## **TEQUILA ALTERNATIVES FEATURE (text) for April 2001** <u>Issue</u>

## <u>By Robert Bradford</u>

What a difference a year can make. Take Tequila, for example. At the close of the Millenium, last year, the category was continuing to account for one of the most impressive success stories in the modern annals of the spirits industry. Total consumption in 1999 had risen yet another 14%, claiming some 5% of the entire American spirits marketplace. There was double-digit brand growth to be found at every hand, whether you were talking #1 Jose Cuervo (+11%), #2 Barton's Montezuma (+13.2%), or #3 Allied Domecq's Sauza brand family, with a truly impressive reported volume sales increase of +33%.

Other big winners, at the close of 1999, were St. Maarten Spirits' Patron (+24%), McCormick's Rio Grande and Pancho Villa (+24% & +13.8%), Canandaigua Brands' El Toro (+20%), Beam Brands' El Tesoro and Chinaco

(+29% & 14%), and most astonishing of all, Sazerac's Herradura with a whopping growth figure of +44.5%.

Everywhere, the numbers were up, up, and up. Indeed, there were only two tequila brands, well down the list of the top 25 US volume leaders, that failed to show positive advances. Marketing journals, such as the Adams Liquor Handbook, were trumpeting such praises as: "Although it's not the only major distilled spirits category showing growth, Tequila has certainly shown the most consistent over the last two decades."

Could there possibly be any bad weather gathering just below the horizon of such a bright and dynamic sunny summary?

Well, folks, as many of you know by now, some heavy storm clouds have suddenly arrived this past year in the form of gloom cast by a devastating fungus that has been decimating the very Mexican Blue Agave crops which tequila is exclusively made from. And, because these plants take an average eight-to-12 years to reach optimum size and maturity for harvesting, it is also becoming painfully apparent that any shortages of this essential resource are going to take a considerably long time to replace, ... once an effective cure for the disease is found, that is. Phylloxera, anyone?

Net result is that tequila supplies are drying up for many volume producers, product shortages in the market are becoming more frequent, and price increases for many brands have been climbing off the charts.

There is also talk that just maybe the Mexican government will be changing present laws that would permit a labelled tequila product to contain less agave distillate than the current 51% minimum requirement. Such changes, of course, could have a significant effect on the taste and quality of much of the standard tequilas that US drinkers presently consume. There is now also the emergence of "alternative" agave-based products being made from different types of agave plants and produced in other parts of Mexico than the officially-designated Blue Weber agave tequila states like Jalisco. And, ironically, this may be creating a whole new other-than-tequila agave product market extension within the Tequila category itself.

To help fathom the extent of these problems, and their current impact on our marketplace, I first turned to tequila-savvy spirits business executive, M.S. Walker's Vice President of Sales, Mike Brody, who has shared many astute category insights with me in the past. With one of the most ambitious portfolios of both volume-produced and small batch tequila brands in New England, it's safe to assume that few people are better qualified to assess the present state of affairs more perceptively than this veteran aficionado.

I also contacted Kevin Egan, the California-based entrepreneur President of a new agave distillate brand venture, Hacienda Sotol de Chihuahua, imported by his company VINOMEX USA. To my pleasant surprise, Sotol turns out to be a distinctive Reposado product of superpremium caliber that possesses a fascinating and complex floral, spicy, herbacious agave character that's quite unique and should definitely intrigue any tequila lover. The rest of the good news here is that it's made from a very small type of agave plant, unaffected by disease, that grows wild and in abundance in the deserts of the northern Mexican state of Chihuahua. It's also been revered by native Indians as a source of liquid spirit for at least 800 years, and one can easily understand why. Egan calls it "A Wild Spirit From Mexico" and urges anyone with an open mind to just "Taste the Magic." I did so and was impressed.

