

Chicago's New Source of High-End Spirits

After navigating a legal tangle, the Kassebaums' microdistillery is forging ahead, and its vodkas and gins are earning rave reviews. Next up: whiskeys

by Jeff Borden

Chicago's Derek and Sonja Kassebaum were once a typical North Shore power couple. A chemical engineer with an MBA, Derek was a business consultant, while Sonja, a tax lawyer, worked in human resources at eLoyalty ([ELOY](#)), a management consultancy. Both enjoyed their work but never felt passionate about it. Then, a few years ago, they read about a couple like themselves who had quit their Wall Street jobs to make specialty spirits. Now there was a profession that spoke to them. "We'd played around with making beer and wine at home," Derek says. "There's a sense of satisfaction in seeing something we made on the shelf."

LEGAL THICKETS

Today the Kassebaums—Derek, 38, and Sonja, 36—are producing small batches of high-end gin and vodka from their own company, North Shore Distillery. And their liquors, available in more than 250 bars, restaurants, and stores in Illinois and Indiana, are earning good reviews, including from Eric Asimov of *The New York Times*, who purred about their products in one of his recent "Pour" columns. And Michael Wales, chef and co-owner of Holly's American Bistro in Lake Bluff, Ill., and an early customer, observes: "If you blind-taste [North Shore brands] against the Grey Gooses or the Ketel Ones of the world, they match up very, very well. Plus [the company] is local, and there's a great story behind it."

As the Kassebaums found out, it may be easier to make high-quality booze than to get permission to distill it. Early in 2005 the husband-and-wife team dug into their bank accounts for \$100,000 for a 60-gallon, two-ton still, which was handcrafted in Germany, plus a further \$200,000 for other startup expenses. But a thicket of federal, state, and local laws—some dating from Prohibition—dictated everything from where they could install their still to how they could distribute their product. Nine months passed before they could legally fill the first imported glass bottle with their custom gin.

"LIKE BEING A CHEF"

The bureaucratic boogie was worth it. The Gurnee (Ill.) couple and others in the business believe small-batch liquors may become the next craft beers, which emerged from microbreweries in the 1980s and are now a substantial part of the national market. "Everyone knew the big brands, but people slowly discovered that these small breweries were producing some great products," says Guy Rehorst, founder of Great Lakes Distillery in Milwaukee. "It took a while, but it happened."

North Shore's distilling begins inside a 5,000-square-foot building outside Lake Bluff with the delivery of 190-proof alcohol purchased from an industrial supplier. Derek then halves the alcohol content while adding flavors from such exotic ingredients as juniper berries from Belgium, cinnamon from Sri Lanka, lavender blossoms from France, angelina root from Canada, and cardamom seeds from Guatemala, depending on what liquor is being made. Says Derek: "It's almost like being a chef."

Generally, it takes about a week to create each batch. To glue the labels on the bottles, a stay-at-home mother and a grandmother were hired. Sonja hosts tastings at local retailers every Friday and Saturday. North Shore's brands—Distiller's Gin No. 6, North Shore Vodka, and Tahitian Vanilla Vodka—sell for \$23 to \$35 per bottle.

Although they don't expect their startup to turn a profit for three or four years, the Kassebaums are already planning to branch into whiskeys, a move that will require investors because these products must be aged for years before they can be sold. "We're not trying to be a big player," Sonja explains. "We just want to be a strong regional brand known for high-quality spirits."

Jeff Borden is a Chicago-based writer and frequent contributor to BW Chicago.

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