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TUTHILLTOWN SPIRITS

Stumbling into liquid gold in the Hudson Valley.

BY PERVAIZ SHALLWANI

PHOTOGRAPHS BY MICHAEL GROSS

New York's first distillery since Prohibition, Tuthilltown Spirits is just four years old, but its vodkas, rum and signature whiskeys are in hot demand, poured everywhere from Babbo to Spago, fetching almost \$50 for a little 375-milliliter bottle of clear, pure corn whiskey or spicy, ruddy rye—and twice that price in Paris. So you might think the Hudson Valley-based micro-distillery, which turns local apples, potatoes, corn and rye into liquid gold, is the love child of longtime liquor-lovers-turned-locavores who brought decades of distillery know-how to their lifelong dream.

You'd be wrong. Neither of the 58-year-old owners had ever considered the spirits business or even knew the first thing about distilling.

Instead it was a last resort for Ralph Erenzo, one he tripped over when neighbors dashed his plan to open a "climbers' ranch." After more than 20 years in Manhattan building stunt sets and a climbing gym, in 2001 he and partners put up \$650,000 for 36 acres on the banks of the Shawangunk Kill in Gardiner, New York (a site that happened to include the then-still-operational 221-year-old Tuthilltown Gristmill, listed on the National Register of Historic Landmarks). Erenzo and his crew had planned a sanctuary for rock climbers making the pilgrimage to scale the celebrated cliffs at nearby Shawangunk Ridge.

But the townspeople didn't want climbers coming in from all over the country, and two years of court battles slowly bled Erenzo dry; he sold off all but eight acres to cover his mounting legal and engineering bill and, defeated, approached the town's code enforcement officer to ask what he could build without having to confront the townsfolk again. His answer: a winery.

But then Erenzo came across a 2002 law encouraging spirit makers to set up small micro-distilling operations using locally farmed products. Before Prohibition, New York had been home to more than 1,000 distilleries, and, while today the state boasts both wineries and breweries, no one was producing aged grain alcohols. This law sought to change that: aspiring booze mak-

ers could now buy a \$1,450 license allowing them to produce up to 35,000 gallons a year of any distilled tippie. Previously the only license available was for industrial operations and cost \$50,000. "To do that, you would have to have a large distillery," says Erenzo, who plans to produce just 4,000 gallons of spirits this year. Since passage of the legislation, 15 would-be distillers have secured a license, part of a national cocktail-fed craze that has seen the number of micro-distillers explode from five in 1995 to nearly 200 today.

One of Tuthilltown's most sought-after spirits is its take on rye whiskey, the hooch that played a lead role in New York's distilling heritage and remains a starring ingredient in the cocktail named after our borough. But it didn't come easy. "Rye," Erenzo says, "was the most difficult whiskey to make, gooey and pasty like a dry oatmeal that stuck to everything."

But, to give it a shot, Erenzo would need an investor; luckily Brian Lee showed up. The broadcast engineer stopped by to ask about operating the gristmill as a side hobby. "I was looking at the mill, but Ralph was bending my ear about getting a [distilling] license. He was a born marketer."

It didn't take much convincing. Recalls Lee, "I had been doing television stuff for coming on 30 years. I was looking for an exit strategy." At Fordham business school he had written a case study on how Samuel Adams Brewing turned smaller-batch beer into big profits. After meeting Erenzo he crunched some numbers and was convinced to dip into his savings and take out a second mortgage for his share of the investment.

Hudson Valley Hooch: The local whiskey-makers at Tuthilltown stumbled into the spirits business by accident, and we're glad they did.

They worked out a deal with a local apple-slicing plant to haul away the scraps, squeezing out the cider and, as Lee puts it, “throwing it in the kettle with yeast and seeing what would happen.”

And so the new business partners set about designing a distillery—something they knew precisely nothing about. “There is no manual for this kind of thing,” Erenzo says. “There haven’t been micro-distilleries in the United States since Prohibition.”

“It was going through books and getting snippets,” agrees Lee. “There was so little about distilling. It is quite closely held.” So-called idiots’ guides to homebrew and even D.I.Y. wine can be found at any library or bookstore, but information on distilling is remarkably scarce. They pored over the few books they could find, including a German manual that had been translated into English at the University of Michigan. (In case your distilling know-how is where theirs was, here’s a 101: break starch into sugar, ferment to form a mash, then bring to a boil. Because alcohol has a lower boiling point than water, the first steam to emerge is what you’re after; collect the clear liquid that condenses.)