It's recently been introduced in the Massachusetts market, currently being distributed by Ruby Wines, Inc. For me, it proved a splendid, high quality, tequila-like discovery, superior to many premium examples of the real thing. It turns out Egan also is about to introduce a distillate derived from agaves that grow in Africa, and, apparently, already has more advance-sale orders than he knows what to do with. He expects to begin launching in major US markets in the next few months. He discusses the venture in detail, below. But my most startling surprise in all this "alternative agave" product research was my introduction to an extremely limited producer of what's being marketed as Del Maguey Single Village Mezcals. There are five of them, each having unique place of origin in mountain villages of the Mexican state of Oaxaca. They are all made from a diminutive agave species, the Espadin, that's indigenous to Oaxaca and grown at various mountain elevations. And, once again, the spirit they produce has an ancient heritage of renown in this part of Mexico.

For me, I found them magnificently smooth with a character, bouquet, exquisite smoky and spicy complexities, finesse, depth, and extraordinary long finishes that I can only associate with the finest of rich and rare old armagnacs. In fact, these may be even better. Lovers of great sipping single malt scotches will also be impressed. And with a price points in the \$60-\$70 range for a 750ml, these just could be one of the best deals in the entire spirits retail marketplace. The only problem may be finding them.

"This is Mezcal???" I kept asking myself incredulously as I tasted through the line-up from a tiny earthenware sipping vessel, resembling the base of a miniature flower pot, traditionally used by the native Oaxacan villagers. Totally unlike any of the harsher, fusel-charactered mezcals I've previously encountered, I readily admit that this was perhaps the most stunning and spectacular spirit discovery I have ever experienced. My interview with New Mexico native, Ron Cooper, the man who's currently introducing this line of remarkable products to select US markets, was no less of a revelation. He provided me an education about the quality and historic ethos of this badly misunderstood ancient spirit and the ultrapremium levels that true, natural, hand-crafted mezcals are capable of achieving. No worms included, by the way. Read on .....

Mike Brody, Vice President of Sales, M.S. Walker:

Robert Bradford: What impact has the recent scarcity of Mexico's Weber Blue Agave resources we keep hearing about been having on your tequila marketplace?

Mike Brody: Right now, there's no doubt Tequila's fortunes are definitely being threatened and hard hit by serious Blue Agave shortages. And the main effect we're seeing is all about product pricing which has been increasing more dramatically, this past year, than in any spirits

category I can ever remember. This is having some positive effects on other agave distillates like mezcal, for example, because the pricing on these alternative agave items has not shot up anywhere near as much, and their product prices have therefore become considerably more attractive.

We have long carried that traditional commercial mezcal with the worm in it, Barton's Monte Alban. And we also have David Sherman's Dos Gusanos with the two worms, and now Dos Tiranos that has three worms. You hear a lot of things about mezcals and worms, and it's all part of the mezcal marketing mystique in the US. I've heard that the idea of putting them in, originally, was to eat impurities. Anyway, it's given mezcal a very macho image.

But there have been several other recent tequila-related products appearing, as well, at the lower end of the category. These are basically products with larger amounts of grain neutral spirits that can't officially call themselves tequilas. For example, there's David Sherman's Juarez Gold which we carry. And Heaven Hill has done it with Cactus Jack. What they've created is something like blended whiskey. And, being very frank, it's a big difference from your standard or super premium 100% Blue Agave tequila product quality.

To be labelled as a tequila, any product has to have at least 51% agave content. But these blend products may contain maybe only 30%, sometimes even a lot less, with the other 70% being something like a basic vodka. That's why it can't be called a Juarez Gold or a Cactus Jack tequila. What they're doing is stretching the tequila flavor and giving it a neutral grain spirits alcohol boost. You're ending up with a decent, but very basic tequila-tasting product they can use in all of the Mexican restaurants and situations where someone wants an inexpensive tequila alternative almost certainly geared to the margarita market. But is it really a tequila? Definitely not.

RB: Any idea about the causes behind this agave shortage?

