



MARK LITTLER

# Distillery Report

## by Mark Littler

Teaninich New Make

[marklittler.com](http://marklittler.com)





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## Introduction

New make whisky offers the best value way to buy casks of whisky for those that have a longer time frame for investment.

We carefully select the distilleries from which we offer casks based on a combination of factors. Just like with our “young cask” offerings, our aim is to select casks that offer a combination of value and potential to suit you and your budget.

This report is a comprehensive summary of the reasons behind selecting casks from the Teaninich distillery. If you would like to move forward with a purchase or discuss any aspect of cask investment or these new make Teaninich casks then please contact [hannah@marklittler.com](mailto:hannah@marklittler.com).



Mark Littler  
Mark Littler Ltd.

## The Offer

### Product Information:

**Distillery:** Teaninich

**Region:** Highlands

**Established:** 1817

**Vintage:** 2024

**Cask Size:** Barrels, Hogsheads, Butts

**Cask Type:** Bourbon and Sherry

**Price:** from £2,000 to £4,500

We are pleased to be able to offer a limited selection of casks of new make single malt distilled at the Teaninich distillery.

The Teaninich distillery was established in 1817 by "Blind Captain" Hugh Munro and is situated a stone's throw from the sea in Alness. Teaninich shares its view of the Cromarty Firth with the Dalmore distillery and Alfred Barnard described it as 'beautifully situated on the margin of the sea,' more recently, in the 1970s it was the largest distillery in Scotland.

Teaninich operates a hammer mill and mash filter, a technique used by just one other distillery. The process creates a beautiful single malt whisky that has over the years been bottled by the likes of Samaroli, Cadenhead, Gordon and Macphail and many more.

In 2015 Teaninich reopened after a multi million expansion that doubled its capacity and made it Diageo's third largest distillery and the sixth largest in Scotland (the three largest being Glenffidich, Glenlivet and Macallan).

The Teaninich new make spirit has been filled into a combination of cask sizes and types to give you the ultimate flexibility for your new make cask investment.



*Teaninich 1999  
17 Year Old Special Release*

## Key Points

### Market Position

A strong market position is key for removing risk and adding potential when selecting casks for personal investment. Teaninich's established market position gives you the security for the future exit strategy.

### Parent Companies

We always consider parent companies when looking for suitable distilleries. A strong parent company like Diageo ensures quality whisky cask production and is essential for long term premiumisation potential.

### Heritage

Heritage is a universal factor across premium distilleries. It provides an baseline for potential premiumisation and an established exit market when the time comes—therefore reliable data driven potential. The story of Teaninich's founder "Blind Captain" Hugh Munro is a fascinating one and has great potential for leverage within future marketing.

### Unique Spirit

The setup for creating whisky at Teaninich is almost unique in Scotland. The distillery operates a hammer mill and mash filter, a technique used by just one other distillery. This imparts a distinctive and sought after profile, which is another important consideration when selecting a personal cask investment.



Fyrish Monument  
Alness



THE TEANINICH  
DISTILLERY:

# Current Market Position



## Distillery Market Position

Diageo releases Teaninich single malt through its Flora and Fauna series and special releases. Teaninich also benefits from a strong market position thanks to plenty of independent bottlings, both current and historic.

Historic collectable bottlings from the likes of Samorolli and Cadenheads join official special releases including five different Rare Malts Selections ranging from 23 to 27 years old and the bicentenary 17 year old released in 2017.

Independent bottlers release an average of 55 - 85 bottlings of Teaninich each year, which equates to a new series of Teaninich every four to six days. Current independent bottlings of Teaninich also focus on an inclusive range of age statements that encompasses premium ages, including a 45 year old 1975 released in 2020 as part of Douglas Laing's XOP series.

Independent bottlers do not buy and bottle casks that they cannot sell, and which people do not want to drink, and Diageo would not include a single malt in its Special Releases if it did not think it would be well received. As such, if the bottles are being released it is because there is a market for them. Similarly, reviewers do not review whisky that there is no interest in.

Teaninich's esteem with drinkers, bottlers and reviewers will ensure an expansive and reliable secondary market when you come to sell your cask.



Teaninich Distillery  
Teaninich, Alness

## The Importance of Quality

Teaninich distillery is owned by Diageo and is one of the largest distilleries in Scotland. Its setup for creating whisky is almost unique in Scotland as it operates a hammer mill and mash filter; a technique used by just one other distillery.

The hammer mill and mash filter are used instead of a traditional roller mill and mash tun. The hammer mill and mash filter were installed in 2000 and provide a selection of benefits and creates a unique whisky profile.