They spent the next two and a half years building a distillery by hand, learning as they went. A 500-gallon cooker came in a trade from a beekeeper. A German pot-still arrived without instructions. Lee drove to Cincinnati for a furnace he’d found on e-Bay, spending the rest of the summer putting the 11 cast iron pieces back together. When he finally fired it up, he recalls, “there wasn’t a connection that wasn’t leaking.” But in the end it worked—and cost \$1,000, as opposed to \$60,000.

All in all they built their distillery for less than \$500,000, a fifth what it would have cost had they hired contractors.

Thus the trial and error began, first with apple vodka. “We were looking for something that didn’t need to be aged, and apples seemed a pretty appealing possibility,” Lee recalls. They worked out a deal with a local apple-slicing plant to haul away the scraps, squeezing out the cider and, as Lee puts it, “throwing it in the kettle with yeast and seeing what would happen.”

A local potato grower gave them spuds seconds. Corn, another of the region’s finest crops, also took some turns in the pot. “We were basically trying to cook anything we could get our hands on,” recalls Lee, “for six to eight months we were just trying things to see what would work.”

Sweet Young Things: Hudson Valley Baby Bourbon might not be aged as long as some Southern spirits, but imbibers from Los Angeles to Paris don’t seem to mind.





Before Prohibition New York was home to more than 1,000 distilleries, and, while today the state boasts both wineries and breweries, no one was producing aged grain alcohols. Erenzo and Lee spent two and a half years building a distillery by hand, learning as they went.

Unsure if they were making anything good, they searched online for a local whiskey expert and found Lenell Smothers whose now-shuttered eponymous liquor boutique in Red Hook, Brooklyn, stocked the biggest bourbon selection in New York City. Erenzo brought her samples of the apple vodka and corn whiskey. Tasting promise, she provided tips on aging and suggested styles to experiment with, like a four-grain whiskey that, as far as she could tell, had not been made in decades. "They just kind of took it and ran with it," says Smothers.

Soon they were bottling their young-but-smooth Baby Bourbon Whiskey, barely sweet, and kissed with hints of vanilla and caramel. Legally it can't be labeled straight bourbon, the phrase synonymous with quality Kentucky bourbon, which must contain between 51 and 80 percent corn and be aged at least two years. Tuthilltown's whiskeys are 100 percent corn, and age in American white oak barrels for 40 days per gallon—the three-gallon barrel sits about four months while a 10-gallon barrel takes a little over a year, hence the name "Baby Bourbon."

"We don't really care how old it is," says Erenzo. "We just care what it looks like and tastes like and how good it is."

Some believe the short time in the barrel can't match a whiskey that has been aged for several years, developing a deeper flavor. "Their whiskey is very young," admits Smothers, but she was impressed enough to buy their entire first lot of Baby Bourbon to sell in her celebrated spirits shop. Sure, it's tough to compete with the dominant distillers, but she roots for the underdog. "Quality-to-price ratio, the small guys are going to lose out," says Smothers, "but it's exciting to see micro-distilleries in the U.S. making whiskey, especially bourbon."

Erenzo built brand loyalty by selling out of his car, spending almost every day on the road. "We didn't have the money for advertising, so we went straight to the chefs, the mixologists and bartenders," he says. "That started the buzz."

"It creates a more positive bond between the bartender and the bottle," says Meaghan Dorman, who tends bars at the Raines Law Room in Chelsea and was partly persuaded by the story behind the bottle. She says bartenders "are inundated with product, so knowing the process and distillers makes me more likely to experiment with a product and support it." From there the distillery moved into some of the country's top liquor stores, its distinctive pot-bellied bottle

seen everywhere from Astor Wines & Spirits to Appellation in West Chelsea to Crush Wine and Spirits in Midtown.

For Tuthilltown, the excitement of the micro doesn't just apply to the business plan: that adorable, apothecary-aesthetic 375-milliliter bottle might be as much a draw as what it contains. "People pick them up and say, 'it's so cute,' when there is a 750ml bottle sitting right next to it that has been aged eight years," says Smothers. "But they are like, 'I want this bottle since it is so cute.' What can I say?"