MB: Various producers tell me it's because of some kind of disease, a fungus that's been attacking agave plant root systems and has been spread by the knives used to cut them. It's become very acute. The shortages are enormous. Part of the problem stems from the fact that a number of major tequila producers have never actually owned agave fields. Agave was always purchased on the open market which was an easier and cheaper way to buy. And they would also buy bulk tequilas and then bottle them in whatever way they chose. But, today, this has all dried up and, suddenly, no

matter how much money you're willing to spend, you just can't find enough tequila agave to supply your brand's market demands. It's a real bind.

It's gotten to a point where I'm seeing what I've never seen before with tequilas. At the beginning of this year, I've been watching regular tequila prices just going through the roof. Consumers, right now, are paying \$5, \$6, \$7 more for a single 750ml this year than they paid last year for the same product. It's just crazy.

There are some of our brands like Jim Beam's Chinaco and El Tesoro whose prices have remained relatively stable, so far, because they've already been established in the super-premium category. Their sales have been increasing. Same thing with Todhunter's great Porfidio tequilas, although they've had problems with supply. But when you get this level of product, it's selling better this year than last year. We get about 25-30 bottles a year of the Porfidio Tall Cactus bottle that retails around \$600 for a 750. It's sold out long before it ever arrives

But what's typically been happening in this market this past year is that a lot of product was bought, not yet consumed or sold, as a kind of stockpile. Buyers were starting to hoard it because prices were escalating so rapidly. Retailers and restaurateurs were putting extra cases in their cellars and basements. Consumers were buying extra bottles. This actually created more of a shortage. As you know, in this business, sales numbers can sometimes be misleading. And the plain facts are that, last year, if you were in our end of the business, you didn't really know if you were selling what you were selling because of all this stockpiling.

Actually, the truly high-end tequilas are selling as well, if not better, than last year. But the middle-of-the-road Cuervos and Sauzas of the world have had a tough time. Just realize it's a lot harder to go up several dollars on a \$10 or \$12 750ml bottle than to add two or three dollars to a \$30 bottle. Percentage-wise it's a much greater increase.

Just as an example, take Sauza Gold. Two years ago we were selling 750s to retailers as low as \$7.99-\$8.99. Now, the same product is \$11.99. And I have to tell you, once the retailer adds his own mark-up on this, it's just a dramatic difference to the consumer.

Now, keep in mind that the younger consumer today is an experimenter. He moves. And if he finds that a tequila might be a little bit expensive, or he's not into margaritas because it's wintertime, away he goes into other items like super-premium vodkas. So, this is what the mainstream tequila market is contending with right now.

RB: Two years ago, you were telling me about your commitment to

small batch product philosophy, in general, and the tequila market, in particular. Has your thinking changed because of present circumstances?

MB: No, it's actually been reinforced. Like I said, the upper-end, lowervolume niches of tequila continue doing well, for the most part. It's a different kind of limited connoisseur audience which continues to be an increasing and profitable segment of the industry. And if you look at the limited higher marques of the Sauza brand, like Three Gs, Galadron, and the Triada, these are almost like cognacs in the way they can be savored and sipped in snifters. That's how good they are. And when you get into something like the Porfidio Barrique Tall-Cactus bottle, you're looking at one of the finest spirits in the world. Undoubtedly, it's the most exceptional tequila I've ever had. But, as I said, this is a very rare \$600-retail luxury product that's hardly going to drive the category. These connoisseur levels are always going to be very limited market items, comparatively

A major marketing challenge is getting younger consumers in the general market to begin moving into the entry levels of these higher quality, smaller market tequilas. I mean, here's Sauza trying to trade-up their consumer from the basic Gold level with better quality, 100% agave product stepping-stones like Hornitos and Commemorativo, and they just can't get enough. So what does this do to the whole brand-growing strategy? Here you are trying to move people up into the good stuff, but then you can't supply it. And the other thing is that if you've already started to move a consumer into the higher marques, he's not about to go back. He's an experimenter. He's going to be looking elsewhere into other brands and categories, other tastes.

But, once again, it really all comes back to price-positioning. You're typical regular customer is going to be buying his \$12-\$15 bottle maybe once a week, but he's only going to be getting a \$40, \$50, \$60 bottle every month or two, if that. This is his savoring special tequila, and he's sure not going to be spending that kind of money on something just to mix up his margaritas and everything else.

