', 'moments' and 'motivations' can unlock the channel's potential



Image: iStock.com/CandyRetriever

Consumers view the on-premise as a sanctuary where they can disconnect from the noise of everyday life

The global on-premise sector continues to face financial pressures. Despite these challenges, the industry remains resilient and continues to serve as a strong channel for revenues and brand building.

Drawing on insights from CGA by NIQ's global Reach study, most core metrics are indeed stable or only slightly down on last year. Visitation has declined modestly, down 3.4%, but consumer sentiment suggests recovery ahead. More than eight in ten LDA consumers still visit the on-premise within a typical three-month period, and a quarter expect to increase their visits over the next 12 months, outnumbering those who anticipate visiting less often.

Value sales remain steady at just 0.6% lower than last year, while average monthly spend has inched up to US$127.06 (+0.24%). This indicates that, although consumers may be going out slightly less often, they are spending meaningfully when they do.

Indeed, 58% of consumers say they are willing to pay extra for a better-quality drink, up two percentage points (pp) from last year. This willingness to trade up is tempered by a growing focus on value for money, which makes careful positioning essential for brands: products must deliver *both* a sense of experience and perceived worth.

It's an increasingly delicate balance, but one well worth investing in, as the on-premise remains indispensable to the global beverage alcohol market, accounting for the majority of total sales across on and off-premise channels combined. It also plays a pivotal role in shaping consumer perceptions and purchasing behaviour, both when out and at home.

To unlock this potential, strategies should centre on three key areas of focus: 'markets', 'moments' and 'motivations', each critical to capturing future growth in the on-premise.

Focus 1: Markets

Success in the on-premise depends on tailoring global strategies precisely to the needs of each target market, using locally relevant tactics. A first grouping of countries comprises long-established markets such as the US, China, Spain, Germany and the UK. Given their immense scale, maturity and trend-setting influence, these are critical for brands to maintain and nurture.

The US, for instance, is seeing weaker visitation but still represents enormous value potential, with its on-premise accounting for $94bn in alcohol sales, more than Australia, Germany, France, Canada and the UK combined ($78.8bn). This immense market offers particularly strong opportunities in the cocktail space, with 33% of users enjoying cocktails out of home and the average stockist generating $14,713 in sales per quarter from the category.

Meanwhile, in China, the sector thrives on a deeply ingrained social culture, but category preferences are evolving. Western spirits like whisky, brandy and vodka are gaining traction with younger users who are increasingly looking beyond the drinks that have traditionally dominated consumption.

A second group consists of emerging markets such as Kenya, Indonesia and India, which are experiencing rapid growth driven by expanding populations and rising wealth. Nowhere are these trends more striking than in Nigeria, where nearly half of all consumers are under the age of 30. Here, the high-tempo occasion reigns supreme, with consumers favouring nightclubs and late-night visits to bars where brands have opportunities with table and bottle service, as well as premium offerings.

Finally, we have a third tier of modernising markets, including those in Latin America, Eastern Europe, Japan and South Korea. These are steadily evolving towards contemporary, premium-led bar cultures that place increasing emphasis on quality, design and experience.

Focus 2: Moments

With global on-premise visits down 3.4% year on year, brands need to focus closely on occasions that offer the greatest potential to drive sales, which Reach suggests being increasingly high-value and high-tempo.

In 2024, the top ten trading days accounted for 5pp more of total annual sales than in 2023, meaning that users may well be going out less frequently, but they are spending more when they do on major occasions.

During these moments, drinkers are indeed more deliberate in their choices, more receptive to influence and more willing to trade up for quality. Their drink repertoires expand, averaging 6% more »

» categories compared with routine visits. In fact, experimentation is a hallmark of these visits and bartenders play a particularly influential role, with their impact on choice rising by 6pp during event-led occasions.

Admittedly, the Reach study also revealed that volume is shifting in the opposite direction, with routine, lower-tempo occasions such as afterwork drinks or casual meetups now accounting for 53% of visits (up from 47% in 2024). These occasions are becoming more frequent, even if they generate lower spend per visit.

For suppliers, this translates into two clear imperatives: ensure visibility and activation on the biggest trading days, where value share is highest, while also remaining distinctive and mentally available during the everyday, lower-tempo moments that now dominate consumer visits.

Focus 3: Motivations

Having examined the significance of markets and occasions, a third key focus for brands is understanding what motivates consumers to visit bars, pubs and restaurants and what influences their choices while they are there.

