

Okay, everyone, we're gonna make a start of it.

Today. We've got, uh, a company,
and we're not gonna talk about AI for a change,
which I'm sure everyone will breathe a, a massive sigh
of relief right there.

Uh, but we are gonna talk about something that, uh, is,
is very, I think, probably close to a lot
of people's hearts, and that is whiskey.

So I'm talking of course about Lark distilling the ticket
code here is LRK and the stu, the CEO is Stuart Gregor.

Um, this is a producer
of really luxury single malt whiskeys
and really one of the very early pioneers in Australia.

Just this morning I was going back
and looking at some of the history here,
and it's a fascinating one.

Uh, it actually was founded by Bill Lae back in 92,
I believe, uh, uh, the Godfather
of Australian whiskey, I am told.

And in order to sort of set this thing up, he had
to overcome some legislation that was close
to a hundred years old or so.

He went through that, uh, battle, won it, uh,
and the business has been around ever since,
and in fact, been on the A SXI believe since about
2011 or so.

So, uh, like any respectable, uh, whiskey, uh, producer,
they're based down in Tasmania,
and the company does everything from the distillation itself

to the maturation and also the distribution both domestically and internationally.

Uh, as a business, we're, we're looking at, uh, a company that's doing circa \$17 million in annual gross sales.

It's got this giant whiskey bank, uh, which is exactly what it sounds like, a, a big bank of whiskey

that's just sitting there doing its thing,

which is getting tastier and tastier as each day goes by.

And when that's ready, that gets shipped off to about,

I believe, 10 international markets, uh,

particularly things like Singapore, China, Japan, um,

and, and those kinds of markets.

So, uh, as I just explained to Stuart, the goal here is

for us is to really try and understand the business.

If you've got any questions,

shoot them through on that link.

And I, I'll put them to Stu when we get the chance.

And final reminder, none of this is investment advice.

It never is. So with all of that out of the way, Stu,

thanks so much for your time today.

Well, thanks for having me, Andrew. That's a good intro,

Actually. Oh, well,

look, it's, thank you very much.

Yeah, I mean, look, I, I think it's, we do a lot

of these stu and, you know, there's, there's, uh, there's,

there's definite sort of themes,

but I can't think that we've ever done sort

of anything in this space before.

Um, and it also strikes me
as a very interesting business in the sense that
there's no threat of disruption as far as I can see as well.
So it's like, I think a lot
of people these days are always looking over their shoulder,
but I can't imagine that, uh, that the business
of whiskey production is gonna change much.
Maybe you'll have some robots doing some
of the work at some stage, but, um, and,
and I think as an investors, we kind of like that.
We like a business that we can, we can understand easily.
We can understand the, the industry in which it operates,
the opportunities that are out there and,
and how it's gonna go about it.
That being said, while a lot of us might have, uh, a bit
of experience in, in the end product, uh,
there's probably a bit of a mystery behind sort of
how it all sort of comes together.
So, as I said to you off air, I really want to sort
of dumb it down, at least for my sake,
more than anyone's just at the start.
And we'll lay the groundwork
and then we'll sort of build up from there.
So, you know, when you run into someone at a barbecue
and they say, you know, what do you do and,
and what's Lark all about?
How, how do you typically answer that?
Well, I think if you, you kind of mentioned it in your,
in your intro, I guess we could, we can start there.

That Lark is in, in, in,

in modern Australian distilling is the og, right?

Where, where the original Australian whiskey distiller,
it was 1992.

And that, um, that legislation had been in place
for more like 150 years rather than oh hundred years.

Right? Right. So basically what happened is there was a
little bit of, there was an early Australian distilling
industry in the, you know, you, you all remember the, well,
you don't all remember the rum rebellion,
but I mean, there was, we were, we were,

I was reading about it just the other day. Yeah. We
Were pretty keen on our spirits in the early times
of the colony in Australia.

It was actually used as currency. Sorry to interrupt.

Correct. It was actually used as currency,
which is where, where I came across it. Correct.

And, and what, what basically happened is that, you know,
um, there were many that thought the Australian, um,
not just whiskey, but rum,
rum industry was perhaps going at too,
too greater pace mm-hmm.

In the early 1820s and 1830s. Right.

So you can imagine there was a rum rebellion when, you know,
when, when the communists couldn't get enough rum,
it was used as currency.

And as you know, Tasmania is where those, the, the rogues
of, of our rogue colony were sent.

Mm-hmm. So those, those who, um, reoffended, if you like, we were actually sent down to Port Arthur in various other places in Tasmania.

So Tasmania had a, a fairly rish reputation.

And it was in fact, the wife of one of the governors, uh, in the 1830s, 1840s, who said, right, we, we will no longer allow people to distill spirits.

We will no longer allow people to make spirits.

There was, there was Bali already being grown down in Tasmania.

There was a couple of nascent people trying to make beer.

And, uh, it was thought that spirits were just a, a, a bridge too fast.

So a law came into place, it said, you can no longer legally make spirits in Tasmania.

Now, that law was probably put in place in the 1850s, and it was not overturned, as you said, until 1992.

And it was overturned because, because Bill and Lin Lark.

Right. So Bill Lark was fishing with his father-in-law who happened to be of Scottish heritage, and they were fishing, fly fishing up in the northern Tasmania.

And he is like, and it feels a bit like Scotland.

Why doesn't anyone make whiskey in this, in this, in this environment?

And he went to the government and overturned the laws.

And that's how the modern Australian whiskey industry began.

And that's not just in Tasmania. That's right.

Across the nation. Yeah.

Um, today there's more than 60 individual distilleries making whiskey in Tasmania alone.

Right. Yeah. So it's, it's becoming a really important industry to the state.

Bill has played a part in helping almost every one of those distilleries get off the ground.

He just got an Order of Australia just recently in January I saw.

And he is the godfather of Australian whiskey.

And that's, I suppose, where we, where the Lark story, uh, very much begins.

Um, you know, we, we started making whiskey in Hobart.

Um, it was moved a little bit out to Cambridge, which is just, you know, sort of 15, 20 minutes out of town.

And today we still distill just on the outskirts of Hobart.

We've got a beautiful new distillery, a very old distillery that again, was built from about the 1840s through to the late 1850s.

It was a con convict built building.

It was actually some horse stables, and it was a, it was, it was warehousing for, for wheat and barley.

Um, it's an amazing building at, it used to be called Sheena State.

It's now called the Lark Ville.

It's in a little tiny little village called Pontville.

And that's where we make all of our whiskeys today. Mm-hmm.

And interestingly, we still use the Brewer's malt,

the brewer's barley as one of the, as the single base
for all of our lark whiskeys.

So, you know, whiskey is not a, a, a,
a, a complicated product.

It's been made for, it's been made for centuries.

It's been made for eons, been made for millennia, probably,
which is basically, you start with a, uh, you start
with a base of barley normally,
but you can make whiskey from wheat.

You can make, you know, you can make whiskey from corn.

That's bourbon whiskey.

You can make whiskey from rye, you know,
which they do a lot of in America.

But we make our whiskey from barley, you malt the barley.

Um, some people who are listing might have, might have heard
of what Pete is, PEAT.

