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AMERICAN DISTILLER: A SOURCE OF INFORMATION ON THE DISTILLING PROCESS

AD will promote distilling and discussion concerning Whisky, Malt Whisky, Blended Scotch Whisky, Bourbon, Rye Whisky, Vodka, Gin, Grappa, Eau de Vie, Schnapps, Calvados, Apple Brandy, Apple Jack, Liqueur, Cognac, Armagnac, Rum, Tequila, Cordials, Perfumes, Tinctures, Distillation, Pot Stills, Column Stills, Coffey Stills, and Aroma Therapy.

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The ADI is the collective voice of the new generation of progressive beverage, medical and aromatic distillers, and is dedicated to the mission of disseminating professional information on the distilling process. The ADI has filed for a designation as a 501(c) Non Profit Corporation.

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## A Dialogue on Distilling

with Steve McCarthy

by Alan Moen

teve McCarthy is the owner of Clear Creek Distillery in Portland, OR, which has been producing artisanal spirits since 1984. Starting with an eau-de-vie made from Bartlett pears grown on this family's orchards in Hood River, McCarthy now produces pear, plum, raspberry, cherry, marionberry, and apple brandies, as well as grape brandy, grappa, and single-malt whiskey.

I sat down with Steve at his distillery to talk about the small-scale distilling business in November 2001.



Steve McCarthy describes the distilling process.

**AM:** I'd like to start off our small talk by asking a "big" question: what is the most important thing you've learned in your experience in running a small distillery?

**SM:** Well, that's the right question. Distilling itself is lots of fun. If you've been a winemaker or a brewer, there are obviously things to learn, but it's not extraordinarily difficult. And if you plunk down the money and buy a good

still, and you spend a little bit of time learning the rudimentary aspects of running it, then distilling is really quite straightforward.

Good winemakers and good brewers should give it a try. If they keep their wits about them, they will make decent distilled spirits fairly early on. Most people that try it discover that it's great. The legislation — existing federal legislation isn't unduly burdensome. It's possible to get what's called an experimental license, a kind of quickie, and you can start distill-



Kelly Kuehl sniffing a barrel of McCarthy's Oregon Single Malt Whiskey.

ing legally. And if you can buy car insurance, you can get a federal distilling license. It's not difficult — you need a bond, the forms are maddening, but once you get through them, then you never have to do it again. The licensing decision by the Feds is not a discretionary decision. They have to give you the license. It's not that big a deal. It's not more difficult than starting a restaurant — probably less difficult. Then of course you have the state authorities, state department of agriculture, city land use people. So there's lots of hoops to jump through, but it's kind of like everything else in modern life.

So distilling is fun, but making a real business out of it is different. As my good friend Matt Kramer, the wine writer, used to say, "Are you in business, or are you in love?" You want to know which one you are, because it will determine how you operate. If you're in love, then you should for God's sake stay small and have a great time. If you're in business, you should start small and then try to grow. My advice to people — and I get about one phone call about this every two weeks — is start small. Then as you work through the production issues, and the packaging issues, and the regulatory issues and you begin to sell your product, you'll know when it's time to grow. I think that the biggest mistake I made was that early on, I tried to grow too fast. There is a limit to how far the market will respond to little distillers.

AM: But didn't you also have the disadvantage when you started of a lot of people not even knowing the existence of

some of the products you were trying to make? That's not the case any more.

**SM:** I think that's right. We've made enormous progress in 17 years. But every day I encounter people who have never heard of eau-de-vie, and may or may not like it. So we're not done.

The issues of making a business out of it are much more dif-

ficult than I imagined. In the first place, good is very eau-de-vie expensive. The materials are expensive: there's 30 pounds of pears in a bottle of my pear brandy. If you buy good fruit - and we grow our own fruit it's going to cost some money. One of the mistakes people make is to try to use cheap fruit. If you use cheap fruit, you will produce brandy that tastes cheap. It's like good winemaking or good brewing in that respect.