Consumers increasingly view the on-premise as a sanctuary, a space to disconnect from the noise of everyday life, step away from digital overload and prioritise their own wellbeing. Essentially, bars, hotels and restaurants are channels that allow them to put themselves first, spend time well and enjoy meaningful moments of connection.

Indeed, when asked why they visit the on-premise, people most often cite spending time with family, friends or colleagues (49%), followed by relaxing (43%) and simply enjoying themselves (42%). A sense of treat and reward remains strong, with 37% visiting as a form of indulgence and to celebrate (36%), reinforcing the idea that on-premise venues offer an important sense of escapism and emotional value.

Looking more closely at the data, four key motivations emerge. First, the desire for connection with others and disconnection from the outside world. Unsurprisingly, the concept of 'disconnection bars' is gaining traction, with 48% of consumers finding them appealing, especially those who are highly active on social media. Meanwhile, 39% find 'social media-friendly' venues appealing, showing that the same consumer can seek both digital escapism and shareable experiences, depending on the occasion.

A second motivation is a growing focus on self-care and mindful indulgence. Forty per cent of consumers say leading a healthy lifestyle is among their top priorities, while 63% report moderating their alcohol intake.

Interestingly, among Gen Z, 22% of those moderating now only drink when visiting the on-premise (a rise of 4pp year on year), so brands can find a keen audience in the younger demographic. Furthermore, it must be stressed that this shift is not just about zero-alcohol options; low and mid-strength serves are thriving, appealing to consumers who still want to drink but not overindulge.

The third motivation identified is about the drive to treat and reward oneself by trading up for quality and everyday luxury. Nearly half of consumers treat themselves weekly, with 'eating out' and 'drinking out' ranking as the top outlets for everyday indulgence (see 'Data Drop' below).

The final key motivation is people's wish to explore, learn and experiment through drinks, with one in three regularly trying new drinks brands or categories in the on-premise. Bartender advocacy plays a crucial role in shaping consumer choices and encouraging trade-up behaviour: 88% of bartenders make at least one drink recommendation every shift, while 56% of users say they enjoy learning from knowledgeable staff.

Ultimately, the on-premise remains an integral part of consumers' lives, where connection, wellness, indulgence and discovery converge. To win on motivations, brands must recognise that the channel's strength lies not only in its role as a place to drink, but as a space to feel, explore and spend time well. GDI

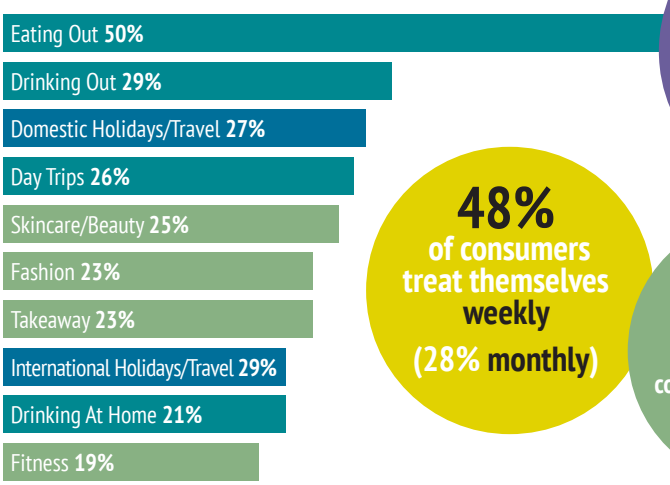
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THE **RESEARCH**

CGA by NIQ's suite of research services combine to provide brands and operators with an unrivalled and holistic view of the global on-premise sector. Reach illuminates eating and drinking behaviours, offering valuable global and local market insights that help businesses craft successful strategies and gain market share. To learn more about CGA's capabilities across the global on-premise, visit **www.cgastrategy.com**

DATA DROP

Top Ways Consumers Treat Themselves



50% of all consumer spending on beverage alcohol* takes place in the on-premise sector (61% of total spirits sales)

48% of consumers treat themselves weekly (28% monthly)

'Eating out' and 'drinking out' are the top outlets for self-treating as consumers increasingly seek everyday indulgences

*Source: CGA by NIQ Reach Global April–May 2025. Sample: 33,161. Total trade measurement, MAT to April 2025, excluding hotels, the US, France, Canada, the UK, Germany. *Spirits/beer/FMB/cider (excluding wine)*

Key takeaways

- Global on-premise visitation has declined 3.4% year on year, but consumer sentiment suggests recovery ahead.
- Consumers go out less, but spend meaningfully when they do – average monthly spend is up 0.24%.
- The immense US market offers strong opportunities in the cocktail space, with 33% of users enjoying OOH cocktails.
- High-value and high-tempo occasions offer the greatest potential to drive sales.
- Among Gen Z, 22% of those moderating now only drink alcohol when visiting the on-premise – a rise of 4pp year on year.

