

The Value Chain Connections of Missouri's Distillers

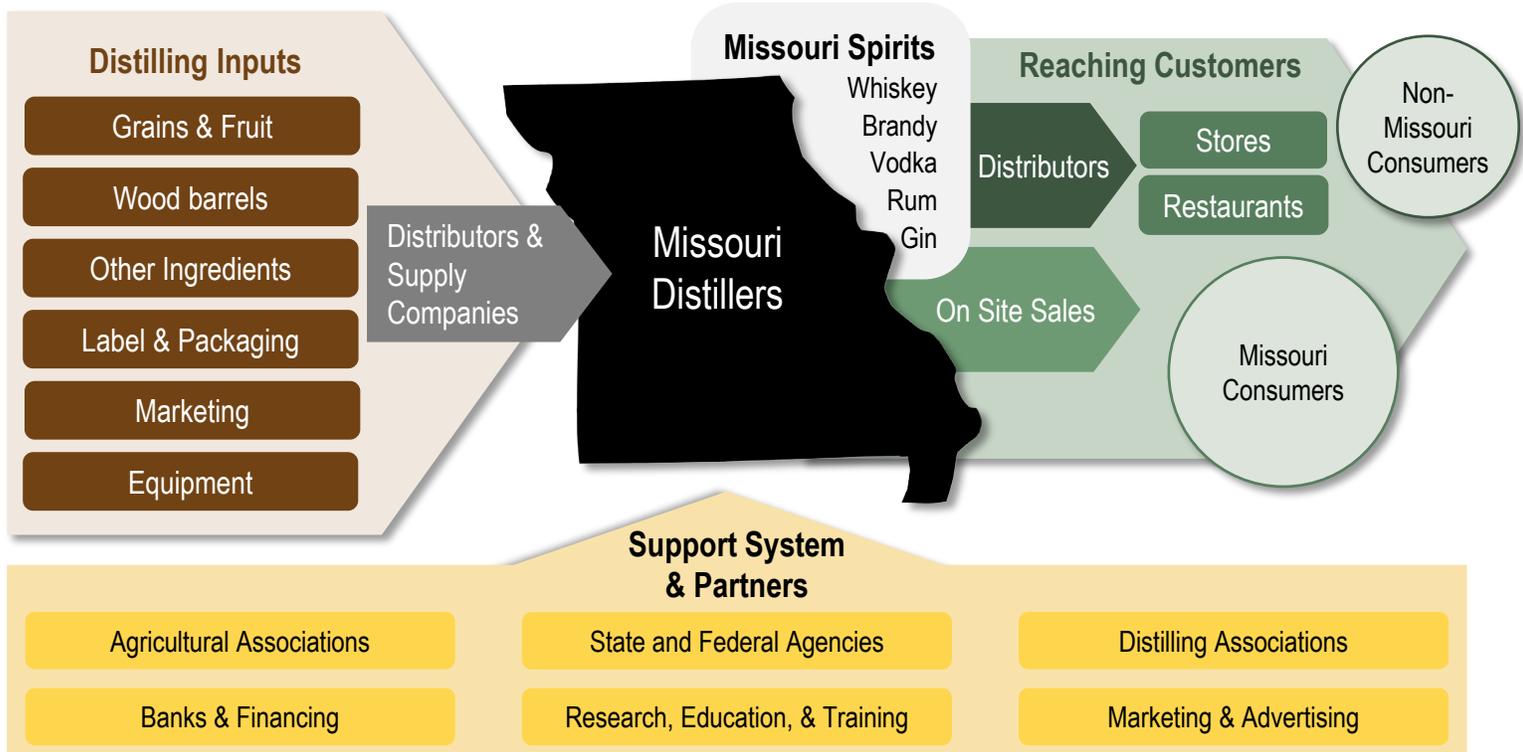


Value chains trace the businesses and processes that bring raw inputs to final users. Missouri distillers add value to Missouri grown agricultural products and the industry is part of a broader value chain that buys from other large industries in the state. This brief explores the business linkages within the state as the industry expands.