The hammer mill grinds the malted barley into a fine flour, rather than the coarse grist common with whisky making, which allows more efficient extraction of the sugars, making the fermentation process more efficient. It must be used with a mash filter to remove the finer particles created compared to a traditional grist.

The combination also allows the distillery to experiment with different grains as well as barley and means that Teaninich distillery is at the forefront of whisky development in Scotland.

The process creates a beautiful single malt whisky that has over the years been bottled by the likes of Samaroli, Cadenhead, Gordon and Macphail and many more. In 2015 Teaninich reopened after a multi million expansion that doubled its capacity and made it one of Diageo's third largest distillery.

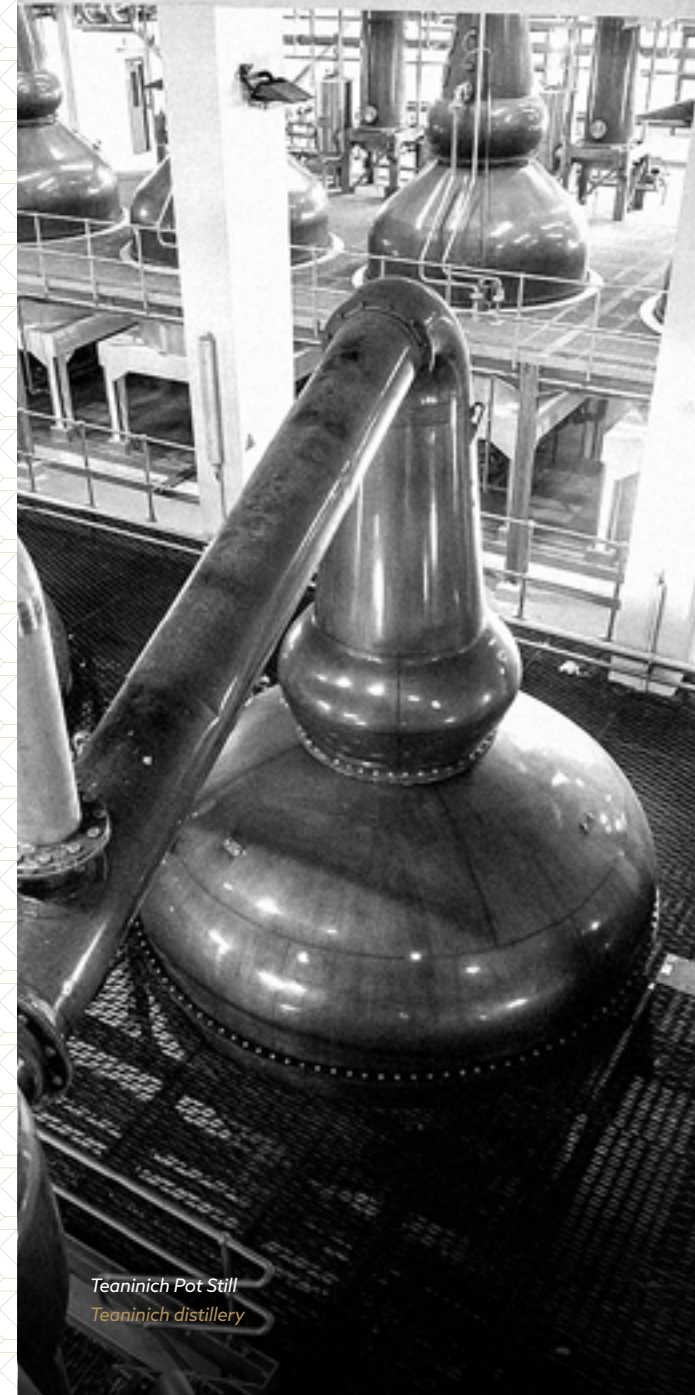
### But what does this mean for your investment?

It is important to understand that being big in terms of capacity is not a bad thing. The Macallan distillery is one of the largest in Scotland (Macallan's capacity is 15million litres compared to 10million at Teaninich), but it is still able to charge a premium for its single malts.

When looking at Teaninich as a personal investment, the capacity means consistent quality, as well as a whisky that is well known and well-regarded within the industry.

The alternative technique gives you another angle for your eventual potential buyers to be interested in this whisky over others.

These are all important considerations for now because they make a difference when you eventually come to exit.