All I can say is that, as of now, tequila prices have gone up on the general, middle-of-the-road volume levels, to the point where consumers are seeing \$4, \$5 and \$6 bottle increases on their standard product just in the space of one year. It's extraordinary, far more dramatic, even, than when 1.75s of scotch suddenly went up from \$10.99 to maybe \$13.99 at the beginning of the '90s, for example. In the past year, I've been getting price increases about every four weeks. Every month, here's a new price. Every time I re-purchased tequila there were new prices. And this is

unprecedented for anything I've ever seen in this business. Obviously, this has been having some very adverse effects and created a whole lot of consumer resistance.

If there's an end in sight, and there are indications it's already started to turn around, I think that all this will be slowing down demand to the point where supply and prices come back into some kind of balance and stability. The consumer who still wants tequila will buy at the higher pricepoints for the standards or turn to the more expensive higher marque brands which are really better deals. And the market will be opening up more for these blended tequila-vodka products, and, also, there may be greater opportunities for other non-tequila agave distillate products like the mezcals. I mean, if you're making margaritas, quite truthfully, you're not going to tell much of a difference, anyway. So, why spend any more than you have to?

Kevin Egan/ President of VINOMEX USA/ Sotol Hacienda De Chihuahua:

Robert Bradford: I've heard that there are something like 25 or 30 variations of local agave-distilled spirits, produced from different types of agave plants in different regions of Mexico. Tequila is, of course, the product everyone knows. But, except for mezcals, the others are virtually unknown north of the Border. So, how does your Sotol Hacienda fit into the picture?

Kevin Egan: Sotol has now become a very popular agave distillate in Mexico and has always been the regional agave spirit in the state of Chihauhau. It has many similarities to tequila, and you can use it in the same kinds of drinks like margaritas and pulomas. But it has a more herbal complexity that's distinctively all it's own and very good for savoring in a snifter by itself.

As with tequila, there are strict rules that apply to producing it. It has to be entirely natural with no foreign materials added. No sugars are used to speed up distillation or any of that kind of thing. No additional flavoring can be introduced. The particular agave it comes from is a variety called the agavacea. It grows wild, almost like a weed, in the Chihuahuan desert. Incidentally, from the outset, we've been keenly interested in protecting and nurturing the natural environment of this resource, so part of our harvesting plan includes putting two plants back in for every plant we take out. The pinas of this agave type are much smaller than the Weber Blue agave pinas of the Tequila region. Normally, one pina for Sotol fills one 750ml bottle, whereas, many of the pinas for tequila weigh over 100 lbs. and will produce a 9-liter case of 750s. This means that Sotol is more expensive to make. Also, the accessibility to our harvesting areas is much more remote and difficult than tequila agave field harvests. The desert terrain is very rough. We have to do everything with jeeps, donkeys, and pack horses. The jimadores (field workers) go out for a week or two at a time and have to supply their own food and water. It's a very expensive and labor-intensive process from start to finish.

RB: How would you compare the taste and quality to a tequila?

KE: The distilling process, itself, is similar to tequila's, and we age the product in wood for up to a year, which is about the same wood-aging that's used for a Reposado tequila. Critics tell us Sotol has similar qualities to the better 100% Blue Agave Reposados and Anejos, and possesses a notable smoothness. The wood age gives it touches of oaky vanilla. We consider it another step up from a premium tequila level, and our customers regard it the same way. So, we're considered in the ballpark with quality tequila products like, say, Chinaco, Herradura, Don Julio, Patron, and so on.

But, again, there are differences, just as you have with wines from different regional vineyards and different varietal grapes, or the very distinctive individualities and regional variations you get with single malt scotches. Tequilas, themselves, have a fairly broad variance among themselves in terms of flavors, smoothness, and styles. We fit into that spectrum, but have the kind of difference you'd find between a Highland Malt and an Islay or Orkney scotch product. Sotol's taste has a bit more of the herbal agave character in it. And this is a big plus for knowledgable consumers. People love it. Look at all the excitement today about botanical herbal complexities in high premium gins. We're right in line with all that.

