

Assembling whisky production and consumption for rural resilience: A value chains case study in Speyside, Scotland

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H2020 MOVING project



MOVING (MOuntain Valorisation through INterconnectedness and Green growth) – is a four-year project (2020-2024) involving 23 Value Chain cases funded by the EU **Horizon 2020** programme.



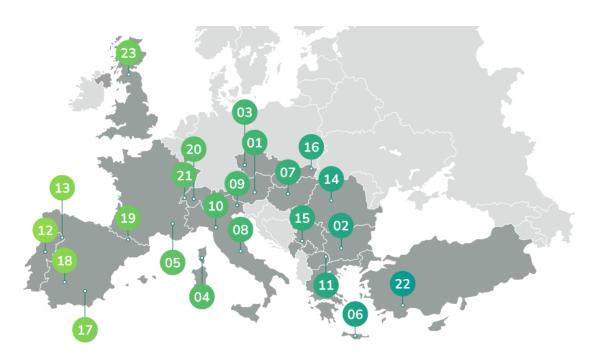
The **Project's main objective** is to build capacities and codevelop relevant policy frameworks across Europe for the establishment of value chains that contribute to the resilience and sustainability of mountain areas to climate change.



MOVING Regions

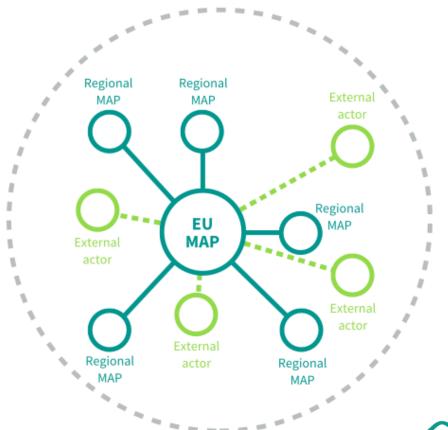
The 23 Mountain Reference Regions are distributed in 16 European and neighbouring countries

23 regional Multi-Actor Platforms









Value Chains

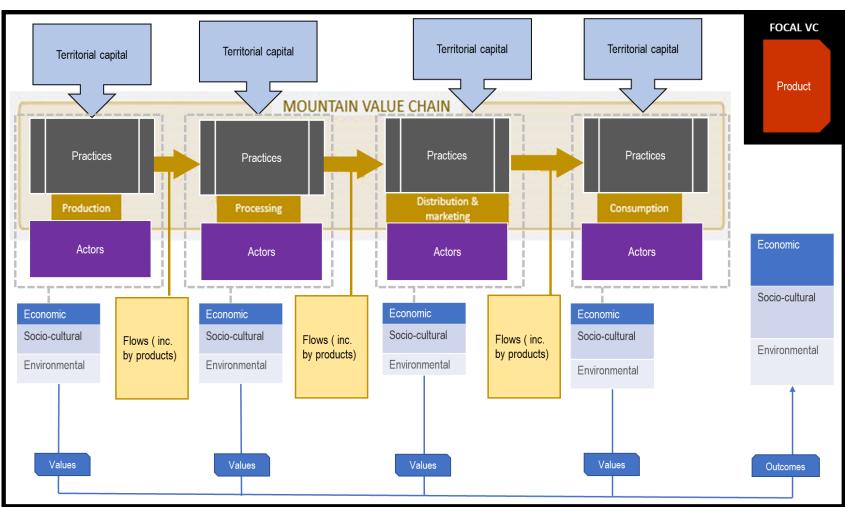


- Process of firms gaining competitive advantage along the chain (Porter 1985)
- Definitions informing MOVING:
 - 1) "the network of organizations that are involved, through upstream and downstream **linkages**, in the different **processes and activities that produce value** in the form of products and services in the hands of the ultimate consumer" (Christopher & Peck, 2004)
 - 2) "series of steps from the initial production to the final consumption and the actors involved at each stage. The activities/operations of these agents are geographically localised. They identify products, financial and information flows between actors and areas" (European Commission, 2018).