This is a production process where "less is more." You really want to fool with the fermentations and the fruit as little as possible. You want to baby that pear along, and gently extract that eau-de-vie from it. The mistake that many of my friends who have started distilleries made was that they bought all the equipment, and at that point thought it was going to be easy. But that's when it really gets hard.

What happens, and I've seen this in several small scale—what I call artisan — distilleries, is that a guy comes along — and it's always guys (I think they're just too damn pigheaded) — they sink all the money in and they get the plant running and at that point the money's gone. Then they rapidly lose the joie de vivre and the sense of humor that they need to sell it. They start cutting corners, maybe in quality, maybe in people, and they make mistakes. It's painful to watch. You get this guy who spends half a million bucks and the money's basically wasted, because he doesn't have the other half million or whatever it's going to take to hang on, to keep the quality where should be, to remain cheerful, and to put up with the abuse that you'll take in the marketplace.

So the best advice I have for people who want to start this as a business and not as a romance is start small, stay small, and be prepared for a long, long period before you'll break into the market.

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Alan Moen of Entiat, WA is editor of American Distiller. He has been writing about beer, wine, and spirits for the past 10 years. Moen can be reached at alanmoen@televar.com.

# Where to go for a sip of handmade spirits

BY JIM DORSCH

Looking for a nip of distinctive, small-batch spirits made in the United States? These producers are at the forefront of the micro-distilling movement.

Who and Where	Comments	Signature Product
Anchor Distilling Co . San Francisco, California 415-863-8350.	Microbrewing pioneer Fritz Maytag produces Junipero gin and two styles of Old Potrero whiskey in small pot stills at his Anchor Brewing Co. Available in 13 states.	Old Potrero Single Malt Straight Rye Whiskey, \$90.
Bardenay Restaurant and Distillery Boise, Idaho 208-426-0538 www.bardenay.com	This restaurant/pub features a copper still that produces light rum, dry gin and vodka from fermented sugarcane Available in Boise.	London-Style Dry Gin, \$18.
Clear Creek Distillery Portland, Oregon 503-248-9470 www.clearcreekdistillery.com.	Steve McCarthy has been making critically acclaimed brandies since 1985, often using fruit from his own orchards. He also produces grappas and the Scotch-style McCarthy's Oregon Single-Malt Whiskey. Available in 34 states.	Williams Pear Eau de Vie, \$30. Eau de Vie de Pomme Apple Brandy, \$32.
Domaine Charbay Winery & Distillery Ukiah, California 800-634-7845 www.domainecharbay.com.	The Karakasevic family produces fruit-flavored vodkas, grappas and liqueurs (including the unusual Nostalgie, from black walnuts). Later this year they plan to release aged pear and apple brandies and a whiskey. Available in 18 states.	Blood-Orange Flavored Vodka, \$39.
Germain-Robin Ukiah, California 800-782-8145 www.germain-robin.com	Hubert Germain-Robin has been making award-winning cognac-style brandies and grappas in a shed on a mountainside farm since 1987. Available in 38 states.	Anno Domini brandy, \$350; Select Barrel XO brandy, \$100.
Local Color Restaurant, Brewing and Distilling Novi, Michigan 888-867-2739	This brewpub in a Detroit suburb added a distilling operation 18 months ago and makes flavored vodkas, rums, gin, tequila-style brandy, whiskey and liqueurs. Sold by the drink only at the restaurant. Later this year they plan to bottle two styles of vodka under the Barcevac label.	Blueberry Vodka, \$3.50 in a mixed drink.
McMenamins Edgefield Distillery Troutdale, Oregon 800-669-8610 www.mcmenamins.com.	The distilling branch of the McMenamins pub/brewery/ winery/hotel/theater mini-empire makes brandy, gin and eaux de vie. The company is aging a whiskey and a cognac-style brandy to be released in 2003. Available in Oregon and Washington.	Vintners American Distilled Gin, \$26.
Nashoba Valley Winery Orchard and Brewery Bolton, Massachusetts www.nashobawinery.com.	Nashoba is a brewery, winery, distillery and restaurant located on a 52 acre apple orchard.	Foggy Bog Eau de Vie, \$19 (500 milliliter).
St. George Spirits Alameda, California 510-769-1601 www.stgeorgespirits.co	Alsace native Jorg Rupf distills eaux de vie, grappas and St. George Single Malt Pure Barley Spirit whiskey in a warehouse near the San Francisco Bay.	Williams Pear Eau de Vie, \$20 (375 milliliter).
Westford Hill Distillers Ashford, Connecticutt 860-429-0464	Margaret Chatey distills eaux de vie from fruit grown in Connecticut, New York and Oregon, and is aging a brandy made from Connecticut apples, to be released in a few years. Available in Connecticut.	Kirsch Eau de Vie, \$17 (200 milliliter).