Teaninich Pot Still  
Teaninich distillery



THE TEANINICH  
DISTILLERY:

# The Parent Company



*Teaninich Distillery*  
*Teaninich, Alness*

## In Good Hands

Diageo remains one of the largest drinks companies in the world. They operate in 180 countries and are an incredible marketing force. They own some of the world's most recognisable brands; not least of which are Johnnie Walker, Guinness, Smirnoff and Tanqueray.

Following Diageo's 2024 annual report Debra Crew, Diageo's Chief Executive, said, "we focused on taking the actions needed to ensure Diageo is well-positioned for growth as the consumer environment improves." A statement that implies long term resilience in the light of preceding years of strong growth (as high as 21.4% in 2022).

Diageo own 30 whisky distilleries in Scotland, including Lagavulin, Port Ellen and Talisker, and control the production of 27.7% of Scotland's Scotch whisky capacity - their closest competitor is Pernod Ricard, who own 13 distilleries and produce 19.1% of Scotland's total capacity. Diageo are not new to scotch whisky, they have been one of the biggest producers of scotch since they formed as DCL in 1877. Diageo is also very active in the lower levels of spirit investment, providing support and funding for ambitious start ups as they look to help nurture the next big things.

Scotch whisky however, makes up the majority of Diageo's portfolio, representing around 24% of their net sales by category for the fiscal year ending 30 June 2024.

### The Importance of a Parent Company

What this means for your cask investment is two fold. Firstly, as an established business with multiple, global sources of income they have a lot of capital to help fund marketing and development of brands.

Secondly, they have the knowledge, experience and exposure to produce consistently high quality whisky and market that whisky effectively throughout the world, ensuring a solid exit strategy when the time comes.

With this in mind, a distillery such as Teaninich, with the backing of a company operating in 180 countries, has significantly more marketing power and outreach than other distilleries with smaller parent companies.

This difference is even more significant when compared to new distilleries which must also carve out their own niche in a heavily saturated whisky market. The impact of this experience and brand establishment cannot be overstated.



Teaninich Castle  
Alness



THE TEANINICH  
DISTILLERY:

# Heritage & History



## Historical Importance

As discussed in the accompanying PDF, heritage is one of the key things to consider when picking a cask to invest in. A rich history is vital when considering potential for premiumisation.

An established distillery also gives you the assurance of a solid exit plan when you come to sell.

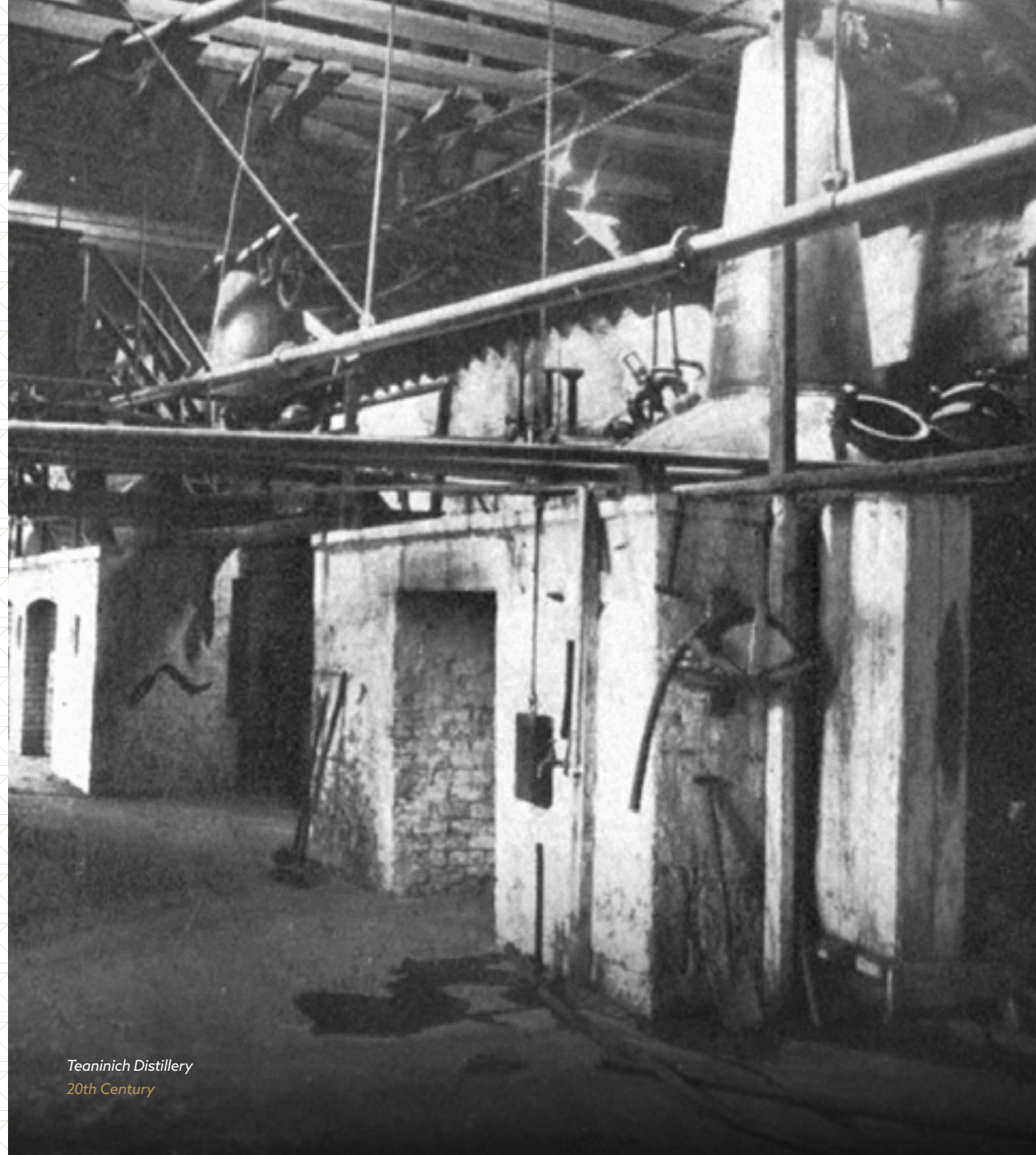
Alfred Barnard is one of the most important whisky historians. Below we have added Barnard's account of his visit to Teaninich which was published in his 1887 book *The Whisky Distilleries of the United Kingdom* below, but why is it important?