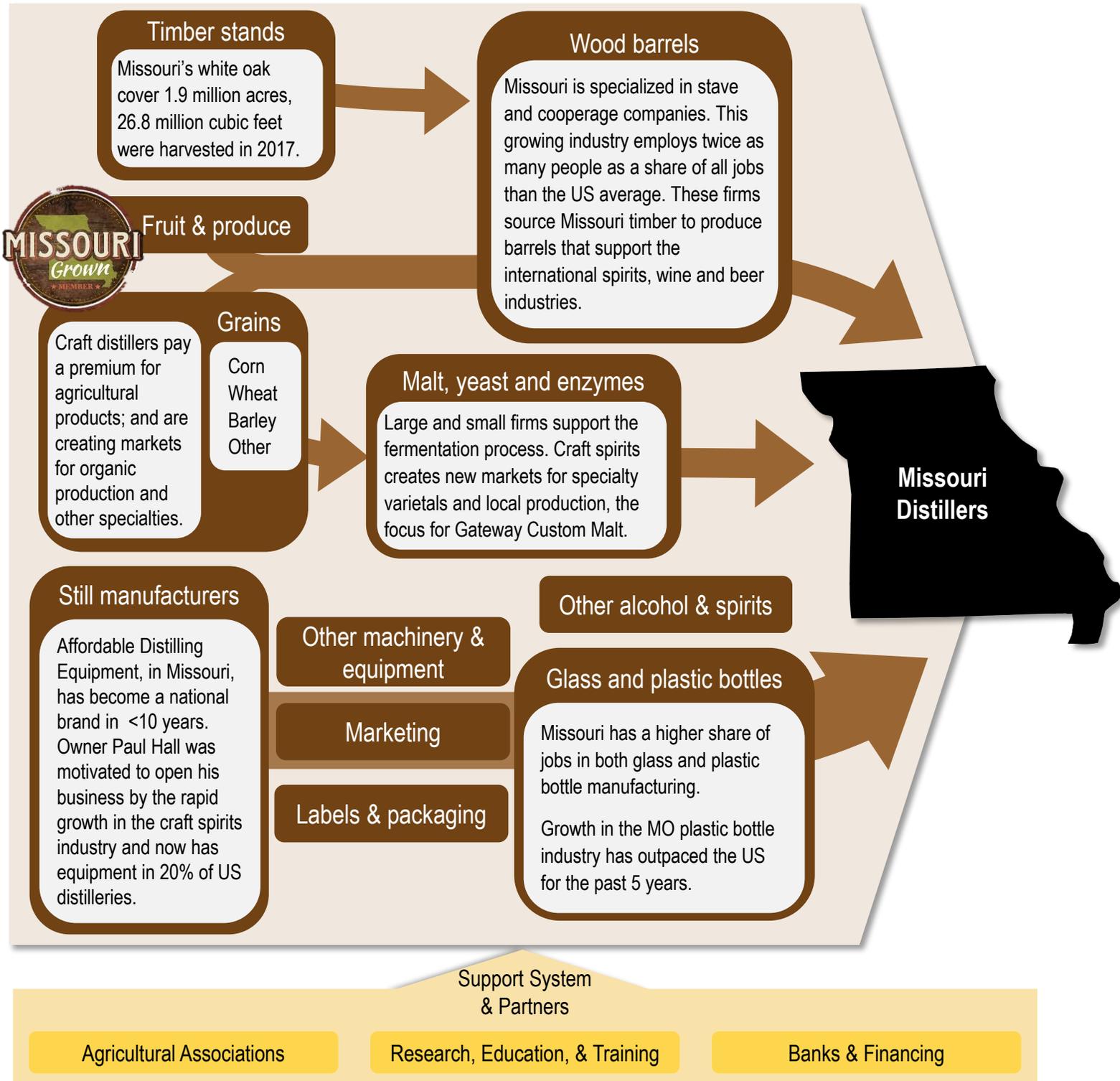
Missouri has a competitive advantage nationally

- The state is ranked **10th** among states in terms of the total share of jobs in distilling.
- Total wage and salary jobs in the industry have **grown 59%** in the past 5 years, as of the first quarter of 2020.

