

D A V E P I C K E R E L L

A History of the United States Seen Through the Eyes of Rye Whiskey

# THE RISE AND FALL AND RISE OF RYE

---

From as early as the 12th century, people have been cooking, fermenting, and distilling whatever source of starch or sugar was locally available into beverage alcohol. It is no surprise then, that the American colonists brought with them a taste for beverage alcohol to the new world.

During the colonization of the New World, there was a heavy reliance upon beverage alcohol since it was frequently a healthier alternative than locally available water. A number of very small grain distilleries popped up in the interior of the fledgling colonies. Most of these distilleries were actually functioning pieces of farm equipment. When there was too much grain and it was on the verge of spoiling, distill it. If there was too much snow on the ground for the livestock to forage, run the distillery and feed the livestock the spent grain. If the farmer needed to go to market with their excess grain, there was less volume to haul and a higher profit to be made by distilling the grain and selling whiskey. Otherwise, the still was off. Hence, the distilleries were very small and seasonally operated, and they were designed to distill whatever grains the farm produced.

The events of December 16, 1773, would forever change American history, culture, and our drinking habits. That was the day the Sons of Liberty, dressed as native Americans, boarded ships in Boston Harbor and threw the tea overboard.

While the principal significance of this act was to lead up to the American Revolution, there were a number of interesting side issues. It wasn't just tea that went overboard that day. It was the British way of life. Tea consumption was curtailed. Rum became a lesser preferred distilled spirit because of British involvement in the molasses trade. Fortunately, the colonists did not give up drinking. They just needed a different type of distilled spirit. Enter Rye Whiskey.

Since the distillery was essentially a piece of farm equipment, it should be no surprise that by the late 1700's, there were literally thousands of small grain distilleries each in New York, Pennsylvania, Virginia, and Maryland. In fact, it is estimated that there were between 14,000 and 20,000 distilleries operating in the United States between 1810 and 1840. Rye was the most prevalent grain in colonial America. Rye was considerably more hardy than barley, and much easier to grow. Corn, or maize, was native to America, but only south of the Mason-Dixon line, and most of the population was to the north.

Two different styles of rye whiskey developed during the colonial era: Pennsylvania or Monongahela-style, and Maryland-style rye. Since the bulk transportation of large amounts of grain was not practical during this era, the distillers made whiskey from the grain grown on their farm or from grains grown nearby. Corn was not generally native north of the southern edge of Pennsylvania; hence, the distillers made rye whiskey with no corn in it. Monongahela Rye was known for its ultra-high rye content and its full-bodied and spicy nature. Distillers operating in the southern part of America made Maryland style rye, a mixture of rye with some corn. The rye content in Maryland style rye tended to be about 65%, and it was notably sweeter and more mellow than its northern cousin.

Even George Washington had a distillery. From 1797 to 1799, when George Washington ran his distillery, it was reported to have been one of the highest producing American distilleries of its time, selling about 11,000 gallons of distilled spirit in 1799 alone. This distillery principally made Maryland style rye for general sale, although apple and peach brandies were occasionally made for consumption on the estate. In 1799, it was reported that sale of whiskey represented about half of the total profit from the external sale of goods generated by the plantation at Mount Vernon.

In March of 1791, the United States government passed into law the first federal excise tax on the American people. The tax was raised to retire the debt that the colonies incurred during the prosecution of the Revolutionary War. It was a tax on distilled spirits, commonly referred to as "The Whiskey Tax." From 1791 to 1794, there arose a rebellion, most notably in Western Pennsylvania, to oppose this tax. Only a small handful of people were injured or killed during the rebellion, but the refusal to pay tax was seen as a major affront to the new US Government and its ability to govern the country. In late 1794, a militia of



almost 13,000 soldiers was raised from Pennsylvania, New Jersey, Maryland, and Virginia. Led by President Washington himself, the show of force was designed to pacify the instigators and bring the rebellion to an end. In late 1794, the rebellion did end with the arrest of many of the leaders of the insurrection. Several were tried and convicted, and all were pardoned by President Washington. Of particular note, it is reported that there was little attempt to collect the tax from distillers in Kentucky, and only a handful were ever even charged with failure to pay.

By the end of the Whiskey Rebellion, many of the rye whiskey distillers in Western Pennsylvania felt totally abandoned and disenfranchised by the federal government. They felt that perhaps it would be better if they just moved farther away from the flagpole. Enticed by the potential opportunities in the west and encouraged by the fact that Kentucky distillers were not being forced to pay the whiskey tax, many distillers packed up their stills, grabbed some rye seeds, and headed down the Monongahela River to the Ohio River to seek their fortunes in the west. When these distillers got to Louisville, the falls of the Ohio forced them to leave the river. This is where expertise met opportunity. There were thousands of farms in Kentucky, mostly growing Indian maize, or corn, that could use a distiller, just like the farms they left in Pennsylvania. These distillers fanned out across the state, planted their rye, and set up their stills. By 1810,

it is recorded that there were at least 2,200 distilleries operating in Kentucky. Since the climate favored corn over rye in Kentucky, the whiskey distilled there was either Maryland style rye or, if an even higher percentage of corn was used, the distillate would eventually come to be known as bourbon.

While the center of population in the United States remained east of the Appalachian Mountains, rye whiskey flourished. Shipping routes in the east favored rye whiskey over its cousin from Kentucky. The only major shipping routes for bourbon were down the river to New Orleans or overland through the mountains. As such, rye whiskey was the main style of whiskey consumed in the United States from the end of the Civil War until prohibition.