Soon they were selling out. They bought a second still, Domaine Select signed on to pick up distribution and the two-man operation grew to roughly 10.

One of Tuthilltown's most sought-after spirits is their take on rye whiskey, the dark amber, almost rustically flavored, spicy hooch that played a lead role in New York's distilling heritage and remains a starring ingredient in the cocktail named after our borough. But it didn't come easy.

"Rye," Erenzo says, "was the most difficult whiskey to make, gooey and pasty like a dry oatmeal that stuck to everything. The first time we made rye, we had an inch-thick crust of rye paste."

They've since mastered that mash, and today their rye whiskey is poured at some of the city's most esteemed taste temples, including Blue Hill. "I love supporting Tuthilltown Spirits because I respect the work that goes into producing small batches and the quality is superior," says Blue Hill wine director Claire Pappazzo. "It's great to have a local distillery you can rely on and who are true artisan producers."

And it's not just the rye that earns raves: Colin Alevras, the sommelier and spirits director at Daniel Boulud's new Bowery spot DBGB, swears by their bourbons. And food-writing duo Matt and Ted Lee declared in the *Times*, "The arugula movement has hit hooch," lauding Tuthilltown's Authentic American Corn Whiskey as "the moonshiner's ideal, with the sweet aroma of cracked grain and a smooth, creamy flavor that leaves no doubt as to its main ingredient."

Erenzo and Lee are excited to experiment with other local grains, including some never before seen inside a whiskey barrel, like the 135-year-old hybrid of rye and wheat called "triticale," as well as spelt and even oats. They've distilled wash from Heartland Brewery's Farmer Jon's Oatmeal Stout into a small-batch whiskey that's currently aging in oak and will be available at the brewery this fall.





But Tuthilltown's biggest '09 development doesn't come in a bottle. Over Fourth of July weekend, Erenzo and Lee ended a legislative battle that Erenzo had waged for four years, since, as he puts it, "the day we got our distilling license." They opened a tasting room.

That 2002 law encouraged the establishment of micro-distillers, but did not allow them to sell or even sample on-site, something wineries and breweries have been doing for years, and a privilege for which Erenzo's been fighting, even channeling FDR's pro-agriculture anti-Prohibition argument in a *Times* op-ed. The bill Erenzo was rooting for was vetoed twice by Pataki, signed by Spitzer, and finally went through after Paterson approved a revised version in December, granting Tuthilltown and its 14 fellow micro-distillers across the state the go-ahead to build on-site tasting rooms and sell directly to customers.

Erenzo and Lee celebrated by inviting the public to help harvest five acres of rye. Local historian Peter Curtis, dressed for the part in weathered overalls and soiled work boots, taught visitors how to hand harvest the bristly stalks the way it was done back in the state's whiskey heyday. He demonstrated, taking a sharp sickle to the root, pulling the four-foot stalks toward his body and sawing in the opposite direction. The crowd—which included a few dozen bartenders who had ridden a bus from Manhattan—harvested bundles from which the seeds would be picked, ground and ultimately distilled into that beloved Manhattan Rye Whiskey.

The farm-to-glass holiday weekend brought in \$6,500 and Erenzo was pleased as well, a whiskey-spiked punch. "Everybody buys a bottle," he says of visitors to the new tasting room, "and everybody buys a T-shirt and they wear it around town, giving us free publicity."

Despite the demands of building a new distillery and planting an additional 400 acres of grains, Erenzo is already gearing up for his next legislative fight: to allow the farms that grow corn and rye for the distillery to sell the whiskey, too. It's easy to forget that these two micro-distilling advocates hardly have more tenure than their now-famous baby bourbon.

"I really had no background in distilling and neither did Ralph," says Lee with a laugh. Erenzo shares the sentiment: "It's funny that alcohol," he says, "is the thing that is saving me in the end." ●

Pervaiz Shallwani's writing has appeared in The New York Times, WSJ.com, Gourmet.com and Time Out New York. Before visiting Tuthilltown he had never harvested rye, but is willing to do it again for the greater good—whiskey.

Terroir, and Then Some: Tuthilltown lets you sample the good stuff in their new tasting room in Gardiner, New York, near the banks of the Shawangunk Kill and the area's celebrated cliffs. Just don't drink and climb.