The historic pedigree of a distillery all helps build value for the brand, which in turn gives potential for it as an investment.

The history of Teaninich as a producer of single malt is something unique to it, something that cannot be replicated by younger distilleries.

As a historic distillery Teaninich not only has the pedigree of its long establishment, it also means that there are aged single malts available for bottling as well as vintage bottles available to collectors. All of which adds desirability to your cask when you come to exit.

Ultimately there is no guarantee of finding the 'next Macallan,' however buying a quality cask from a historic distillery, with the ability to release higher age statements whiskys, and the backing of an established parent company are all key components in giving your investment the best starting potential.



Teaninich Distillery  
20th Century

## Historical Importance

### Alfred Barnard The Whisky Distilleries of Scotland, 1887

*"On leaving Dalmore we proceeded to Teaninich, situated on the other side of the river, to reach which we were obliged to [...]go through the rural village of Alness. The surrounding country is naturally rich and fertile, and we were struck with the beauty of the corn-fields, ripe with golden-grain, and the verdant meadows in which cattle were placidly grazing. All the tree tops lie asleep, Like green waves on the sea, As still as in the ocean deep, The ocean woods may be."*

*In the background were seen the huge projections of Ben Wyvis, whose summit was bathed in sunshine, and its slopes covered with peaceful farms and woodlands. Crossing the bridge we turned to the left and followed the course of the river, whose banks are overhung with trees of considerable size, the grateful shade of which we fully appreciated as we pursued our way to Teaninich.*

*The distillery, which is beautifully situated on the margin of the sea, and about one and a half miles from the station, consists of several ranges of substantial buildings, which, together with the Manager's house, workmen's cottages, and farmsteading, give it the appearance of a small colony.*

*It was founded in the year [1817], and covers upwards of four acres of ground. The establishment is almost encircled by a broad belt of fir trees, and is only divided from the sea by a roadway.*

*In the absence of the Proprietor, the Manager showed us over the premises, and took us through the maltings, mash-house, tun-room, and still-house, all neat and well-arranged buildings. The kilns are heated with peat, and the stills are of the old pot kind.*

*Teaninich is the only distillery north of Inverness that is lighted by electricity; besides which it possesses telephonic communication with the Proprietor's residence and the quarters of the Excise Officers. There are several spacious bonded Warehouses distributed about the premises. The make is pure Highland Malt, and the annual output is 80,000 gallons. We were informed that the actual sales for the year 1884 amounted to 74,000 gallons.*

*Teaninich is a very interesting place, and we much regretted that we had so little time at our disposal, as, after hastily inspecting the Distillery, we had to hurry to the station to catch a passing Dingwall."*



Teaninich Wash Back  
20th Century

## “Blind Captain” Hugh Munro, Founder of Teaninich

You may not have heard of Teaninich, but it is a 200+ year old distillery with one of the most interesting founding stories we have come across. The tenacious “Blind Captain” Hugh Munro was a remarkable man. As well as founding the Teaninich distillery he was known for his lucky escape from death, and being less lucky with love.

