



Victorian Distilled *Spirits Strategy*

Acknowledgement

The Spirits Victoria Association (SVA) acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We acknowledge First Peoples’ deep relationship, responsibility, and connection to Country as an integral element of their identity and culture. We believe Aboriginal and Torres Strait Islander culture, knowledge systems and heritage are significant to all Australians.

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GLOSSARY	
ABA – Alcohol Beverages Australia	IWSC – International Wine and Spirits Competition
ACSA – American Craft Spirits Association	RTD – Ready-to-Drink
ADA – Australian Distillers Association	SCA – Spirits & Cocktails Australia
AI – Artificial Intelligence	SVA – Spirits Victoria Association
ATDW – Australian Tourism Data Warehouse	USP – Unique Selling Proposition
DJSIR – Department of Jobs, Skills, Industry and Regions	VDA – Victorian Drinks Alliance
DTC – Direct-to-Consumer	VEP – Visitor Economy Partnership
GI – Geographical Indication	

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FORWARD

Ros Spence MP

Minister for Agriculture

I would like to congratulate the Spirits Victoria Association (SVA) and the Victorian spirits industry on the development of the Victorian Distilled Spirits Strategy 2025-30 (the Strategy). The Victorian Government recognises the importance of the Victorian spirits industry to the Victorian economy by creating new businesses, economic development opportunities and jobs. The industry is also important in deepening and enriching Victoria’s strong food and drink culture and creating new visitor experiences in Melbourne and regional Victoria.

Victoria is Australia’s ‘spirits state’ with the largest share of distilleries by state. The industry has experienced significant growth over the last 10 years. In 2023, there were 188 distilleries across Victoria and the industry contributed \$2.98 billion in total value add to Victoria’s economy.

The Strategy’s key priority of ‘Win at home’ supports Victoria as the ‘spirits state’ and contributes to Victoria’s strength as a premier food and drink destination, while also creating economic growth and jobs. The ‘Scale and export’ priority is strongly aligned to Victoria’s export focus and our international trade networks. ‘Collaboration to grow the industry’ is a key priority reflecting the importance of working together with government and across sectors in driving growth and innovation.

This Strategy presents an industry-led approach to driving future focused actions with support from key partners including the food, beverage, and tourism industries, and the Victorian, Commonwealth and local governments. There are exciting future economic opportunities for our spirits industry including new and growing businesses, tourism and the visitor economy, new jobs and exports.

The industry’s growth and future ambitions are aligned to Victoria’s Economic Growth Statement which recognises agribusiness as a priority sector and focuses on new and existing export markets for new products, growing value-added production and manufacturing, and creating more opportunities for business to innovate and commercialise.

The Victorian Government looks forward to working with the Victorian spirits industry to support its future growth.



FORWARD

Cameron Mackenzie

President, SVA

The Victorian Distilled Spirits Strategy 2025–2030 is a significant initiative that builds on the exceptional progress of Victoria’s spirits industry. This strategy outlines an exciting pathway for the future, driving innovation, sustainability, and collaboration to further elevate Victoria as a leader in the global spirits market.

Victoria’s spirits industry has experienced impressive growth thanks to the hard work of local distillers and vital initiatives like the Distillery Door Program. Ongoing support from Minister for Agriculture, Ros Spence, and Agriculture Victoria has played a key role. Additionally, the SVA has been crucial in driving innovation; positioning Victoria as a leading destination for crafting world-class spirits and the epicentre of Australian distilling.

Underpinned by comprehensive research and consultation with the industry by atticusnow, this strategy offers essential insights to build upon the pioneering work already achieved. By prioritising innovation, collaboration, and unique experiences, we can continue to support distilleries that are safe, smart,

and sustainable. This will allow us to deliver our products with pride and help Victorian spirits earn even greater recognition on the global stage.

This strategy represents an exciting opportunity to further strengthen the Victorian spirits industry. I am confident that, through the collaboration of all stakeholders, Victoria will continue to lead the way in crafting extraordinary spirits that capture the attention and admiration of the global market.

Thank you for supporting this important strategy and for your ongoing support of the Victorian spirits industry.

Executive Summary

Our Vision

● While spirits distillation in Victoria has a rich history, the current industry is young and developing, with more than 50% of distilleries only established since 2020 and with very few distilleries operating for more than 10 years. The spirits industry and the Victorian Government have worked together over recent years on an industry resurgence. ● This has positioned Victoria as the clear leader of the Australian spirits industry. The vision of this strategy is to further cement Victoria’s leadership position in the Australian spirits industry through a focus on winning at home, scaling and exporting, supporting our communities, and collaboration.

Benefits

The benefits that will flow from this vision include:

- Confirming Victoria as the best place in Australia to invest in establishing and building a spirits distillation business.
- Deepening and enriching our local food and drink culture, as well as visitor experiences in Melbourne and regional Victoria.
- Creating enduring quality Australian brands and innovative and creative distilleries that gain local and global recognition for the state.
- Deepening engagement with First Peoples and identifying opportunities for collaboration.
- More output and jobs in Victoria from growing the domestic market share of Victorian spirits and increasing exports.
- Becoming an industry that is acting responsibly on issues of concern to communities.



Strengths



Skills Progress

Collaborative

Low market
share in Victoria

Competition

Excise

Socially
Responsible

Government

Innovative

Skills Gaps

Visitor Economy

Rising
Input costs

Local

Distillery
Door

Diverse Offerings

Retail & Hospitality

First Peoples

Operations

Scaling

Health & Social Impact

Exports

Changing Demand

09

Four Priorities

The strategy is based around addressing *four key* interconnected priorities.

01

Win at Home

The objective is to grow market share in Victoria for Victorian spirits.

Increased sales in Victoria are important to the financial sustainability of all Victorian distillers, especially the higher margin direct-to-consumer (DTC) sales. For smaller Victorian distillers, the great majority of their sales are in Victoria.

Awareness and sales in Victoria will be boosted by a new spirits marketing program, as well as the evolution of the Drink Victorian program.

The strategy will support distillers in creating unique distillery door experiences through developing a visitor economy community of practice, and working with the Commonwealth Government, Victorian Government, local government, and the wider visitor economy to weave these experiences into broader tourism campaigns and major events.

Continuous improvement will be fostered through an industry data platform, collaborative projects, an annual events calendar, strategic awards partnerships, and community building initiatives.

Future skills will be built and maintained through enhanced distilling, safety and sustainability training, and an expanded offering in sales, marketing, digital, and business planning- all supported by a sustainable delivery model.

02

Scale & Export

The objective is to scale leading distillers and double exports by 2030.

Scaling distillers to become national and global brands is crucial to the growth and development of the industry. There are emerging distillers with high quality products and the ambition to grow nationally and internationally. These distillers face a range of challenges.

This strategy will identify and support high potential distillers to meet the challenges of scaling. We will pilot an emerging leaders program to support these distillers to expand their capabilities and operations.

Once distillers have a strong domestic brand and sales, they can begin to export. There are a range of challenges for new exporters, including competition from global brands, complex distribution networks, and varying regulatory requirements. But high shipping costs, limited brand recognition, and a lack of international marketing resources also hinder expansion.

To this end, the strategy will focus on building collaboration and partnerships. This includes creating a dedicated community of practice for exports, engaging in sustained market activities with key partners, and working closely with the Government to secure ongoing export support.

03

Community & Advocacy

The objective is to support our communities and be a proactive industry advocate.

Many Victorian distillers already have strong and positive relationships with the communities they serve.

SVA will promote the industry’s important additions to the food and drink culture and visitor experiences in our local communities, as well as employment and economic impacts.

The community also has ongoing concerns around environmental sustainability, and SVA will promote Victorian spirits’ sustainability.

The industry acknowledges the potential health and social impacts from alcohol consumption, but notes that distillery doors have an excellent record in encouraging responsible drinking. SVA will support members with an evidence-driven position on key health and social impact issues in Victoria, consistent with the national lead.

The growth of the Victorian distilling industry is constrained by an inefficient and unfair excise tax. As a Commonwealth tax, this is largely a national issue, so SVA will support the national lead on excise reform.

Additionally, First Peoples’ engagement in the spirits industry remains limited and the industry is keen to explore how this could change.

04

Collaboration

The objective is to collaborate to grow the industry.

A key concern is how the strategy will be brought to life. This is a young industry with limited resources, but fortunately it already has a highly collaborative and creative industry culture. We see harnessing this culture as essential to delivering the broader strategy successfully.

We also want to collaborate efficiently with national industry bodies, to clarify roles and avoid duplication. It is also critical to build on our great partnership with the Victorian Government.

In order to properly embrace collaboration, we need an SVA that has the right capability but remains lean and focussed. To this end, the strategy will focus on developing a fit for purpose SVA, supported by a sustainable funding model developed in partnership with the Victorian Government.

Four Priorities

Strategy on a Page



01 Win at Home

OBJECTIVES

Grow market share in Victoria for Victorian spirits.

1.1 INCREASE AWARENESS AND SALES IN VICTORIA

- 1.1.1 Work with industry and the Victorian Government to promote Victorian spirits, including the creation of a new marketing campaign.
- 1.1.2 Collaborate with the Victorian Drinks Alliance, including participating in the review and evolution of the Drink Victorian program.

STRATEGIES & ACTIONS

1.2 DEVELOP AND PROMOTE GREAT SPIRITS VISITOR EXPERIENCES

- 1.2.1 Help distillers develop unique distillery door visitor experiences through creating a visitor economy community of practice, and driving industry usage of the Australian Tourism Data Warehouse (ATDW).
- 1.2.2 Work with the Victorian Government and local government to better integrate spirits experiences into visitor economy campaigns, strategies, and major events.

1.3 HELP DISTILLERS DEVELOP FUTURE ORIENTED SKILLS

- 1.3.1 Maintain distilling and safety training, and build into distilling excellence and sustainability.
- 1.3.2 Build the training offering in sales and marketing, data and digital, and business planning.
- 1.3.3 Maintain and grow external training offerings.

1.4 HELP DISTILLERS DEVELOP INSIGHTS AND CONNECTIONS FOR CONTINUOUS IMPROVEMENT

- 1.4.1 Explore, in collaboration with Australian Distillers Association (ADA) and other state bodies, the idea of an Australian Spirits Data Project.
- 1.4.2 Develop an annual calendar of events to inform and connect distillers.
- 1.4.3 Australian International Spirits Awards.
- 1.4.4 Maintain and support the delivery of information as well as networks and events for members.



02 Scale & Export

OBJECTIVES

Scale leading distillers, and double exports by 2030.

2.1 HELP LEADING DISTILLERS TO SCALE

- 2.1.1 Pilot an emerging leaders program to help high potential distillers scale.

STRATEGIES & ACTIONS

2.2 PARTNER TO TARGET EXPORT MARKETS

- 2.2.1 Create a community of practice for exports.
- 2.2.2 Distillers to partner on sustained activity in target export markets.
- 2.2.3 Partner with Commonwealth and Victorian Government on targeted trade activity both inbound and outbound.



03 Community & Advocacy

OBJECTIVES

Support our communities and be a proactive industry advocate.

