

Case study: Grand Traverse Distillery

“Economic Gardening gave us an immense amount of data that we could never have gotten our hands on otherwise,” says Kent Rabish, founder of the Grand Traverse Distillery in Traverse City, Michigan.

Rabish entered Michigan’s statewide Economic Gardening program in 2013, followed by a second engagement in 2014. In 2015 his company’s annual revenue increased 32 percent to nearly \$2 million. “It’s difficult to say precisely how much Economic Gardening factored into this, but it definitely had an impact,” Rabish says.

In Rabish’s first round, the Economic Gardening researchers:

- Analyzed trends in tasting rooms, looking not only at other craft distilleries across the country, but also at wineries and breweries.
- Explored detailed demographic and socioeconomic data to show where the highest concentration of alcohol consumption was in Michigan.
- Provided a list of special events in Michigan that are licensed for spirit tasting.
- Conducted SEO work to help Rabish improve his website and take advantage of social media.



Kent Rabish, founder of Grand Traverse Distillery

Leveraging some of this research, Grand Traverse Distillery opened tasting rooms in Traverse City and Grand Rapids in 2014, and these two new retail locations have added about 20 percent to the bottom line. The company has also been exhibiting at more special events, and it’s formed a partnership with two Michigan wineries (Black Star Farms in Traverse City and Vin Bar in Ann Arbor) to distribute spirits in their tasting rooms. “These outlets give us additional brand exposure without any costs except to train their staffs,” Rabish observed.

For Rabish’s second round of Economic Gardening, the researchers focused on out-of-state expansion. Primary deliverables included: providing a list of distributors with contact information; data on ex-Michiganders who have moved to other states, along with detailed demographic and socioeconomic

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data of alcohol consumption in these areas; and a list of special events licensed for spirit tasting in Ohio, Indiana and Florida.

Rabish plans to use the data received in round two to expand into new states in 2017. “Our future is whiskey,” he says, pointing to both greater demand and profit margins compared with other products. Yet unlike vodka and gin, which can “go from grain to bottle” in about three months, Rabish explains that whiskey requires a four-year aging period, which restricts expansion efforts.

By 2019 Rabish hopes to hit the \$5 million mark in annual revenue and double his staff. To prepare for that growth, he began ramping up whiskey production in 2013. “First, we need to supply our tasting rooms and the state,” he said, referring to two whiskies recently released to Michigan’s Liquor Control Commission for statewide distribution. “Once we have enough product, we’ll reach out to other states — and this valuable data shows us where to go next.”

“Economic Gardening is a great program,” Rabish adds, noting that his previous experience with business assistance programs has been networking with current or retired business executives. “Although that was helpful, no one had data. It was just general business advice. This was something totally different.”



The National Center for Economic Gardening is a partnership between the Edward Lowe Foundation and Chris Gibbons. NCEG helps state and regional organizations establish Economic Gardening networks, delivers Economic Gardening services and maintains national standards in training and certification. To learn more, visit www.edwardlowe.org.