

# Rum on the run



Premium aged rums are capturing the imagination of the trade and consumers alike and are beginning to rival cognac and single malt whisky's dominance amongst the connoisseur crowd writes **Samuel Spurr**.

The premium aged rum category continues to increase in popularity, capturing the attention of bartenders, retailers, and most importantly, end-consumers. The range of Australian and international rums on offer nation-wide is a cause for celebration, however differentiation in a crowded market-place remains but one challenge for brand managers.

## Diversity on offer

Wally Pack, general manager of Eden Bar and founding member of the Sydney Rum Club has seen gradual improvement in rum appreciation since the club's formation in 2005. Before the current variety of rum on offer was available, customers had few options and according to Pack, usually stuck with either whiskey or bourbon. As an unabashed rum fan he states that there is no other spirit with such diversity in flavour, and this is its unique selling point. "I've converted quite a few whiskey, bourbon and brandy drinkers, as well as serving a lot of the bar industry."

Lee Potter Cavanagh, bar manager at Sydney's The Victoria Room, sees the trend towards premium international brands continuing in 2011. "Many who have enjoyed inferior dark rums in the past are trading up to products with far superior taste while retaining their nostalgic spirit loyalty," says Cavanagh, who stocks a large spread of rums and features them regularly in The Victoria Room's cocktail list. He also notes that many who thought of premium scotch or cognac as the 'best' of spirits are noticing that some super premium rums out there are as good, if not better, than comparative spirits in the same price bracket. "As a result you can deliver far superior quality for less."

There may be much more diversity on offer, however James France, managing director of Vanguard Luxury Brands which supplies Nicaraguan

The rise of bars with dedicated rum-themed cocktail menus is testament to the spirit's growing popularity. Such bars provide consumers with unprecedented access to boutique brands that reach beyond home grown offerings and traditional big names from the Caribbean. In turn, off-premise trade is benefitting from on-premise venues and their growing interest in premium rum brands.



rum Flor de Caña, cautions that pouring rights secured by some distributors impacts consumer access to diversity. "Pouring rights benefits bar owners, but restricts consumer choice as a result." On the up side, he maintains that there are more opportunities for spiced rums which are still in their infancy here. "The new small bar culture in Sydney is also a great opportunity."

### History, tradition and story

Tony Lau, senior brand manager, with SouthTrade International acknowledges that over the past year there has been a flood of new premium rum brands as more and more consumers seek alternatives to shelf brands. Tony claims that a rum's history and tradition helps secure its identity, thus fulfilling an all important niche in the market. "Pussers is the only rum to bear the English Navy flag as part of its logo," says Lau. "The brand is placed as the original English Navy rum, thus Pussers has a strong following in the Navy and most of our brand activities are placed around the navy, seaman associations, and sailing in general.

Stuart Gilbert, master distiller and director of Holey Dollar Rum, is very excited about his brand since receiving repeated international acclaim. "Holey Dollar Rum's unique, distinctive flavours set it apart," Gilbert informs. "The challenge is to have Australians recognise and take ownership of a premium, Australian-owned, rum brand." Like Pussers, Holey Dollar Rum's distinct story differentiates it from other rums, while a few international awards don't hurt either. "It's very exciting to see Holey Dollar making a mark in Australia and abroad. Holey Dollar's quality has been recognised at the International Wine and Spirit Competition two years in a row, taking out some of the highest honours." Stuart is happy to report Holey Dollar picked

