

CANNED COCKTAILS ARE CRUSHING IT

HOW BARTENDERS AND CRAFT DISTILLERS ARE **REVOLUTIONIZING THE FAST-GROWING RTD** CATEGORY WITH BAR-QUALITY COCKTAILS IN A CAN

BY ALIA AKKAM



hen Tom Macy, a partner at Clover Club and Leyenda in Brooklyn, New York, created a bottled Paloma at Levenda, he "discovered that it was better than the Paloma we made at the bar." Intrigued, Macy sampled every ready-to-drink (RTD) product

he could find and concluded: "We thought we could do it better."

Macy teamed up with Clover Club and Leyenda co-owner Julie Reiner and created Social Hour. Launched in August, the brand's initial offerings include the Gin & Tonic and the Whiskey Mule, made with New York Distilling Company's Perry's Tot Navy Strength Gin and Ragtime Rye Straight Whiskey, respectively, as well as a low-ABV Pacific Spritz with a rosé-wine blend from New York's Finger Lakes.

The RTD category certainly isn't new, and it was gaining steam before the pandemic. But with the bar industry crippled and no clear idea of when sitting on an indoor stool watching a bartender stir a martini to life will become the delightful norm again, the canned cocktail has been catapulted into the spotlight. According to Nielsen, canned cocktails have generated \$117.99 million offpremise during the pandemic (from March 7-August 15); that's a 146.6 percent increase compared to a year earlier.

Perhaps as important as the category's growth is its clear direction towards



Canned cocktails offer a huge variety of sizes, strengths, and styles. Some take aim at classics, some represent brand new recipes; best of all, the ingredients getting into the cans are more premium than ever.

premiumization, reinforced by the arrival of many high-quality craft offerings.

Sparked by the Little Guys

"When I first started thinking about true cocktail-bar quality canned cocktails, my first thought was, 'Why doesn't this already exist?' And I think the answer was that the market for them wasn't established enough for large brands to want to jump in. Now that tide has shifted," Macy says. "It's been almost 20 years since Flatiron Lounge-Julie's first pioneering bar in New York City—started teaching people how to drink better. I think there's a much better general understanding now of what makes a great drink."

For Los Angeles bartender Aaron Polsky, the canned cocktail enables bartenders to scale up their roles-and their income-beyond the venues where they work. Most recently of Harvard & Stone, Polsky launched LiveWire Drinks, a series of well-wrought canned cocktails that showcases recipes from top bartenders. The first to make a splash, just at the beginning of the pandemic in March, was Polsky's own Heartbreaker, a Moscow Mule-meets-Paloma with vodka, grapefruit, kumquat, jasmine, and ginger. "We doubled our sales in July and beat our July sales by the middle of August," Polsky says.

Neal Cohen and Yoni Reisman joined forces with Atlanta barman Miles Macquarrie of Kimball House and Watchman's to officially launch Tip Top Proper Cocktails last fall. Cohen and Reisman worked



in the music festival industry for years. "Along the way, we saw the demand for quality cocktails growing, but were frustrated by the movement's inability to meet the demand for these drinks in high-volume situations," Cohen says. Their solution was Tip Top, which focuses solely on the classics: an Old Fashioned, Manhattan, and Negroni served in retro-style 100ml cans. "Reception has been increasingly positive as people discover they can get a bar-quality classic cocktail conveniently at a time when visiting their favorite bar is not as feasible," Cohen adds.

Other canned cocktail producers are pushing esoteric flavor limits akin to the most ambitious cocktail bars. Empirical, the brainchild of Lars Williams and Mark Emil Hermansen, two alums from the legendary Copenhagen restaurant Noma, developed a spirit base of beet molasses and saison yeast. In true Nordic fashion, their new Can

1 combines milk oolong tea with toasted birch and green gooseberry, and Can 2 mixes sour cherry, black-currant buds, and young pine cones with walnut wood.

Washington, D.C., distillery Don Ciccio & Figli is known for its range of Italian-style liqueurs based on 19th-century family recipes that now make a cameo in the brand's new Perla RTD line. Some are bottled, but La Perla Ambrosia Spritz, which brings together the herbal Ambrosia liqueur with house-made vermouth and soda, is packaged in a can. "I first had the idea for a canned cocktail seven years ago, but thought now was the perfect time to launch," says Francesco Amodeo, president and master distiller.

Organic producer Greenbar Distillery in Los Angeles also spawned a canned

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- Neal Cohen, Tip Top Proper Cocktails



cocktail, an Italian-style spritz, in 2019, "after three years of trying to teach simple cocktail making to our tasting room visitors and realizing that most folks wanted to drink a good cocktail, not make one," says cofounder Melkon Khosro-

vian. Prior to the pandemic, bartenders comprised more than 80 percent of Greenbar's customer base, adds Khosrovian. Today, thanks to Greenbar's new line of canned highballs, including Gin + Tonic and Single Malt Whiskey + Soda, Rum + Cola, 80 percent of its sales are now generated through retail, a saving grace in an upended economy.

