

A whole new world

There's growing interest in the innovation of New World whisky – Victoria Wells looks at how New Zealand is making its mark in the category...

IT'S A spirit steeped in history and legend, and it's also one of the most exciting and dynamic categories in the drinks industry today: whisky.

From Scotland's distinct spirit, to the distilleries of Ireland, the USA, Canada, and Japan, whisky-making is increasingly found in more and more countries, including Bolivia, Australia, Mexico, South Africa, Thailand, Finland, and of course, New Zealand.

These more recent additions are known as 'New World whiskies' and are generally defined as: whisky not made in Scotland, Ireland, the USA, Canada or Japan; or a whisky in a style not traditionally associated with the country in which it is made (i.e. a whisky made in one of the aforementioned countries but using experimentation with raw materials and processes to create new flavours and non-traditional styles).

Several of these international New World whiskies are familiar names already, like India's Amrut and Indri, Australia's Starward and Taiwan's Kavalan, which have all become regular international award-winners and fixtures in bars around the world.

In 2020, Diageo-backed spirits accelerator Distill Ventures identified 36 countries producing New World whiskies. That list has grown further and the category expands even more when new styles made in the five 'traditional' countries are included.

IWSR reported in mid-2023 that the global spirits category had grown +5% in volume 2021-2022 and noted that whisky



Matt Johns and cooper Mike Tawse at Pōkeno Whisky

was a particular influence (+8% volume growth, 2021-2022)¹.

It tipped premiumisation in whisky as a key growth driver for the overall spirits category going forward: forecasting the premium+ whisky segment to grow by +4% volume CAGR, 2022-2027².

And that's good news for New Zealand distillers eyeing the premium end of the market as they seek to establish a unique footprint for whisky made here.

From Aotearoa to the world

New Zealand's whisky industry has grown significantly in recent years, with around 12 distilleries producing the spirit currently and several brands making serious investments at home and big inroads overseas.

Scapegrace Distilling Co. is soon to open its new multi-million-dollar distillery in Central Otago, New Zealand's largest distillery project to date. Its single malts are already distributed throughout Asia Pacific, Europe, UK, and the USA, and earlier this year announced it had secured a distribution deal with premium UK supermarket chain Waitrose that includes its Scapegrace Single Malt 'DIMENSION VIII' whisky.

In January, Thomson Whisky was named 'Rising Star' by The Whisky Exchange UK, the world's largest online whisky retailer. Cardrona Distillery is on a path to further expansion following its purchase by global company International Beverage, and Reefton Distilling Co. on the West Coast is set to release its first single malt whisky in 2025 (it was laid down in 2022 when its new distillery opened) and has appointed Scotch Whisky expert Gareth Morgan as its new Distillery Manager.

One of the fastest-growing new players on the scene is Pōkeno Whisky, opened by Matt and Celine Johns. With its owners' impressive background in distilling overseas, a purpose-built distillery in the Waikato, and boasting New Zealand's only working cooperage, Pōkeno Whisky has already built a reputation for quality spirits. Founded in 2017, they released their first range of single malts in mid-2022 and exported 40,000 bottles in their first year. Pōkeno Whisky is now in 25 international markets, with the largest being France, the US, Taiwan, China, and Australia. They are already winning international awards, and also released the world's first whisky aged in a totara barrel.

A uniquely New Zealand expression

And that's where much of the excitement comes from. New World whiskies offer consumers a chance to try spirits that have been aged in different woods (often native to a country), using grain with a distinct terroir, and water from specific regions.

"People are excited about New World whisky because they're excited about whisky being made in places that are perhaps unfamiliar," says Tash McGill, Chair of the New Zealand Whisky Association (NZWA).

"They're excited about what that story looks like and tastes like in terms of production process. And we've got some great stories to tell here about our grain, which provides these beautiful high yield starches that convert into really lovely spirit. And then when we start to talk about our unique climates and the difference between Pōkeno and Cardrona, and then



what Thomson are doing out in West Auckland, even within a small geographical area we've got microclimates ageing and maturing whisky in different ways."

It's this uniquely New Zealand expression of whisky, and the quality of the product that bears a New Zealand whisky label that the NZWA wants to ensure is upheld. Tash McGill says it's about protecting a certain benchmark within the industry, as well as protecting consumer education around what is and isn't New Zealand whisky. "What we're saying is that we hold wood, we hold time, we hold the production methodology of spirit as three essentials – they can be played with, but certain benchmarks must be met."

The road ahead

The New Zealand Whisky Regulations were released in 2021 and (among other things) define what can constitute a New Zealand whisky, with set standards around

ingredients and production methods. They were developed in consultation with local whisky distillers and overseen by craft distilling industry body Distilled Spirits Aotearoa (DSA). They are binding for NZWA and DSA members.

As the industry body for whisky makers in New Zealand, McGill says the goal now is to get the regulations into law so they can better protect a premium category for New Zealand whisky and help to launch and expand the category overseas. Registering a Geographical Indication for New Zealand whisky (such as exists for Scotch) is also part of the plan.

She says this approach will also help the wider New Zealand spirits industry reach a certain benchmark of production and methodology across every category.

While initial investigations focused on the Food Standards Australia NZ

currently give consumers the reassurance or reliability that they know what they're drinking and that they know where it comes from.

"Getting these regulations into place should be going hand-in-hand with our efforts as an industry to increase the dedication to quality production and quality messaging – and quality consumer engagement should go hand-in-hand with a conversation about making sure that alcohol taxes are going to places that immediately make a difference towards better outcomes for consumers, whether they are consumers of alcohol or not."

Setting up for success

Tash McGill acknowledges it could be a long path ahead but says the fact our local distillers are increasingly in the international spotlight should help to move the

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– Tash McGill, Chair of the New Zealand Whisky Association

(FSANZ) code as a pathway, the cost and additional complexities meant it wasn't a viable option. Now, the NZWA plans to work directly with government, engaging the relevant Ministers and working with health promotion agencies and associated groups on proposed changes to existing alcohol legislation.

McGill says there's a need for a more integrated view of what the alcohol legislation system represents. "We can't talk about effective tax implications for how we apply alcohol taxes and HPA levies and all those things unless we actually address that our law does not

conversations with government forward while further cementing New Zealand whisky as its own distinct category on the global market.

"Our style may vary, but there is a consistency to the quality and to the methodology that says everything about what we make here, what we call New Zealand whisky, has been done with intentionality, accuracy and attention to detail to ensure that it's going to meet a certain standard," she says.

"We are making New Zealand whisky first and foremost, and that whisky sits in the category of 'New World', but we're making whisky that tells a story of this place and of our remarkable quality ingredients."

McGill compares New Zealand's progress already with that of Japan, whose whisky industry has taken more than a century to reach a sort of "handshake agreement" around production methods, with labelling standards defining Japanese whisky only released in 2021.

"They're a hundred years more established than us, but we are in the same place of trying to take the right steps to make sure that our whisky industry can have its own unique style and profile."

1, 2: 'Global Beverage Alcohol Market Volume Growth Slows to +1% Per Annum 2022-2027, Whilst Value Forecast to Grow By +2% YOY' – IWSR Press Release, June 2023

Scapegrace Distilling Co.'s new distillery under construction in Central Otago