Tops at Spar stays ahead in South Africa's challenging market

E-commerce, championing diversity, staying agile and doubling down on its decentralised business model is helping Tops at Spar compete in South Africa's challenging off-trade liquor market. By **Joe Bates**



There are 871 Tops at Spar stores throughout South Africa and each one is owned by an individual retailer. The 'interdependent model empowers local entrepreneurs while leveraging national scale'

Tops at Spar, South Africa's largest independent liquor retail chain, is proving that a community-rooted, retailer-owned business can thrive in one of the world's most challenging off-trade markets as long as it continues to keep a keen eye on changing consumer tastes, stays agile and employs data-driven promotions.

"Despite South Africa's tough economic climate, Tops at Spar has maintained a resilient performance," says Thami Silwana, national liquor executive at The Spar Group, which was founded in 1963 as a group of independent wholesalers. "The off-trade liquor market surpassed ZAR100bn [US$5.84bn] in annual sales in 2024, and Tops remains a key player with 871 stores nationwide, just above our competitors.

"Our growth is driven by the consistent investment in the brand, strong in-store promotions, a wide product range and our ability to adapt quickly to shifting consumer behaviour through our retailer-owned model," he adds.

Retail resilience in a fragile economy

Trading conditions for Tops at Spar are currently difficult. The country's economy is far from healthy. Structural constraints like electricity shortages and port bottlenecks, as well as high debt-servicing costs and weak public investment, are set to keep South Africa's GDP growth in 2025 at around 0.9%, according to Anglo-South African international banking group Investec.

On a brighter note, inflation, as high as 7.8% in mid-2022, has fallen back to around 2.7%, but consumer confidence remains historically low, affected primarily by weak job creation. South Africa's unemployment rate remains a stubbornly high 33.2%, with youth employment, defined as people aged 15–34, a much higher 46.1%.



Thami Silwana: 'Tops at Spar has maintained a resilient performance'

Drinks retailers in South Africa must also trade within a complicated, fragmented market, overseen by a combination of national oversight and provincial control. While the off-trade retail market is strictly governed by national objectives, the specific requirements and regulations that retailers must navigate are heavily influenced by their location. This makes it crucial for retailers to engage with their specific provincial and municipal rules to ensure full compliance.

Moreover, in March this year, the government hiked excise tax on alcohol by 6.5%, well above the current inflation level. In September, there was a private member proposal for a total ban on alcohol advertising, promotion, sponsorships and product placement in an effort to "counter the normalisation of alcohol and liquor usage".

Another significant challenge across South Africa is illicit alcohol consumption which, according to Silwani, now accounts for 18% of all the alcohol sold in the country, leading to a loss of over R25bn in tax revenue to the government.

The crisis has worsened since the pandemic, with the volume of illegal alcohol totalling 773,000 hectolitres last year, an increase of 55% since 2017, according to the Drinks Federation of South Africa. »

KEY TAKEAWAYS

- **Tough conditions: South Africa's wider alcohol business faces pressure from a stuttering economy, tax hikes, regulatory complexity and illicit trade.**
- **Youthful formats and digital growth: RTDs, New Age gins and spirits-based cocktails are gaining traction among YDA consumers, supported by an expanding e-commerce footprint via Spar2U and Uber Eats.**
- **Dual sales trend: Consumers are both value-seeking and selectively premiumising, driving sales in both RTDs and premium spirits.**
- **Inclusivity and innovation: Tops champions local producers, supports Black-owned wineries *and* is expanding digital platforms.**

Independent ownership: the Top point of difference

» Established in 2000, convenience-focused Tops at Spar, a key retail brand of The Spar Group, competes in this challenging market against rivals such as Shoprite's LiquorShop and Pick n Pay Liquor Store. Silwani admits these chains are expanding "aggressively", but insists Tops at Spar is keeping its nose in front through its independent retailer model, which he says offers "unmatched agility".