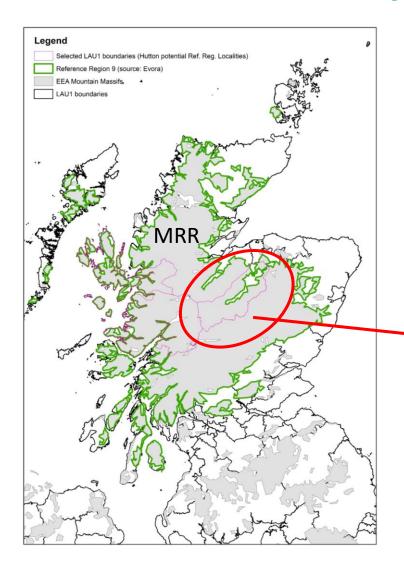
Value chain analysis

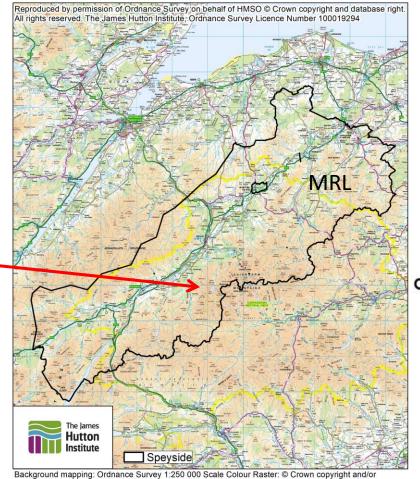




Scottish case study area







database right 2019 OS.



Methodology



Desktop Review

- Websites, grey & academic literature (~60)
- Government data sets where possible

Interviews & Field Visits

- 16 interviews
- 4 Visitor Experiences

Validation Workshops

- In person
- Online



Extended Value Chain Analysis

MOV MOUNTAIN VALORIS INTERCONNECTEDNESS

Context

Diagrams Ø Structural Analysis

Economic Valorisation Practices

Socio-cultural Valorisation Practices

Environmental Valorisation Practices

MRL specific governance & institutional analyses



Fele-coupling



with other VCs in MRL Linkages

8

Assemblage in MOVING



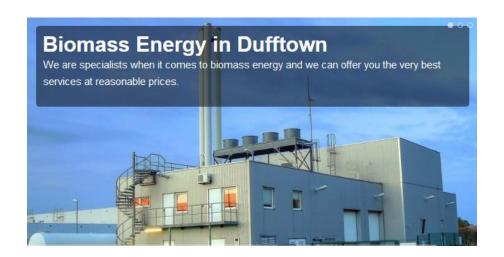


- DeLanda 2006 and Deleuze & Guattari 1987
- Describes complex social objects in which heterogeneous components interact with each other while retaining their capacity to act autonomously – including the capacity to leave an assemblage and to participate in more than one assemblage at the same time.
- Linkages between objects in related value chains
 - Whisky and tourism in Speyside

Alternative Assemblages

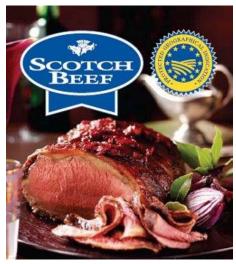
MOVING
MOUNTAIN VALORISATION THROUGH
INTERCONNECTEDNESS AND GREEN GROWTH

- Fly fishing (shared common pool resource of water)
- Bioenergy (site specific reuse + inputs to refinery)
- Livestock farming (reuse of pot ale and draff)





