

The Oregon Distillers Guild has realized that the existence of a spirit board similar to the Oregon Wine Board would be of great benefit to promoting the Oregon distilled products outside of Oregon. The guild has always recognized the benefit of these traded sector jobs and the value added economic component of supporting Oregon agriculture in the production of whiskey and fruit based brandies.

Right now the 100 plus distilleries in Oregon make great spirit, but many lack the ability to compete in the national and international market place because of crowded shelves and the consolation of major wholesalers. The ODG spent 2 years discussing these challenges with its membership and this is what we learned. Distilleries need assistance getting product outside of Oregon.

Creating the Oregon Distillers Board will do 4 things:

- 1: Educate and facilitate distilleries on national and international opportunities for distribution of Oregon made spirits
- 2: Bring influencers to Oregon to see and taste first hand what great products we make. These are bloggers, writers and social media influencers.
- 3: Take Oregon spirits into events that support the national and international markets. Tales of the Cocktail, Craft Beverage Expo, and Bar Covenant Brooklyn.
- 4: Social Media campaign to support all of our distilleries

Oregon distilleries grow national and international sales they will continue to employ more people and purchase more grain from Oregon farmers. Employment and agricultural benefits are not the only benefits. The beer and wine industry brings a tremendous amount of tourism to the state and the growing distilling industry will do the same. Benefiting not only the distilleries but restaurants and hotels. 50% of the people that visit most distillery tasting rooms are from out of state.

We recognized that an investment in the Oregon Spirits Board was an investment in the Oregon economy we just needed to find a funding mechanism that would make sense. Of course we looked at the Oregon wine board and how they use OLCC to implement a tonnage tax on grapes to fund the Wine board. We found this, already existing, ready to expire, funding mechanism with the \$.50 surcharge.

The temporary surcharge proposed to fund the Oregon Spirit Board was intended to sunset in 2011. The funds we intend to use to fund the board are generated by the sale of our own spirit.

Sales of liquor are the Oregon's third largest revenue source contributing \$629 million to the state biennium budget. Liquor in Oregon costs more than any other state in the U.S. except Washington. We pay far more than the national average. <https://taxfoundation.org/state-distilled-spirits-excise-tax-rates-2020/>

We have the opportunity to take money that the Oregon Distilleries generate for themselves and grow into revenue for Oregon through jobs, agricultural investment and most of all tourism.

The Oregon Spirits Board is going to do incredible things for Oregon and the Oregon distilling community.

We have a great opportunity, right now, to do something great for Oregon. We have the opportunity to promote our small businesses that are generating traded sector jobs with value added products into the national and international market place. The establishment of the Oregon Wine board was genius in 1991. Not just winery jobs but agricultural jobs and tourism jobs. Right now is the opportunity to do that again. Help the Oregon Distillers invest in themselves.

Please approve HB2976 and move it to the Ways and Means Committee.

Brad Irwin  
Owner, Oregon Spirit Distillers  
Legislative Chair, Oregon Distillers Guild