3.1 LEAD IN VICTORIA ON COMMUNITY, SUSTAINABILITY, HEALTH, AND SOCIAL IMPACT

- 3.1.1 Refresh the Distilled Spirits Industry Analysis.
- 3.1.2 Promote industry sustainability, including driving uptake of its sustainability toolkit.
- 3.1.3 Support members with an evidence-driven position on selected health and social impact issues in Victoria, consistent with the national lead.

STRATEGIES & ACTIONS

3.2 SUPPORT NATIONAL LEAD ON KEY NATIONAL ISSUES

- 3.2.1 Support national advocacy by ADA and Spirits and Cocktails Australia (SCA) on excise reform, including export offsets.
- 3.2.2 SVA to support ADA lead on exploring Geographical Indication options.

3.3 SUPPORT DISTILLERS TO ENGAGE COLLABORATIVELY WITH FIRST PEOPLES

- 3.3.1 Support First Peoples groups in developing strategies that intersect with the spirits industry, particularly in native foods and botanicals.^[1]



04 Collaboration

OBJECTIVES

Collaborate to grow the industry.

4.1 NURTURE A COLLABORATIVE INDUSTRY CULTURE

- 4.1.1 Nurture a highly collaborative culture in the spirits industry community.

STRATEGIES & ACTIONS

4.2 COLLABORATE NATIONALLY ACROSS INDUSTRY AND GOVERNMENT

- 4.2.1 Collaborate nationally with spirits industry bodies clarifying roles and avoiding duplication.
- 4.2.2 Maintain and grow a strong relationship with the Victorian Government.
- 4.2.3 Collaborate with other industries in areas of mutual benefit including the beverage industries and the visitor economy.

4.3 RESOURCE AN AGILE, LEAN, AND FOCUSED SVA

- 4.3.1 Develop and maintain SVA's governance and organisational capacity to sustainably deliver the strategy.
- 4.3.2 Develop a sustainable funding model for SVA in collaboration with the Victorian Government.



Context

The *Victorian Distilled Spirits Strategy* has been shaped over eight months through a comprehensive engagement process to ensure it reflects the needs and aspirations of the industry.

Developing this Strategy

The process began with over 50 one-on-one interviews with industry and government representatives between October 2024 and March 2025. These conversations helped identify the challenges, strengths, and ambitions of the sector and informed the initial strategic analysis.

To test and build on these early insights, six public industry forums were held in December 2024 and January 2025 across regional Victoria, Melbourne, and online. A dedicated First Peoples' online forum also took place to explore opportunities for engagement and collaboration.

In February 2025, the engagement culminated in a full-day co-design workshop. This workshop brought together distillers, government officials and other stakeholders to identify priorities, validate the emerging strategy, and develop a set of actions for implementation.

Following this, the strategy was circulated to stakeholders for feedback with a focus on refining priorities. Two further forums were held in April 2025 to assess what actions mattered most to the industry and where efforts should be focused. This was followed by a final workshop with the Project Steering Committee in May 2025, which assessed the consolidated feedback and helped to shape the final set of actions.

This final Victorian Distilled Spirits Strategy 2025–2030 is the result of a robust engagement process, grounded in industry knowledge built through collaboration, and driven by a shared commitment to sustainable growth and innovation.

Consumer trends

	Post-COVID, consumers are more health conscious and are drinking less. ^[1]		Consumers are buying less but at higher price points. ^[5]
	Consumers are buying per occasion, rather than in bulk. ^[2]		Ready-to-drink (RTD) beverages are increasingly sought after. ^[6]
	On premises sales are in decline as consumers are drinking less in bars or with meals. ^[3]		The market is more sensitive to sustainable and ethical supply chains. ^[7]
	Consumers prefer ‘quick commerce’ over traditional retail. ^[4]		Consumers have embraced the experience economy. ^[1]

Market Trends

The spirits sector is being shaped by evolving consumer preferences including a trend towards premiumisation, as well as economic pressures.^[8] Consumers are increasingly seeking high-quality, craft, and locally produced spirits, although rising cost-of-living pressures are also influencing discretionary spending. For instance, the export market offers growth opportunities but is difficult to access for many small distilleries, while the domestic market is seeing increased demand for RTD options.^[8]

Sustainability and the use of native ingredients are also becoming more important, the latter particularly for gins, with consumers showing some interest in ethically sourced and environmentally responsible products.^[1] These trends are creating both opportunities and challenges for spirits businesses, requiring them to refine their branding, strengthen sales and marketing efforts, and adapt to shifting market conditions.

Competitive Landscape

Global competition is a growing challenge for the Victorian spirits industry, with large international brands dominating retail shelf space, export markets, and distributor networks. In addition, major retail chains increasingly have their own brands (including Australian products), which may be cheaper than craft offerings and achieve significant volumes.

While Victorian distillers are recognised for their craft quality and innovation, they often face scale and marketing limitations that make it difficult to compete with well-established global players.^[9]

The premiumisation trend presents an opportunity for differentiation, but success requires stronger brand positioning, market education, and strategic partnerships. Exporting also remains a long-term investment, requiring distillers to build market awareness, navigate trade barriers, and sustain promotional efforts to compete effectively on the global stage.

Domestic Market

Many Victorian distillers face significant challenges in competing on price with larger producers due to their smaller scale operations.^[10] To achieve profitability, these distillers are increasingly pursuing premium pricing strategies, which necessitate the creation of high-quality, distinctive products. Many are turning to native Australian botanicals to differentiate their offerings and justify higher price points.^[11] This focus on quality and uniqueness is evident in the industry’s success in international awards programs.

Partnering with on-premise venues like restaurants or bars can be costly and challenging. Similarly, off-premise channels such as wholesale or retail are often dominated by major brands.^[5] As a result, DTC channels have emerged as a significant opportunity.

Regulation

Regulatory challenges remain a significant concern for Victorian distillers. A critical issue is the high excise tax burden compared to other alcohol beverages as well as when compared to international taxes. This impacts profitability and limits investment and growth. Excise is a Commonwealth tax and so the debate is national in nature.^[12] In addition there are concerns around the social impact of alcohol; while the Distillery Doors have an excellent record with the responsible service of alcohol, there are a range of potential health, promotion, licensing and planning issues in Victoria.

Global Insights

STANDARD SETTING & ENFORCEMENT

Standard setting and enforcement have played a crucial role in maintaining the quality, consistency, and reputation of Irish whiskey and Scotch whisky. In Victoria, there is a choice between a formalised regulatory approach or a more informal, collegiate system to achieve similar outcomes.

SPIRITS TOURISM

Victoria may not yet have a globally recognised major brand like Ireland has with Jameson, but its spirits tourism sector holds significant potential. Four Pillars, for example, already attracts more visitors than Teeling’s in Ireland and is one of the most visited gin distilleries anywhere in the world. Rather than reinventing the wheel, distillers should leverage existing tourism routes and attractions to draw visitors to distilleries.

LINKS WITH THE WINE INDUSTRY

While Terroir is less significant for spirits consumers compared to wine drinkers, gin stands as an exception, as provenance, cultural storytelling and local botanicals can provide a strong point of differentiation in international markets.

EXPORTING TO GLOBAL MARKETS

Spirits exporters rely on a bottom-up approach that requires strong local market presence and engagement. Success in spirits exports often depends on having “boots on the ground” and ongoing sell through strategies to build brand recognition and secure distribution.

Targeted, centralised spending and support can be highly effective in areas such as setting up export partnerships, communal marketing campaigns and, where relevant, deploying shared brand ambassadors.

SKILLS

Smaller distillers need to establish a firm foundation in terms of safety and compliance, however, for growth and sustainability, the next step is to improve skills in operations, sales, marketing, branding, and business planning.

HEALTH

Younger generations are drinking less overall but opting for higher-quality, premium products, reflecting broader consumer shifts towards moderation and premiumisation. While these trends present challenges, they also highlight opportunities for the spirits sector to grow, particularly in export markets.

Vision

SVA’s Vision & Values

“To elevate Victorian Spirits to the world stage, through innovation, collaboration, and experiences. Fostering safe, smart, and sustainable businesses to deliver our products with pride.”

Underpinning this commitment is the conviction that we are an industry built on hospitality, generosity, excellence, and a sense of fun. We are rooted in tradition but never bound by it, and we embrace innovation and creativity to define our own style. We support each other, knowing that a rising tide lifts all boats. Furthermore, we elevate Victorian spirits through unforgettable distillery experiences that connect with both locals and visitors.

A Vision for the Strategy

“To be the most innovative, collaborative, and sustainable spirits industry in Australia, and pioneer a global reputation for Australian spirits.”

This Strategy will strengthen Victoria’s position as Australia’s largest distilled spirits industry, and as a leader in premium, distinctive spirits. We will drive innovation and growth through collaboration. Strong industry-government partnerships will expand market access, enhance distillery visitor experiences, and strengthen global recognition of-and enthusiasm for-our offerings.

Our commitment to financial and environmental sustainability, alongside industry-led education and training, will ensure long-term growth and resilience.

Industry Snapshot

^[13] Victorian Distilled Spirits Industry Analysis, Deloitte, 2023

This strategy aims to support and realise the industry growth and development opportunities as projected by Deloitte.^[1]

The Industry Supply Chain



01 Win
at Home

Win
at Home

DISTILLERY FOUNDER

“Domestic market share is crucial-it should be the first priority. You have to win your backyard before expanding overseas.”

While the Victorian distilling industry has enjoyed explosive expansion in recent years and has great prospects, changing consumer preferences and growing cost of living pressures have slowed growth. Increasingly, local distillers are focussed on financial sustainability, and in particular increasing sales. (see figure 1)

Opportunities
& Challenges

There is certainly scope for market share growth in Victoria given the relatively low current market share and low awareness of Victorian distillers. A good proportion of Victorian consumers will favour local products if they meet quality and price considerations.