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ABBREVIATIONS

CESR – Corporate Environmental & Social Responsibilities

CPR – Common Pool Resource

Local knowledge, land-use mosaic of Mains water (demineralised for dilution), Spring water for Limited local barley production, distillery infrastructure FOCAL VC Whisky shops, hotels, festivals, tours, general tourism, dilution (limited), tourism hotels/trails (consumers come to peatland, trees, grasslands, (including pipes, pumps, cooling towers), local expertise, recreation & hospitality reputation and opportunities... spring water (mash), river water (cooling)... distillery), images, landscape, history... ecosystem services... Many non-territorial inputs Many non-territorial inputs Many non-territorial inputs Many non-territorial inputs MOUNTAIN VALUE CHAIN Speyside Malt Whisky from Malt Whisky VALUE Water management (other individual Travel retail (duty free) Malting barley (rarely onsite now) - Bottling & labelling (inc inputs produced outside MRL) distilleries CHAIN Specialist retail & auction sales - Creating mash, fermentation, integrity and specialist bottling) - Land management that - Supermarket sales stillation. & maturation Transport to markets influences water quality & Hospitality sales Cooperage Brand development and 14/6/22 Visitor centre sales/ experiences Product development/innovation maintenance Abstraction of spring water V8.0 Whisky investments Cooperation (e.g. spirit swapping) - Visitor Centre Tours into distilling plant Sharon, Kirsty, Rachel Distribution & Production Processing Consumption Speyside (Badenoch marketing & Strathspey, West Land managers (estates/farms in different Farmers, maltsters, owners/ distiller/makers/other - Tax & balance of Wholesalers, retailers, hospitality, distillery visitor MNC marketing/brand teams, SWA ownership), Spey fishery board & staff, road hauliers, bonded warehouse payments promoters, distillery visitor centre staff, centres, investors, promotion and regulation (food Moray), Scotland, UK Catchment Initiative members, distillery Employment operators, coopers, distiller associations, tourism marketing staff, logisticians, road & drink, tourism), consumers (range of markets) managers and workers Increased tourism specialist equipment suppliers (stills), engineers, hautiers, shipping, exporters Profits & income to IT specialists - MINCs - Employment (limited - often - Tax revenue & dividends Employment (land LEGEND CESR outcomes. Employment and payment (maltsters, distillers, outside MRL1 Jobs in local retail/distillery managers) Skilled jobs - Payments for ecosystem coopers, etc...) - Tax revenue & Dividends visitor centres Territorial Strong cultural signifier - Water Employment for other local trades (e.g. builders) No payment for public goods Bottled Return on investments services - Infrastructure & cultural capital Spring water abstraction No payment for CPR (water) No market payment for (landscape) whisky legacy volumes reported Local SME involvement in Infrastructure (equity, investment) - Past PES schemes CPR (springs) abstraction - Consolidates unequal regulator shoos/tours/bars Location of distillery owner HQ (retaining value distilleries & Profits leaving area access to land and water volumes Practices -† Cask whisky Low skill jobs (hospitality) in/out of area) taxes - Alcoholism - Potential conflict (CPRs) reported to to bottle/blends - Collaboration (e.g. MWT) Visitor guide jobs (ranging) Uniqueness & - Displacement of food Community involvement regulator 5killed Jobs (wage levels, gender balance, 'jobs. Cultural landscape place based (resource management) security Actors Place based for life") - Assemblage with tourism - Lower entrance costs in brand qualities - Air quality impacts on health brand qualities cultural landscapes, traditions, F&D Scottish - Water quantity & - Maintaining tradition Performance/ Potential low flows and Alcoholism heritage cultural signifier temperature Unique products (stills etc) education for higher water temperatures Flows - Centralised ownership (MNCs) concerns/stewardship - Bottles GHG emissions - GHGs from pumping Stronger relationships/social capital visitors - Centralisation/ automation = Ву-- Air quality (upcycling, - High entrance costs - Waste in areas without Habitat restoration & Other barrels reduction in local jobs products recycling) - GHGs recycling processes Compatibility of shifts with other local valorisation of springs - Responsible drinking Reducing packaging - Draff and pot Land use priorities employment (e.g. farming) messages (quality focus) Renewables Local pride in tradition/heritage ale used in (public/private) FOCAL - GHGs agriculture and PRODUCT(S) - Water competition & increased water temp energy sectors - Reduced packing/waste - GHGs Imported packing - Reuse of barrels Economic value tuns (upcycling, Outcomes - CESR habitat restoration recycling) Angels' share (impacts on air quality). Socio-cultural value SWA – Scotch Whisky Association Environmental MWT – Malt Whisky Trail F&D – Food and Drink CBP – Cairngorms Business Partnership value