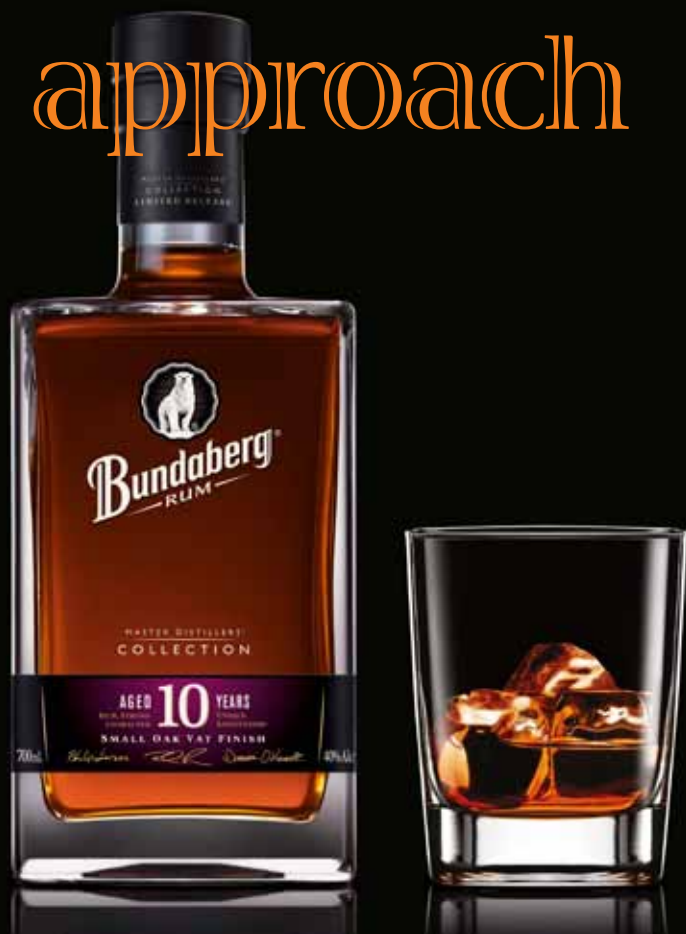
up more international accolades at the recent 2011 Rum Masters. His rum was awarded MASTER in the over-proof category for Gold Coin, GOLD in the premium category for Silver Coin, and MASTER in the Super Premium category for Black Coin.

Bundaberg Rum remains the category leader, representing 27.3 per cent of the dark rum category and 12.6 per cent value share of the total spirits category (Nielsen MAT November 2009). Also connecting with trade and consumers through 'story', Bundaberg's new logo features the faces of the rum's founding fathers Frederic Buss, A.P Barton, and F.L Nott, who rescued the Bundaberg Distillery from liquidation in 1894. This trademark complements full-strength bottles and a selection of RTDs featuring an image of Spring Hill House. Today, historic Spring Hill House is the distillery's visitor centre, but holds extra significance as it was originally home to pioneers of Bundaberg's sugar industry.

Staking a claim in the premium aged rum segment, Bundaberg Rum recently released Bundaberg 10 Year Old, a limited edition release rum that has spent a decade maturing in oak vats. Bundaberg's master distillers handpicked the very best Bundaberg rum stocks and set them aside for ageing. "The Bundaberg 10 Year Old Rum is the ultimate experience in fine aged rum infused with our special Bundaberg Rum character," says Bundaberg Rum's marketing manager Matt Bruhn. "We are confident lovers of Bundaberg Rum will be snapping this gem off the shelves."

Epitomising the link of 'history, tradition, and story' to consumer appeal is Sailor Jerry Spiced Rum, which was launched nation-wide in January. Sailor Jerry Spiced Rum, an iconic American lifestyle brand, began as a small clothing line in celebration of Norman 'Sailor Jerry' Collins, an old school all-American tattoo artist. "With consumers seeking more from their brand choices now, we're confident that the

# A masterful approach



**In response to growing consumer trend towards premiumisation, Diageo Australia reveals the latest edition to the Bundaberg Rum stable and the first in a new series of premium products – Bundaberg 10 Year Old Rum.**

The first release in the Master Distillers' Collection, a series of limited edition premium spirits set to lift the bar among consumers even higher, Bundaberg 10 Year Old Rum showcases the distilling excellence of the Bundaberg Rum Distillery and the skills of the people behind the brand. Ten years of aging and a small oak vat finish under the expert craftsmanship of the Master Distillers Collective has given this special rum a strong sense of character and richness, all balanced with a unique smoothness. Over the years the Bundaberg Rum's Master Distillers have handpicked some of the very best rum from limited aged rum stocks and set aside in a special batch for aging. The result is a rum which is of superior quality that has been aged to perfection.

