

OREGON LIQUOR CONTROL COMMISSION

Starting Your Own Craft Distillery in Oregon

Oregon has been a pioneer in the craft brewing industry since the 1980s, when breweries in the Pacific Northwest sparked the national enthusiasm for micro-brewed craft beers. Today, the same pioneering spirit is fueling the development of the craft distilling industry – the production of small batch, handcrafted distilled spirits in Oregon.

Responding to this growing trend, Oregon law expanded in 2008 to allow new business opportunities for craft distillers, and to help to promote the industry. As a result, with the proper licenses and permits, craft distilleries can now offer tasting samples of their products at their distillery or at a separate tasting room, or sell their products by the glass or drink at a restaurant at their distillery or another location. Distilleries can also apply for an optional appointment as a retail outlet agent to sell bottled products manufactured at the distillery directly to consumers.

What are the steps for starting a craft distillery in Oregon?

Step 1: Apply for federal permit and label approval. You will need a distillery permit from the Federal Tax and Trade Bureau (TTB) before you produce, bottle, rectify, process or store distilled spirits. *The OLCC recommends that you apply for your federal permit and label approval 90 or more days before you plan to begin operations.* You can get information on the federal permit and label approval processes at www.ttb.gov/spirits.

Step 2: Apply for an OLCC distillery license and other state licenses and permits. We recommend that you apply for an OLCC license at least 90 -120 days before you plan to begin operations. You can begin the OLCC licensing process even if your federal permits have not yet been issued.

Distillery License (Required) – Allows you to manufacture, distill, blend, rectify, denature, and store distilled spirits. You can also offer tasting samples of the products you manufacture at your distillery, and at one other location – typically an off-site tasting room.

Full On-Premises Sales License (Optional) – Allows you to sell your distilled spirits by the individual glass or drink at your distillery location or at your second location. The license also allows you to sell other manufacturers' distilled spirits by the glass or drink, and to sell malt beverages, wine or cider for consumption at your business.

There are other important considerations when seeking an OLCC license. You can get more information at www.oregon.gov/OLCC, or by calling 503-872-5000 in the Portland Metro Area, or toll free at 1-800-452-6522.

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For more information contact:

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The mission of the OLCC is to promote the public interest through the responsible sale and service of alcoholic beverages.

www.oregon.gov/OLCC

(12/2013)

Step 3 (optional): Apply to become a Distillery Retail Outlet Agent

If you would like to sell your products by the bottle to consumers at your distillery or licensed tasting room, you will need to apply for approval as a retail outlet agent. Becoming an approved retail outlet agent allows you to sell the products that you manufactured at your licensed Oregon distillery. To apply for a distillery retail outlet, contact the OLCC Retail Services Division at 503-872-5020 in the Portland Metro Area, or toll free at 1-800-426-2004.

Marketing and Selling Your Craft Spirits

After you are licensed, in addition to the sampling and sales mentioned above, you may also:

- Apply to have your products available for sale in the 246 statewide retail liquor stores in Oregon.
- Promote your products to OLCC-licensed bars, nightclubs, and restaurants by providing tasting samples of your product (s) that the licensee doesn't carry.
- Participate in distilled spirits educational seminars and sample tasting events sponsored by on-premises sales licensees at their licensed business.
- Provide tasting samples of your products at OLCC retail liquor stores.
- Provide samples of your products to attendees at industry trade shows.

To learn more about the marketing of spirits in Oregon and the limitations you should be aware of, please contact the OLCC. If you plan to sell your products in other states, you will need to check with those states regarding their separate importation, license, and permit requirements.

Additional Resources

You are not alone. The number of craft distillers in Oregon is growing, and much of that growth has been facilitated by the mutual support of other craft distillers in the state. In 2008, many craft distillers organized into the Oregon Distillers Guild to promote the common interests of the licensed distilling industry in Oregon. The OLCC encourages all prospective artisan-distillers to learn from the experiences of their peers by contacting them individually or through their industry organizations.

We wish you success in your business endeavors, and welcome questions about starting a craft distillery or any other alcohol-related matter in Oregon.

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