

Testing market for flavored gin

By Eric Ferkenhoff
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With flavored vodkas now all the rage, one local distillery is betting there's a thirst out there for flavored gin.

North Shore Distillery LLC in Lake Bluff has rolled out two flavored gins, one infused with medjool dates, another with Ceylon black tea. The distillery's husband-and-wife owners, Sonja and Derek Kassebaum, say they're making just 200 bottles of the gins right now to test demand.

But if sales are good — though the Kassebaums won't discuss revenue — more may follow.

The decision will be almost entirely up to the Kassebaums, since the couple constitutes North Shore Distillery's entire two-person payroll. They launched the distillery in November, and since then have experimented with other flavors such as beets, blueberries and even garlic. The date- and tea-flavored gins are selling for \$31 and \$35, respectively, at outlets including Chicago-based Sam's Wine & Spirits Inc.

The Kassebaums, who distill their homemade gins and vodkas themselves at their 5,000-square-foot distillery, concede they don't have much experience in the business; Mr. Kassebaum is an engineer, Ms. Kassebaum an attorney. But they've snagged shelf space for their flavored and regular gins and vodkas at well-known local retailers such as Sam's and Chicago-based Binny's Beverage Depot. And Ms. Kassebaum says sales have grown steadily every month.

They're hoping recent interest in "artisanal" liquor and beer will fuel interest in their handcrafted products.

"This is hard work, but we have a passion for it," Ms. Kassebaum says.

FAST-GROWING CATEGORY

U.S. retailers rang up an estimated \$5 billion in sales of flavored liquors last year, according to David Ozgo, an economist with the Distilled Spirits Council of the United States, a Washington, D.C.-based trade group. General liquor sales in 2005 totaled roughly \$45 billion to \$50 billion, Mr. Ozgo estimates.

Flavored vodka is one of the fastest-growing categories in the spirits industry, according to the Distilled Spirits Council. And the Kassebaums aren't alone in thinking flavored gin could be the next



big thing. Seagram's, the No. 1 gin brand in the U.S., has rolled out orange-, ginseng- and cranberry-flavored gins over the past two years.

North Shore Distillery's experiments with flavored spirits are probably well-timed, says Paul Jenkins, executive director of Wine and Spirits Distributors of Illinois, a local trade group.

"Consumer interest in beverages right now is really focused on flavor," says Mr. Jenkins, pointing to Cherry Coke, blueberry-flavored microbrewery beers, wines blended with fruit juices, peach- and cherry-flavored whiskeys, spiced rums and major-brand vodkas infused with everything from lemon to vanilla. The trend "cuts across all beverage segments."

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