

# DON'T WORRY – KEEP BREWING ... AND DISTILLING

## Interview with BeerBev-CEO Joachim Gunkel

*Diversity, authenticity and individuality are key ingredients for craft brewing as well as for craft distilling. Distilling as a brewery is a logical progression, a next step in the creative process – thinks also Joachim Gunkel, CEO of BeerBev LLC. As the company's motto „Don't worry – keep brewing ... and distilling“ already says, BeerBev now expands its successful business towards craft spirits like whiskey, vodka or fruit brandy.*

*BREWING AND BEVERAGE INDUSTRY INTERNATIONAL talked with Joachim Gunkel about the new Distilling Competence Center and how BeerBev can support its customers in this new segment.*

### **BREWING AND BEVERAGE INDUSTRY INTERNATIONAL:**

*Mr. Gunkel, as we have heard, BeerBev expands its successful business to a new segment. Can you tell us more about the new segment and what have been the reasons for the expansion of your business to this segment?*

**Joachim Gunkel:** In recent years we have seen an increasing demand of the brewing and especially the craft brewing industry for distilling. Changes in consumer behavior to artisanal, diverse products and authentic brands have been key ingredients for the success of the craft brewing industry over the last decades and now also for the craft distilling industry. Distilling as a brewery is a logical progression, a next step in the creative process, as both



*Don't worry or „Our Experience – Your Benefit“ – the BeerBev-Team around CEO Joachim Gunkel radiates confidence. From left: Oliver Wesseloh, consultant; Dr.-Ing. Stefan Castritius, head of the Distilling Competence Center; Joachim Gunkel, CEO; Andreas Benischek, COO; with Peter Krämer and Wolfgang Burkart*

– craft brewing and craft distilling – are based on the same creative idea. Our vision for the new Distil-

ling Competence Center is to focus our knowledge in brewing and distilling and support our customer with individual solutions to participate on this steadily increasing, innovative field.

**BBII:** So the focus of your new segment is to connect a distillery to a brewery to make whiskey?

**Gunkel:** Distilling whiskey is only one aspect of the diversity and creativity of craft spirits we focus on, as the link between brewing beer and distilling whiskey is closer and more intrinsic: every whiskey starts with a beer. But this is not the end, gin, vodka, fruit brandy or flavored whiskey are further innovative spirits following similar production processes and based on the same idea.



*Tasting room with tap bar and view to the brewhouse and fermentation tanks on the left and to the copper still with receiver tanks on the right*

Our support refers not only to brewers who want to expand the success of their brewing business to distilling, but also to customers who want to start a distilling business from scratch, no matter if the customer plans to make whiskey, gin, liquor or vodka.

**BBII:** *If a brewery or a customer wants to start a distilling business, how exactly can BeerBev give support on this?*

**Gunkel:** Building up a distillery is not only installing a distillation plant and making a spirit like whiskey. It is the entire process, starting from mashing up to maturation which significantly influences the quality and uniqueness of the spirit. You will not make a good whiskey from a bad mash.

BeerBev provides individual solutions along the entire process chain from mashing and fermenting, distilling, blending and filtration, maturation and filling, to include all areas into the customer's progression. Considering the whole process into the project will ensure a flexible process and high quality production. According to this, we support our customer in all fields of the project: integrated factory planning, consulting, independent engineering, maintenance service and project execution.

**BBII:** *Do you expect that this craft distilling trend will have a similar impact on the market than craft beer had it in the past on the beer market? What benefits do you expect for a brewery expanding its business to distilling?*

**Gunkel:** The spirit industry in the US experiencing a steadily growth over the past years with revenues of \$16 billion in 2005 and already \$24 billion in 2015. Craft distilling is relatively small today but growing rapidly and is expected to reach a share of 8 percent in 2020 from now almost one percent.

At the moment the industry is growing on a trajectory similar to the craft beer movement in the 80s. A shift towards fuller-flavored, diverse products has been an important factor for the success of the craft beer and is now also a key aspect for the craft spirit. Distilling for breweries is about concentrating all the full, unique character of the beer into a smaller volume. Another degree of freedom in creativity.

With their fundamental knowledge in mashing and fermenting as well as their existing technology, the breweries almost went half of the way to make whiskey. Why not making a good whiskey out of a good, unique beer or create a new type of spirit? The time is almost perfect, people thirst for creative, artisanal spirits.

**BBII:** *Which services provides BeerBev its customers and which advantages result from your engineering and factory planning?*

**Gunkel:** The new service adopts the same approach as we have been following successfully at BeerBev for many years in our brewing business, starting with a feasibility study and the question of how much is the invest and the space requirement of a plant at different production performances for different types of spirits.

Our BeerBev Distilling Competence Center also offers an integrated, detailed factory planning resulting in a tender documentation and a holistic project management for the project execution. An integrated planning throughout all areas designed for a maximum of flexibility with optimized CAPEX and OPEX costs, so that our customers can focus on their core business, are the main advantages.

**BBII:** *Mr. Gunkel, thank you very much for the interview. (BU)* ☐



*Warehouse with wooden barrel and stoneware cask for spirit aging in the front and tasting room, copper still, blending tanks, fruit mash preparation and filling line in the back*