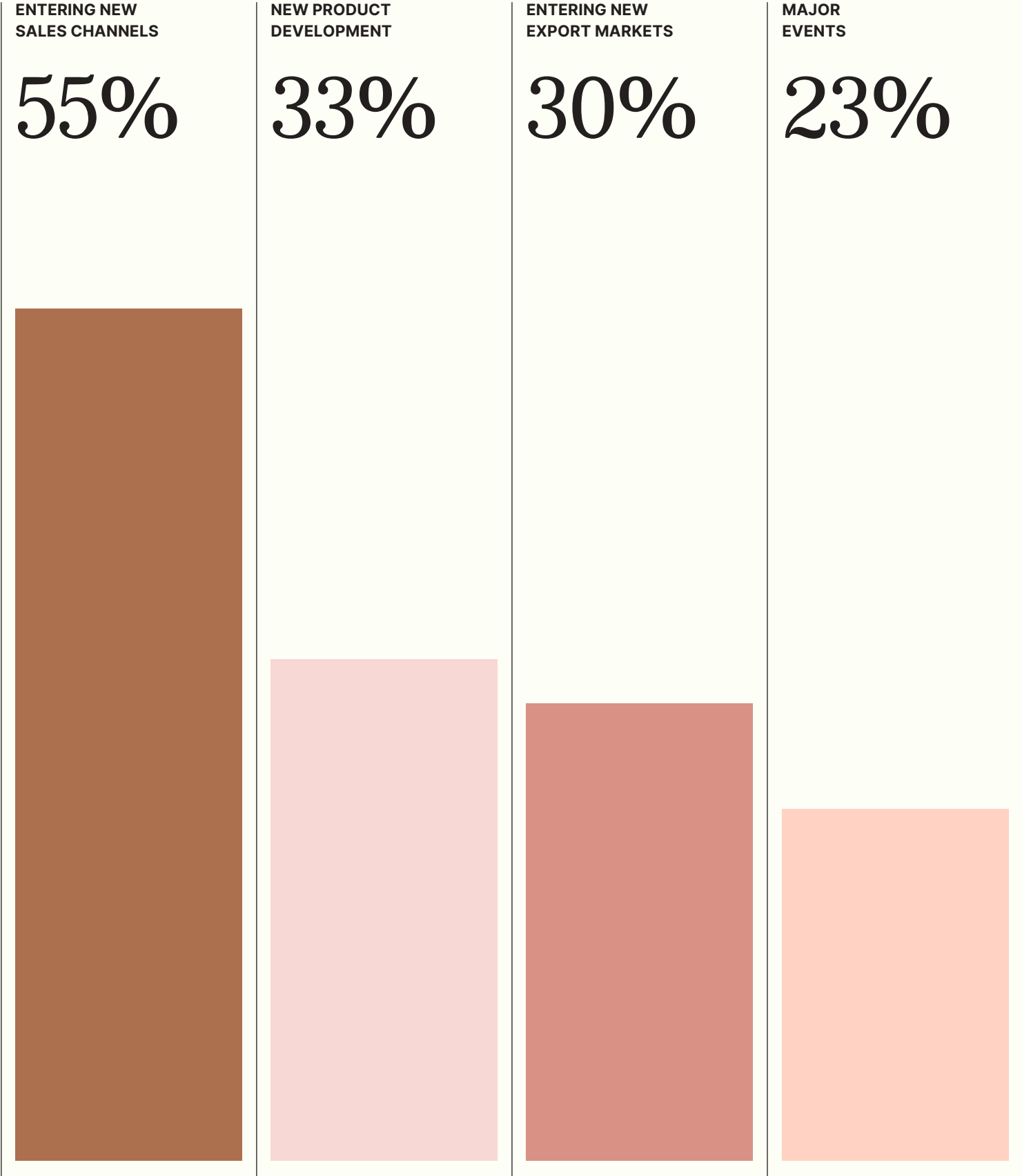
Increasing local consumption is the simplest path to boosting sales and growing the industry. Any distiller seeking to expand nationally needs to already have a strong local base. A strong national platform helps distillers to enter global markets. Therefore, distillers must “win at home” before thinking about national and especially international expansion.

Meeting this challenge head on will lay the groundwork for every other objective of this strategy.

FIGURE 1

Most prospective opportunities for your business over the next 12 months?

^[14] Spirits Victoria Association survey (2025)



The Objective

The objective of this priority is to grow market share in Victoria for *Victorian spirits*.

Strategies

The strategies are the ways we will achieve the objective. There are four strategies, each of which will be discussed in turn:

- Increase awareness and sales in Victoria.
- Develop and promote spirits visitor experiences.
- Help distillers develop future oriented skills.
- Help distillers develop insights and connections.

Firstly, there are actions that can be taken at a state and regional level on behalf of all distillers. The first two strategies are focussed on collective actions to build awareness and sales in Victoria and lifting tourist traffic to distilleries to improve their high margin DTC sales.

However, the main way we can increase the market share for Victorian spirits is for individual distilleries to develop more attractive products, build better brands and grow sales. The strategy supports this by providing distillers with access to the skills development, insights and connections they need for this task (the second two strategies above).

Each strategy is now addressed, including identifying some specific actions with each strategy.

STRATEGY 1.1

Increase awareness and sales in Victoria.

ACTION 1.1.1



Work with industry and government to promote Victorian spirits, including the creation of a new marketing campaign.

Let's begin with the collective strategies for growing domestic market share, firstly by increasing awareness and sales in Victoria.

There is very strong industry support for SVA to launch a new marketing campaign emphasising the exceptional quality of Victoria's premium spirits and hospitality culture.

SVA would seek guidance from Visit Victoria, Department of Jobs, Skills, Industry and Regions (DJSIR), Tourism & Events, and Agriculture Victoria to leverage existing campaigns, programs and initiatives. For example, the strategy is closely

aligned with Experience Victoria 2033, which includes food and drink as key priority's, and emphasises building distinctive regional offerings.^[15] Similarly, SVA should consider potential collaborations with like-minded industries such as wine, beer, lamb, beef, as well as major Victorian events (e.g., Australian Open, Formula 1, AFL).

This campaign would include overarching brand and market positioning, as well as specific efforts to build the profile of Victorian spirits and drive visitation and sales to Victorian distilleries.

ACTION 1.1.2



Collaborate with the Victorian Drinks Alliance, including participating in the review and evolution of the Drink Victorian program.

The Victorian Drinks Alliance (VDA) is the key vehicle for coordinating a collaborative approach across drinks sectors. This collaborative approach would include supporting VDA to review and redevelop the Drink Victorian program, and align on key events such as the Melbourne Food and Wine Festival.

Drink Victorian is a Victorian Government funded program in partnership with Victorian drinks industries and operated by the VDA.

THE PROGRAM GOALS ARE TO:

- Raise awareness of the breadth and quality of Victorian drinks.
- Drive attendance at events & increase sales.

ACTIVITIES HAVE INCLUDED:

- Venue Activation Month (June), dedicated drinks lists, selected Melbourne Food & Wine Festival events, and promotion.
- Major one-day tasting event for trade.
- Regional familiarisation tours.
- Melbourne based crawls.

There is generally strong industry support for continuation of the Drink Victorian program. However, the program has evolved over a number of years and there is a need to better understand what elements have been most effective. Industry favours liquid on lips events for trade, and stronger sales conversion.

STRATEGY 1.2

Develop and promote great visitor experiences.

ACTION 1.2.1

→
Help distillers develop unique distillery door visitor experiences through creating a visitor economy community of practice, and driving industry usage of the Australian Tourism Data Warehouse (ATDW).

Great spirits visitor experiences increase the flow of visitors and increase distillery door sales, thus providing opportunities to convert these to ongoing higher margin DTC sales. They also provide the opportunity to gain valuable feedback directly from the consumer (see Timboon Distillery case study on P29). However, the critical first step in providing great visitor experiences is to have a distillery door.

For those without a distillery door, the Victorian Government offer grants as part of the Distillery Door program, noting that this program is drawing to a close. However, infrastructure alone will not create a unique distillery door visitor experience.

Thought needs to be given to aspects such as signage and accessibility, a welcoming arrivals experience, ambience, engaging education and tours, amazing tasting experiences, exclusive products, customer feedback, as well as options for hospitality retail and accommodation.

Visitors to regional Victoria tend to be interested in a bundle of experiences rather than just spirits. As such, another approach could be to better integrate spirits experiences into local tourism trails, either with other artisan producers, or with other visitor experiences. This can be done directly with other local businesses, or through a Regional Visitor Economy Partnership, usually through an ATDW listing.



– TIMBOON

CASE STUDY

Integrating spirits with regional tourism

Timboon Distillery

● Timboon Distillery exemplifies successful local spirits-based tourism in Victoria. Strategically located near the end of the Great Ocean Road, the distillery attracts travelers exploring this iconic route.

Josh Walker, the owner and distiller, also runs an on-site cooperage where he handcrafts barrels. The distillery also features a kitchen that serves dishes made with Josh’s own grass-fed Black Angus beef.

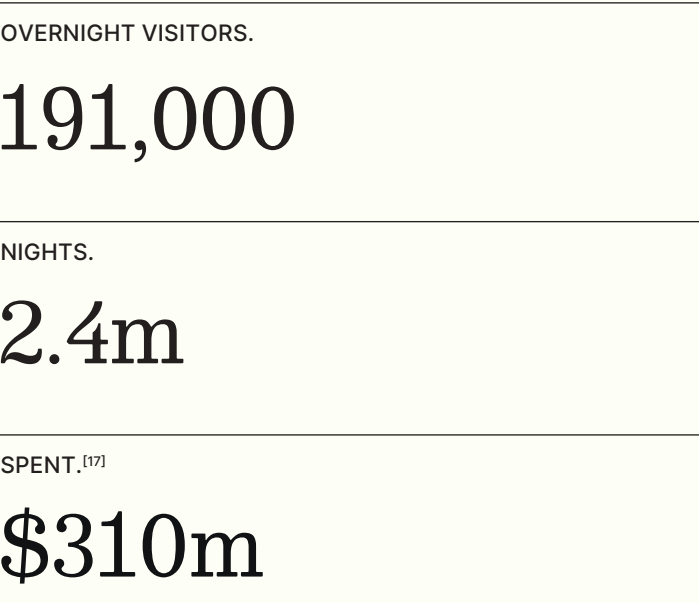
A key driver of Timboon’s success is its participation in the 12 Apostles Food Artisans Trail, a collective of 12 local producers. For a modest annual fee, the ROI is undeniable-visitors following the trail are easily identified by their blue maps, and their numbers are significant.

To further capitalise on regional tourism, they expanded to Port Campbell-a waterfront whiskey cocktail bar designed to capture day tourists along the Great Ocean Road who otherwise may not visit the main distillery.