"Unlike a franchise model, Tops retailers own their own stores outright and purchase directly from Spar's distribution centres without paying royalties," Silwani explains. "This interdependent model empowers local entrepreneurs while leveraging national scale."

The benefits of this decentralised ownership structure are multiple, says Silwani, including the ability to respond to local markets, create tailored product ranges, remain agile when staging promotions and, importantly, foster community integration and economic inclusion.

Consumers looking for value but willing to splurge

In the currently challenging market conditions, Silwani says Tops has noticed a "dual trend" among customers, with noticeable "value-seeking behaviour" on display, resulting in growth of economy wines, bag-in-box formats and private labels as consumers shift from high-margin spirits and wines to lower-margin categories such as beer and RTDs.

At the same time, customers are also choosing premium wines and spirits, most notably cognac and tequila, to celebrate special occasions, a trend Silwani calls "selective premiumisation".

He explains: "Our product mix reflects this [dual trend] by balancing affordability with aspirational offerings, and promotional depth with margin protection.

Within spirits, whisky and cognac are the top performers, with seasonal occasions such as World Whisky Day (27 March), World Cognac Day (4 June) and Father's Day (the third Sunday of June) helping to drive sales. "New Age gins and RTD spirits also continue to gain traction, especially among younger, urban shoppers," Silwani notes.

In line with global trends, RTDs are growing fast for Tops, with consumers drawn to their convenience, flavour innovation and youth appeal. "There's an expansion through innovation on the RTD category with spirits-based cocktails, hard seltzers and wine spritzers, continually triggering interest from shoppers," says Silwani. "We're enhancing visibility with digital activations, gamification and integration with [e-commerce platform] Spar2U for seamless purchase and delivery."



Tops at Spar has partnered with Uber Eats to give shoppers more storefront delivery options

How Tops at Spar embraces e-commerce

Over the past decade, e-commerce has boomed across South Africa, with e-commerce turnover expected to exceed ZAR130bn (US$7.4bn) by the end of 2025, capturing almost 10% of the country's retail market, according to a new report by World Wide Worx in collaboration with Mastercard and Peach Payments.

Spar2U and Tops2U, the company's omnichannel platforms, have proven very successful in driving online sales of liquor, according to The Spar Group's national liquor executive Thami Silwana. Alcohol, he says, now accounts for almost 20% of total delivery sales, with the service particularly popular in rural and township areas.

"We have also strategically partnered with [online food and delivery platform] Uber Eats to give shoppers more storefront options, particularly on e-commerce platforms they may already use for their shopping," says Silwani, referring to a partnership agreed between the two companies announced in July this year.

The deal will extend the retailer's reach considerably. In South Africa, Uber Eats has 52,000 drivers in 40 towns and cities and 2.1m active users.

Championing local producers

South Africa's wine industry faces a myriad of challenges, from a costly and unstable electricity supply to logistical headaches and hefty US tariffs, but Tops is doing its best to boost local demand. "We proudly support local producers like Bruce Jack Wines, whose lifestyle range is exclusive to Tops, and was recently ranked among the Top 50 Most Admired Wine Brands globally," says Silwani.

"Our biannual 'Tops Wine Kulcha' campaign, supported by an extensive leaflet spread, is positioning Tops as the wine destination in South Africa," he adds.

"Growth in premium and regional wines is supported by curated promotions and partnerships with local producers. The Tops brand is investing in tasting experiences and digital storytelling to elevate wine engagement, with several of our stores investing in dedicated permanent wine-tasting zones and in-store sommeliers."

On the ESG front, Tops prides itself on promoting Black-owned wineries and distilleries. One example is Mzansi Craft Wine, a Paarl-based boutique winery founded during the pandemic and focused on providing a platform and mentorship for Black South African winemakers.

"The Tops at Spar private label initiative also supports small business development in spirits and 'LADS' [beers and RTDs]," says Silwani.

Meeting challenges head-on

Looking to the short and medium-term future, Silwani says the retailer's main challenges will likely be regulatory shifts and compliance pressures, especially around trading hours and advertising restrictions; the spiralling problem of illicit alcohol; economic volatility and rising costs; and, finally, omnichannel competition.

