

Kentucky Owl coming to Bardstown

Governor announces distillery to be located on quarry property

By Randy Patrick

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There have been signs pointing to it since September, but on Wednesday, representatives of the Stoli Group and Gov. Matt Bevin made the official announcement: Kentucky Owl is coming to Bardstown.



RANDY PATRICK/The Kentucky Standard
Gov. Matt Bevin, second from right, talks with Dmitry Efimov, chief executive officer of Kentucky Owl and head of the Stoli Group's American whiskey division, following a groundbreaking ceremony for the company's new Bardstown distillery Wednesday. Flanking them are Secretary Terry Gill, right, and Vivek Sarin with the state Cabinet for Economic Development.



Dmitry Efimov, CEO of Kentucky Owl, speaks to his guests at the announcement of the Stoli Group's plan to produce Kentucky Owl bourbon and rye in Bardstown on the quarry property it is buying from Haydon Materials.

Dixon Dedman, who runs the Beaumont Inn in Harrodsburg and whose great-great-grandfather started Kentucky Owl in the 1870s, will be the company's master blender.



Bardstown Mayor Dick Heaton presents a city flag to Dmitry Efimov.

Nelson County Economic Development Agency President Kim Huston led off the announcement Wednesday of the Stoli Group's purchase of the rock quarry from the Haydon family as the future home of Kentucky Owl.

The super-premium, small-batch Kentucky bourbon will be distilled on the site of the Cedar Creek Quarry along John Rowan Boulevard (Ky. 245), which the new owners will purchase in its entirety over time from Haydon Materials as it expands its business.



Dmitry Efimov, head of the Stoli Group's American Whiskey Division and chief executive officer of Kentucky Owl Bourbon, said in an interview that the company will initially employ about 57 people and eventually about 300.

Long-term plans include not only the distillery, warehouses and visitors center, which are all in the first phase of the development, but also a bottling plant, convention center, contemporary art gallery, restaurant, concert hall and a train station for the R.J. Corman Dinner Train.

The "train station we're going to turn into a tourist experience with shopping and food," he said.

"Our vision is to make it a bourbon destination," Efimov said.

Half of the limestone quarry property will become a scenic lake, and the company wants to use the limestone-filtered water from a natural spring on the property as the source of water for its bourbon.

The company is calling the 420 acres Kentucky Owl Park.

Efimov said the company has not yet selected a contractor for the project, but has an architect, Justin Joseph, who will be working with a world-renowned architectural group to design the buildings.

"We're in the very early stage right now, but ... we're very excited about it. We're very proud," he said.



During the announcement Wednesday at the future site of the distillery, Efimov showed the audience of about 100 guests a drawing of what the site would look like with its lakeside distillery.

“In only two years, I hope that you will come back here to visit us and stand in this very space in our state-of-the-art distillery looking out over this beautiful lake from both sides,” Efimov said.

Although there had been talk about the quarry property being sold for development, the first solid indication of what was in the works came in late September when the Kentucky Development Finance Authority approved \$2 million in tax incentives for a potential \$150 million development in Nelson County by the Stoli Group, which is best known for Stolichnaya Vodka, and which had recently purchased Kentucky Owl from the family of Dixon Dedman, whose great-great-grandfather, Charles Dedman, founded the company in the 1870s.

According to the authority’s meeting report, which is public record, the average hourly wage of employees will be \$25, but Efimov later called that a conservative estimate.

Dedman will remain with Kentucky Owl as its master blender, Efimov said.

“This opportunity only makes me more committed to get back to work developing more of our batches of Kentucky Owl, more of our rye whiskey and maintaining that legacy and that tradition started by my family so many years ago, and now watching it turn into such an amazing project,” Dedman said.

He said he was proud of the partnership his family has with the Stoli Group.

“They have a true commitment to quality and attention to detail,” Dedman said. They do everything the right way and you will love having this group here in Bardstown. You’re very fortunate to have such a wonderful company coming in.”

Efimov said the Luxembourg-based company, which has many brands in 165 countries, including tequila in Mexico, rum in Louisiana and vodka in Russia, will likely make other bourbons besides Kentucky Owl. But, he said, “Kentucky Owl is going to be the jewel.” He called it “the top” in quality bourbon.

Work on the distillery will begin in 2018, and it will take two years to complete and begin production. It will be 10-12 years before any of the Kentucky Owl produced here will be ready to be sold because it must age for at least eight years, but there may be younger bourbons sold sooner.

Haydon Materials will continue to operate its quarry on part of the property as Stoli purchases it in increments.

The quarry will look quite different in time, Efimov said.

“This will probably be the most beautiful use of the industrial quarry,” he said.

Efimov said the company looked at several other possible sites for the distillery, including a beautiful lake site in Tennessee that would have been much easier to develop than a quarry, but because the main product was going to be Kentucky Owl, it “didn’t sound exactly right” to make it in another state, he said.

They wanted it in Kentucky, and Bardstown’s bourbon history and culture were taken into consideration. The site itself also was attractive.

“It’s close to perfect for us,” Efimov said.

The Bardstown City Council has approved industrial revenue bonds in an amount up to \$149,750 to finance the project, which would be repaid through lease payments on facilities, possibly using the project itself as collateral. The city won’t be responsible for any of the costs.

The company's attorney, Jeff McKenzie, said the city's bonds and the state's tax incentives were "critical in making a decision" to locate the project here, and were necessary to be competitive with other sites that were being considered.

"I'm excited ... to see your dream come to fruition," Bevin said at the announcement Wednesday. "It will be fun to see where this all goes,"

The governor gave credit to his economic development team for its part in helping to bring the company to Bardstown.

Others who were scheduled to be part of the ceremony included Nelson County's state legislators, Sen. Jimmy Higdon and Rep. Chad McCoy; Kim Huston, president of the Nelson County Economic Development Agency, who worked to bring the company here; Nelson County Judge-Executive Dean Watts; Bardstown Mayor Dick Heaton; Efimov and Dedman.

Guests celebrated the occasion with glasses of rye.