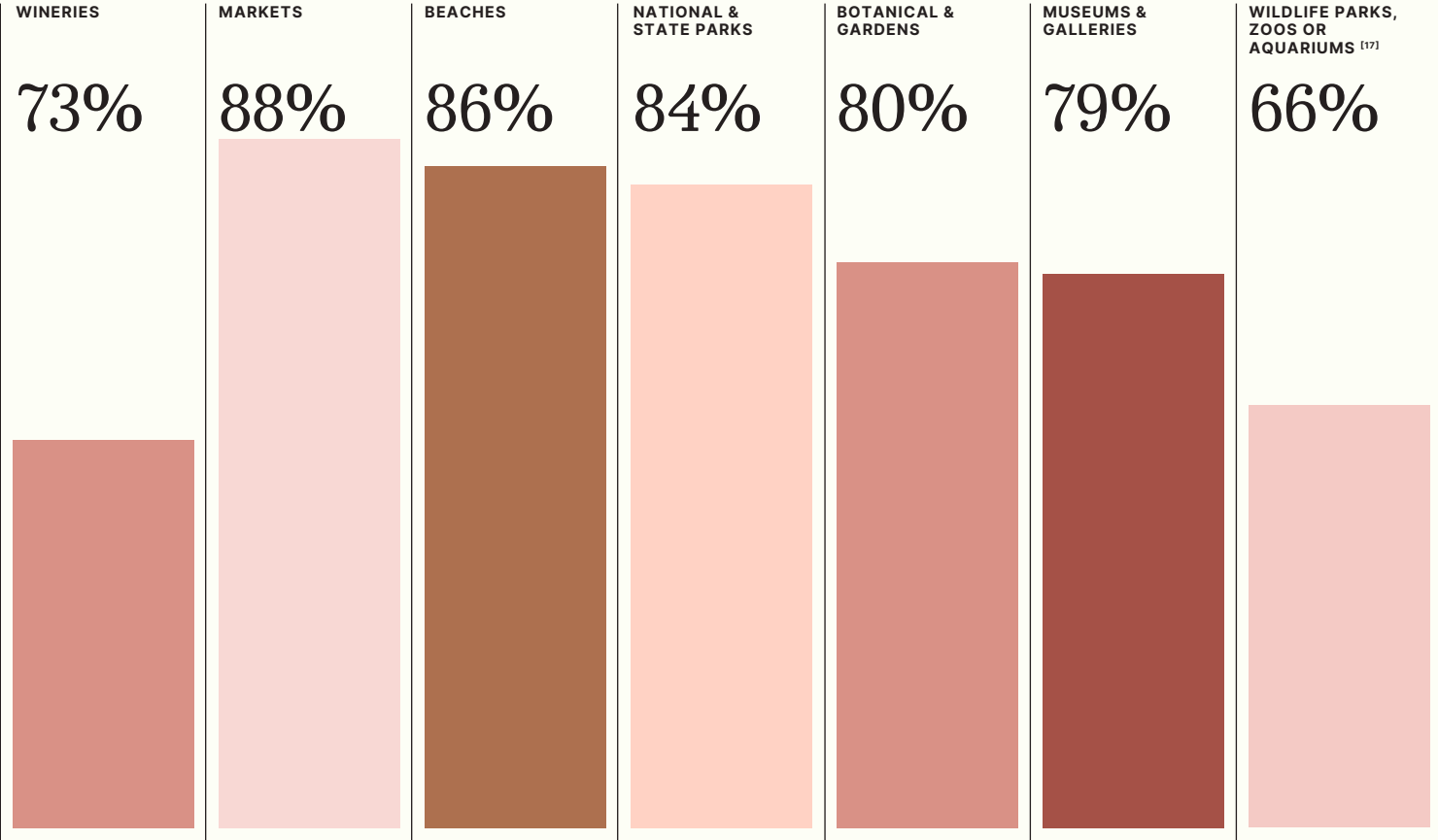
With around 80% of sales coming through DTC channels, Timboon thrives on experiential tourism.^[16]

STATISTICS

In 2023-2024, the Victorian distilleries attracted:



International distillery visitors were also more likely than the average international visitor to engage with Victoria’s broader visitor economy:



Visitor economy related matters might be best coordinated at the SVA level through a specific spirits tourism community of practice.

A community of practice is a group of people who share a common interest or passion and learn how to do something better by interacting regularly, fostering a sense of community and sharing knowledge.

The proposed visitor economy community of practice would also be a useful vehicle to help SVA coordinate ideas and initiatives to statewide and regional visitor economy campaigns and strategies. For example, distillers should be encouraged to employ ATDW listings as a digital marketing tool, as outlined earlier. Distilleries should look to align with Experience Victoria 2033.^[15]

ACTION 1.2.2



Work with the Victorian Government, local government and visitor economy bodies to better integrate spirits experiences into visitor economy campaigns, strategies, and major events.

Around half of distillers are located in Melbourne.^[18] Key drivers of visitation to Melbourne include cultural attractions, major events and festivals, the culinary scene, shopping and fashion, sporting events laneways and street art.

The presence of distilleries in historic city laneways and modern urban settings adds depth to Melbourne’s cultural and culinary scene. Melbourne’s distilleries, such as Starward Distillery and Little Lon Distilling Co., provide distinctive tastings and tours.

Many of Melbourne’s cocktail and whiskey bars also allow visitors to explore innovative spirits crafted with local ingredients, such as Caretaker’s Cottage or Black Kite Commune.

Featuring Victorian spirits experiences more prominently in Victorian and Melbourne tourism campaigns and strategies would be useful. Weaving Victorian spirits into the Melbourne calendar of events would also be valuable. While smaller distillers

typically lack the financial capacity to win pouring rights for major events, distillers could explore integrating spirits experiences in and around the calendar of major events, in collaboration with government and major event bodies. Distillers could also seek opportunities to develop visitor experiences in collaboration with independent breweries and wineries.

The other half of distillers are based in regional Victoria.^[18] Visitors to regional Victoria are also looking for a range of experiences, the most important of which are nature-based activities, culinary tourism, cultural and heritage experiences, wellness and spa retreats, and adventure and sports tourism.

One idea is to develop a Victorian Spirits Trail with recommended venues, distillery tours, and tasting experiences. Similar trails in Scotland and Kentucky are successful, however they rest on a deeper heritage and much larger industries.

STRATEGY 1.3

Help distillers develop future oriented skills.

Turning to the potential initiatives for supporting individual distillers, the first step in skills development is to assess the industry’s future skills needs.

ACTION 1.3.1

→
Maintain distilling and safety training, and build into distilling excellence and sustainability.

Spirits production has inherent risks and safety is non-negotiable. Quality and consistency is also critical to support premium pricing. As such, there is strong support for the existing distilling safety training offering to continue. Safety compliance with Worksafe Victoria is also an issue. Some thought that there was a role for SVA to liaise with Worksafe on industry issues.

There is also a desire from many distillers to expand the offering on distilling excellence. Distilling excellence is important not just in ensuring high quality and consistency of product, but is also helpful in new product development. Some distillers are also very interested in making their operations more sustainable.

ACTION 1.3.2

→
Build the training offering in sales and marketing, data and digital and business planning.

Industry feedback confirmed that the biggest current challenges were more commercial in nature than operational (see Figure 2).

A particular focus for smaller distillers was on building sales and marketing skills to support financial viability and growth with a focus on local markets.

Important gaps were also identified in digital and data. Digital skills are important in e-commerce, digital marketing and social media, but are also important in harnessing a range of digital business tools.

An ability to track and analyse data in a business is critical to operational efficiency and sales and marketing effectiveness. Not having these tools is like flying blind.

Other skills gaps tend to emerge as distillers grow beyond a small scale. These include areas such as business strategy, product development, operations, legal and regulatory, financial planning, and risk management.

ACTION 1.3.3

→
Maintain and grow external training offerings.

As a small organisation, SVA has limited resources and capacity. The development of previous training relied largely on industry experts volunteering their time on specific spirits industry curriculum development, leveraging existing providers, and working in collaboration with ADA, as well as Victorian Government support for member training.

SVA, along with ADA, has worked to select the best courses and educators to help improve distilling education. The SVA training page and ADA training page are key resources in this effort.

This lean and focussed approach should be continued, but also built upon. Moving forward, SVA should work with already established training providers to build further offerings.

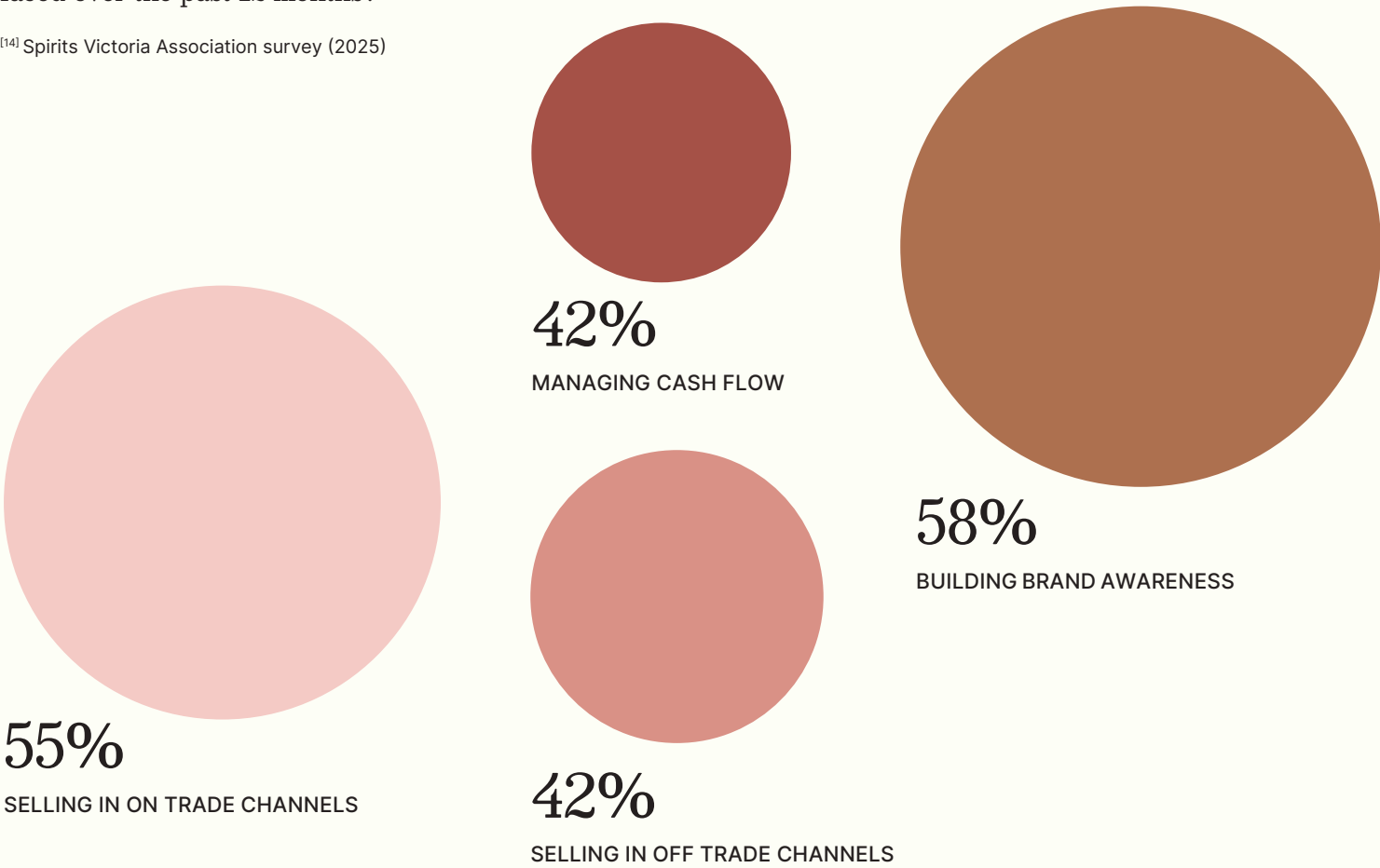
Training organisations like the National Distilling Institute, the Distillers Institute, the Wine and Spirit Education Trust, the Chartered Institute of Brewers and Distillers, the Australian Institute of Company Directors, and others, are key partners in this initiative.

On funding, SVA’s Upskilling Program funded by the Victorian Government has been very helpful, however this ceases on 30 June 2025. There is also some Victorian Government support available through the general training system.

FIGURE 2

What challenges has your distillery faced over the past 12 months?

^[14] Spirits Victoria Association survey (2025)



STRATEGY 1.4

Help distillers develop insights and connections for continuous improvement.