Part of the agave appeal in Sotol is that these plants grow in extremely harsh desert conditions. This gives them exceptional intensity and character. It's like grapes that are stressed by harsh, dry-farming vineyard conditions in different parts of the world. The yields may not be large, but the wines produced are exceptionally rich and concentrated. Similarly, with Sotol, the rich agave notes really come through.

RB: Sotol's heritage apparently goes back over many centuries among local Indian tribes. But one might wonder why it hasn't surfaced in the US

before now. Where has it been hiding?

KE: Well, it's never been a secret in Mexico. It's been the official regional drink of the state of Chihuahua for hundreds of years and is now very popular south of the Border, more generally. But most of the product down there was being homemade by small Indian distilleries. And the only commercial ventures were making small amounts for regional consumption. Today, ours is the only sotol that's distributed throughout Mexico. Chihuahuans just never had the marketing expertise that existed in the Tequila region, where the industry developed fast, went throughout the country, and then rapidly expanded internationally. In Chihuahua, there simply wasn't any real interest in making it a commercial product. It's only in the last 10 years that it's become well-established.

RB: Is the present shortage of Blue Agave for tequila a big reason for Sotol's emergence, right now?

KE: There are a number of factors. Certainly the Blue Agave crisis has given spirits producers in Mexico the opportunity and motivation to become more aggressive with other-than-tequila products. But I can't really say this was the driving force behind getting Sotol up and running. This was due more to the initiative of one of the heads of a leading family in Chihuahua who felt that their regional product was every bit as good, if not better, than a whole lot of tequilas, and that it was high time to show it off. It had a lot to do with regional pride.

Add to this that there was a close friendship with a master distiller, named Jose Daumas, who was interested in refining the product, upgrading the production process, and giving it an international reputation. He had been a distiller for Martell Cognac in France and had also worked for Moet Chandon. He is also a certified enologist and a graduate of the Ecole Nationale Superieure Agronomique of France. So, he had an incredible background of expertise to bring to this project.

There's one other commercial Sotol distillery operating in Chihuahua right now, which is strictly limited to regional distribution with a production of under 1,000 cases. We're the only operation with national distribution in both Mexico and the export market. We first brought our product into the US in October with a container of about 2,000 cases, and we only just started to market it a couple of months ago in January. Everything's now been sold and another container is on its way.

One of the challenges any alternative agave product has to address is

overcoming a bit of skepticism you encounter here and there among distributors who are basically still stuck in a tequila mind-set. They either haven't made any moves out into a broader agave category, or, if they have, they weren't particularly successful with it. To date, these kinds of products just haven't spent any kind of money marketing themselves. We intend to market very aggressively with consumer and trade advertising, a public relations agency, incentive programs for distributors, on- and off-premise promotional programs. All we need is getting as many people as possible to know about us, and then be willing to taste us, and we'll get lots of converts.

RB: You already have an extremely handsome, upscale decanter shaped bottle which, at a glance, looks something like a Herradura tequila bottle. In fact, there's even a bulls-eye "H" right in the center of the front label.

KE: Any similarity is unintentional, I assure you. But this package, created by Curtis Design, has recently won a prestigious international award. In the 5th Annual Beverage Packaging Global Design awards competition, in 1999,

our bottle was selected Best of Show over 1,200 other products. Every bottle is hand-blown glass. The stopper is cork with a wood finish, a bit like a Patron or Don Julio 750. Then, it's wrapped with strips of cow-hide and has a thoroughly super-premium image.

Our price-positioning across the US is around \$39.95, which is both an attractive and realistic price level for something of the quality that's inside the bottle. It very competitive with other Reposado and Anejo superpremium tequilas that are out there. But we're not going to follow them in terms of their on-going price increases based on all these agave shortages.

RB: Maybe it's too soon to tell, but what kind of marketing strategies and volume objectives look good to you?