And Pete is sort of, um, what they use in, in certain parts
of Scotland, particularly on the, on the islands to the,
to the western part of Scotland,
a very famous island called Isla.

Some people may have heard of Laro and lag Woollen
and Bour products like that,
where you can add a little smoky element to the whiskey.

Now, our Pete, we have Lark, we have the access
to the only peak bog, so, um, in Tasmania,
and they're actually the only one in, in Australia.

And so we can give our whiskeys a tiny little bit of smoke,
not that heavy iodine smoke of some
of those Scottish styles.

And then basically you ferment it as if it were beer,
then you distill it.

So basically you, you, you, you boil it up
and the vapor of alcohol goes at a lower temperature
than, than than water.

Then you distill it a second time,
and you end up with a delicious, um, new,
what we call new make.

So it's unaged whiskey for those of you who, you know,
who've, who've drunk in America.

Sometimes they call it white dog.

Um, you know, it's, it's an unaged whiskey, which then goes
into barrel, and it will go into barrel at 60,
65% alcohol by volume.

Mm-hmm. And it will rest in those barrels.

And there's the, the, the, the, the, the dream starts there.

Do you want to rest it in those barrels for five years,
eight years, two years?

Do you want to put it in? We have access.

One of the, one of the interesting things that we've, we've,
um, done with Lark, particularly over recent years,
is we've established a, a, a, a, a unique relationship
with a winery in the Barossa Valley in South
Australia called Spel Field.

And Spel Field has the biggest
and oldest fortified wine.

So I'm talking what we, what we used to call Port
and Sherry and Pedro Jimenez.

But these days we have to call Tawny and Per,
because they're, their, their names owned
by the Spanish and the Portuguese. So we can't
Like, uh, champagne, Like champagne,
like chais and Burgundy.

These are, these are, so we, um, what we used
to call Australian sherry is now called Aper.

Uh, a port is now called Tawny, which is sort of a style.

Um, and basically we use, exclusively use their old barrels
that have often had, um, fortified wine in them
for 80 years, sometimes a hundred years, sometimes 60 years.

So we have a very, the Lark style is a very rich, uh,
anxious, viscous, sometimes sweet, sweeter style of whiskey.

It's very appealing, we think, to a broader,
a a broad amount of whiskey lovers.

You don't have to like a really particularly aggressively
smoky style like the Scottish or, um,

or a very sort of austere fine style like the Japanese.

It's a very new world style of whiskey.

And that's what's called a lot of people's attention over
the last 40 odd years.

Um, and it's a, it's an incredible place.

It's got an incredible story.

Um, we are in the midst right now of about to launch, um,
new packaging, new whiskeys.

Um, one of the things,

when you were just talking about international markets,

LAE has always been available in 500 mil bottles,

which is smaller than your average bottle.

The, the bottle that you get of, of, of, of all the whiskeys that you buy at Dan Murphy's or wherever, Liquorland or wherever, is a 700 mil bottle.

And Lae was never really able to go offshore much because of 500 mil bottle just doesn't have any resonance in the international markets.

So, um, it's now going into a 700 mil bottle as of literally these, these products are going out to retailers now, as, as as we speak.

They're heading out to retail partners across the country and also across the waters into Asia in particular.

And, um, it's a, it's a big time for Lark.

And we have, uh, we have three sort of hospitality venues within the, the, the within Hobart, if you like.

Mm-hmm. We've got the original old distillery, which is on Davy Street, which is right up by the port.

If you ever go to Hobart and you walk around the port and you see the old Morsons hut Yes.

The Morsons Hut replica, and you see all the amazing ships, and we've got that OG distillery still there.

It's now a tasting room cellar door.

It's just been done up fantastic place right there. Lovely.

We've got, um, the distillery out at Ville, which is, you know, about, call it twenty five, thirty minute Drive outta Hobart, magnificent old convict buildings there, where we now make all of our whiskeys.

Mm-hmm. And then we've got a little, um, sort

of cocktail bar in town in the old Hobart Mercury building,
which is another sort of very well
known building within Hobart.

Yeah. So there's a bit going on at Lark,
and I've been in the chair since the
5th of January, so it's, uh, right.

Yes. It's, it's a, it's an interesting
Time. Yeah.

Oh, man. There's so much to unpack with all of that.

Yeah. Now when, um, I'll,
I'll come in from an investor angle and, and,
and you said something right at the start there
that I think will make a lot of our members ears pick,
pick up, which is like, we've been making this stuff
as a species for a very, very long time.

You know, it's no secret.

There's no IP particularly that you can put behind that.

And then people will naturally
sort of go, well, wait a second.

Is this a commodity? If it's a commodity, it's like, well,
that means very rough competition,
very limited pricing per all the rest of it.

So it, it strikes me that the, the edge that Lark has,
and the one that it wants to sort of really solidify,
I suppose, is brand,
and brand is downstream of, of sort of quality, I suppose.

And just, and, and, and, and reputation.

And then the second part you've got is sort
of operational sort of effectiveness and efficiencies

and, and that kind of thing.

So if you can have a really nice brand, then you are, you are not in that commodity space.

And if you can do it very effectively and very efficiently, well then the economics make even more sense as well.

But that's my, that's my outsider's take is,

is have I got that right?

How, how would you describe Lark sort of competitive advantages? Yeah.

Well, I mean, look, you know, creating that moat, if you like, around, around our business is, is, is core and brand is, um, brand is everything.

I mean, I, I, I sort of came

into Lark in a rather unusual fashion in that I, I, I,

I was one of the founders of a, of a gin brand, which is a, a probably, um, a slightly more commoditized category than, than whiskey because a gin gets made on a Tuesday and invariably gets, you know, it gets sold on a Friday.

It doesn't have all the intricacies of oak aging and age statements and all that sort of stuff.

But, so I founded a, a,

a little gym business called Four Pillars, um, which we founded in 2013

and sold to, um, Kiran Lyon, you know, the big brewery.

Yes. In 20, in 2023.

I then took a bit of time out

and, um, found myself on the board of Lark, uh,

because I had said to a few mates, well, you know, if I was to do, if I was to sit on a board of, of a, um, of a business, it wouldn't be gin.

It would probably be whiskey.

And the only, and the whiskey that I liked the most is Lark.

I had known Bill Lark because he

and I were both actually at different times, president

of the Australian Distillers, um, sort

of the representative body.

Uh, he'd done it for 12 years.

I somehow ended up doing it for eight.

So between the two of us, we had 20 years trying

to get out Australian distillers.

Yep. And, um, I, in, in, in, in, in the, the, the,

the securest way I'm getting to answer your question is

that in, in gin brand is everything,

everything we need people there are, um,

if there are 60 distilleries making, um,

making whiskey in Tasmania,

there's more like 400 distilleries making gin in Australia.

Right. And each of them is good by their own measure. Yeah.

Right. They make very delicious gin in invariably. Yep.

But we needed to be distinguished,

and we needed people to say,

I don't drink gin, I drink four pillars.

Yep. Right. And in similarly, we want people to say,

I don't just drink Australian whiskey or just whiskey.