ACTION 1.4.1

→
In collaboration with ADA and other state bodies, explore the idea of an Australian Spirits Data Project.

A commitment to continuous improvement is critical, especially for a young and developing industry in a fast-changing world. The fuel for continuous improvement comes from insights and connections.

Insights can be drawn from information and data, and benchmarking tools to help distillers organise and interpret this information. Increasingly, Artificial Intelligence (AI) provides an affordable and powerful approach for identifying many kinds of useful data and information.

However, the biggest data gap is around specific information on the spirits industry, much of which is simply not collected. Creating new industry data is a more resource intensive process.

It is efficient in an industry dominated by SMEs for an industry association to collate and communicate such information, ideally online through an accessible digital platform. There are international models available on how this can be done as well as on the benefits (see the case study on the American Craft Spirits Association Data Project on P37). This would best be achieved on a national basis in collaboration with ADA.

ACTION 1.4.2

→
Develop an annual calendar of events to inform and connect distillers.

Community is important, connecting with other distillers to discuss and collaborate on areas of interest, building relationships for advice and mentoring, and hearing expert speakers.

A program of events and networking is something that can be efficiently produced by an industry association on behalf of members. This could include webinars, guest speaker events and an annual conference.





– BROADSHEET

CASE STUDY

Building Knowledge & Skills

Brogan’s Way

Brogan Carr, Co-Founder of Brogan’s Way in Melbourne, along with Simon Carr, transitioned from medical laboratory science to distilling, recognising the need for specialised expertise.

Carr earned a Master’s in Brewing and Distilling, deepening her knowledge of distillation, quality management, and production processes.

Now pursuing a PhD in Agricultural Science, her research-funded by the Department of Education through the National Industry PhD Program-focuses on Australian native botanicals for gin production. As a certified trainer at the National Distilling Institute, she also contributes to industry education.

Carr’s commitment to learning has driven innovation in flavour chemistry, sustainability, and efficiency, positioning Brogan’s Way as a leader in Australian craft gin and highlighting the power of continuous upskilling in the spirits industry.^[19]



– AMERICAN WHISKY DISTILLERY

CASE STUDY

Deriving Value From Data

American Craft Spirits Association

● ACSA has played an important role in developing and growing the U.S. craft spirits sector, notably through its Craft Spirits Data Project, which was launched in 2016.

Role

The purpose of the Craft Spirits Data Project is to clarify the economic impact of the craft spirits sector for both ACSA members and policy-makers through aggregating and analysing national-level industry data.

Before distillers were willing to share their data, ACSA had to build trust among members. The sector is highly competitive, especially given the fragmented three-tier distribution system in the U.S. where wholesalers control much of the distribution and sales data.

Despite sector contraction, there remains strong demand for the initiative. Distillers want to understand national trends, funders want to understand potential ROI, and legislators rely on credible data to shape effective and beneficial policies.

Impacts

Before 2016, many craft distillers in the U.S. faced significant challenges in securing traditional bank loans. Distillers are now able to present much stronger business cases backed up by credible data, which has opened up previously untapped sources of funding.

The data has also been instrumental in securing a range of legislative reforms, including excise tax relief, and improvements in market access, such as DTC sales and distributor parity with beer and wine sectors.

The Craft Spirits Data Project has also helped to show the positive flow-on effect of spirits to other sectors, particularly agriculture. Craft distillers support local grain, fruit, and specialty crop farmers, making them an integral element of many rural economies. This has broadened the association’s advocacy reach, allowing it to collaborate with agricultural stakeholders in pushing for policies that benefit the entire supply chain, from farm to bottle.

Priority – Win at Home

OBJECTIVE 1

Grow market share in Victoria for Victorian spirits.

ACTION 1.4.3



Collaborate with Melbourne Royal to maintain the Australian International Spirits Awards as the leading Australian Spirit Awards.

SVA and members have been collaborating with Melbourne Royal on the Australian Distilled Spirits Awards, which has grown into the Australian International Spirit Awards. This is a chance for distillers to test the quality of their products and gain expert feedback. Awards can also be used in promotion to enhance credibility and support premium positioning.

SVA should collaborate with Melbourne Royal on the awards, with an emphasis on the provision of feedback data to distillers, improving promotional exposure and the education of judges.

ACTION 1.4.4



Maintain and support the delivery of information as well as networks and events for members.

The actions 1.4.1 to 1.4.3 are more efficiently organised through an industry association. While industry volunteers should be leveraged where possible, the scale of the activity proposed under this strategy means that a dedicated resource in SVA is likely to be needed.

Resources such as a members services role in SVA could support these actions on the ongoing provision of information, data, networks, and events.

STRATEGY	ACTIONS	LEAD	SUPPORT
1.1	Increase awareness and sales in Victoria.		
	1.1.1 Work with industry and government to promote Victorian spirits, including the creation of a new marketing campaign.	SVA	DJSIR Tourism & Events Visit Victoria Agriculture Victoria Visitor Economy Partnerships (VEPs)
	1.1.2 Collaborate with the Victorian Drinks Alliance, including participating in the review and evolution of the Drink Victorian program.	SVA	Victorian Drinks Alliance Agriculture Victoria SVA
1.2	Develop and promote great spirits visitor experiences.		
	1.2.1 Help distillers develop unique distillery door visitor experiences through creating a visitor economy community of practice, and work with distillers to align with Experience Victoria 2033. ^[15]	SVA	Visit Victoria DJSIR Tourism & Event VEPs
	1.2.2 Work with the Victorian Government, local government and visitor economy bodies to better integrate spirits experiences into visitor economy campaigns, strategies and major events.	SVA	Local Government
1.3	Help distillers develop future oriented skills.		
	1.3.1 Maintain distilling and safety training, and build into distilling excellence and sustainability.	SVA	
	1.3.2 Build the training offering in sales and marketing, data and digital and business planning.	SVA	
	1.3.3 Maintain and grow external training offerings.	SVA	Agriculture Victoria
1.4	Help distillers develop insights and connections for continuous improvement.		
	1.4.1 Explore, in collaboration with ADA and other state bodies, the idea of an Australian Spirits Data Project.	SVA	
	1.4.2 Develop an annual calendar of events to inform and connect distillers.	SVA	
	1.4.3 Collaborate with Melbourne Royal to maintain the Australian International Spirits Awards as the leading Australian Spirit Awards.	SVA	
	1.4.4 Maintain and support the delivery of information as well as networks and events for members.	SVA	Agriculture Victoria

02 Scale & Export



“
Securing a strong
export order can be
game changing for
a distillery.”

HEAD OF SALES AT A SMALL DISTILLERY

— SWIFTCREST, CONNOR VAUGHAN

Opportunities & Challenges

Exporting

Only 17% of Australian spirits manufacturers export, with most export revenue concentrated among a few major brands.^[18] However, 40% would export with the right support, highlighting untapped potential.^[20]

With most of Victoria’s 188 distilleries being small-scale, many lack the financial and human resources, expertise, and infrastructure to successfully export. High costs for travel, marketing, and regulatory compliance create significant barriers, while the complexity of some foreign markets can add further challenges.

For example, in the U.S. market, distillers must navigate a three-tier system requiring importers and distributors to access retailers and making it difficult to compete with established global brands. These hurdles limit international expansion despite the growth opportunities available.

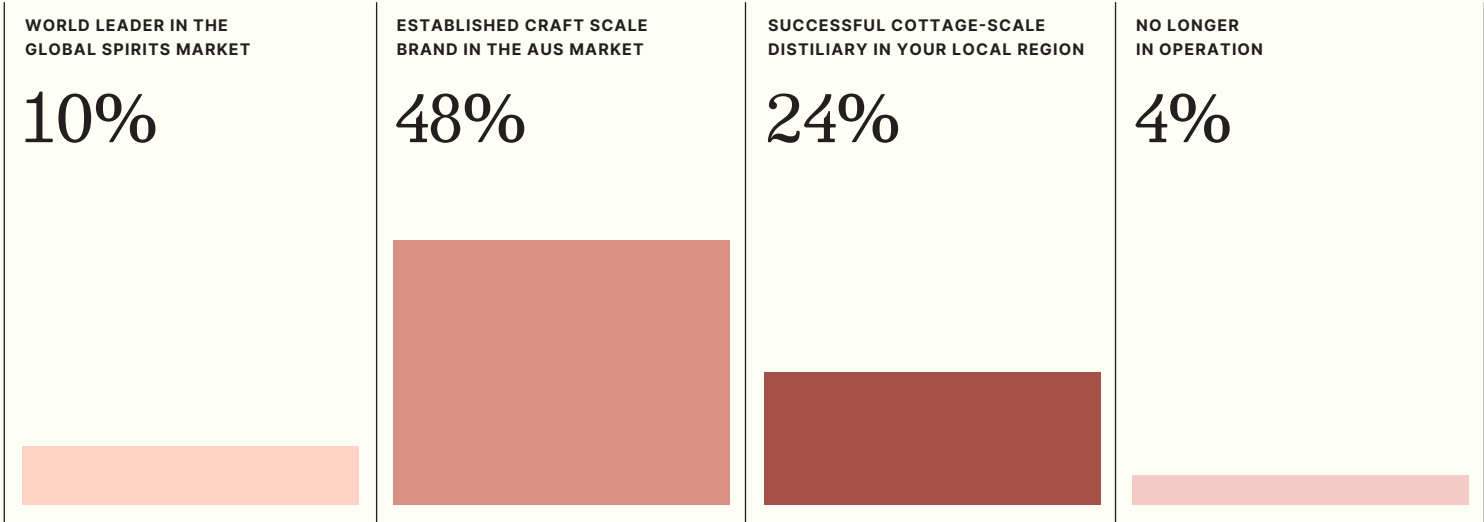
Scaling

The Victorian spirits industry is a young and growing industry, and many distillers have an ambition to grow nationally and potentially internationally (see Figure 3).

FIGURE 3

Where do you see your business in the next 5 years?

^[14] Spirits Victoria Association survey (2025)



It is critical for industry growth that high potential distillers can scale, as the majority of industry output is produced by a small number of medium to larger distillers. There are different challenges associated with different scale businesses (see Figure 4).

Small distillers typically focus on DTC through distillery door, online sales and direct sales to local retailers and venues. They benefit from being below the excise rebate threshold. Remaining small can be an entirely sustainable business model for those who want a local business, however, it can be risky to rely on the excise rebate as it reduces in real terms every six months with indexation and it could be subject to policy change.