# **Distiller Licensing**

by Marc Sorini

would-be distiller must obtain a license to distill alcohol from both federal and state authorities. At the federal level, the Bureau of Alcohol, Tobacco & Firearms (ATF) handles licensing of alcohol production, as well as distilled spirits labeling, advertising and excise taxation. Distillers — like wineries and wholesalers, but unlike breweries and retailers — must obtain a basic permit from ATF in order to commence operations. The application form for a federal basic permit is available at ATF's Web site, www.atf.treas.gov/, under the name ATF Form 5100.24. Distillers must also register their distilled spirits facility with ATF before opening. The registration application is not available on-line, so applicants must call ATF's document center at 703-455-7801 and ask for ATF Form

5110.41. If the applicant submits their application through an attorney, consultant or other representative, the application should also include a power of attorney form, ATF Form 5000.8, authorizing the representative to speak for the applicant. Power of attorney forms are available from ATF's Web site.

ATF has broad discretion over whether to grant or deny a permit application. While ATF considers many facts when evaluating an applicant, the criminal history of the applicant and/or its owners is crucial. ATF will likely disapprove any application if the applicant or its officers, directors or stockholders were convicted of a felony or violated a federal law relating to alcohol or alcohol taxation.

Because ATF considers criminal history so important, the applica-

tion process may require the

submission of fingerprints, Interpol background checks and on-site inspections of the proposed distilling facility. In all cases, applicants should take a cooperative approach with ATF.

The length of time ATF takes to process an application may vary greatly, depending on the circumstances. ATF will almost never process a basic permit application in less than six weeks, and several months processing time is quite common. ATF's knowledge of the applicant may play an important role: If the would-be distiller already holds a basic permit or federal brewer's notice (for example, as a winery, a brewery, or a whole-saler), ATF may not require fingerprints from the owners or an

on-site inspection of the distillery. If, on the other hand, "skeletons in the closet" attract ATF scrutiny, even a successful outcome (e.g., issuance of the permit) can take many months.

State alcohol licensing procedures and forms vary greatly among the states. All states, however, require distillers to obtain some sort of license, and the possession of a federal basic permit does not relieve a distiller of its licensing obligations under state law. Today only a few states publish alcohol licensing forms online, so most prospective distillers must call or visit their state regulators to obtain the appropriate forms. A good list of alcohol beverage control authorities is located at http://www.ink.org/public/kdor/abc/organization.html.

The qualification standards and typical processing time for licensing also varies greatly between the states. Begin planning early and research the applicable law to maximize your chances for a trouble-free start up. At a minimum, states will explore criminal background in much the same manner

cross-ownership and other restrictions that can absolutely prohibit the issuance of a distilling license to an existing licensed business.

Identifying and accommodating such restrictions should occur very early in

the planning process.

as ATF. In addition, state licensing laws often include

Obtaining federal and state alcohol licensing only begins the licensing and compliance process. Like any business, a distiller must comply with a host of generally applicable laws and regulations. Thus, for example, a new business

must obtain an employer identification number, a new corporation must often register with the

state, and almost any business must comply with local zoning requirements. Moreover, distilling is a highly-regulated activity subject to numerous federal, state and local laws and regulations. Examining the full spectrum of licensing and compliance requirements should start early in the planning process.

