

PATRIOT

MICRO DISTILLERY™



ABE
EQUIPMENT

A New Generation of Distilling Opportunities



THE CRAFT SPIRITS BOOM

The monumental passing of the Craft Beverage Modernization and Tax Reform Act on December 27, 2020 marked the first time the U.S. government reduced taxes for spirits producers since the Civil War! Under that legislation, craft distillers will pay \$2.70 per proof gallon for the first 100,000 gallons produced in each calendar year. Prior to this reform, distillers were required to pay \$13.50 per proof gallon. This epic decision made by the Federal Government now makes it possible for small craft distilleries to save \$10.80 per proof gallon, greatly increasing their profitability.

According to the American Craft Spirits Association (ACSA), craft distilling is no longer a niche industry. It is now a multi-billion-dollar industry with over 2,000 operating distilleries across the country. Total sales and revenue, market share, investment, and employment are all rapidly growing; and forecasts show the trend continuing for the next decade and beyond.

The Distilled Spirits Council of the United States (DISCUS) has recently released data putting the industry's size, growth, and breadth into context. For the 11th consecutive year, the U.S. craft spirits market volume grew, reaching over 251 million cases in retail sales in 2020.

Direct sales from distilled spirits plants (DSP) are important for all craft distillers but especially important for small producers where these sales have made up 44% of total sales. Many surveyed retailers and wholesalers see the potential for craft spirits to perform better than craft beer and wineries over time. In the U.S. alone, there are over 7,500 craft breweries and 11,000 wineries. The craft spirits market is projected to grow at a compounded annual growth rate of over 18% during the forecast period of the next five years.

The American Craft Spirits Association (ACSA) is an excellent organization for those wishing to enter this exclusive market and offers a wide range of helpful benefits for those wishing to take advantage of this exciting industry.

If this positive business outlook ignites your interest in starting or expanding your current craft distillery, ABE Beverage Equipment can help you make the most of that decision. With nearly 30 years of sales and service in the craft beverage industry, ABE is a valuable resource for those hoping to fulfill their dreams of operating their own craft distillery business.



ABE'S APPROACH

PRODUCTION OF CRAFT SPIRITS

ABE's Sales and Engineering teams developed a simple way for start-up craft distiller pioneers to establish a small-scale distillery without spending the vast amount of money typically associated with this endeavor. Our vision grew out of a love for spirits production and for the entrepreneurs who were regularly asking for ways to minimize their investment to open their own craft distillery. The engineering solution was to develop a scaled-down system that would produce quality like the "big distillers," while at the same time, allowing for an artisanal approach for making whiskey, vodka, gin, rum, and other unique spirits.

After many months of deliberation, design, and extensive testing, the Patriot Micro Distillery was born. No longer is a start-up operator required to buy a small-scale still hoping to produce quality spirits on a consistent basis. No longer does the start-up craftsman have to sort through a wide list of component suppliers to cobble together a complicated distillation system, ultimately resulting in questionable customer service and support. In addition, the craft artisan no longer must face the market on his or her own when sourcing bottles, caps, labels, boxes, and other necessary supplies. Now these committed entrepreneurs can rely on one company for quality equipment, on-hand spare parts supplies and reliable customer service. The dream of opening a small distillery and focusing on making a unique and personal spirit is now in reach with the ABE Patriot Micro Distillery!



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OF OPENING A SMALL **DISTILLERY** AND FOCUSING
ON MAKING A
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IS NOW IN REACH



ABE Beverage Equipment has developed a unique approach to the production of small-batch craft spirits and is proud to support the growth of the small craft spirits producer with the development of the Patriot Micro Distillery.

WE HAVE OPTIONS!

Depending on a few variations of how you would like to approach your distillery, the Patriot Micro Distillery can be delivered in one of three configurations.



