

RUNDOWN

Sharing Spirits

How MO Cellar Selections in Milford recovered from a huge drop in its restaurant wine business following the outbreak of COVID-19.

BY R.J. KING. | DATRICK GLORIA

n the realm of wine and spirits, few distributors have built a network of distillers seemingly overnight. But when restaurants started closing in March 2020, due to COVID-19, Michael S. Ogurek reasoned it was better to move forward than backward.

"Our restaurant revenue went out the window due to COVID-19," says Ogurek, president and owner of MO Cellar Selections in downtown Milford. "Most of our sales were in wine, and it wasn't like you flip a switch and jump right into the spirits business. We got into the market the old-fashioned way, by picking up the phone and calling people."

With 30 years in the wine business, Ogurek often met local and national distillers at tastings, new product releases, and fine dining events in metro Detroit. To help diversify his operations, in January 2020 he hired Tony Conz, formerly of Vintage Wine Co. in Roseville, to help execute what the pair thought would be a long, yet profitable, expansion.

"I worked alongside Michael for two months, and then the bottom fell out of the marketplace," says Conz, executive vice president of sales and a partner at MO Cellar Selections. "Rather than pull back and hold on, we went full steam ahead. We took advantage of our distributor relationships around the country, and we reached out to distillers we knew locally."

Fortunately, the stars were in alignment. The distilling industry is at the forefront of a new golden age for flavored brown spirits, similar to what occurred 30 years ago in the vodka category. Prior to 1990, vodka was limited to a standard product line, but when distillers began introducing flavors, demand soared for new expressions of the liquor - lemon, peach, orange, strawberry, sweet tea, cranberry, and more.

However, one challenge with adding more whiskey, rye, bourbon, and other blended or flavored liquors is availability. While vodka and sourced whiskey can be produced in short order, it can take years to distill one-ofa-kind products.

Straight bourbon, for example, must be aged at least two years in an oak barrel, and four years for so-called bottle-in-bond offerings. In addition, to be labeled bourbon, the liquor must be aged in one distillery over one season and be bottled at 50 percent ABV. Given the added time required to age bourbon, it isn't sitting in warehouses ready for shipment (bourbon whiskey is a different variation and doesn't conform to strict bourbon standards).

"The wave of flavored vodkas took more and more shelf space away from whiskey and bourbon distillers, so now they're introducing flavored offerings to consumers, and it's been working," Conz says. "How long flavored whiskey and bourbon will last is up to consumers, but we feel the market has a long way to go, due to the time it takes to age bourbon and the availability of the liquor, since quite a bit of it is made in small batches."

Over the course of a few months in the first half of 2020, Ogurek, Conz, and their colleagues reached out personally to several liquor producers. They've since signed distribution deals with Ugly Dog Distillery, Three Chord Distillery, Luca Mariano Distillery, Tequila Cabal Distillery, and Don Cheyo Distillery.

"When others were scaling down due to COVID-19, we were scaling up," Ogurek says. "We changed our marketing, kept in close contact with our sales network to make sure everyone knew what we were doing, and we brought some people out of retirement that knew the business like the back of their hand."

It helped that MO Cellar Selections has sales offices in Seattle; Kansas City; New Jersey; Charlotte, N.C.; St. Petersburg, Fla.; Napa Valley; and San Diego. By fall 2020, the company began seeing dividends. "Toward the end of last year, we received a massive order (for flavored



which has since grown to 20 professionals.

"We began working with Michael at the start of 2020, and last year we doubled in size. We're on pace to grow between 35 percent and 40 percent this year," Salmon says. "Michael and his team got us into Kroger and Meijer, and we're working on a number of other chains. Our s'mores bourbon is doing exceptionally well. What's great about MO Cellar Selections is that they have a national reach."

Francesco S. Viola, founder of Luca Mariano Distillery, located on a 300-acre farm in Danville, Ky., and owner of Versatrans, a screen-printing transfer operation in Plymouth Township, says he was referred to MO Cellar Selections by a friend. The distiller wanted to pursue a national expansion after rolling out his Kentucky straight bourbon and rye whiskey in Michigan, Kentucky, Tennessee, and North Carolina.

"My grandfather, Mariano Viola, taught me how to still liquor, and after experimenting with different ingredients in my garage I started (making whiskey) in barrels in 2014," Viola says. "I was interested in working with someone local because I grew up in Hartland; we started with MO Cellar Selections in February. Things are going well."

Since that time, Luca Mariano is available for sale in Washington and Arkansas, and will soon be offered in Missouri, Florida, Indiana, Connecticut, New Jersey, New York, Texas, and California. Viola says one advantage of working with MO Cellar Selections is the company's roster of liquor experts, including Glynn Gutzeit, director of spirits portfolio development.

"He's a whiskey connoisseur, which helps a great deal in not only understanding our products but the industry at large," Viola says. db