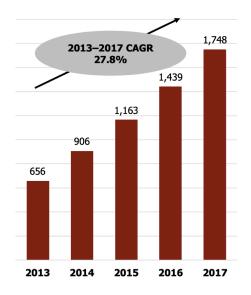


Winning in the Early Stages of Craft Spirits

While many beverage brands will succeed or fail within their first two years, whiskey will be slowly aging in barrels. To have success in craft spirits, a now nearly four-billion-dollar industry, it is worth the wait. For up and coming Longtucky™ Spirits, the solution for this waiting game is to perfect the tasting room experience by creating a memorable environment and delicious, bright cocktails.

Craft Spirits Industry Snapshot



Last year, the number of active craft distillers in the US grew by 15.5%, reaching a market of \$3.7 billion in sales and growing at an annual rate of 29.9%ⁱ.

The now more than 1800 active distilleries are materializing to what is said to become a \$20 billion industry by 2023ⁱⁱ.

Many retailers and wholesalers see the potential for craft spirits to perform in line or better than craft beerⁱ.

In 2017, investment by the US craft spirits industry increased by \$190 million reaching over \$590 million in totalⁱ.





Community Crafted Tasting Room

"We are primarily a bourbon and rye distillery," explains John Young, Co-Founder of Longtucky Spirits. "While it's very exciting, our product is going straight into barrels and will be two years in the making. That's why we put so much emphasis on our bar area where we showcase some of the other spirits we make here at Longtucky."

For a small craft distillery, focusing on the tasting room is a smart move considering that it will account for an average of 40% of all salesⁱⁱⁱ. Longtucky^m is raising the bar thanks to their prime location, in the heart of Boulder County, and their trendy tasting room.

Getting the most out of a tasting room means creating a memorable environment; Longtucky's hand-welded copper countertops along with cocktails made with muddled herbs and fresh fruit to accent their vodka, gin, corn whiskey, and rum do just that.

Longtucky knows that early stage success will rely heavily on their unaged spirits. Therefore, the experience of the tasting room, quality of the cocktails, and overall presentation are essential.

Cocktail Artistry

One major point of differentiation for Longtucky Spirits is their formulation of inhouse mixers. Their staple, a house made ginger ale that is always on tap using real organic ginger. Fresh botanicals like mint, orange rind, and even complex flavors like lavender or turmeric bring out the best of many of Longtucky's spirits. Beyond flavor, these colors bring out an opportunity to engage more senses than just taste.



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Longtucky's flavors are on point as well. Google's Beverage Trends Report shows demand for ginger beverages is growing strongly at a 32% year over year growth rate, and other earthy flavors such as turmeric are top of mind for consumers searching beverages across the different markets^{iv}.



In 2018, food and beverages must be as photo-worthy as they are delicious – according to Mintel^v. When connecting with today's consumers, "memorable experiences" are shared on social media. Therefore, along with flavor, beverage formulators should consider bright, vibrant colors to stimulate the consumer.

"When we make a cocktail with our spirits, that we put so much time and effort into, they become our signature," says Young. "It is your first impression, and it might be your last. Having a quality product and presentation is essential to our growth, and that's what we demand when we are finding our ingredients."

Pouring into PurGinger®

Art takes many forms; for Longtucky the canvas is ginger. "Craft breweries and even distilleries are beginning to use the freshest ingredients and latest techniques to create cutting-edge, and deliciously consistent products," Young emphasizes. "Our ginger ale is the base to many of our cocktails, so pure flavor and consistency are crucial."

Consistency is equally important when sourcing. Longmont, Colorado is historically a vibrant farming community where Longtucky can source its grains from just miles down the road to make their Colorado whiskey. However, ginger is a seasonal tropical root that is much more difficult to source with reliability.





Coincidentally, Longtucky shares a building with ingredient manufacturer Applied Food Sciences (AFS). The partnership became fruitful for Longtucky thanks to PurGinger, an organic ginger extract made by AFS. PurGinger is a popular ingredient due to its high levels of solubility and standardized active gingerol content. From functional beverages, like kombucha, to even craft beer, PurGinger is an easy way for manufacturers to scale production and provide consistent flavor in beverage applications.

"I was excited to work with PurGinger," states Young. "What appealed to us was ease of use. It was taking us 3, maybe even 4, hours to develop our ginger ale, grating ginger by hand to make our syrup. We struggled with any intention on scaling because that just wasn't realistic. Working with PurGinger enables us to create a ginger concentrate without having to drain our staff. It is such a fresh flavor, and everything you want in ginger compressed into a shelf-stable, dry extract."

To learn more about Longtucky[™] Spirits and PurGinger® visit appliedfoods.com/Longtucky – Watch the Video: https://youtu.be/5S_C8sPg8S0

ⁱ The Craft Spirits Data Project - 2018 (https://americancraftspirits.org/news/craft-spirits-data-project)

v Picture Perfect Mintel - 2018 (http://www.mintel.com/blog/food-market-news/picture-perfect-10-instagram-friendly-food-and-drink-innovations?utm_campaign=10076615_Mintel%20newsletter%20-%20Global-%2029.11.2018&utm_medium=email&utm_source=dotm&dm_i=2174,5ZZ5Z,TD6BY0,NIDSF,1)



ii Research and Markets Data - 2018 (https://www.arizton.com/market-reports/us-craft-spirits-market-size-share)

iii The Craft Spirits Data Project - 2018 (https://americancraftspirits.org/news/craft-spirits-data-project)

^{iv} Google Beverage trends - 2017 (https://www.thinkwithgoogle.com/consumer-insights/2017-beverage-industry-consumer-habits/)