I drink Lark. I'm a, I'm an advocate for Lark.

And I will go around telling people

that this is the best whiskey.

And I always talk about you need to create bias. Right.

And if we think about, we need to say, you know,

I don't just wear shoes.

I wear RM Williams. I don't just buy a t-shirt from that.

I only buy it from bonds.

So we, you know, brand is everything in this sort of consumer goods market in which we find ourselves.

Yep. We do have, you know, we have a few of those moats.

We have the original story. We still have Bill Lucke

who is still involved in the business,

is still our global brand ambassador.

And, and the power of Bill is astonishing to see,

as an example, we, we walked through Sydney Airport.

Uh, we, he and I just did the launch

of these new larks up in, um, Singapore

and Malaysia two or three weeks ago.

And we took him through, if, you know, um, one area,

this is just a bit of an aside,

but it's, you know, potentially interesting for your,

for your listeners, is that travel retail

or duty free is a really important part of,

of a spirit's brand's go to market plan.

Yeah. Right. Because, you know, as, as, as anyone

who travels internationally knows you spend a lot

of time walking through the spirit's department at Sydney

Airport, or Melbourne Airport, or Brisbane.

Brisbane. Brisbane is growing fantastically for us.

Interesting. I was just having a conversation this morning about Brisbane airport doing fantastic numbers.

Great. But go to Queenslanders drink an Aussie whiskey.

Right? Yes. And obviously, if you start thinking about what Brisbane airport is gonna be going through over the next decade or so, it's gonna be increasingly important.

Huge numbers are gonna be, um, going through Brisbane airport.

Um, and we took Bill through the airport, literally.

'cause we were flying to Kuala Lumpur, and, um, a couple of people were standing around the lark, you know, there's sort of a, an activation if you like, you know, where we sell all our lark.

And then they, I said, oh, this is, this is Bill Lark, you know, of Lark.

And everyone just pulls out their cameras, and all of a sudden people are taking photos and he's holding up bottles.

And I swear to God, he must have had 30 photos taken.

And it's a, it's a beautiful story that we have, that a lot of other brands don't have, is

that our founder is still fit, healthy, charismatic, charming, and, and every single person loves him.

And he, he loves the new whiskeys. It's an asset.

We're doing asset not to impersonal it, but an asset. Oh.

He's a huge brand asset.

And I mean, we have to do things, you know, I keep, one of my mantras to our team is we can't out scotch the scotch.

What we need to do is we need to do things
that are uniquely Tasmanian, uniquely Australian.

So let's think of all the things we can do.

So we have the only peak bog.

So let's put, let's tell
that story about this crazy little
place in northern Tasmania.

Yeah. We have access to these ss field barrels.

So, uh, bill Lark
and our head distiller are in SEPs field today shooting some
video shooting content about these old barrels.

So it's easy for people like me and our sales team
and our reps in other countries to tell the story
of why our barrels are better than everyone else's barrels.

Yeah. Because at the end of the day, whiskey, you know,
no one wants to drink unaged whiskey.

That thing I was talking about white dog before. Mm.

They want to know that it's been
matured in the best barrels.

They wanna know why Tasmania's climate and air
and water is better than anyone else's.

And it is. Yeah.

But we just need to tell that story more
and more so our storytelling, which ends up being brand,
because at the end of the day, you are buying something
that's quite emotional in, in our, in our world.

It's quite expensive. You know, we are, you know, our, our,
our whiskey started about 150, \$170 a bottle and go up

Yeah. 400 bucks

I saw somewhere. Yeah, yeah, yeah,

Yeah, yeah. Oh, we got some

that, you know, we sold a bottle

of whiskey last year for 10 grand.

Oh, wow. Which was one

of the original 1992 whiskeys that Bill made.

Oh, wow. So there's a mark, you know, we, and,

and without the story, so that person, that buyer needs

to be able to tell his friends or drinking buddies or hers.

Oh, the story is everything. Yeah. It's always

A bloke, right?

Yes. Um, They need to be able to tell that story.

This whiskey came from this place made by this person,

and this is, you know, and it obviously has to be delicious.

Yeah. Um, so it is a, um, you know, storytelling is,

you know, that's my background.

And that's, I suppose why I'm in the role now.

I'm not, you know, I haven't come out of a, a legal

or finance background like some CEOs have.

Um, I, I, I think we, we play in a, in a beautiful part.

I mean, you know, this is a dream job, right.

Let's be honest. Mm-hmm. You know,

representing a Tasmanian whiskey

around the world is not, you know, I'm not,

They're worse. I'm

not anthropic, I'm not anthropic having a fight

with the pen, the Pentagon at the moment.

Right. Um, it's a, it's a, it's a,

it's a nice story and it's a nice job,
and they're beautiful whiskeys.

And one of the things that, you know, in our industry, one
of the things you have to do, and we just,
we talk a lot about liquid on lips.

Right. If we get people to taste this whiskey,
it also diminishes the impact.

You know, like, it takes away price to some extent.

I mean, price will always be an element of it,
but like, what we wanna do is get people
so emotionally invested in this, these whiskeys,
the price becomes a secondary concern.

Why really need to have one of these?

Because I now know the story is so good,
and I now know the, the whiskeys are so good,
and I now know that I have a unique experience, you know,
and I wanna, maybe I want to take it to my friend in America
or the UK or Asia,
or maybe I want to drink it at home
on those special occasions.

Maybe I want to get the least expensive one
and just have it with soda on a Friday night.

Because Yeah. It's, it's, it's, it's what I want to.

It's, it's what I love doing, so, yeah. Yeah.

Brand and storytelling are crucial to how we're,
how we go in a over the next few years. Definitely.

Uh, I, I, it just makes so much sense.

I mean, without the story, it's, I, I would, I would put it

that without the story,

even if the product is exactly the same,

it's not nearly as good.

You know, I, I read a really interesting article, uh,

maybe a year or so ago,

but, you know, we live in a world

where we can reproduce images with, you know, the kind

of quality that's unheard of.

But if I put a copy of a print of the Mona Lisa in my,

my office, I mean, no one cares, right?

Mm-hmm. It's not interesting, but why isn't it interesting?

It, it, it's exactly the same, you know? Okay.

It's not exactly, but it's, for all intents

and purposes exactly the same thing.

It doesn't have the story. So the story is, is, is kind

of everything that, that, that's there.

Um, and,

and the other thing that really resonated, the issue with

what, what you said I is that I suspect it's the same in,

in, in your industry,

but I know in retail more generally, there's,

I had someone once put it to me like this,

there's this retail spectrum,

and you can, you can, you can fight on quality

or you can fight on price.

If you fight on price, it's a race to the bottom.

It's very tough. You know, I mean,

retail is always very tough,

but you know, that, that is just,

it is very, very difficult.

And your only edge there is just hyper,
hyper operational efficiency, which some,
some companies do very well.

Where you don't wanna be is in the middle,
because then you've got the,
the price sensitive buyer who's
always gonna have a better option.

You're gonna have the quality sensitive buyer
who's always gonna have a better option.

So you kind have this no man's land,
and then you really, really want to be,
is at the top end, right?