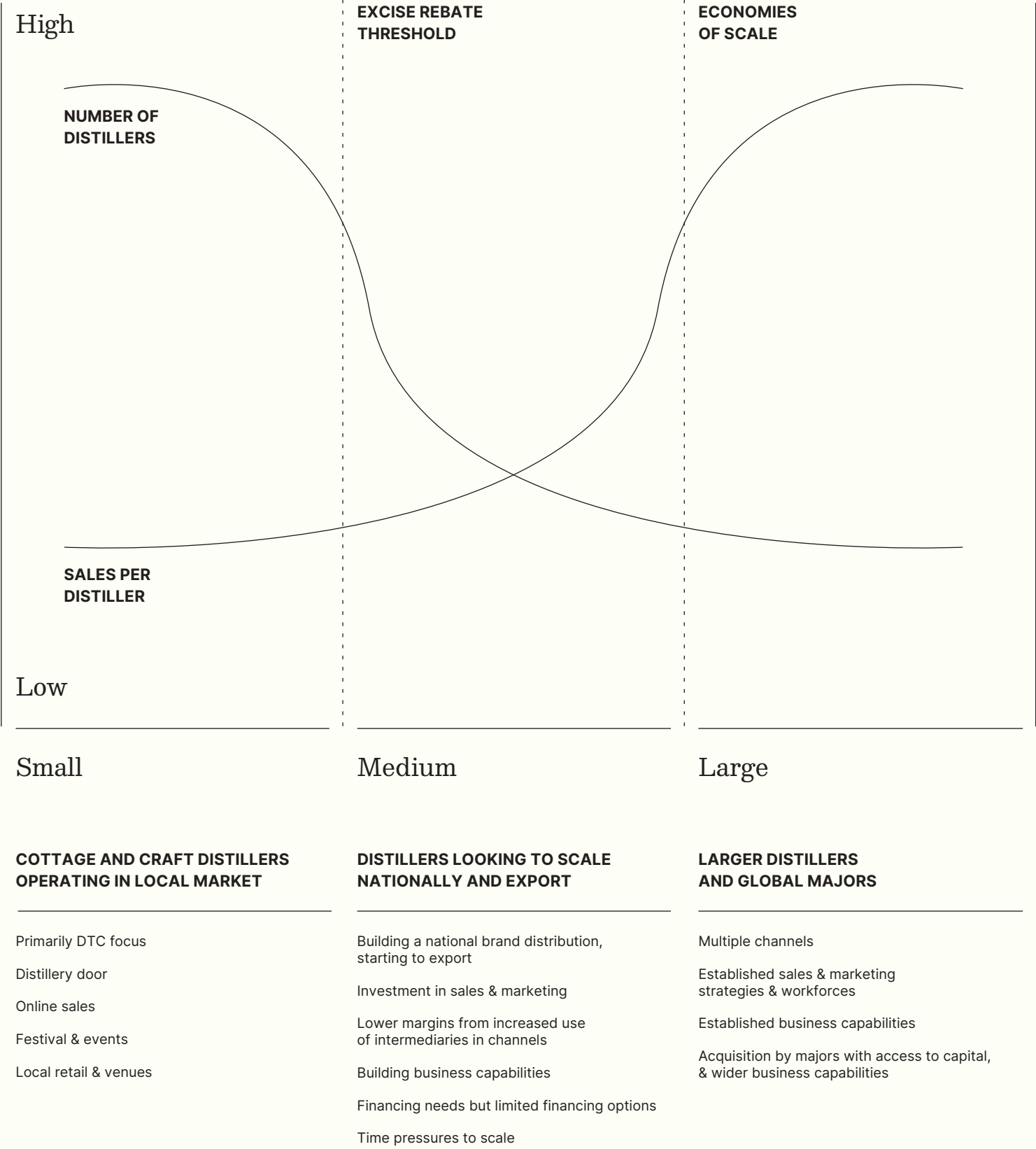
Large distillers are the very few who have built economies of scale and national, or perhaps international, brands. Most of these have been acquired in part or whole by global majors, which assist with capital, distribution networks and wider business capabilities.

The most challenging group are the medium distillers who have grown beyond their local base and are seeking to build national brands and distribution, and potentially enter export markets.

These groups face some special challenges as they grow beyond their high margin DTC base into using more lower margin intermediaries for national distribution. They also face rising investment needs around sales and marketing, and building broader business capabilities. They may also face all the challenges of a new exporter.

FIGURE 4

Conceptual model of challenges of scaling for Victorian distillers.



The Objective

The objective is to *scale leading distillers*, and *double exports* by 2030*.

Strategies

The two strategies to achieve these objectives are:

- Help leading distillers to scale.
- Partner to target export markets.

Each of these strategies will be discussed in turn in more detail.

*The exports baseline is derived from Deloitte’s 2022-23 estimate of a total spirits export value of \$41M, making the target \$82M.^[13]

STRATEGY 2.1

Help leading distillers to scale.

ACTION 2.1.1

→
Pilot an emerging leaders program to help high potential distillers scale.

Every distiller that seeks to scale will have its own unique strategy and narrative. Morris of Rutherglen has rapidly built a whisky brand leveraging a wine heritage (see case study on P48). Four Pillars has a very focussed strategy on gin, with an emphasis on distilling excellence, outstanding sales and marketing nous, and unique timing (see Four Pillars case study on P49).

The challenges to scaling are clear, but there is also incredible talent and ambition in the industry to tackle these challenges. So, how can an industry strategy help leading distillers to scale?

Given the importance of this group to the future growth and development of the industry, perhaps there are additional supports that can be provided to help navigate the challenges they face. This support ideally needs to be tailored, as each business has a highly specific strategy and brand narrative.

A strongly supported idea was to develop an emerging leaders program. This would feature a shared curriculum around the common challenges, but also include tailored support such as mentoring and advice on strategy development and execution.

Initiatives such as sharing national distributors or a domestic ambassador could also be explored, as well as links to the export support programs. An emerging leaders program could also identify and support talent for potential future roles in industry leadership and governance.

A pilot program could be developed by SVA with the support of the Victorian Government. The ADA and the Commonwealth Government may also be interested collaborating on this pilot as a template for a national program.

The wine industry has developed a suite of professional development programs nationally for high potential individuals, from early to mid career, to industry leaders. Over time perhaps a similar suite could potentially be developed for spirits, or the potential for the wider drinks industry to collaborate on programs could be explored.





– MORRIS OF RUTHERGLEN

CASE STUDY

Building a Brand From a Wine Heritage

Morris of Rutherglen

Morris of Rutherglen, a 165-year-old winery renowned for its world-class fortified wines, was on the brink of closure before its acquisition by the Casella Family Wines in 2016.

Home to a library of century old barrels and an original 1930's copper pot still, the historic site was revitalised, leveraging its rich heritage to expand into single malt whisky production.

The distillery combines tradition with innovation, aging its whisky in family owned red wine barrels and finishing it in prize winning fortified wine casks—a process informed by the winery's deep expertise. Collaborating with sixth-generation Morris family members, the brand maintains a strong connection to its legacy while embracing new opportunities.

Since its launch in 2021, Morris whisky has gained traction locally, leveraging off its wine brand which is well know in Victoria and Australia. It offers distillery door experiences, has developed a DTC platform, and secured national distribution through major retailers. Morris is now exploring export opportunities.



– FOUR PILLARS

CASE STUDY

Scaling Nationally & Internationally

Four Pillars

● In 2013, three friends with significant careers in drinks, production and marketing—Cameron Mackenzie, Stuart Gregor, and Matt Jones—founded Four Pillars Gin in Victoria's Yarra Valley, aiming to craft a uniquely Australian range of gins. They invested in a custom made CARL copper still from Germany, which became central to their distillation process.

Four Pillars were innovators from the beginning with an important step being the creation of Bloody Shiraz Gin in 2015. This variation on liqueur-style gin was uniquely Australian and became globally recognised. It has since spurred on dozens of like-minded grape gin styles in Australia and abroad.

From its inception, Four Pillars focussed on blending traditional gin botanicals with native Australian ingredients, setting their products apart in a crowded market. Their commitment to quality and innovation quickly garnered attention, leading to a significant milestone in 2019 when they were awarded the title of International Gin Producer of the Year by the International Wine and Spirit Competition (IWSC) in London. Remarkably, they secured this prestigious accolade again in 2020 and 2023, becoming the first distillery to achieve this honor three times.

To meet growing demand and expand their reach, Four Pillars established a distillery in Healesville in 2015, transforming a former timber yard into a gin destination. Recognising the importance of global expansion, they also appointed dedicated trade managers to oversee growth in key markets, including the UK, the Americas, and Asia.

Lion, the Australian arm of Japanese drinks giant KIRIN, acquired a 50% stake in 2019, followed by full ownership in 2023. This partnership proved pivotal to scaling Four Pillars, providing the necessary resources and distribution networks to facilitate international and domestic expansion, including the building of a new bottling hall and hospitality venue.

STRATEGY 2.2

Partner to target export markets.

ACTION 2.2.1

→
Create a community of practice for exports.

Typical preconditions in considering export markets are:

DISTILLING EXCELLENCE

A high quality product is a given as you need to compete against the best in the world.

DOMESTIC MARKET SUCCESS

The first thing an international distributor will probably ask is whether you have a national brand in your own country.

For export success you also typically need:

A UNIQUE SELLING PROPOSITION (USP)

The features or characteristics of your product that distinguishes it from others of a similar nature and makes it more appealing.

SUSTAINED TARGETED ACTIVITY

The financial capacity, human resources, and sales and marketing capability for relentless and consistent activity in target markets.

CAPACITY TO SCALE

The ability to consolidate on any initial export success.

The export success of Starward provides a great example of this approach (see Starward case study on P52).

Some smaller Victorian distillers have been able to secure initial export orders, but a lack of supporting activity in the market has sometimes meant that there is no second order. Even some of the larger Victorian distillers have struggled for sustained success in a range of export markets.

One of the great barriers is simply the very low international awareness of Australian Spirits as a category. There is a strong shared interest in growing the category of Australian spirits in the minds of trade and consumers in target markets. There is also the opportunity to share costs and undertake joint initiatives. The creation of successful export brand can lead the way for new exporters to follow, so the focus should be on ways to collaborate.

A simple initial way to work together is for SVA to create a community of practice for distillers interested in exporting to share information and insights, for mentoring and advice.

ACTION 2.2.2

→
Distillers to partner on sustained activity in target export markets.

Another way to collaborate is for exporting distillers to partner on activities in the market including:

- Agreeing a common brand narrative.
- Agreeing on some target markets.
- A communal presence at trade shows.
- Using common distributors.
- Sharing a brand ambassador.
- Targeted marketing campaigns and direct consumer engagement, particularly in regions with strong Australian connections.

In terms of brand narrative, to the degree that there is any awareness of Australian spirits, it tends to be associated with “brand Australia”, or with the cities of Sydney and Melbourne. Victoria either doesn't register or is associated with Canada. Tasmania may have a brand focus on Tasmanian whisky, but given the diversity of Victoria’s spirits offering, a focus on brand Australia and perhaps Melbourne seem the better alternatives.

New exporters are well advised to first undertake extensive market research to determine if a product offering is right for a global market. The initial focus may be on only one or two markets, and to build from there.

There may be advantages in targeting markets that have favourable perceptions of Australia, where people are familiar with high quality Australian food and beverages, and where there are sizeable Australian expatriate populations. Closer and more accessible markets such as New Zealand or in South East Asia may be preferred. The more complex and larger markets of US, Europe and Northern Asia may be more attractive to more established exporters, but consideration needs to be given to regulatory and market complexities especially in markets such as USA, Canada, and India. Sub-markets can also be attractive entry points, such as secondary cities or provinces.