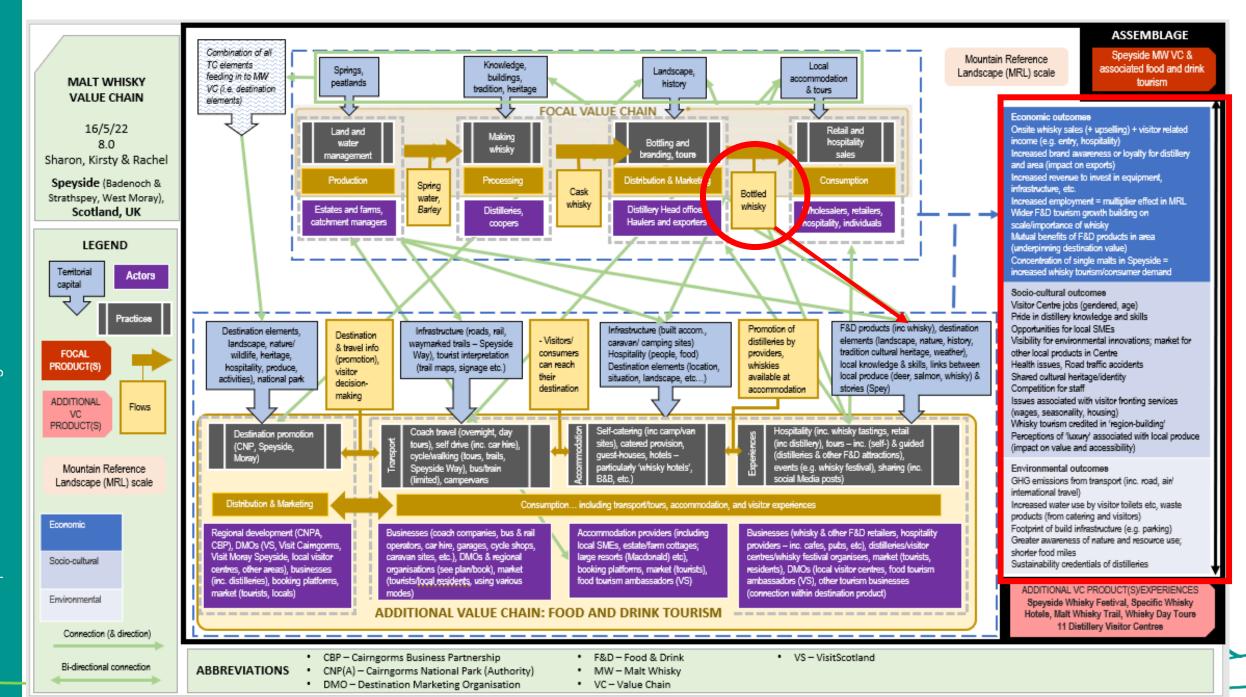
GHG – Greenhouse Gas

MNC – Multi-National Corporation

VC – Value Chains

PES – Payment for Ecosystem Services

SME – Small and Medium sized Enterprises



Rural resilience





- Opportunities
 - Shared cultural heritage/identity
 - Whisky tourism credited in 'region-building'
 - Wider food and drink tourism growth building on scale/importance of whisky
 - Mutual benefits of food and drink products in area underpinning destination value, e.g. salmon, venison.
 - Increased employment = multiplier effect in MRL
 - Sustainability credentials of distilleries

Rural resilience





Challenges

- Increased water use by visitor toilets etc, waste products (from catering and visitors)
- Footprint of build infrastructure (e.g. parking)
- GHG emissions from transport (inc. road, air/ international travel)
- Issues associated with visitor fronting services (wages, seasonality, housing)
- Competition for staff
- Perceptions of 'luxury' associated with local produce (impact on value and accessibility)

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Thank you!













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