OPTION 01

STILL SKID with Rectifying Column, or Optional Whiskey Helmet

One option is to work with a local craft brewery to supply raw, unfermented beer, to produce an alcoholic "spirit wash" for distilling. Spirit Wash refers to the fermented beer that generally reaches a 10% alcohol content from which to distill. By doing this, an operator can reduce upfront equipment costs by purchasing wash versus in-house production. Whiskey, vodka, gin, and other clear spirits can be produced utilizing this method.

- 200 liter ABE Pilot Still
- Two 5 kw Submersible C1D1* Compliant Heating Elements
- Copper Column
- Manual Agitator
- Five PSI PRV/VRV
- Six 6" Diameter Perforated Plates
- 1.5" Sanitary Drain
- 3/4" Water Hose Connections
- Three Polyethylene Food Grade Tanks
- 3/8" Push Lock Water Lines
- Condenser Water Manifold
- Copper Dephlegmator
- Copper Final Condenser
- Removable Thermometer in Boil Pot
- Thermometer in Dephlegmator
- Thermometer in Lyne-arm
- Thermometer in Final Condenser
- Optional Spirits Safe



OPTION 02

MASH SKID

for On-Site Wash Production

The second option is to produce an in-house spirit wash with ABE's Mash-Tun Skid. This compact skid produces mash from grain which is then fermented in food grade tanks. Once fermented, the spirit wash is pumped to the Micro Still for immediate distillation. As noted in Option 1, whiskey and clear spirits can also be produced during this process.

- 100 gallon Oil Jacketed Electric Mash Tun
- Removable Perforated Plates
- Pressure Relief Off-Gas Valve
- Three Polyethylene Food Grade Tanks
- Stainless Steel Skid with Platform
- Stairs Including OSHA Compliant Hand Railings
- Three m³ Stainless Steel Plate Heat Exchangers
- Central Electrical Controls
- Hot and Cold Water Blending Station with Flowmeter
- Water Flow Meter for Total Water Volume
- Paddle and Rake
- Stainless Steel False Floor for Grain-Off Distillation
- CIP Capable with Internal Rotating Ball Sprayer