SVA could convene a group of exporting distillers to see if they can agree on a common brand narrative and target markets. From there, there is scope to share a distributor and/or a brand ambassador. Emerging exporters, such as those involved in the emerging leaders program could be invited to join.



– STARWARD

CASE STUDY

Exports & Accessing International Markets

Starward

● Established in 2007 by David Vitale, Starward has become a leader in Australian whisky exports, gaining recognition for its innovative approach and distinctly Australian flavour profile. Using high-quality local ingredients and maturing whisky in red wine barrels or ginger beer casks, Starward produces a lighter, fruitier profile well suited for mixing in cocktails drinking at dinner and other social occasions.

Starward’s growth in international markets accelerated in 2015 when it secured investment from Diageo-backed drinks accelerator, Distill Ventures. This support enabled the distillery to scale production and expand its global presence. The following year, the distillery moved to a larger facility in Port Melbourne. Exports to the U.S. began in 2018, and today, Starward is available in 14 countries, with the U.S. accounting for nearly 50% of total exports.

Vitale highlights Starward’s strong focus on food as an important part of its identity. Restaurant partnerships have been a key way to bring the brand to life in new markets, helping introduce its whisky to a wider audience. The brand has also secured a position as the official whisky partner of the Michelin Guide, further reinforcing its connection to the dining experience.

Starward’s reputation has been reinforced by international awards, including being named Most Awarded Distillery of the Year at the 2022 San Francisco World Spirits Competition, making it the first Australian distillery to win the award.

Its success highlights the potential for Australian whisky producers to compete internationally, demonstrating the growing demand for premium, locally crafted spirits in global markets.



– IRISH WHISKEY DISTILLERY

CASE STUDY

Success In Exports

Ireland

The Irish whiskey industry has successfully re-established itself as a global powerhouse. Leveraging its national brand and diaspora, the industry went from just four distilleries in 2010 to over 50 today. This growth has been underpinned by several factors, including:

Premiumisation

One of the most notable trends in the Irish whiskey industry’s export success has been its premium brand positioning. The record-breaking sale of the small-batch Emerald Isle whiskey for USD\$2.8 million in 2024 exemplifies how Irish producers have capitalised on the growing consumer demand for high-quality craft spirits, despite declining overall demand for alcohol. A wave of younger distillers have also found market traction through adopting new formats (like RTDs) and flavour styles that challenge traditional perceptions of Irish whiskey.

Route-to-Market Strategy

Unlike the wine industry which relies heavily on traditional distributor relationships, spirits requires an active “boots on the ground” approach to building and sustaining demand. Irish whiskey brands have excelled in this by adopting a range of strategies. These include sales activations, communal presence at trade shows (via Bord Bia), brand ambassador programs, targeted marketing campaigns, and direct consumer engagement, particularly in regions with strong Irish heritage. This “sell-through” approach helps to drive repeat sales so that bottles don’t collect dust in warehouses.

Geographical Indication (GI) Protection

A key enabler of Irish whiskey’s international growth has been its GI status, which protects authenticity and ensures that only whiskey produced on the island of Ireland can bear the name. This legal protection has not only reinforced consumer trust but has also helped to secure favorable trade agreements and safeguarded Irish whiskey against imitation in over 70 markets. GI hasn’t restricted creativity, rather the innovation in techniques, cask finishes and now renewed diversity that has propelled a new generation of Irish makers.



ANTHER DISTILLERY, FEDERAL MILLS PRECINCT

ACTION 2.2.3

Partner with Commonwealth and state government on targeted trade activity both inbound and outbound.

There are good examples of collaborative national efforts in spirits industry development. For examples, the impressive growth in exports of Irish whiskey from a collaborative approach (see Success in Exports case study on P53).

Governments provide a range of supports for exporting including for market entry and growth, export promotion and export capability. There is already an existing package of support from Global Victoria, including an ongoing export program. SVA should discuss with Global Victoria the scope for future support tailored to industry needs.

Given the strategic nature of the collaborative activities, and the focus on brand Australia, the Commonwealth Government may also be interested in providing support, such as a combined presence at trade shows to showcase Melbourne and Australia, or through a focus on inbound familiarisation tours.

Indeed, the Commonwealth Government announced tax relief for Australian distillers (as well as brewers and wine producers) in February 2025. The government noted that the program would “back an important local industry as well as supporting regional tourism, investment and job creation”.^[21] This may bode well for further engagement with the Commonwealth Government.

Priority – Scale & Export

OBJECTIVE 2

Scale leading distillers, and double exports by 2030.

STRATEGY	ACTIONS	LEAD	SUPPORT
2.1 Help leading distillers to scale.	2.1.1 Pilot an emerging leaders program to help high potential distillers scale.	SVA	Agriculture Victoria Commonwealth Department of Agriculture
2.2 Partner to target markets.	2.2.1 Create a community of practice for exports.	SVA	
	2.2.2 Distillers to partner on sustained activity in target export markets.	SVA	
	2.2.3 Partner with Commonwealth and state government on targeted trade activity both inbound and outbound.	SVA	Global Victoria Commonwealth Export Agencies

03 Community & Advocacy

“
The spirits industry has strong community support because it has historically been a very responsible industry. There are established marketing codes, and it's important to acknowledge, protect, and uphold them.
”

SPIRITS RETAILER

- MARIONETTE

Opportunities & Challenges

● Victorian distillers have strong and positive relationships with the communities they serve. ● They provide important additions to the food and drink culture and visitor experiences in these communities, as well as employment and economic impacts.

The community has ongoing concerns around environmental sustainability, but there has also been leadership in promoting Victorian Spirits' sustainability.

There are concerns around health and social impacts of alcohol. Globally, this has led to regulatory interventions such as taxation, licensing, and restrictions on sale and promotion. The Australian spirits industry has a good reputation for promoting responsible drinking, supported by marketing codes and practices. Costly and unnecessary regulatory restrictions should be avoided where possible.

The high level of excise on spirits is a major issue for distillers. Spirits account for 20 per cent of alcohol consumption in Australia, but they contribute 50 per cent of alcohol taxes.^[22] This high tax burden places spirits at a significant competitive disadvantage, without any rational policy justification.

First Peoples' participation in the Australian distilled spirits industry remains limited due to complex challenges around employment and enterprise participation. The industry is keen to explore how this could change.

The Objective

The objective is to support our communities and be a *proactive industry advocate*.

Strategies

The three strategies under this objective are:

- Lead in Victoria on community, sustainability, health, and social impact.
- Support national lead on key national issues.
- Support distillers to engage collaboratively with First Peoples.

STRATEGY 3.1

Lead in Victoria on community, sustainability, health, and social impact.

ACTION 3.1.1

→ Refresh the Distilled Spirits Industry Analysis.

Almost half of Victorian distillers are located in regional Victoria and have strong connections with their local communities. Many Melbourne-based distillers also have strong engagement with their local communities.

Local communities benefit from these important additions to their food and drink cultures and visitor experiences, but also from the economic activity and employment that the industry brings. Victorian distillers have a good track record of operating

responsibly in local communities. For example, no distillery door is included in Liquor Control Victoria’s current demerit point register.^[23]

The Victorian Distilled Spirits Industry Analysis (2023) by Deloitte has been a great resource for industry in highlighting its economic impact. This report should be refreshed through a concise update in a few years so this resource maintains its relevance.

ACTION 3.1.2

→ SVA should promote industry environmental sustainability, including driving uptake of its sustainability toolkit.

Environmental sustainability is increasingly important to the community. Greater local production will reduce the environmental footprint of spirits consumption. There are some great local sustainability leaders (see Marionette case study on P62), who have shown how Victorian distillers can improve their environmental sustainability while maintaining their relevance.

SVA has produced a sustainability toolkit as a guide to distillers, and should continue to promote its use by industry.

ACTION 3.1.3

→ SVA should support members with an evidence-driven position on selected health and social impact issues in Victoria, consistent with the national lead.

The health and social impact of alcohol consumption is a major national and global issue facing all alcohol beverage industries. Alcohol Beverages Australia (ABA), ADA and Spirits & Cocktails Australia (SCA) should take the lead nationally on evidence-based policy and advocacy.

on key health and social impact issues in Victoria related to health, licensing, and planning. This voice should be guided by the positions of the national bodies. With emphasis on evidence, quality, craft, cultural experiences, responsible consumption, and licence star ratings.

However, from time to time, SVA may need to inform members of key developments and to provide an evidence driven voice



– MARIONETTE

CASE STUDY

Environmental Sustainability Practices

Marionette

● A two-time recipient of Australia’s Best Liqueur Award, Marionette emphasises sustainable practices, focusing on local sourcing and reducing the carbon footprint associated with fruit import miles.

Their collaboration with independent farmers ensures the utilisation of local produce, addressing climate challenges and preventing waste by purchasing fruit even before peak ripeness and compensating farmers fairly.

Marionette also focuses on community engagement and education. Their initiatives are not only about environmental impact but also about fostering a culture of sustainability among consumers and the broader community.

Marionette’s approach showcases how local distillers can integrate sustainability into their operations effectively, reducing environmental impact while supporting local economies and agricultural practices.

^[24] Benchmarking sustainability for Victorian distilleries, Foresight Consulting Group (2024)

STRATEGY 3.2

Support national lead on key national issues.

ACTION 3.2.1



Support national advocacy by ADA and SCA on excise reform, including export offsets.

Spirits excise rates are very high, both compared to other alcohol beverages and by international standards. This reduces spirits consumption. There is a good policy basis for reform, but the politics are difficult.

As a Commonwealth Government tax, ADA and SCA should take the lead on research and advocacy on excise reform, and also advocate for simplified tax compliance for SMEs.

Medium sized distillers with growth ambitions may pay excise domestically while incurring major investments in sales, marketing and exporting. To assist this key group to export, the industry should advocate for the offset of domestic excise against exports as proposed by SCA.

The role of SVA is to support ADA and SCA advocacy, and to communicate a narrative to members.

ACTION 3.2.2



SVA to support ADA lead on exploring Geographical Indication options.

A (GI) is a legal protection on products that have a specific geographical origin and possess qualities, a reputation, or characteristics that are attributable to that origin.

Potential advantages of a GI include product differentiation and premium positioning, protection of regional identity, enhanced reputation and consumer trust, and collaborative marketing opportunities. Potential disadvantages include high costs, complex and time-consuming processes, compliance and enforcement challenges, and restrictions on production methods and innovation. However, these advantages and disadvantages depended very much on how the GI is specifically designed (see Irish Whiskey case study on P53).

While some distillers suggested developing a Victorian Spirits GI, others thought that simply indicating origin on labels was sufficient. Most were of the view that if a GI was to be developed, it needed to be used for exports and that a GI for Australian Spirits at a national level would be preferable.



– WANDERING EMU

CASE STUDY

First Peoples Enterprise & Collaboration

Wandering Emu

● Wandering Emu is an Aboriginal enterprise in the Murray Riverina/ Mallee region founded by Sam Kirby, a proud descendant of the Mutthi Mutthi, Wiradjuri, Yorta Yorta, Gungarri and Barapa Barapa/Wemba Wemba peoples.