Roots of Premiumization

The Cooper Spirits Company was one of the first to pioneer the craft cocktail in a can. In 2016, it launched Hochstadter's Slow & Low Rock and Rye, which features straight rye whiskey, Florida navel oranges, raw honey, bitters, and rock candy. It clocks in at 84 proof and is packaged in 100ml mini-cans. Its success hinted at the premiumization that would soon guide the category.

In recent years, such sophisticated, niche products as Novo Fogo sparkling Caipirinhas and New York sommelier Jordan Salcito's Ramona wine spritzes have garnered attention. San Diego craft distillery Cutwater Spirits even specializes in the canned genre; its latest offering is a Long Island Iced Tea.

> Big brands have responded as well. Tanqueray just introduced its RTD trio—Tanqueray Gin & Tonic, Tanqueray Rangpur Lime Gin & Soda, and Tanqueray Sevilla Orange Gin & Soda. Bacardi's lineup—Lime & Soda, Limon & Lemonade, and Rum Punch—launched in



SEVILLA ORANGE

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CATEGORY FOCUS

"The pandemic accelerated consumers' introduction to the category and put it on the map."

- Jordan Dil, Elenita

May, and the debut was so successful that "We've already doubled our forecast for the year," says Pete Carr, regional president of Bacardi North America.

Agave Takes the Lead

Agave spirits are playing a starring role in the new craft canned cocktail movement. Richard Betts, the master sommelier who founded such spirits brands as Sombra Mezcal and Tequila Komos, saw the strength of the RTD category in Australia, where he was making wine, and wanted to launch a tequila-based version for the U.S. market. His whimsically packaged Superbird Paloma is a blend of pink grapefruit juice, agave nectar, and 100 percent blue agave tequila blanco. Superbird launched in the beginning of July and sold over 1,000 cases in the first two weeks without any large-scale distribution deal.

Bartender Scott Baird, co-founder of Trick Dog in San Francisco, designed the recipe for the first-ever large-format resealable Party Can by Cocktail Courier, which serves up to 12 full-size margaritas. A blend of 100 percent blue agave tequila, orange liqueur, fresh lime juice, and a spice mix of ginger, cinnamon, and chile





SUPERBIR

limit contact between bartender and sipper if [they're] ordered as a to-go option from a bar."

Jordan Dil and Mikel Noriega were in business school at UCLA when they dreamed up plans for Elenita, a line of canned mezcal cocktails, for their capstone project. Made with agave espadin in flavors of cucumber-lime-basil and pineapple- jalapeño, Elenita's offerings arrived on the market a few months before the crisis began. "We started the pandemic with 40 retail accounts and now have over 150, and our online sales saw a nice bump," says Dil. "The pandemic accelerated consumers' introduction to the category and put it on the map."

Restaurant Brand Builders

What will happen to canned cocktails when bar life resumes? Many of the bar and restaurant operators that have embraced cans during the pandemic believe this practical shelf-stable format has the potential to find a permanent place in the on-premise arena. The Morris, in San Francisco, has even bought a canning machine to begin making its own RTD products. In Detroit, Thai restaurant Ta-

Agave-based cocktails are a fast-growing sub-category of the canned arena. Examples include the mezcal-based Elenita, Superbird by Richard Betts, and the Cocktail Courier Party Can Triple Spice Margarita in a 1.75-liter resealable can. The restaurant Takoi in Detroit has developed a line of housemade canned cocktails.

- CLUB TAKO



PROMISES

koi is already there, and the cans are not just about having another SKU to sell.

SPECIAL TEA

STRAWBERRY

Takoi turns out a line of four cocktails served in eight-ounce stubby cans with labels designed by the executive chef, Brad Greenhill. Selections include Promises in Vortex, a spicy margarita riff, and

Strawberry Alarm, a fruity vodka Collins of sorts.

Beverage director Drew Pompa says that although the cocktail four-packs have boosted revenue on take-out and delivery orders, they also act as organic branding tools for the restaurant. He thinks this advantage will drive bars and restaurants to reimagine a more adaptive business model, one that delves more deeply into product development.

"Restaurants and bars in the future may have this widespread popularity, not by the sheer amounts of diners or the number of five-star reviews, but because of their product awareness," Pompa explains. "It's interesting to think that someone who knows Takoi five years from now, who has never visited the restaurant, will only know of Takoi because of a canned cocktail."

Even when restaurants and bars once again start to swell with customers craving intricate, made-to-order libations, the quality canned versions that helped them find a little more joy when they were cooped up at home will still be welcome.

"Canned cocktails are here to stay because they meet a huge need," says Greenbar's Khosrovian: "When your favorite bartender isn't around and you don't want to make it yourself."

Social Hour's Macy echoes that sentiment. "Having an ice-cold gin and tonic in your fridge is a wonderful thing," he says.