Because, uh, you, you get the pricing power
and the kind of person who likes to do that flex in front
of their mates 'cause they got the good whiskey, you know,
that, that's got the story behind it.

If you are in the market and you are thinking
of spending 200 odd bucks, you know, say on, on a bottle of,
of, of whiskey, are you really the kind of person
who then bulks when he gets two 50?

It just, you want that price insensitivity.

I mean, everyone has a, a, a threshold, I suppose,
but, um, more of a comment than a question,
but I, I just, I think what you said makes a lot of sense.

It is, and, and, and,

and in, in, uh, in most certainly in the, in the,
in the spirits industry at the moment, and,

and more particularly and more relevantly for us in this,
in, in whiskey is, it's the, it's the, it's the bottom
and the middle that are really struggling
to the exact points that you just made, right?

There are, there are, there are a lot of people making a lot
of whiskey all over the world, right?

Yeah. It's, it's, you know, it's,
it's a hundred billion Australian dollar industry, right?

It's a big business right across the world.

Um, and the guys who are really getting screwed are, uh, uh,
are making, um, you know, uh, Johnny Walker Red Label,
or they're making Jim Beam,
or they're making, you know, yeah.

They're really getting hammered by price.

They, they're, they're, they're at the behest of the,
of the big retailers, not just, you know, in Australia,
but in the, in the UK and the US
and Asia, you know, that like, well,
if you can't hit this price point, then I know
your competitor can.

Yeah. Um, the middle is hard
because there's a, there's a,
there's a trade down moment at the moment, you know,
cost of living and all that sort of stuff.

So the middle is getting hard. And if you can't,
if you can't get down to compete with that, with the,
with the real value segments, then you're intri.

Mm-hmm. And those value segments,
there's often some amazing whiskeys there,

and the efficiencies that they have, I mean mm-hmm.

Jim Beaman as, as an example, is one

of the most spectacular

distilleries I've ever been to in my life.

My life, and just, yeah. Right. And just

how they can produce so much whiskey at a,

at a quality level that is still phenomenally great

and make tens of millions of cases

of this whiskey each year.

Mm-hmm. Mm-hmm. Is, is something to behold considering,

you know, my, our distiller knows every, every barrel

by name, basically.

And, uh, even though we do have a pretty good whiskey bant,

he, he, he tells me, and I don't know if he's winding me up,

but he tells me, he, he, he knows every, the location of,

and the providence of every single barrel

that exists in the Lark distill

now, he's been there 18 years.

He's only young. He's only 40 years old. Yeah.

Um, but that you, I, I don't think,

I don't think the Jim Beam, um,

distiller will be able to tell you that.

No. But it's a, um, it, it,

and for us it's, it, it, it's storytelling,

but it's also, you know, I, I wanna get as many people

to our distillery and to visit Tasmania

and to see what we have.

Mm-hmm. Because to your point, part of the story is,

you know, if you've bought this, it, the,
this story only gets better if you've bought this
whiskey at, at its
Home. Oh, yes. Oh,
yes.

We all know that. We've all been to a winery,
and we all get seduced by the fact that you're sitting there
amongst the Barnes and then you're take home and, you know.

But as Good as I remember, yes,

Yes. It's

like I always, I always used to talk about bin the,

the Bintang effect, you know, Ang the bar

Beer, the beer, yeah. You

drink Bintang in,

in Bali, and you go, this is great. Best

Thing ever. Best

Thing ever. And you drink it back

home, you know, it's a, So you can,

we wanna make, we want build emotional connections with, um,
with our customers.

And if they can't come to Lark,

you know, it's, it's not gonna be easy.

I'm heading to Shenzhen in a few weeks.

It's not gonna be that easy for a lot of people there
to be able to come to Lark.

No. But I can show them larks through videos,
through content, through the bottle of whiskey
and storytelling itself.

And that's, that's what we need to be able to do,

because we can't compete on price.

Mm. You know, um, we can't compete on efficiencies.

Mm mm. But we can definitely compete on storytelling.

Yeah. I, I, I love, I love all of that.

One of the questions I, I've got a million questions I wanted to ask you.

One of the ones I really wanted to ask you just to nerd out for a little bit is that it, it strikes me that there is some mathematical formula for trying to figure out what the ideal length of aging is.

So, as you said, there's stuff that's been, you know, um, chugging away since 1992.

There's \$10,000 in that.

Uh, there's something that's only been there for a year or two, and it's obviously not near as much.

Now, I'm, I'm sure the boffins have worked it out, but when, when you guys are there thinking about, like, we've got all, we've got, what, 2.4 million liters here?

Yep. We could sell it all today, or, you know, we sell as we just like push it through the, through the, our channels as best as we can today and make a whole bunch of money.

But then obviously we've gotta start all over again, or we can minimize what we sell today knowing that we'll get a bigger price.

And I'm sure that there's a thousand other variables I'm not thinking of here.

I'm just, I guess it's just a broad question.

How do you, how do you, how do you make that calculus?

Well, um, this might be one of our, uh, one of the reasons why we're a, we're a, we're a sanctuary from ai, right?

Right. Is that, is that we judge everything by taste. Okay.

Right. And we don't say Right at 6.5 years or 8.2 years, it's ready to go boom out the door. Ah, Okay. Because

some barrels, and in fact, where the barrels are even within, within the bond store itself mm-hmm.

Um, even sometimes similar barrels that sit on opposite ends of the bond store can mature and age very differently.

Some can have, yeah. Some, the wood can be a bit more porous, some that they can get a bit more character a bit more quickly.

Um, so it's it for us, um, we tend to taste well, not tend to, we absolutely taste everything and then try to marry, we were, we were talking about what, what we call our lab, because I'm like, oh, lab's a bit technical.

And then someone suggested, one of the guys at the distillery, this was only last week, said, we should call it the church.

I'm like, okay. Because that's where all the marriages happen.

So we marry up all potentially half a dozen different barrels that might be of similar age, but sometimes younger whiskeys.

And this is one of the things that we, we see in Tasmania that makes us different to, let's just use Scotland as the, as the example of whiskey that most people know.

Mm-hmm. But whiskeys in Scotland age incredibly slowly.

It's cold. They're in a, they're in a, they're in a two or three or 500 year old warehouse that's, you know, six foot wide stone.

So it very rarely has a temperature differential.

It goes from cold to really very cold to mm-hmm.

Just not quite as cold. Mm-hmm. Right.

So things age very slowly in Tasmania. Mm-hmm.

We have great fluctuations in the weather. Right.

The diurnal temperature range can sometimes go from zero to 30.

It's a, um, it's, so we can find that our whiskeys on average, mature significantly faster than they would in Scotland, which means that, so that's

Not a neg negative necessarily. The Well,

We, we, we don't think so.

But what, what, what is the, what is the challenge is that there's, uh,

the Scottish have been very clever in saying, right, the easiest way to measure quality is a number.

Right. So 20 is better than 15. Right. 15 is better than 12.

Right. 30 is better than all of them. Yeah.

And just, they just basically work on this whole concept that the older, the better.

That, that was my assumption, I'll be honest. Yeah.

And so you will talk to Distillers

who will often say, not the case.