Missouri's distillers are seeking to more strategically partner with businesses in order to support value-added agriculture and enhance tourism as they compete in the growing market for craft spirits.



Missouri's Distilling Value Chain Inputs



Several Missouri based companies have grown with the expansion of the craft spirits industry. **Smaller distillers made 57% of all purchases** from Missouri farms or companies in 2019. **Larger distillers purchased 21% of inputs** from within the state. As a whole, larger distillers purchase substantially more, and their choice to buy goods and services from Missouri suppliers can support a significant number of jobs and labor income in other industries.

Missouri's Distilling Value Chain – Reaching Customers



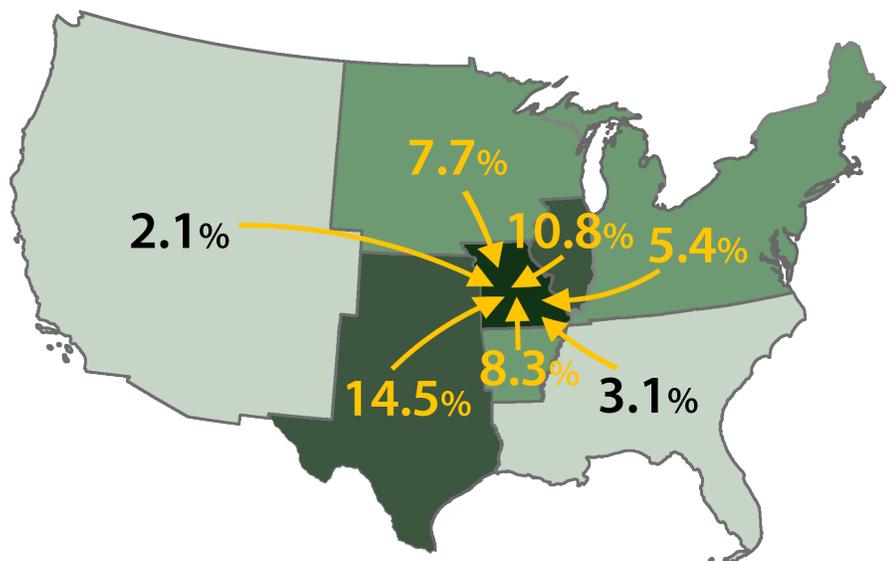
Regulatory Missouri Department of ATC & Federal TTB	Support System & Partners 	Tourism Missouri Craft Distillers Guild Missouri Grown Tourism Orgs. (MO Div. of Tourism, VisitKC, ExploreSTL, etc.)
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Total Missouri Tourists in 2019