Silwani says Tops plans to address these challenges through responsible retailing and compliance, data-led pricing and promotions, strengthening supply chain resilience and diversifying its product assortment. "By remaining agile, investing in responsible retailing and strengthening our local partnerships, Tops at Spar is confident in its ability to overcome these challenges and continue delivering value to customers," he says. GDI



VIEW FROM THE ON-PREMISE

Charlie Mitchell

Eastward bound — is the centre of gravity shifting to Asian on-premise markets?

So there we have it. The World's 50 Best Bars for 2025 have just been announced and No.1 is *not* in London, New York or Paris. It is no longer even in Mexico City. This year the title has travelled to Asia, and the crown has been taken by Bar Leone in Hong Kong.

Taken at face value, it is perhaps easy to dismiss this news as a (very) good bar winning an unquestionably prestigious award, yet one that is bestowed upon a certain type of bar that appeals to a certain type of judge, for whom there is a labyrinth of influential bars to be seen at and industry gurus to be seen with.

But no, dear reader, suspend your scepticism. For I believe that, far from a grand but hollow feather in the cap of the Asian on-premise market, the decision to recognise Bar Leone reflects a tectonic and, frankly, overdue shift in the sphere of influence away from Western markets into Asian ones that are vibrant, thriving and future-proofed.

Let's get a few myths out of the way though. Firstly Asia, much like Africa, Latin America or whichever cluster of countries industry experts like me state as 'the next big thing', is not a country. It is heterogeneous, vast and culturally diverse. It spans countries in which population booms, economic growth and openness to alcohol create near-perfect market conditions, but also countries in recessions, countries with prohibition and (many) countries where route-to-market complications make it all but impossible to have any control over any in-market strategy.

Even if an ambitious international drinks brand is able to partner with a distributor able to overcome some of those challenges and navigate the diverse local landscape, the challenges do not end. The hospitality sectors in Asia are among the oldest and most well-established in the world, with ingrained drinking cultures and habits that are difficult to shift.



Bar Leone is the first Asian venue to be named the World's Best Bar by the annual guide

Local incumbents dominate the on-premise choices of consumers in the region, be they the ubiquitous indigenous spirits such as baijiu, soju, shochu and sake, or, indeed, the go-to choice for most in the region — domestic beer, the top pick in nearly all on-premise venues across the continent.

However, successfully plot a route through those challenges, map the markets in which there is a right to play and a favourable set of conditions and there are genuine opportunities. Going back to those prestigious World's 50 Best Bars, there are more entries this year from Asia-Pacific (14, across six cities) than there are from the Americas (13, across seven cities).

This points to the shape of the opportunity in parts of the region. Emerging and evolving levels of affluence in cities such as Seoul, Singapore, Bangkok and Tokyo has resulted in a demand for luxury drinking experiences — often centred around the precious and increasingly rare — moments of tranquillity, relaxation and enjoyment. Indeed, in South Korea, 55% of consumers state that they drink luxury drinks as a way to treat themselves, with the No.1 need state behind this being relaxation and reward.

The opportunity goes far beyond prestige alone, into what is a vast, wide and deep hospitality sector in the region. Taking the South Korea example again, away from the 16th best bar in the world, there are 457,027 other on-premise venues. To put that in perspective, that is one licensed venue for every 113 residents (the UK, as a comparison has one venue per 700). This is a sector that, rather than learning from the West, should be celebrated for what it is: a unique, sprawling and influential network of bars, restaurants and watering holes loved by locals and visitors alike.

It is an on-premise sector that is loved and celebrated, which boasts the highest visitation rates in the world, a place where connections are made and in which socialising takes centre stage. It is sector where consumers go to take a break from intergenerational residences, to celebrate, to commiserate, to take a moment and to have fun.

It is also a sector where some of the highest levels of predicted frequency growth occur, led by India, China, the Philippines and Vietnam, but also one in which behaviours are changing and in which economic strains are impacting visitation in the likes of Japan and Oceania. Even within countries, there are vast differences between rural and urban and modern and traditional venues.

Put bluntly, much like the continent as a whole, the Asian on-premise is not a single on-premise sector, but a diaspora of sectors in a diaspora of countries and cities. However, if you can cut through the noise and pinpoint the right opportunity for the right brand, execute with street smarts and tap into local expertise, then prosperity will follow. GDI

Charlie Mitchell is CGA by NIQ's global head of insight & consumer research. His GDI *columns provide perspective from the on-premise, based on the most up-to-date and definitive data. Email him at* ***Charlie.Mitchell@nielseniq.com***

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