There's very few distillers I've ever met Yeah.

Who even in, in Scotland,

who think there's any better whiskey than the one

that they release at about 15.

Right. But the market says, oh, if you've got a 40-year-old,

you can sell that for 10 times.

It's that story element again, I guess. Yeah.

Right. Because this wine, this, this whiskey came from,

you know, pre-war or this whiskey came Yeah.

And, um, and it's an easy story to tell.

Our story is more complicated, right? Yeah.

It's more nuanced. And, you know, in these day, in this day

and age, Selling a nuanced story,

selling a whiskey without a, without an age statement,

without a big bold 14 on it

or whatever the number happens to be Yeah.

Is a bit harder. Um, so we have

to tell a bit of a different story.

We don't have an age statement on most of our whiskeys.

Mm-hmm. You know, and so some

of them are 6, 8, 10, 12 years old.

Some of them are, most of them are a blend of all of them.

Mm-hmm. Um, so, you know, that's,

that's a challenge that we've set for ourselves.

But I also think that's an exciting challenge to say that,

you know, you are a whiskey consumer, presumably, and, and,

and, and your friends are, and other people are,
and you always have thought that the older, the better.
Yeah. Let me tell you a story, not always the case. Yeah.
You know, particularly in places like Tasmania Yeah.
Where we have a totally different climate.
You know, our our bond stores are frankly, you know,
corrugated iron sheds.
Yeah. They're not 300 year old stone buildings in, in the,
in the highlands of Scotland.
So, yeah. Yeah, yeah. And they can
get, they can get pretty warm.
Yeah. Um, so we, we just have a different story
to tell, and I think that, again, when I said
before, we don't wanna, we, we can't out scotch the scotch.
Yeah, yeah, yeah. They're always gonna have older
whiskey than us because they've got
300 year head start on us.
Yes. Yeah. Yeah.
So let's not try to go against it,
because I can guarantee you that
Johnny Walker will always have more
18-year-old whiskey than we could ever have.
Yeah. We've got 2.5 million, um, in our, in our,
um, in our whiskey bank.
Yeah. I'm, I'm picking that they make 2.5 million a day.
Yes. Right. Okay. Yeah.
I mean, you gotta lean, you gotta lean
into those points of differences.

I a hundred percent get it.

Um, just more from the, I guess the investing side, one of the things that I think is a real, um, a rich vein for investors to tap into is that, you know, we love our financial statements and all of this stuff, and they're very important.

The, the challenge with them is, is that they're all backwards looking.

I mean, by design, they're there to record what has happened.

And we as investors, when we buy shares, or if we just continue to hold shares, we're getting exposed to what, what will happen.

And, and you come across, uh, companies where they've been under a, a pretty heavy period of investment.

And so for the investor that looks just at the numbers, you go, well, hang on.

Sales might be going, okay, but where's the profit?

All the cash seems to be going out of the business.

Now that can be definitely a very bad thing if the economics are just not sound.

But there's nuance there.

And the nuance potentially is just like, well, yeah, we've been making some pretty heavy investments and we're waiting to get to scale

or waiting for them to sort of ripen and, and, and mature not just in, in the whiskey sense, but just in, in the actual CapEx spend and the,

and return on investment.

I, I, I seem to pick up that, that that seems to be a, a,
a potential element of, of, of luck here.

You, you, you guys have, have made some,
some, some investments.

And and why that's nice is that, is that some
of these big investments when you make them, they're kind
of, they're kind of there, right?

Like it, like the, the, the,
the person in Scotland 400 years ago who put a pile
of rocks together to make a big warehouse.

I mean, it's, they haven't had to rebuild that every year.

Do do you get where I'm, I'm coming from? Yeah,

Yeah. Yeah. Look,

that we have, I mean, we had a capital raising,
um, owning well near enough to two years ago to, to try
to fund this big new investment in,
or the, the sort

of consolidating our distilling business into pontville.

You know, there were three or four different distilleries,
um, to build these new, this new brand, right?

Yeah. To build, to get all these new bottles,
to get all these new product, to get all this new packaging
to rebuild our marketing department
and our, everything from the, from the website
to our hospitality venues, you know, is going
through a significant repurposing
and rebranding At the moment.

Our, our our, um, for instance, our hospitality home,
the one in, in Hobart, the original one has just gone
through a refurb,
and we only, we just had the opening of that two weeks ago.

Yep. So we have put a lot of investment in that.

I mean, that, so, you know, we, we have to get on a path
to profitability, but I think one of the things that
our business understands, I hope,
and that I think will, will sort of bear,
bear fruit down in time, is that we understand
how much we need to invest in this business in order
to make it profitable
and in order to make it substantive enough for people
to be interested and want to invest in it.

It's a, you know, it, it's a,
it's a capital intensive business, you know,
and we, we need to, even though we can't, we,
we know we can't compete with Johnny Walker.

We still have to have the best storytelling.

We still have to have the best content, um, yeah.

And we still have to continue to make the best whiskeys.

Mm-hmm. Um, and it's a, it's a, you know, we do,

we sell about \$17 million worth of whiskey,

but I mean, I know for a fact

that the markets are gonna say, well, tell me

how you're gonna sell \$50 million worth of whiskey.

Mm-hmm. And that's, that's my next goal is I, you know,

I'm now two months in the job

and I've gotta start planning for the next three

to five years and saying, right,

how are we gonna start getting these numbers?

Mm-hmm. Substantial.

How are we gonna crack a few of these new markets offshore?

How are we gonna make sure that we, we are the preeminent?

I mean, you know, if it was three months ago,

I might've said, how are we gonna be as famous in whiskey

as Penfolds is in wine?

Right. That, that it's the, it's the default.

It's the one brand name

that everyone knows about Australian whiskey.

Yeah. But it doesn't matter if you're in the US or China

or Japan, you just know that Lark is Australian for whiskey.

Just as you might know, Penfolds is Australian for wine.

Yeah. Um, and that, that's, um,

that's, that's what we need to do.

And that doesn't come cheap, and that doesn't come easy.

That that's a lot of effort.

And there's a lot of people involved in this business

that are working behind the scenes,

whether it's the content creators,

whether it's the sales people, whether it's the,

the hospitality workers, whether it's the, the PR

and marketing department to make sure our message,

whether it's the person building the new displays

for Sydney Airport, which you'll see

probably from April, may.

Yeah. Um,

because we want to, I mean, one good story actually,
because I've just, it's, it's obviously top
of mind has been, um, airports at the moment.

So I was just talking to our guy this morning, is that, um,
over, over the Christmas period,
we were the number four single malt whiskey
at Sydney Airport in sales.

Right. Now, the top three are not gonna surprise you.

It's, you know, Glen Fiig Macallan and, and, um, Glen Livet.

Right. Massive, massive brands all owned by multi,
by huge companies with multi
multiple billions of dollars of market cap.

Yeah. Um, and we were the fourth, so ahead
of anyone from Japan ahead, ahead of a lot
of famous Scottish and Irish whiskey brands.

Um, and this is with the old product, this is
with these old 500 mil products and everything else,
and the new product's gonna come out
and we think it's gonna blow away the level of sales
that we've had at Sydney Airport.