Sam has developed a Dilang Gin. “Dilang” is the traditional Mutthi Mutthi name for the signature native fruit used in crafting his gin, which imparts a bittersweet crispness, light earthy tones and a soft fruity finish. The Dilang bush is a hardy plant that grows across many parts of Southern Australia. Emu have been prolific consumers of Dilang fruit, assisting with seed germination. Sam and his family and friends personally harvest the Dilang berries.

Sam acknowledges the great mentoring and support he has received from Leigh Attwood at Backwoods Distilling Co. in Yackandandah. He hopes in time to set up his own distillery, and to develop new drinks featuring Dilang.

STRATEGY 3.3

Support distillers to engage collaboratively with First Peoples.

ACTION 3.3.1



Support First Peoples groups in developing strategies that intersect with the spirits industry, particularly in native foods and botanicals.^[25]

As part of the strategy development process, we engaged a First Peoples consultancy to facilitate discussions with Indigenous stakeholders, including mapping the issues and opportunities for the spirits industry.

There was a recognition among industry stakeholders that First Peoples were underrepresented in the industry, and that it was important for the industry to engage with First Peoples to explore areas where they could work together for mutual advantage.

It was particularly recognised that native botanicals (such as Tasmanian pepperberry, lemon myrtle, and wattle seed) are increasingly used in Australian spirits, particularly gin, and are a key differentiator. It was also recognised that very little of the supply of native botanicals was sourced from First Peoples. This was seen as an opportunity area for engagement.

Potential opportunities were also recognised in the incorporation of Indigenous stories and art in the marketing and promotion of Australian spirits alongside native botanicals, as well as in potential regional tourism partnerships. However, there was also recognition of the need to avoid cultural appropriation, respect Indigenous knowledge and improve the industry’s cultural competency in engaging with First Peoples.

SVA should be engaging with relevant sectoral collaborative initiatives, including the Victorian Traditional Owner Native Foods and Botanicals Strategy and the upcoming First Peoples Tourism Plan.^[25]

There are people in the spirits industry who have a particular interest in engaging with First Peoples. There are also people who have a good understanding of the native botanicals supply chain. As well as some businesses with existing experience in collaborating, such as Wandering Emu and Backwoods Distilling Co., it is appropriate to consider remunerating First Peoples working group members.

Priority – Community & Advocacy

OBJECTIVE 3

Support our communities and be a proactive industry advocate.

STRATEGY	ACTIONS	LEAD	SUPPORT
3.1	Lead in Victoria on community, sustainability, health, and social impact.		
	3.1.1 Refresh the Distilled Spirits Industry Analysis.	SVA	
	3.1.2 Promote industry sustainability, including driving uptake of its sustainability toolkit.	SVA	
	3.1.3 Support members with an evidence-driven position on selected health and social impact issues in Victoria, consistent with the national lead.	SVA	ADA SCA Alcohol Beverages Australia (ABA)
3.2	Support national lead on key national issues.		
	3.2.1 Support national advocacy by ADA and SCA on excise reform, including export offsets.	SVA	ADA SCA
	3.2.2 SVA to support ADA lead on exploring Geographical Indication options.	SVA	ADA
3.3	Support distillers to engage collaboratively with First Peoples		
	3.3.1 Support First Peoples groups in developing strategies that intersect with the spirits industry, particularly in native foods and botanicals. ^[25]	SVA	First Peoples organisations and communities State Government Commonwealth Government ADA SCA State Spirits Bodies



04 Collaboration



— SWIFTCREST, CONNOR VAUGHAN

Opportunities & Challenges

“There needs to be a way for state spirits associations to be constantly bouncing off each other, and sharing ideas.”

INDUSTRY LEADER

The spirits industry in Victoria is a relatively small and new industry. There are great benefits from collaboration at all levels in growing the industry, while also keeping SVA lean and focussed.

There are lessons to be learned from other state-based spirits organisations on how an industry can effectively collaborate. Page 72 provides a case study for the spirits industry in Oregon, which shares a number of similarities to Victoria, as well as some differences.

The industry's youth is also a great strength. Its unity and strong collaborative culture have positioned it well to respond proactively to emerging challenges. This strategy will seek to leverage this strength to that end.

The Objective

The objective is to *collaborate* to grow the industry.

The Strategies

The three strategies to achieve this objective are:

- Nurture a collaborative industry culture.
- Collaborate nationally across industry and government.
- Keep SVA agile, lean and focussed.



CASE STUDY

Industry & Government Collaboration

Oregon

● The Oregon spirits industry has experienced remarkable growth over the past three decades, evolving from just two craft distillers to 78 by 2022, giving the state the highest number of distilleries per capita in the U.S. There are a number of factors underpinning this expansion.

Oregon Distillers Guild

Established in 2007 as the first state-level distillers’ guild in the U.S., the Oregon Distillers Guild has been instrumental in advocating for legislative reforms, supporting business growth, and fostering collaboration among distillers. The Guild has maintained a lean and focussed structure, prioritising activities that directly benefit members while ensuring that small and independent producers have a voice alongside larger players. This structure has allowed Oregon’s distillers to compete fairly with multinational spirits brands and strengthen their collective market presence.

Beyond tourism, the Guild has also worked closely with state regulators to create policies that enable industry growth while maintaining fair competition. Key regulatory wins include legislation allowing distillers to sell spirits at special events and to operate tasting rooms both of which have been critical to increasing DTC sales and brand exposure.

A Collaborative Industry

Oregon distillers have successfully harnessed collaboration to amplify their impact, most notably through initiatives like Distillery Row. This project, spearheaded by a group of six distilleries, established a coordinated spirits and tourism experience in Portland, complete with maps, passports, and tours. By working together rather than in competition, these distilleries have helped in building consumer engagement, foot traffic, and regional identity.

STRATEGY 4.1

Nurture a collaborative industry culture.

ACTION 4.1.1



Nurture a highly collaborative culture in the spirits industry community.

There is already a strong culture of collaboration in the Victorian spirits industry; this is a valuable asset and it should be maintained and extended.

A culture of collaboration helps the entire industry, with members volunteering time, knowledge and information helping keep SVA lean and focussed.

SVA should encourage mentorship and exchange of ideas between emerging and established individuals and businesses, as well as harness industry interest and expertise through impactful and rewarding volunteering opportunities.

An important part of the industry’s culture is women in spirits. As of 2021, women accounted for 44% of industry employment but remained underrepresented in senior roles.^[18] Victoria is home to a number of prominent women leaders, with several existing networks and resources supporting women locally and internationally, such as OurWhisky in the UK. SVA should promote a supportive and inclusive culture for women across all its programmes.

STRATEGY 4.2

Collaborate nationally across industry and government.

ACTION 4.2.1



Collaborate nationally with spirits industry bodies clarifying roles and avoiding duplication.

This highly collaborative culture should extend to how SVA engages with industry bodies and government, both within Victoria and nationally.

SVA should closely collaborate with ADA, and SCA to identify clear roles and synergies to avoid duplication and additional administrative burden.

ACTION 4.2.2

→
Maintain and grow a strong relationship with the Victorian Government.

SVA's primary role with government is to build on its already strong partnership with the Victorian Government and key agencies such as Agriculture Victoria, Global Victoria, and Visit Victoria.

Collaboration with the Commonwealth Government is important on some issues, but this should be in liaison with the ADA.

ACTION 4.2.3

→
Collaborate with other industries in areas of mutual benefit including the beverage industries and the visitor economy.

There are also gains from collaboration with other beverage industries including through the Drink Victorian program.

It is also critical to collaborate with the broader visitor economy, including local government, state and regional tourism bodies, and major events organisations, to promote and enhance spirits-related visitor experiences.

STRATEGY 4.3

Resource an agile, lean and focussed SVA.

ACTION 4.3.1

→
Develop and maintain SVA's governance and organisational capacity to sustainably deliver the strategy.

A collaborative industry culture, along with strong partnerships across industry and government, will enable SVA to remain lean and focused. However, this strategy outlines a range of initiatives that will also require dedicated resourcing.

SVA should retain its Industry Development Officer and introduce a Member Services Support role to deliver the activities set out in this strategy.

ACTION 4.3.2

→
Develop a sustainable funding model for SVA in collaboration with the Victorian Government.

This strategy is ambitious, and while the emphasis on collaboration will minimise the resources required to implement the strategy, there are still considerable resources required.

The SVA should consider what core services the industry could fund on a sustainable basis, and what funding model options could support this consulting with members to gain support for an appropriate funding model.

The Victorian Government has been a key funding partner, and many of the proposed initiatives in this strategy will require ongoing project-based funding support. The SVA should discuss with the Victorian Government what funding it could provide for the proposed initiatives.



– BASS & FLINDERS DISTILLERY

● The Mornington Peninsula has traditionally been known for its premium wine industry, but in recent years, several craft distilleries have established themselves in the region. Bass & Flinders Distillery (brandy and gin), JimmyRum Distillery (cane spirit and rum), and Chief’s Son Distillery (whisky and single malt vodka) have each built strong reputations for their high-quality, small-batch spirits.

Recognising the benefits of collaboration, these three distilleries have partnered under the “Dark Spirits of the Mornington Peninsula” banner to collectively promote their premium dark spirits. A key initiative has been the “Dark Spirits of the Peninsula Degustation” event, held at JimmyRum Distillery. This nine-course degustation dinner paired aged spirits from Bass & Flinders, Chief’s Son, and JimmyRum with curated dishes, offering an immersive experience into the region’s dark spirits craftsmanship. The three distillers also collaborate through using a common distributor.

In addition, these distilleries have also contributed to positioning the Mornington Peninsula more broadly as a destination for craft beverages. The Mornington Peninsula Beer, Cider & Spirits Trail is an example of a collective effort to showcase the region’s

growing craft beverage sector. Bringing together nine producers, including distilleries and breweries, the trail follows a model similar to the established wine trails, encouraging visitors to explore multiple venues, engage with producers, and experience the region’s diverse offerings.

By working together, participating businesses benefit from increased visitor traffic, shared marketing efforts, and a stronger collective brand, reinforcing the Mornington Peninsula’s reputation as a hub for craft beverages.

Priority – Scale & Export

OBJECTIVE 4

Collaborate to grow the industry.

STRATEGY	ACTIONS	LEAD	SUPPORT
4.1 Nurture a highly collaborative industry culture.	4.1.1 Nurture a highly collaborative culture in the spirits industry community.	SVA	Victorian spirits industry
	4.2 Collaborate nationally across industry and government.		
4.2 Collaborate nationally across industry and government.	4.2.1 Collaborate nationally with spirits industry bodies clarifying roles and avoiding duplication.	SVA	ADA SCA State spirits industry bodies
	4.2.2 Maintain and grow a strong relationship with the Victorian Government.	SVA	Victorian Government
	4.2.3 Collaborate with other industries in areas of mutual benefit including the beverage industries and the visitor economy.	SVA	Other beverages industries Visitor economy bodies
4.3 Resource an agile, lean and focussed SVA.	4.3.1 Develop and maintain SVA’s governance and organisational capacity to sustainably deliver the strategy.	SVA	
	4.3.2 Develop a sustainable funding model for SVA in collaboration with the Victorian Government.	SVA	Victorian Government

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