OPTION 03

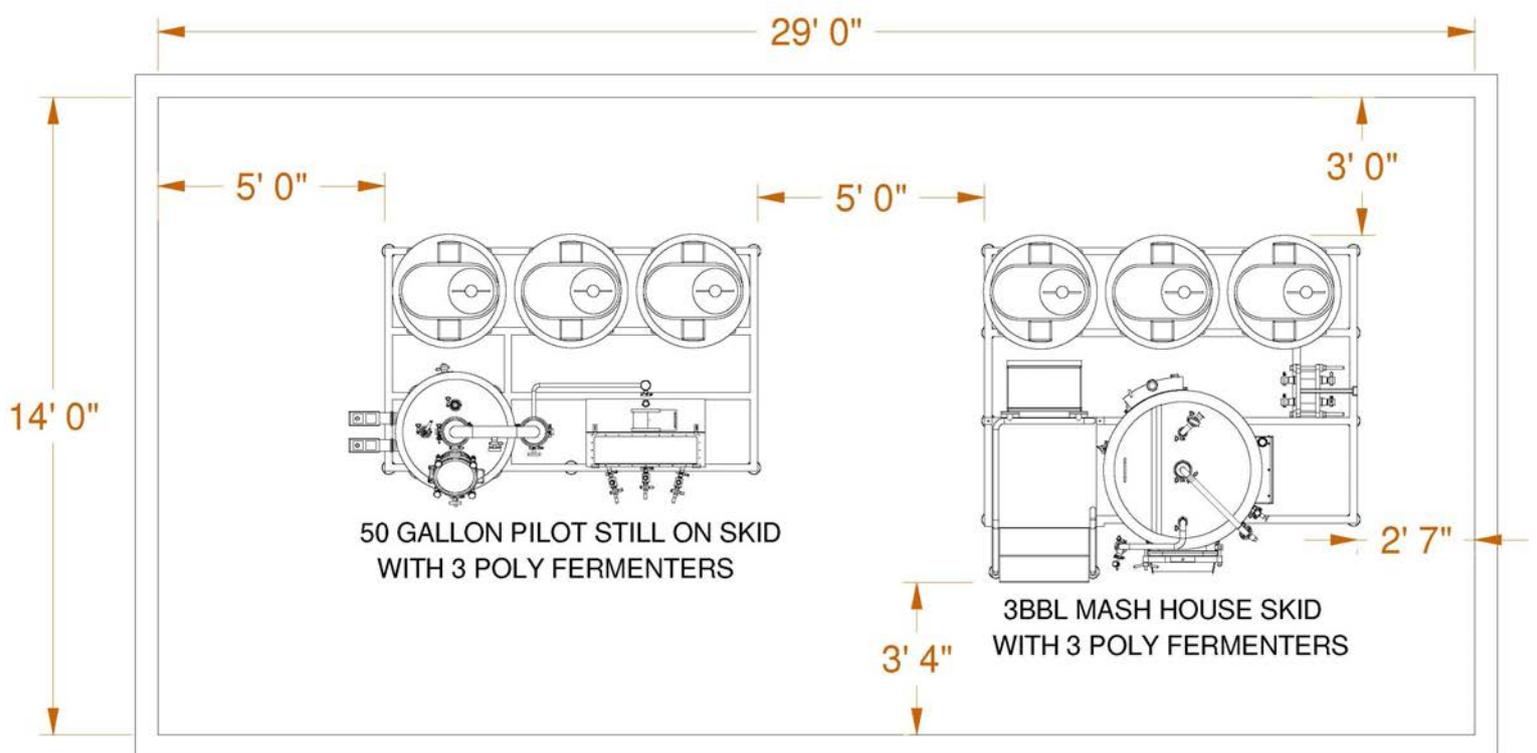
STILL with Rectifying Column

The third option allows an operator to focus on production of infused cocktails. With the use of the ABE Micro Still, and rectifying column, an operator can produce excellent quality neutral grain spirits which can be used as a base for vodka, gin, moonshine, and other clean alcoholic beverages. The list of cocktail recipes is endless, and with the right kind of creativity and mixology, an operator can develop a variety of unique signature cocktails that will bring customers back to experience new creations and exciting flavors time after time.

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*Class 1 Division 1 is one of the most important electrical factors to consider when sourcing your distiller. C1D1, is a classification defined by the NEC (National Electric Code) & NFPA (National Fire Protection Association). Electronics being used in a potentially dangerous environment or around flammable hazards must be C1D1 certified to prevent dangerous explosions and ensure worker safety. ABE distillers provide compliant components to meet and or exceed these expectations.





Space Requirements - Requiring less than 500 sq ft. of production space, the Patriot Micro Distillery is a compact solution that can produce up to 6,000 gallons of top-quality spirits per year!

INDUSTRY INSIGHTS

For the entrepreneur interested in learning more about this exciting industry, and ABE's unique approach, ABE offers hands-on training sessions to understand the intricate science behind the concepts of fractional distillation of alcohol. Starting with discussions of the principals of vapor pressure and boiling point, visitors will discover the principals of distillation production including heads, hearts, and tails and about the separation of these three important outputs of your still.



DISCUSSION TOPICS

- History of Spirits Distillation
- Gauging Methods and Equipment
- Still Designs
- Heads – Hearts – Tails
- Why Copper is Used
- Heating Methods; Electrical/Steam
- Safety Requirement & Compliance
- Vodka Distillation Techniques
- Rum Distillation Techniques
- Production of Whiskey/Bourbon
- Brandy Distillation-and how a distillery can benefit working with wineries
- Brewing Basics
- Fermentation Basics
- Distillation Basics
- Proofing Your Spirit
- Discussions on Calculating FET Tax



LICENSING

We love helping our craft spirits producers. Like making a great-tasting spirit, operating a successful distillery is complex. Over our 27+ years in business, we have learned some things, and we want to share that knowledge with you.