Um, so one of the things we see is that if we become
that well regarded at Sydney Airport,
that might give us an opportunity to talk to other
travel retailer, other airports, if you like, to Changi
or to Dubai, maybe not Dubai this week,
but, um, no, of course.

Um, some of the, um, so for instance, the people
who run Sydney Airport also run a huge new, um,
concession at New Delhi.

Yep. India's a massive whiskey market,
albeit at a low price point.

Sure. But it's, but it's going up all the time. Yeah.

So if they see how successful we are in Australia,
albeit our home market, we get Sure, sure.

Could that translate into some good high margin sales
for them in New Delhi or Ch or Chang
or Shenzhen, Shanghai or Hong Kong.

So we, um, we had some success with that at four Pillars.

Mm-hmm. And one thing that you do notice,
and if we just stick to Asia for the moment, is
that the whiskey market in Asia is

10 x maybe 20 times the size of the gin market.

You know, sometimes I forget.

'cause you know, you, you always wear the blinkers.

Whatever business or industry you're in at the time is all
the, is the only thing you see.

You know, you buy a, you buy a Volvo, all
of a sudden everyone's driving Volvo.

Yes. Right? Yes. And I, I, all I ever used
to see was gin when I went to, when I went to Asia.

But now I, I walk in

and I go, I can't even find the gin section in shop.

Where the hell is the gin? Right? Yeah.

All they see is whiskey. Yeah.

But it is actually, if you just, even if you're, if,
if anyone's flying through Singapore or Hong Kong
or any of the Asian major gateways, just look at the stores

and just see the volume of whiskey brands that are there.

Yeah. It, it's both an opportunity

and a bit terrifying. You go, oh my

God, yes. Yeah. There

Are so many whiskeys.

Yeah. But, but there are, there are none from our place.

Yep. Right.

And I still think that gives us a huge advantage.

'cause even 30 years ago, if you told me

that Japanese whiskey would be as big as it is today, right?

You, you, I would've called you mad.

And now Japanese whiskey is just, is a,

is a proper phenomenon.

Oh, they are, they are great at mastering

what others have, have done in,

in a whole range of different fields.

Um, you know, so Stu the I get it.

And, and Yep. Gotta grow the top line.

Uh, you, you, you can't,

you can't sustainably grow the bottom line, um,

through efficiencies alone.

And, and one of the unfortunate realities of being, uh,

as a listed company is you've got a bunch of

people largely in Martin Place sort

of banging on your door saying, show me the growth,

show me the growth, show me the growth.

Of course. Like, you know, anyone who's run a business,

and no, you don't have to be Einstein to figure out,

you know, Warren Buffet to figure out the growth is good.

Right. Like, we, we get it.

But I'll, I'll, I'll, I'll, I'll just like put this out
for your perspective because I, I, you know,
having worked in the biz my whole life, I understand the,
the pressure that someone in your seat
is, is under for growth.

It's not just the give, give us growth.

It's give you growth right now.

And, and, but as an observer
and a participant in markets for a long time, um,
on the ASX, I would say that I, gosh, I just,
I've lost count of the number of companies
that actually had a really great little business,
and I don't even a little, this sounds derogatory.

I mean like big, really just maybe small relative to BHP,
Bein and Comm Bank, but you know, really great,
great business there.

And they had all of this pressure from, from the armchair,
you know, entrepreneurs in, in Martin Place.

And what they did is they went out, they raised a bunch
of money, they did all of this,
and they went to the us, they went to China, they did all
of this, and it just blew up spectacularly.

So there's this, there's this,
whereas if they had just focused on their little area,
they wouldn't have had the top line growth,
but they would've still been there.

And in fact, investors could have still gotten an incredibly

good return, not throwing much so much through the,
the capital gains dimension, but,
but through, through this little cash
box that just throws out money.

And you just get these wonderful fully franked
dividends every year as well.

So I'm certainly not making the case with don't grow.

I'm, I'm not doing that. And,
but I'm just trying to sort of get your perspective on how,
as, as the leader of this business, do you balance the,
the noisy talking heads versus just the reality
of running a business in a global,
international competitive market where, you know,
sometimes the best growth is slower,
but more sustainable than, than expensive and fast and,
and, and prone to failure.

You get what I get where I'm coming

From. Yeah. Yeah. I do. And

I mean, I, I'm not gonna,

I'm not gonna lie, you know, this is,

this is, is, this is new to me.

I've not been an A SX listed CEO until January. Right.

You know, I ran my own. Well,

Welcome to the circus.

Yeah, thank you, mate.

I've met more, uh, more fund managers and bankers
and investor relations people in the last two months than I
had in my previous 20, 25 years.

Poor you, poor thing. You've got my sympathy.

It really does. Um, I, I don't, I don't think until, and,
and we are small, right?

I mean, I, I, if I underestimated anything about this
business and what I was in for, that's,
that's, that's number one.

I think, you

Know, don't, don't be afraid to push.

I, I, I'll give it, I say it as a form around like,
do not be afraid to push, push back on those guys.

Um, and I say guys, 'cause they, they're almost always,
always guys, um,
because be they are, they are Fairweather friends.

You know, we want you to do this

and we're experts in everything, and you should do that.

And, and the moment that the some, you know, threshold
that hasn't been, but they'll dump you like a a, you know?

Yes. And, and,

and I, I've, I, again, just as an observer, I, I, there are,
there are other, a RB is a great example, right?

They just barely do any IR kind of stuff,
and they just get it done and they do it their own way.

And it's sort of the, the advantage of it is, is that you,
you get the shareholders you deserve, you get the ones
who are there, because we believe in the business.

We believe in the brand, we are not gonna freak out
because of something that's happening in the Middle East.

And the oil price has gone

and it's got zero to do with whatever lark's doing.

But, you know, it's, it's that I see a lot of, I see a lot of investor relations, people pushing for certain narratives.

And the thing is, it works in the short term.

You go, oh, we're gonna do this.

And they encourage you to put out these big targets and, you know, the market gets super excited.

And then the second that there's the slightest crack, they're just like, everyone drops you like a hot potato.

And, and, and I, I'm not, I'm certainly not trying

to tell you how to do job, but I, I do, I do try

and take the opportunity where I can to say,

not all the quiet investors are not, uh, there, there,

there's a big army of us out here,

and we, we get the realities of running a business and, and,

and we prefer slow and

and sustainable to, to, to fast flashy and,

and temporary. Well,

It's one of the, um, you know, anyone who's listening,

you know, can, can, can Google Lark and CEO

and find out that there, you know, there's a, there's a, we,

we have a bit of our own background

and we have a little bit of our own.

Everyone does. Yeah. We have a bit of our own backstory.

But, um, it's, for me, I, I couldn't agree more.

I think I, I think first the first thing I have

to do is build, is build my own confidence in the role.

And then I, I think I have to sort

of earn the market's confidence, if you like.

And I have to be true, I think true to who, who I am.

And I mean, this is not a, it's not a fly by night industry.

You know, we can't rush the whiskeys out.

We can't rush to, to, to, to success.