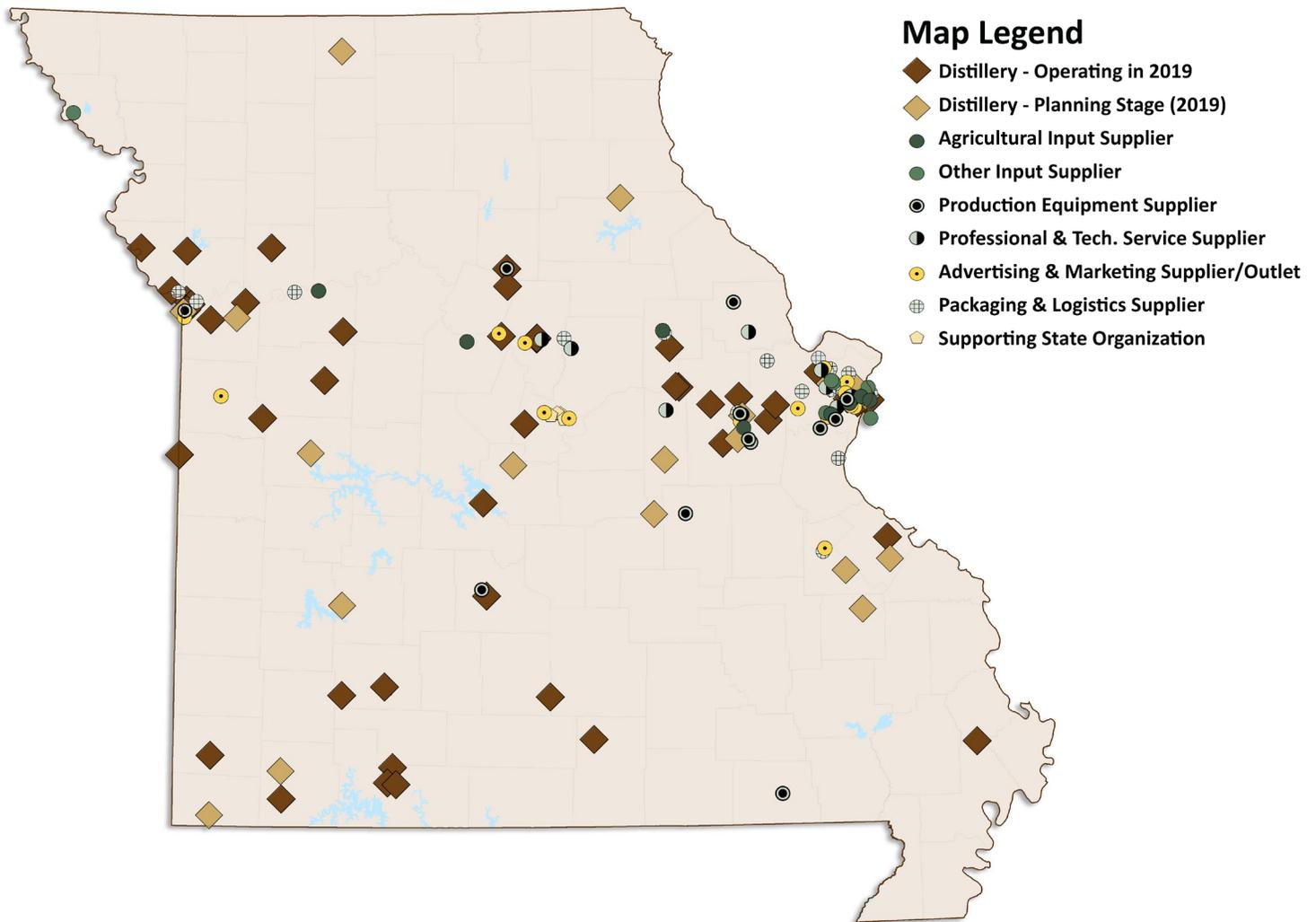
Craft spirits are **growing increasingly popular among consumers**. In Missouri, distillers aim to match the growth and success of the state's wine industry.

Top Sources of All Tourism to Missouri



42% of small distillers' sales occurred on-site in 2019. Distillers rely on creating customer experiences to build their brand.

Missouri's Distilleries and Business Partners Support Jobs Across the State



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The value chain linkages in this report were derived from secondary data of industry to industry purchase patterns as well as a list of business names provided by some of the state's distillers.

Information is drawn from Missouri distillers who responded to a early 2020 survey and or provided business partner lists, interviews with Missouri based companies, the US Forest Service Forests of Missouri, 2019 & 2017, the Missouri Division of Tourism, and from the Missouri Wine and Grape Board.

Economic Modeling Specialists, Intl, 2020 wage and salary job estimates were used to calculate location quotients which compare the concentration of jobs in an industry to the national average and growth from Q1 2015 to Q1 2020. Wood container and pallet manufacturing, glass container and plastic bottle manufacturing all have more than twice as many jobs as a share of total employment than the US average.