KE: We're projecting 5000 12-pack cases of our Reposado to be sold in the US in calendar year 2001. Right now, we're in 18 markets, nationally, and we plan to roll out in seven more markets before the end of the year. The biggest tequila markets like California and Texas will be getting a lot of our initial attention. In fact, the California distributor, Southern Wine & Spirits, has placed their third order after just a two-month roll-out, which I'm ecstatic about, obviously.

They're just doing a fantastic job both on- and off-premise, and have

already got us into two small Mexican restaurant chains. Other of our major target markets are in Arizona, Nevada, Florida, Georgia, Illinois, and the New Jersey-New York-Massachusetts Northeast state complex up your way. Incidentally, do you Massachusetts guys really like to drink up there! You just have tremendous consumption figures on the products from Mexico, starting with Kahlua. I have high hopes for Sotol up your way.

In the next few months, we'll be introducing an Anejo level, aged for two years in new French oak, retailing around \$49.95 We remain very close to tequila standards for these age labelings, by the way. We particularly emphasize the wild, natural attributes of our agaves in our marketing and labeling package, talking about a "Wild Spirit From Mexico." "Taste The Magic" is the product theme because of the long history of Sotol among the local Indians who used it in rituals and religious ceremonies. They believed it had magical qualities. We relate this to our own belief it has a magical taste. Another kind of magic, of course, relates to the severe environmental conditions it comes from. I mean, it's almost a miracle the agave plants can survive and end up giving us such a smooth, flavorful product.

RB: What does your future supply picture look like?

KE: The entire process, from harvesting to bottling, takes place right here at the Chihauhau Sotol estate location. And as far as future supply resources go, we're in tremendous shape. No agave shortages here. The distiller controls over a million acres of this desert agave habitat, and our distillery is set up for high volume production as demands escalate. The truth is, our main hope is that we can exhaust the capacity of the distillery. So, limiting factors will never be supplies of distilled product or availablity of agave plants, but, rather, the difficulty of harvesting the sufficient amount of agave. It just means a lot more labor. But there's a plentiful work force in the region, and, of course, local economy is very excited about the whole thing.

RB: Any other schemes up your sleeve?

KE: Yes, a couple. In an attempt to establish a real category niche for Sotol in the marketplace, we'll soon be bringing out a lower-priced product that will address the standard, mid-level tequila consumer. And, by this summer, we may have a pecan-flavored product, as well, which will be either a flavored Sotol or a pecan liqueur that uses a Sotol base.

The Hacienda that's part of our Sotol estate actually has a great many

pecan trees. The quality of these pecans has long been famous, and the nuts are sold as separate marketing items. And it just so happens that Sotol, combined with a pecan flavor, is a sensational combination. So, putting out a product like this is a natural. We tested it out at the WSWA convention last year and got a tremendous response.

One other venture I'm involved with is an African-grown agave alternative, distilled in an area called Desolation Valley in the country of Namibia. The idea is to produce a blend product that will be 51% agave, 49% neutral spirits. And it can also be brought in as a 100% agave spirit. It's going be called Flore d'Agave. Eventually, it may come in as a Reposado in an upscale bottle. But, right now, the pricing will be considerably under the current price point of well tequilas. The quality will be equivalent to a Cuervo or Sauza Gold, but the pricing will be about what something like Giro used to sell for, about \$18.99 for a 1.75.

This is being marketed, quite obviously, for establishments that are big margarita makers, the big chains, who are struggling to try to maintain affordable price points on their bar drinks while tequila costs keep on rising. The volume sales potential for this kind of product is remarkable. There's no wood-aging on it, and it doesn't make any claims to higher-end quality. But I intend to place this in as many wells as possible throughout the US. The need right now is enormous. We'll be starting to ship in April.

RB: What does all this tell you?

KE: Here's where I feel it's at, right now. All kinds of people have developed a huge demand for margaritas and acquired a taste for tequilas, more generally. We're not just talking about US consumers, but the whole world out there. Margaritas today have become one of the world-renowned cocktails. And, with the demand for the base product, which is tequila or an agave equivalent, continuing to grow and grow, and with tequila agave shortages continuing to be a major problem, any decent quality alternative products that look like, smell like, and taste like tequila are going to have a heyday. The opportunities are going to continue to expand and increase exponentially.