And I do think we need to find that balance

between sustainable and, and maybe not moderate,

but sustainable growth as opposed to, you know,

pie in the sky numbers and immediate sugar rushes.

Yeah. 'cause this, this is a, we're in a long game.

Whiskey, you know, we, you know, if, I mean,

even if you look at our competitor set, you know,

internationally, most of them are hundreds of years old.

Right. They, they, they, they have,

they almost invented the long game.

A lot of these brands, right? Yeah. Yeah.

If you are drinking Johnny Walker,

you're drinking people 200 years ago, were sitting in

that same bar at the Ritz in

Paris drinking the same product.

Yeah. Amazing. It's not a new, it's not an industry

that's sort of in a way, um, uh, you know, um,

not respects,

but it doesn't, it doesn't necessarily endorse the newcomer,

you know, it, it wants you to show

that you've earned your stripes, that you, you know,

we would, we need to go out and prove to people time

and time again that we are worthy of them spending

a few hundred dollars to have a whiskey with their father

or their uncle or their sister or their wife.

Right. You know, because those are special moments, right.

We, yeah. We as a brand, play a part in people's, you know,

I, I don't wanna get overly, you know, you know, sort

of a motive about the, the alcohol's role in society,

but the simple fact of the matter is that we play a, a,

you know, most of us play, you know,

we play an important part of people's special moments.

Right. You know, the, the, if you are gonna have a lark,

you know, unless you're really mega rich,

you're probably not gonna have the \$400 dollars whiskey

just on a Tuesday mm-hmm.

Because it is raining. Mm-hmm.

It might be doing it because you've, you've got something

to celebrate, or you've got a particular anniversary,

or you've got, you know, you've got your best mate from high

school over or something like that.

Mm-hmm. You know? Mm-hmm. And we don't wanna let 'em down

because they'll remember it as much as the, the, the,

the beauty of it being fabulous.

They'll also remember, and we know this about consumers,

is they'll tell, tell 10 people about the bad experience

and two people about the good one.

Yeah. Um, so we wanna make sure

that we don't let anyone down,

and that they don't think, oh, it was expensive, and Okay.

We want 'em to think it was great value and incredible.

Yeah. Um, and, and to your point about, um, about

where growth comes from,

I still think we have a big opportunity at home.

You know, I I I, I hear you on, it's very expensive and very challenging to sell Australian whiskey and Tasmanian whiskey to the rest of the world.

We will do it, and we will endeavor to do it, and we will use gateways like airports to get into some of these markets.

Yeah. But we can, you know, I always say we need to win at home before we win away.

I always talk about a football analogy, like, build a fortress at old Raf or at, uh, or a brookie oval or at uh, or at Cardinia Park or whatever, whatever sport you happen to be playing.

Mm-hmm. Build a fortress at home mm-hmm.

Where you cannot be ignored, where you can never be beaten.

Yes. And then let's take it to the world and win, win away fight

From a position of strength.

Yeah. Yeah. And, you know, I don't want anyone, I get, I get anxiety with the concept of anyone going to Tasmania and not seeing Lark everywhere.

Right. Not, not feeling that that like, it's like going to, um, gonna Dublin and not drinking Guinness.

I mean Yes. It's, it's a, it's a crime.

Yeah. Yeah. And,

And a lot of people who go to Dublin, we were, we were talking about Guinness the other day, a lot of people who go to Dublin have never drunk Guinness in

their life, and yet for six days,
all they do is drink Guinness. Yeah.
Yeah. And More than a third of people who go
to Dublin visit the Guinness factory.
Yeah. Wow. A third,
More than a third. Right.
Wow. And I, I started thinking Christ,
I thought it would, I thought everyone did.
I mean, maybe they just, okay, well,
we'll rule out the under eighteens.
Okay. But, Uh, like, it, it, it's, and,
and I want, uh, you know, we, we did some numbers.
I asked them, well, how, how does that compare to Lark?
And it's like, it turns out maybe two
or 3% of people who go to Tasmania visit Lark. Yeah.
Yeah. I'm like, well, how do we turn
that into 20% of people?
Like they go to Tasmania
and the first thing they think of is, oh my God,
we better go to that Lark distillery.
That's, yep. That's
Even if you're not a whiskey drinker.
Right. Just just for the experience,
because when it, when in Rome kind of thing. Gotta go
When In. Yeah. And
So when, when in Hobart, you know, if you're going down
for the new Tazzie Devils football team in a couple
of years, you're gonna Mona
or you're heading to dark,

dark m**o or whatever it happens to be.

We're just going for a walk. Yeah.

Um, you know, we want, we want you
to arrive there and think the first thing.

I mean, pick up your bags

Soon As you picked up your bags
and your rental, it's like, oh, we better get
to Lark and, and get some whiskey.

'cause it's whiskey week. Yeah. Yeah.

Just like, it's Guinness Week.

If you, if you're, if you're in Dublin,

A hundred percent. We've got
a lot to do. We've got a lot to do locally.

Yeah. And I think

that will also help is Tassie gets a million
and a half visitors a year if, if, if, if 200,000
of them go back to wherever they're from
and tell everyone that Yes.

Even if you don't visit Tasmania,
you've gotta try this lark whiskey.

Yeah. You know, and then it happens
to be available at their local store.

You know, they'll, they, they're better than,
there're a small chance of giving us a crack.

Yeah. And that's what you have to be,
and it's a relentless game, right?

Yeah. This, this, this game of selling, selling booze,
which is frankly pretty much all I've done for the last 20,

30 years, is, is a relentless game.

And the minute you take your foot off a pedal, um, you know, there's just, there's someone else wanting to take your spot.

Yeah. Wanting to take your shelf, wanting to take your facing, you know, wanting to take you off that, that cruise liner and wanting to take you off that bar back.

And because there's the next guy's, you know, the next sales rep's sitting out the front end, his car waiting for his call to tell you why his whiskey's better.

Yep. Yep. No, that, that makes a lot of sense.

Um, one of the things that caught my, I I'm almost feel as though I've got this wrong, but, but, um, is the book value

of the inventory alone about 65 million bucks? Yeah,

Yeah. Yep. Correct.

And then, and the market cap is 70 low.

So Yeah, it's, we are under, um, we're undervalued.

And I think one of the thing, one of the reasons is that we are a small, you know, because we're small, you know, a lot of the, you know, a lot of, you know, retail investors are super, super important to us.

And I know that that's your audience.

Um, you know, we've got a few big shareholders.

So, you know, the, the liquidity in the stock is probably not, uh, it's not that easy to go out and buy whatever number of shares you might want.

Mm-hmm. So yeah, we're a bit, we're a bit under, um,

we're a bit under, we we're, we're a bit underdone.

Well, there's a reason we like the smaller end of the market because it is less competitive.

And I think, you know, few of us are having issues with trying to get \$10 million orders filled.

So this is not, liquidity is, is, is generally not a problem.

And, and I've seen it enough,

I can tell you without hesitation

that all the best investments I've ever made have been those ones that over, and it never happens overnight.

In fact, five, 10 years tight of timeframes.

