

A GENEROUS SPIRIT: DISTILLERY FOCUSES ON COMMUNITY AND EMPLOYEE NEEDS DURING PANDEMIC

ABOUT HEADFRAME SPIRITS. John and Courtney McKee founded Headframe Spirits in Butte, Montana, in 2010, opening the doors to their tasting room in 2012. Inspired by Butte's history, they produce micro-distilled spirits that celebrate the local mining industry, including Neversweat Whiskey, High Ore Vodka, Anselmo Gin, and Orphan Girl Bourbon Cream Liqueur, which are distributed across the state and sold online. The business has expanded to include a packaging facility, which co-packages for other brands in the distillery industry, and a manufacturing facility that produces custom, continuous flow distillation equipment. Headframe Spirits employs 27 individuals and has a strong community focus - it recently qualified as Certified B Corporation®, which recognizes companies that meet high standards of social commitment, environmental performance, and corporate responsibility.

THE CHALLENGE. When the COVID-19 pandemic hit, many food and beverage companies closed their restaurants, bars, and tasting rooms, including Headframe Spirits. A significant portion of the business sales were negatively impacted when the tasting room was closed, and employee jobs were at risk. The company pivoted to the manufacture of hand sanitizer. Headframe had the expertise and capacity to make the sanitizer product itself: it modified the distilling process, ordered ingredients, and trained personnel on the manufacturing process. The challenge came in securing packaging materials. Personal size sanitizer containers and closures had gone into very short supply, and manufacturers focused on providing containers and caps to the larger sanitizer producers.

MEP CENTER'S ROLE. With the help of CARES Act funding, MMEC, part of the MEP National Network™, provided a number of support services to manufacturers during the early stages of the pandemic. This included sourcing hard to find materials for Headframe and other Montana distilleries making hand sanitizer. While reaching out to national contacts, Senior Business Advisor Alistair Stewart received a generous offer. Berry Global, headquartered in Evansville, Indiana (a Fortune 500 global manufacturer of essential plastic packaging products) offered to donate more than 15,000 bottles and 15,000 caps to Montana's distilleries. MMEC was able to acquire over 142,000 bottles and caps for distilleries around Montana, at no charge. Headframe Spirits was gifted 20,000 units to support its operations. Headframe Spirits manufactured 7,000 gallons of hand sanitizer from March 2020 to December 2020, donating product to more than 20 organizations. Selling hand sanitizers at the local tasting room brought in a new customer base, who also purchased bottles of liquor products, which helped Headframe Spirits retain a portion of sales lost when the tasting room was closed. In addition, the company hired two temporary manufacturing employees.

"MMEC was proactive about reaching out to us, looking to support us with their existing knowledge, relationships and even just time we didn't have. They cared about our success and the success of our peers and we could not have accomplished what we did without their support."

-Courtney McKee, CEO

RESULTS



\$216,000 in increased or retained sales



28 new or retained jobs



\$180,500 in new investments



\$20,000 in cost savings

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