I mean, at this moment, on our African product, two months before it even starts to arrive, I have tentative commitments on 300,000 cases. And I have a standing order for 40,000 gallons of bulk product where all a buyer wants to do is taste it. And if it tastes like a tequila, it's a sale. This gives you the idea. We're looking at a simply phenominal new market for alternative tequila products. Ron Cooper, Manager/ Del Maguey Single Village Mezcal:

Robert Bradford: I am somewhat familiar with a few commerciallyproduced agave-based mezcals in the marketplace, with the worms in the bottle and all that, but apparently this has nothing to do with the kind of product quality we're talking about here. What exactly are these single village mezcals?

Ron Cooper: First of all, they are 80-proof, super-premium, 100% maguey products, native to Mexico's state of Oaxaca, and produced in the original, 400-year-old, organic hand-crafted way, using technology that has hardly changed since the 16th century. Each variety in the collection is named for the tiny remote village where it is produced. And each village's annual production is limited to exclusive quantities to preserve the handmade methods and quality.

Making pure mezcal like this is an art form which is revered by the peoples of the mountains of this magical region. Each of our single village mezcals is produced in a different micro-climate, varying in altitude from 6,500 to 8,500 feet. And, as with the great single malts of Scotland, the unique flavor profiles of each of these mezcal varieties are created by the environmental differences of soil conditions, water, ambient temperatures, natural yeasts, and the hand of the maker.

This is about as uncommercial as you can get in the spirits business. Forget about worms in the bottle or any other marketing gimmicks. The only ingredients in our mezcals are the heart of the roasted maguey and water. There are no chemicals, colorings or additives of any kind used in any stage of the production.

Maguey, incidentally, is the Mexican word for agave, and we use a very small maguey variety called Espadin (meaning "sword" because of the shape of its spines), as opposed to the Azul (or blue agave) used by premium tequilas. The mature maguey is harvested at it's peak after 8 or 10 years of growth. The spines are cut off and the hearts are then roasted over hot stones in a pit in the ground for three days. This is quite a contrast to the fast-baking or steam-cooking processing used for mass-produced tequilas or mezcals.

The roasted maguey hearts are then ground to a mash by a horsedrawn circular stone mill and put in a large oak vat with the addition of about 10% water for the fermentation. The mash ferments organically in its own yeasts, please note, for 10-to-30 days, depending on the micro-climate. (Compare this to mass-produced mezcals and tequilas where nitrates are used to shorten fermentation to 1-3 days.) The ferment is then distilled twice, very slowly, in wood-fired copper or clay stills. The final result is an unblended 80-proof spirit that has not been watered or distilled down to a 40% alcohol level.

Most importantly, once again, nothing is ever added to our products at any time. They are totally natural and represent the true heritage "mother" of all mezcal and tequila. And, in fact, these are the only agave products in the world that are 100% produced in this old traditional, organic, hand-crafted way.

RB: Could you briefly provide a taste profile for this five-village product line-up?

RC: Chichicapa has a pueblo elevation of 7,000 ft. in a broad valley with a desert and tropical micro-climate. The mezcal produced here has a lively nose and complex taste with lots of citrus and a long, smooth finish, also overtones of chocolate and mint.

The San Luis Del Rio pueblo is situated at 8,000 ft. in an arid narrow valley where the Red Ant River flows. The mezcal from here has a spicy nose and a creamy, roasted fruit taste with a smoky smooth finish of great length.

The mountainous, cool location of Santa Domingo Albarradas is at 8,500 ft., and the mezcal here has a high, light nose, and a spicy taste with a bit of roasted pear. Once again, the finish has great length and smoothness, as do all these village mezcals.

Minero mezcal, produced at 6,500 ft., has a clean, floral nose and a fruity character with hints of vanilla and fig.