But they graduate from that smaller end of the market just

through relentless, uh, execution, you know,

and the liquidity fills out the market cap grows,

fund managers start to get interested,

you start getting included in indexes,

and then you sort of, the, the benefit you get

as an investor is that, well, I own a part

of this really nice company who's just, which,

which continues to sort of grow.

But then as the sort of the liquidity

and market cap premium sort of comes into it,

you get an expansion on the multiple as well.

So it's sort of, it's always phrased as a negative.

And I, I get it. You know, it's like, oh, you know, there's,

there's, there's, there's, um, there's size constraints.

But, but I, but I think for a lot of,

I hate the term retail investors, you know, it's, it, it,
it, there's almost a derogatory sound to it,
and that that's my baggage that I have to deal with.

But, but, you know, um, I, I just think it is a,
it is a wonderful opportunity and,
and particularly for the kind
that are really the long-term patient players
that will be there for the journey,
because that is where, that is
where the money is made, honestly.

And, and it's not something that you sort of, excuse me,
I don't wanna speak for everyone in our group,
but it's just like, I don't,

I don't think there's many people here
as like, oh, that looks interesting.

I'll buy it and if it goes up 20%, I'll sell it.

It's more like, no, this is the company that's, that's
that's sort of going places and I want to,
I wanna sort of be along for the ride.

And as that recognition sort of happens
and the rerate happens, it's sort of, it's a far more
interesting and satisfying and rewarding kind of, um, thing.

So anyway, that's, that, that,
that's just my sort of take on it.

Um, the, um, we're running out of time.

Gosh, the hour's just gone so quick. Um,

Well, there was, there was my delay
at the start. It's more my fault.

No, no, it's all, look, I got, I could just,

you've probably gathered, I've got a, I've got a knack
for talking, so I should,
I've gotta limit myself more than anything.
But I, I guess one of the questions, Stu, that I always,
I always really like asking is, is that,
and I know you're still sort of relatively, well, you know,
new to the job here, but, but in, in that role, going around
and speaking to all these, uh, stakeholders,
I'm sure you get the same questions again.
If you haven't, you will again, you, you'll, you'll,
you'll be hitting your head on
the wall by the end of the year.

It's like, if I have to answer
that question one more time, I'm gonna go mad.
But, but one of the questions I like to ask is, you know,
what is it that that few people ask you about
that in your personal estimation you actually think is a
rather important thing to, to understand?

Um, I mean, first of all, that's a really good question.

That's kind of hard. I mean, I I, you were right.

It, it might not be an answer by way, I mean Yeah,

You were, you were right when you said, um,

I haven't been in, in, in the role long enough.

I, I haven't yet been asked the same question so many times

I'm infuriated about answering it.

It's a bit like I've got a new album, so I'm not bored
with playing all the hits.

Right. I'm sure in a few years time,

I'm not gonna wanna play that particular song.

Sure. Um, but right now I don't really have it.

I think, um, I think to your point, I think what you focused on right at the beginning of this chat is something that I think a lot of the institutional investors, a lot of the, the fund managers and everything else don't quite get, which is the concept of brand and bias.

And, and that nefarious term of marketing spend, they just think, oh, that's just a, that's just an expense line, and it's quite high.

And I'm like, but it is the, it is the, it is the actual bread and butter of what's gonna differentiate us and drive sales and then drive growth and, and profitability.

Because the gap between those commodity players that you were talking about before, and us at a luxury level Yeah.

It's, it's brand. Yeah. Right.

At the end of the day, it's brand. Yeah.

It's, it's, it's, it's, there's, there's, there's a lot of handbags.

Mm-hmm. And then there's hermas Birkin, right.

It's just a functional handbag that to stick stuff in. Yep.

But a combination of scarcity, a combination of incredible, uh, uh, craftsmanship.

Yep. Both of which we have.

And then, uh, an incredible ability to tell a story, this Story, Right.

That is what is gonna build this brand
and make it more interesting
and more, um,
profitable hopefully than others in its category.
Because this is a competitive, you know, we, when we started
for pillars in 20 13, 20 12,
there were not many people making gin in Australia.
There were literally a handful, not six, maybe 10,
and there's now seven or 800.

Right. When Lark started making whiskey in 1992,
there were no competitors.

Yeah. Right. And then they just sort
of trickled in over the next 10 years,
and then they sort of, there's, there was a significant wave
of them in the last 10 to 15 years.

Mm-hmm. Mm-hmm. So we, we, we are in a very, you know,
our first mover advantage, if you like, we still have it
because we still have Bill and we still have a better story,
and we have older product and all that sort of thing,
but it gets diminished over time.

So our, the rest of our storytelling has to be better
and bigger and more interesting.

Yeah. We can't just, you, you, you don't get, you,
you don't get a long term brown advantage
just by saying we were the first.

Yeah. Right. Yeah. Because that,
My, my MySpace was before Facebook.

Correct. Yeah. Right. And how's your MySpace page going?

Exactly. And

You, and you, and you don't get anywhere just by being,
um, you know, our Tasmanian story, right?

Every Tasmanian distillery is after Lark. Right.

They're all going after us.

They're like, we want, we want their position.

We want to be the leader of the Tasmanian whiskey industry.

We want to be the best known. Yeah. Maybe not all of them.

Some of them are maybe in it for different, you know,

they're certainly not listed businesses

and they might just be in it for the lifestyle

or anything else, but much to them, they wanna,

they wanna run a sub, they wanna run a, a, a real business.

Yeah. And they look at the market leader like us mm-hmm.

And they, they go hard at us. Yeah.

You know, we are a, you know, and we, you know,

LA's got a bit of a target on its back from a

domestic point of view.

Mm-hmm. And one of the reasons why I said

before about, you know, defend your home ground

before you take it Yeah.

Is that we've gotta make sure we don't let these guys,

you know, we have a very collegiate, I mean,

the distilling industry is a pretty, pretty,

pretty good industry,

pretty friendly and all that sort of stuff.

Yeah. But at the end of the day, you know, we have

to be a little bit ruthless about protecting our,

our, our leadership.

Yeah. And we have to let everyone know that Good. Go.

We'll try hard.

Just know that we will not give up our position of leadership easily by any stretch.

That's, that's great. I, I have to, I have

to sneak one more question in

because I, I forgot to put, put one

through from, from the audience.

It's a good one actually. Is have you considered a shareholder discount?

They, they used when I first got into this game, they used to be really common.

David Jones is the big one. Yes.

Um, you don't see them too much these days,

but I mean, the comment being might be a great idea to generate further interest from your investors.

I know they sort of come with a bit of a cost and baggage to run, but

The answer is yes, we have.

And it was one of the first things that I

asked about whether we could, ah,

and if so, how would it work?

And I would like, I, I, I would like to see one in

Short. Interesting.

Interesting. Okay.

Well, um, we'd like to stay in touch.

Uh, we certainly wouldn't want to leave you plenty of air to sort of run the business and do the important stuff,

but we might circle back another year and
and see how things are going, if you're up for it.

Yeah, a hundred percent. I'll see you in, in March 20, 27.

Put it in the calendar. Done. Awesome.

Thank you so much for your time.

She really great chat. I enjoyed it.

Thanks a lot Andrew. Really appreciate the time.

Thank you, Oke.