On January 16, 1919, the 18th amendment to the United States Constitution was ratified, to take effect one year later. Interestingly, the regulations prohibited the sale, manufacture, and transport of intoxicating beverages, but not the consumption of them. Enforcement was difficult enough, and within five years or so, most large-scale attempts at enforcement were abandoned. Due to the duration of the Nobel Experiment and the unbelievably large number of sickly Americans during this period, the aging stockpile of whiskey dwindled. By the time prohibition ended, there was relatively little well-aged American whiskey in the warehouses.

Two events in 1933 conspired to bring Monongahela rye to its knees. Prohibi-



tion ended with a thunderclap at 5:32 pm, eastern standard time, on December 5th, 1933; and the federal government instituted the first ever farm subsidy with the Agricultural Adjustment Act of 1933 in an effort to lessen the effects of the Great Depression on farmers. It was already noted that the stock of well-aged American whiskey was very low when prohibition ended. Congress could have acknowledged that The Noble Experiment was a failure and declared a distillation holiday in advance of repeal in order to allow American distilleries to replenish their stock, however, they chose not to do so. As a result, American distillers were put at a massive competitive disadvantage to imported aged spirits. In late 1933, there were advertisements for bourbon that contained as little as 17-percent aged whiskey and the rest was unaged spirit. Boatloads of well-aged Scotch were waiting offshore in the northeast, truckloads of aged Canadian Whiskey were waiting to cross the border from Canada and ships full of mature rum were waiting in the Caribbean. The astute American distiller quickly realized that when getting back into the business, they would not be able to compete on quality, and they would have to resort to competing on price.

The bourbon distilleries in Kentucky were better situated to build large facilities to garner economy of scale. There was plenty of land and a very well-developed rail system (many of the bourbon distilleries moved to rail-side locations in the 1840's). Conversely, most of the rye distilleries in the east were on small farm plots with poor infrastructure and were not well funded. Additionally, the first farm subsidy bill supported corn but not rye. Rye was not added to the subsidy list for several years. As a result, it was cheaper to make bourbon than it was to make rye. Sadly, almost none of the Monongahela rye distilleries were able to come back when prohibition ended. It is more difficult to process high percent rye than high corn, so the decision to focus heavily on bourbon was easy to make.

From the end of Prohibition until 2006, rye whiskey was in steady decline. With few exceptions, the independent rye whiskey brands either died off completely or were bought up by the larger bourbon distilleries. The bourbon distilleries would switch to rye whiskey distilling for one or two days per year as they continued to meet the ever-declining demand. No marketing money was being spent in support of the rye whiskey brands, and it appeared that they were collectively headed toward a long downward spiral until they died off completely. When someone was asked, "Who drinks rye whiskey?" The answer was either, "Nobody I know," or "Maybe my Grandfather." By 2006, there were only about 150,000 total 9-liter cases of rye whiskey sold in the United States, compared with 14.7 million cases of bourbon.

In 2001, the Distilled Spirits Council of the United States (DISCUS), the Wine and Spirits Wholesalers' Association (WSWA), and the Mount Vernon Ladies' Association partnered to begin a campaign to publicize the fact that George

Washington built and operated a distillery at Mount Vernon. As noted, this distillery made Maryland style rye whiskey and was one of, if not the largest producer of whiskey in the United States in 1799. This partnership has raised millions of dollars to fund education efforts at Mount Vernon and has resulted in substantial annual press coverage about George Washington, the distillery at Mount Vernon, and rye whiskey.

Even with all of the newfound publicity, rye whiskey continued to decline in popularity until 2006. About 2006, the cocktail culture began to emerge in US bars, first in San Francisco, then New York and Chicago. This culture has since been spreading throughout the United States. Bartenders began to research the classic cocktail books like *The Bar-Tender's Guide or How to Mix Drinks* by Jerry Thomas and *The Savoy Cocktail Book* by Harry Craddock. As they researched the classic cocktails, the bartenders rediscovered that many of these classics used rye whiskey. In order to make authentic classic cocktails, the bartenders began to order and stock rye whiskey. Additionally, there were two other emerging trends that influenced the resurgence of rye: the trend toward taste becoming more important to the American consumer, and the trend to drink less, but drink better as responsible drinking messages began to have an influence. Largely due to these influences, the category of rye whiskey grew by a surprising 20 percent in 2006 and by 30 percent in 2007.

The American craft spirits movement began about the turn of the century with a small handful of cottage producers taking a turn at legally home distilling. From this meager beginning, over a thousand distilleries have popped up all over the United States making every manner of spirit imaginable. Among these distilleries, many are producing rye whiskey. Of particular note, most of the rye whiskeys produced by the small producers are Monongahela style rye. In fact, while virtually every brand in the rye category is experiencing growth, the lion's share of the meteoric growth is coming from Monongahela rye whiskey. Largely on the back of these Monongahela ryes, the rye category grew about 600 percent between the years 2009 and 2015.

Rye whiskey has a rich and full heritage in the United States from the very foundations of the country to the modern era. Our first president was a rye distiller and our brave soldiers from the colonial era to the end of the Civil War fought with the support of whiskey rations. Rye whiskey pre-dates bourbon as a truly American spirit by almost 200 years. It suffered at the hands of the Nobel Experiment and World War II and took a back seat to its cousin bourbon. However, like the fighting spirit that characterizes the American culture, the spirit of rye whiskey never gave up and is mounting a historic comeback, outpacing the growth of the remainder of the American whiskey category. Rye Whiskey deserves to be America's historic spirit.