

## Scotch: Take the High Road

In 2007, around 9.6 million 9-liter cases of Scotch were sold in the United States, generating \$1.5 billion in revenues for distillers.

### U.S. Scotch Volumes by Price Category (9-Liter Cases, 000, includes blends and single malts)

Year	Value	Premium	High End Premium	Super Premium	Total
2002	3,291	3,460	2,192	155	9,098
2003	3,241	3,574	2,268	238	9,321
2004	3,264	3,636	2,449	272	9,621
2005	3,162	3,599	2,458	288	9,507
2006	2,976	3,558	2,657	327	9,518
2007	2,918	3,514	2,752	376	9,561
06 - 07 Growth	-1.9%	-1.2%	3.6%	14.9%	0.5%

### U.S. Scotch Supplier Revenues Gross Revenues Including FET (millions), includes blends and single malts

Year	Value	Premium	High End Premium	Super Premium	Total
2003	\$192	\$510	\$513	\$94	\$1,310
2004	\$207	\$524	\$574	\$117	\$1,423
2005	\$201	\$524	\$596	\$117	\$1,438
2006	\$190	\$525	\$651	\$134	\$1,500
2007	\$190	\$519	\$671	\$159	\$1,539
06 - 07 Growth	-0.2%	-1.2%	3.1%	18.7%	2.6%

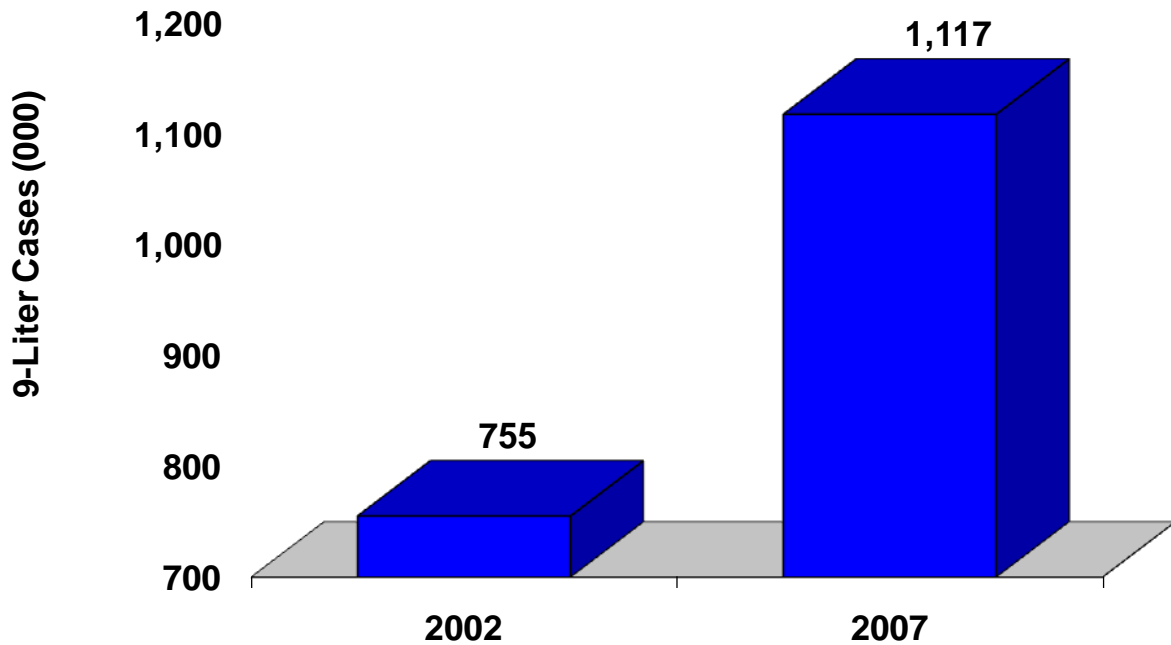
Scotch has benefited from drinkers' desire to "trade up" from Premium to High-End and Super-Premium products. Super Premium products offer a wider variety of the complex flavors that Scotch is known for. Since many of these higher end products are either aged longer or in special casks they also command higher prices for suppliers and importers. Over half of Scotch revenues are derived from High-End and Super-Premium brands

One of the driving factors behind the growth in Super Premium Scotch brands has been American's continuing interest in Single Malt Scotches. As the name implies, Single Malt Scotch is made from the product of a single distillery. Single Malt Scotch volumes have grown by 48% since 2002.



Single Malt vs. Blend (9-Liter Cases, 000)							
Category	2002	2003	2004	2005	2006	2007	02 - '07 Growth
Blend	8,343	8,474	8,701	8,606	8,471	8,444	1.2%
Single Malt	755	846	920	901	1,047	1,117	48.0%
Total	9,098	9,321	9,621	9,507	9,518	9,561	5.1%

## U.S. Single Malt Scotch Volumes, 2002 vs. 2007



Source: The Distilled Spirits Council of the U.S.

Data provided by Distilled Spirits Council's Economic & Strategic Analysis Department.