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After \$26M expansion, Templeton Rye will again be distilled in Iowa community where it started over a century ago

By David Hendee / World-Herald staff writer Apr 9, 2017 Updated Apr 9, 2017



TEMPLETON RYE

A rendering of Templeton Rye Spirits' new distillery and aging warehouse in Templeton, Iowa. The company broke ground on the project Wednesday.



TEMPLETON, Iowa — Something has happened in Templeton that should raise the spirits of long dead bootleggers across the village in Sacred Heart Cemetery.

The distillation of the community's notorious rye whiskey will soon return to Templeton, where it was produced in the shadows during and after Prohibition. But now it's legal.

Templeton Rye Spirits kicked off a \$26 million expansion project with the ceremonial groundbreaking Wednesday for a distillery and a warehouse for aging the rye.

MORE INFORMATION



Descendants of bootleggers celebrate 10 years of Templeton Rye whiskey, plan to expand in Iowa town

Mayor Ken Behrens said the new facility is greater than anything people in the community of 362 could have dreamed when the idea of making the whiskey locally and legally surfaced a decade ago.

“It’s hard to imagine what the original bootleggers would say if they were here today,” he said.

Templeton Rye’s upgraded home will consist of a 34,500-square-foot distillery at its current 20-acre facility on the edge of the town. The new complex, including a museum and 55,000-square-foot barrel aging warehouse, is expected to be completed within 18 months.

The new distillery will be able to produce 500,000 proof gallons of rye whiskey annually, but initial production will be 250,000 gallons. The aging warehouse will be able to store 40,000 barrels.

The first Iowa-distilled Templeton — aged four years — would appear on store shelves in about 2022.

Templeton Rye produced its 1 millionth bottle in 2013. The company doesn’t disclose detailed figures, but it has never had a down sales year, said Keith Kerkhoff of Manilla, Iowa, a co-founder of Templeton Rye Spirits and a grandson of an area bootlegger.

The expansion is expected to add 27 workers, many of them salaried, to the current roster of about six full-time and 12 to 15 part-time employees.

Templeton Rye, introduced legally in 2006, dates to the early 1900s, when residents of Templeton distilled a much sought-after rye whiskey produced in basements and barns. Although forced underground during the Prohibition era, the bootlegging enterprise flourished. Chicago gangster Al Capone reportedly served Templeton Rye to his friends and family.

The distillery will make Templeton Rye wholly produced in Iowa for the first time since the Prohibition era.

The company settled lawsuits in 2015 over labeling that implied that the whiskey was made in Iowa. The company is using a mash made up of 95 percent rye from MGP Ingredients in Indiana as the whiskey’s foundation. The Templeton plant currently combines distilled rye whiskey with the company’s proprietary formula and local purified water in batches of 900 gallons for bottling in Templeton.

The distillery’s two new stills are being manufactured in Scotland and will produce the highest quality spirits, said Alex Alexandrov, president of ICC Turnkey of St. Louis, an engineering company

that designed the distillery.

“The oak does the rest,” he said.

Kerkhoff said he was proud to share “The Good Stuff” with whiskey lovers from around Iowa and across the country.

“We’re moving full-steam ahead,” he said. “Our company is laser-focused on bringing the history and spirit of the community of Templeton to life through Templeton Rye whiskey.”

Upward of 300 people attended the groundbreaking ceremony at the base of a towering stack of whiskey barrels outside the company’s current office and bottling building.

The project will not only create more good, long-term jobs, but it will also increase tourism, said Debi Durham, director of the Iowa Economic Development Authority.

The company has invested more than \$1 million locally since it started aging its first four-year whiskey in 2002. It has hosted more than 25,000 visitors at the facility since opening to the public.

State Rep. Brian Best, who lives in Glidden and represents the Templeton area in the State Legislature, said the expansion is good for all of Iowa.

Pat Engelen of Templeton, who lives across the street from the production facility, said the company’s economic development and tourism impact are already significant and will grow.

“We sure get a lot of traffic with people coming in to check this place out,” she said. “People stop to get their picture taken in front of the building or by the barrel tree. They’ll be motorcycle groups of 40 or more at a time.”

Vern Underwood, chairman of Infinium Spirits in Aliso Viejo, California, and a lead investor in Templeton Rye Spirits, thanked the community for making it possible to build a successful whiskey operation.

“There are many, many rye whiskeys, but there is only one rye whiskey that has the town Templeton behind it,” he said. “It separates us from the other rye whiskey. You are the story. You are what’s going to make this possible. It’s a dream come true for everybody. We want to be part of the dream.”

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