Finally, there's Tobala, made from wild mountain maguey at 8,200 feet, with a sweet fruity nose, a mango and cinnamon taste, and a particularly long, exceptionally smooth finish.

All these mezcals are like the souls of these villagers, you have to understand. And what's particularly gratifying about representing their products is witnessing the pride they feel to see their village name on these bottles. It's the first time these pueblos have ever received any kind of recognition.

RB: How are you marketing these rarities?

RC: I'm still in the initial stages of raising capital and getting out on the

road to introduce people to this stuff. I haven't been able to do many events, because, quite frankly, I can't afford it, yet. Realistically, ultimate production goals for these products are around 5,000 bottles a year, per village. But, to date, we've never sold more than 2,000 bottles, because of a lack of education in the marketplace.

So, trying to educate and introduce as many people as possible about true mezcal quality is my principal objective, right now. It's almost like missionary work, and, for me, it's a passion.

You know, I've been doing this project for six years now, and it's been quite an education for me. I had very little sophistication about the spirits industry, and I was working under the assumption that, when I first brought in these rare mezcals to the United States, there would be 12,800 hands reaching out for each of these bottles I had planned to produce.

Well, I was incredibly naive, obviously. This has not been the case. Instead, what's happened is that I've been involved in guerilla marketing and making progress little by little. It's a total hand-sell effort. But we're getting there. On a very limited basis, our products can now be found in select restaurants, bars, and premium bottle shop retailers in 22 states and the District of Columbia.

What we do really effectively is events with great chefs. They are our most fabulous supporters, and you'll find bottles of our products in a number of the finest restaurants around the U.S. And we do dinners where the food is both paired with and made with our mezcals. We also have had great success around the country with appearances at special events like film festivals, museum openings, and we're expanding on this kind of upscale exposure all the time as we get more capital infusion.

What has also helped tremendously has been rave recognitions from critics in competitions. For example, at the most prestigious San Francisco World Spirits Competition 2000, last September, organized by F. Paul Pacult and Anthony Dias Blue, the judges unanimously chose our Single Village Tobala for their highest Double Gold spirits award as being the world's best-tasting Mezcal. Significantly, this was tasted in the category of super-premium tequila anejos.

But getting out and educating people about what great mezcal really is all about is what's needed most. So many people are under this false impression that Mezcal is gasoline with a worm in it. And this is what we have to contend with. There's just an enormous amount of energy required to change these misconceptions.

RB: You remind me of American Brandy producer, Ansley Coale, Jr.,

whom I recently included in a Beverage Business category feature on domestic brandies just this past January. His Germain-Robin enterprise has remained tiny, yet, many critics consider his award-winning alembic cognac-quality products to be among the finest brandy achievements in the world.

RC: Interesting you should mention him, because it happens that there are three people in this business I feel spiritually allied with. One is Jacopo Poli who is making the world's finest Grappas, and who loves my mezcal. The other two are Ansley Coale and his master distiller partner, Hubert Germain-Robin, who have been tremendous mentors to me. In fact, Hubert has expressed a great interest in wanting to experiment French oak-aging some of my mezcals. He's fascinated with them. I consider this the highest of compliments.

I've started a non-profit foundation in Oaxaca, with a Mexican agronomist-banker, to support the agave production sector and cultural rescue of Mezcal. And, for a few years now, we've been doing a cultural week, devoted to Mezcal, where we invite industry experts down, conduct seminars and discussion panels, sharing experiences and expertise with these small village Indian producers.

Jacopo, Ansley, and Hubert are among the people who may be coming down soon. And this is very exciting. Because I believe we are all operating from the same level in our objectives, where quality instead of quantity is an end in itself.

Author's Byline Footnote:

Former LIFE Magazine Bureau Chief and Pulitzer Prize finalist, Bob Bradford, is an independent wine and spirits writer, critic, product reviewer, lecturer, educator, and travel photojournalist. He is a featured monthly contributor to this publication, teaches cultural seminars at Harvard University's Kennedy School of International Studies, and resides in Cambridge, MA.