We want to help our customers navigate the intricacies of TTB registration and the myriad of licensing laws. As a customer of ABE, we will provide you an engineer drawing layout, serial numbers for purchased still(s), as required by TTB, utility drawings, and compliance assistance to understand zoning and NFPA (National Fire Prevention Association) regulations.

Bottom line: Federal and state licensing laws are complex. We are not lawyers, and we do not play them on TV. (We like lawyers, though. Lots of them invest in breweries. Talk with one if you have legal questions and need help with your specific situation). We cannot give you any guarantee that you will succeed in obtaining the licensing your specific situation requires, but we want to help you understand the process where possible.

STREAMS OF ADDITIONAL INCOME



01 BARRELS

Eight-gallon barrels generate an excellent and upfront cashflow. Your clients will buy your barrels as moonshine, then allow the aging process to occur by storing it at your location, which will stay on display for at least three years. This generates immediate income while the display creates interest and repeat visitors who regularly “visit” their aging barrel.



02 SPIRITS

Your artisan spirits will be packaged in 750 ml bottles and will be available for take-away sales. As your customers come to know and love your product, they will visit your location AND leave with a 750 ml bottle to share with friends, provide as gifts or have on hand for drop-in visitors.

03 ARTISAN ALCOHOL SHOTS

Artisan shots are growing in acceptance and more and more young people enjoy shots as a bonding experience. Raising your shot glasses and drinking to celebrate a special day, event, or something exciting has been a generational standard to bring people together and will be for years to come.



04 PREMIUM CUSTOM COCKTAILS

Premium custom cocktails are the backbone of a successful distillery. Delicious cocktails that are unique to your brand, taste, and style bring customers back to enjoy your new creations. With a never-ending list of handmade cocktails to choose from, your distillery can be a central gathering place for experimentation and crafting new beverages.



05 WHOLESALE DISTRIBUTION

Your products can also be sold through local or regional distribution as well. Start by evaluating spirits distributors who focus on local distribution. By focusing on "local" you bring more brand awareness to your business. At the same time, you develop an additional revenue stream and add another method of selling your products to keep your distillery operating at capacity.





LET'S TALK NUMBERS



With your Patriot Mash-Tun and Micro Distiller Skid, you can produce up to 100 gallons of 10% alcohol wash each day, on a single-series-processing run. After fermentation, that 100 gallons of wash can then produce up to 5 gallons of 190 proof neutral spirits, which is then used as the base for vodka or gin. If your vision is to produce the best bourbon or whiskey around, the same wash can be used to create up to 7 gallons of 60% alcohol which is then used to charge your barrels for aging.

Assuming you produce around 300 gallons of fermented wash each week, or up to 15,600 gallons per year, an operator can harvest nearly 1,560 gallons of neutral grain spirits or over 2,000 gallons of 60% alcohol for whiskey or bourbon aging. Depending on your overhead, marketing and raw materials costs, an ABE Micro Distillery can generate cashflow up to \$200,000 per year!

“HOW MUCH MONEY CAN YOU MAKE?”

Craft distilling is a \$1.8 billion industry, which generated approximately \$3.2 billion in retail sales in 2019. There are more than 2,000 craft distilleries operating in the U.S. that collectively generate more than 15,000 direct jobs.

Highlights

- New tax laws allow a craft distiller to save over \$100,000 in annual taxes.
- Studies show that locally produced products are important to the upcoming generations.
- “Craft beer has become a mature market and its annual growth has settled in the low-to-mid single digits, while craft spirits are expected to continue to grow well into the double-digits,” reports Margie A.S. Lehrman, CEO of the American Craft Spirits Association.

YOUR CRAFT OUR PASSION



Located in Lincoln, Nebraska, ABE Beverage Equipment provides complete beverage equipment solutions for a variety of industries. Your equipment is designed and assembled with excellent craftsmanship and is backed with the best service in the industry.

Call 402-475-2337 Today for Your Customized Solution!

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