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## Distilling

### An Introduction to Scotch Whisky Production

by Graham Stewart

### The following article is the first in a series to be written by Graham Stewart

The purpose of these articles will be to review, on a regular basis, developments with distilled alcoholic beverages. Emphasis will initially be on Scotch Whisky, but, eventually, other alcoholic spirits will be considered. This introductory article will briefly discuss the history and definition of Scotch Whisky.

Distilleries date from at least the alchemists of the Classical Period. The crucial stages were the discovery of the merits of condensation of the vapors driven off by boiling, following the development of effective methods of achieving this condensation. The traveled west, reaching process Scotland by the fifteenth century. The recorded history of Scotch Whisky begins in the year 1454 when Friar John Cor of the Franciscan Abbey of Lindores in Fife received "eight bolls of malt to make aqua vitae" for King James IV.

Parliament, setting a precedent which has con-

Scotch Whisky has been defined in United Kingdom Law since 1909 (in a similar manner that beer production is defined in the Purity Law of the State of Bavaria which dates from 1519). The current definition is contained in the Scotch Whisky Act of 1988 and states: "Scotch Whisky" means whisky:

- which has been produced at a distillery in Scotland from water and malted barley (to which only whole grains of other cereals may be added) all of which has been:
- · processed at that distillery into a mash

The year 1644 saw

tinued ever since!

the first imposition of an

Excise Duty by the Scottish

- converted to a fermentable substate only by malt enzymes, and
- fermented only by the addition of yeast.
- which has been distilled at an alcoholic strength by a volume of less than 94.8% so that this distillate has an aroma and taste derived from the raw materials used in, and the method of, its production.
- which has been matured in an excise warehouse in Scotland

in oak casks of a capacity not exceeding 7800 liters, the period of that maturation being not less than three years.

— which retains the color, aroma and taste derived from the raw materials used in, and the method of, its production and maturation, and to which no substance other than water and spirit caramel has been added.

The Scotch Whisky Act of 1988 prohibits the production in Scotland of whisky other than Scotch. This Act and European Community legislation both specify a minimum alcoholic strength of 40% by volume, which is applied to all Scotch Whisky bottled and/or put up for sale within or exported from the Community.

Two distinct types of whisky, malt and grain, are produced. Malt whisky, which has a pronounced bouquet and taste, is made exclusively from barley malt and yeast and is distilled by use of a pot still, a process that does not permit continuous production. Consequently, the whisky is made in separate batches, each of which is similar, but not identical. The flavor produced is determined by a variety of fac-

tors, the most important of which is the location of the distillery.

Grain whisky is made from a mixture of malted barley, corn, wheat and yeast. Unlike malt whisky, the grain product is distilled by a continuous process based on the

Coffey still, which lends itself to large-scale production. It has less well-defined characteristics than malt, but this makes it eminently suitable for blending purposes. Unlike malt whisky, grain whisky varies little in taste from one distillery to another.

The next article will discuss the Scotch Whisky production process in greater detail and will compare and contrast the process with brewing.

\* \* \*

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## Cooking with Spirits

#### Spike it with Liquid Spices

by Lucy Saunders

From a dash of Jack Daniels in the barbecue sauce, to spiking shrimp pasta with a splash of hot pepper vodka, cooking with spirits has been around for years. Yet it's mostly dabbling in seasoning old favorite recipes with a dollop of liquor, according to Brad Nelson, a former spirits broker and publisher of Cookingwithspirits.com.

"I love the spirits industry, and wanted to promote another use for spirits beyond cocktails," says Nelson. "The idea came to my family as we were camping in California, and I've added more recipes each year."

In a new twist on a familiar Superbowl special, Nelson makes **Bordertown Brats**, featuring bratwurst simmered in light Mexican lager, seared over a charcoal grill, and warmed in a grill-top kettle filled with tequila and diced Vidalia onions. The brats are aromatic and hot from the heat of the high-proof tequila, cutting through the rich sausage flavor.