A masterful drop both in liquid and presentation, Bundaberg Rum 10 Year Old is presented in a heavy square shaped bottle that embodies both class and excellence. Each bottle is individually numbered with its own unique code for authenticity, adding a level of premiumisation not previously utilised in the brand. The packaging also presents the perfect gifting option, appealing to the consumer's appetite for crafted quality, premium products.

Best enjoyed on the rocks, straight up or with your favourite mixer, Bundaberg 10 Year Old Rum is the ultimate experience for lovers of rum.

RRP \$79.99 per bottle, for more information on the Bundaberg Rum and the Master Distillers' Collective, contact your Diageo Business Development Manager.

Sailor Jerry story coupled with its spiced and smooth taste will become a popular choice," says Jack Pollock, marketing controller for William Grant and Sons Australia. Planning to take Sailor Jerry out of the bar and into a much broader lifestyle space compared to other rum brands, William Grant and Sons Australia has appointed two cultural brand ambassadors. Lois Kerr and Hugh Payten-Smith, will help introduce the brand to key influencers including bartenders, musicians, tattoo artists and clothing retailers. "We have a strong point of difference that we are looking forward to bringing consumers closer to this year," concludes Pollock.

In white rum, Bacardi is the leading brand and has recently launched a new RTD range that includes BACARDI & Lemonade and BACARDI & Ginger Ale. "Ginger flavours are hot right now, especially amongst younger males as they offer a tasty and refreshing alternative to cola," said BACARDI brand manager, Alex Merry. "BACARDI Superior's unique taste profile is smooth and light and enhances the light flavours in ginger ale, unlike vodka which tends to disappear in the mixer. It offers a unique taste experience to a generation who love light mixable spirits but are increasingly seeking out new and more interesting drink experiences."

The launch is fully supported by a multi-channel marketing campaign and is hoped to drive growth of the BACARDI Superior Trademark.

"RTDs are an important recruitment product for a parent spirit, especially for LDA-29 year olds. Ultimately, these products will drive growth not only in RTD volume, but also for BACARDI spirit as consumers gain the confidence to prepare these drinks at home".

## Raising the bar

The rise of bars with dedicated rum-themed cocktail menus is testament to the spirit's growing popularity. Such bars provide consumers with unprecedented access to boutique brands that reach beyond home grown offerings and traditional big names from the Caribbean. In turn, off-premise trade is benefitting from on-premise venues and their growing interest in premium rum brands.

"Due to increased awareness and having a more educated palate, consumers are moving towards the more subtle, beautifully-crafted rums now available," says Grandma's Bar James Bradey, who features Pampero, Barbancourt, Goslings, Angostura 1919 and Appleton Extra in his back bar and cocktail list. "The trend is still toward the more refined, dark rums made in the Spanish or English style but a few of the more aggressive French style agricoles are slowly becoming more popular."

Tim Schwilk, director of Sydney Wine Centre and Pymont Cellars, regularly features a range of premium aged rum including Bundaberg, Bacardi, Havana Club, Appleton Estate, Chairman's Reserve, Inner Circle, Mount Gay and El Dorado. He observes that consumers in independent stores seem more prepared to try new brands, more likely to ask questions, and more willing to experiment with different rums. He acknowledges that the interest level in premium rum is due to a variety of factors including customer's own travel experiences, greater awareness of available brands and the simple elitist factor of drinking premium spirits. "I also believe that the increasing popularity of small bars with dedicated cocktail lists and a focus on premium drinks are helping people become more aware of the range of rums available, which in turn boosts off-premise sales."

James Bradey however, neatly sums up the current state of the premium rum market. "Consumers are attracted to dark rum for its balance of flavours and its versatility whilst still tasting the spirit rather than purely the ingredients it's mixed with. The category benefits from people in the trade who are passionate about the product."