In my kitchen, spirits serve as liquid spices, enhancing the flavors of all kinds of foods, from entrees, to soups, to sauces and desserts. Since distillers choose from such a wide range of aromatics, fruits, herbs and grains to make spirits, the resulting flavors are versatile.

Yet another promoter of the high life with spirits, Gary Regan of ardentspirits.com, savors the taste of liquor in food. He's even been known to improvise while eating at the bar.

"There we were, sipping Manhattans at a seafood restaurant we love, discussing just how well-made our drinks were and waiting for our food to arrive. When it did — one bowl of New England Clam Chowder and one bowl of a thick Seafood Bisque — the bourbon-on-the-brain idea hit — we each poured a bit of the drink atop our soup."

It is a fabulous combination — to the nose and the palate — and one that deserves a try.

#### Real Manhattan Clam Chowder

for 6 to 8

- 4 ounces thick-sliced smoked bacon or salt pork, finely diced
- 2 large Spanish onions or 3 to 4 large Vidalia or other sweet onions, chopped
- 2 celery ribs, halved lengthwise and sliced
- 6 large boiling potatoes, peeled and cut into small cubes
- 2 cups whole milk or clam broth
- 3 cups shucked fresh clams in their juice
- 4 cups half-and-half, heated until hot (do not boil)
- 1/2 cup bourbon
- 3 tablespoons sweet vermouth

Salt and freshly milled black pepper

- 1. Dump the bacon into a nonreactive large saucepan and set over moderate heat. Sauté until lightly browned but not yet crisp, about four minutes. Add the onions, celery, and potatoes and sauté until the onions and celery are limp, about 8 minutes. Reduce the heat to low and pour in the milk. Cover and cook until the potatoes are tender, about 15 minutes.
- 2. While the soup simmers, drain the clams, reserving their juice. Line a sieve with a double layer of dampened cheese-cloth and strain the clam juice to remove any bits of sand. If the juice seems at all gritty, rinse the cheesecloth and strain again. Chop the clams.
- 3. When the potatoes are tender, add the clams and their juice to the saucepan. Cook for 2 minutes. Add the hot half-and-half and bring just to a simmer. Do not let the mixture boil. Get ready to serve the soup as soon as it is just hot it won't wait without overcooking the clams.
- 4. Meanwhile, combine the bourbon and sweet vermouth in a small pitcher or creamer. Season the chowder with salt and black pepper to taste. Ladle into soup plates and pour a noggin of Manhattan mixture on each serving. Pass the remaining Manhattan at the table.

(recipe copyright by Gary Regan, *The Book of Bourbon*, ardentspirits.com)

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Lucy Saunders is the editor of beercook.com.. You can reach her at lucysaunders.cs.com.

#### EVENTS

- Whiskies of the World Expo. On Saturday March 16, 2002 at the Hotel Nikko, in San Francisco, Calif. you will find 300 of the worlds finest single malts, boutique bourbons and specialty spirits. For more information go to www.cellicmalts.com.
- Whisky Fest. April 17, 2002 at The Hyatt Regency in Chicago. Sample more than 200 of the finest and rarest whiskies, single malts, scotch, Irish bourbon, Tennessee and Canadian whiskies. Information at www.maltadvocate.com.

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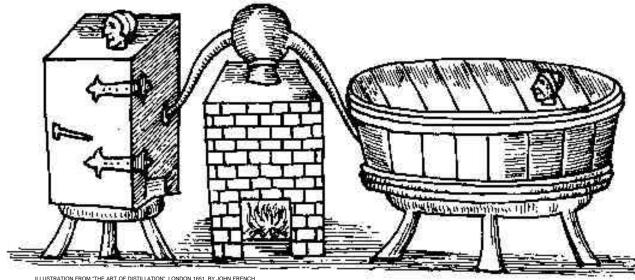


ILLUSTRATION FROM "THE ART OF DISTILLATION", LONDON 1651, BY JOHN FRENCH