Captain Hugh Munro was a man of the time; as the 8th Laird of Teaninich he was a lord who built a distillery as a way to make money for his estate, provide work in the winter and a use for the barley grown on his land. What was considerably more unusual was that when he founded Teaninich in 1817 he was blind in both eyes due to being shot in the head.

Munro inherited the Teaninich estate from his father in 1788. As a wealthy landowner he was fortunate to be betrothed to his sweetheart Jane, daughter of another landowner General Sir Hector Munro. However in a world of increasing turmoil Hugh joined the 78th Highlanders that was formed by the Chief of the Mackenzie clan in 1783. In September 1794 Captain Hugh Munro would be seen off by his sweetheart for the last time as the foot regiment embarked to the Netherlands to fight in the French Revolutionary Wars.

Hugh’s military career was to be a short one; in November 1794 he was shot in the head during the defence of Nijmegen. The bullet destroyed both his eyes and passed behind the bridge of his nose. Miraculously—especially given the level of medical expertise at the time—Munro survived.

Now blind in both eyes, Captain Munro’s return to his estate was marred with more poor fortune. Jane’s father was another man of the time and believed Hugh’s blindness meant that he could not provide for his daughter. He forbade Jane from marrying Hugh, and as a woman of the time she could not bring herself to elope against her father’s wishes.

Not deterred by the loss of his sweetheart Hugh Munro turned his attention to managing his estate. The “blind captain” was well-liked and known for his good temperament and the large green glasses he wore to conceal his eyes. He continued to be active in his pursuits, sending his groom ahead of him when he rode his horse to alert him of upcoming obstacles.

Munro began his work as a blind lord by remodelling his castle—a project he is understood to have managed himself, including site visits and scaling scaffolding. He was also keen on stimulating the local economy, providing longer leases to craftsmen and in 1817 he founded the Teaninich distillery.

For landowners distilling whisky was seen to be a generally good idea; it provided an outlet for local barley, the byproducts were good for animal feed and fertiliser, plus whisky was easier to transport than grain. However Hugh became frustrated by the current laws that allowed illicit distillers to thrive at the expense of legitimate operations like his.

In 1822 he made national headlines for his address to the Parliamentary Commission when he complained that none of his local publicans had bought legally produced whisky in over 12 months.

Munro was thrilled by the passing of the Excise Act in 1823 as it took the advantage away from illicit distillers and allowed his distillery and the people connected to it to benefit fully from their hard work.

Despite living with a disability at a time when they were not thought kindly of, Hugh is believed to have thrived. His sweetheart Jane married another, but is understood to have never fully moved on from her first love. They never spoke again, but when she became ill she apparently asked to be taken to their parish church so that she could see Hugh one last time. On seeing him in his distinctive green glasses she collapsed and died soon after.

In 1819 Hugh sold Teaninich castle to his brother General John Munro to focus on Teaninich distillery. Hugh lived in the castle’s dower house until he died in 1846 and John inherited Teaninich.

**Blind Captain Hugh Munro was an impressive character and the remarkable history of Teaninich’s founding is another facet of interest for this historic distillery. Already the subject of one independent bottling, Teaninich’s remarkable founder provides the kind of heritage that makes distilleries stand out.**



## The History Of The Teaninich Distillery

Teaninich was founded in 1817 by Captain Hugh Monro, who owned the Teaninich estate. Its first years of production were relatively uneventful by the standards of early distilleries, mostly noted by a regular exchange of owners following Hugh Munro's death and early adoption of new technology.

When Alfred Barnard visited the distillery in the 1880s he noted that 'Teaninich is the only Distillery north of Inverness that is lighted by electricity,' and he was impressed enough to note that it 'possesses telephonic communication with the Proprietor's residence and the quarters of the Excise Officers.' It has always been a distillery at the forefront of technology and development, and that is a position that it has retained.

Diageo acquired Teaninich in 1933 when it was still Distillers Company Limited (DCL). In the 1970s it was the largest distillery in Scotland, but like many distilleries it ceased production temporarily when it was mothballed between 1985 and 1991.

Since 1991 it has remained in almost permanent production, just closing briefly for a multi-million pound expansion in 2015 where the capacity was doubled with the addition of six new stills.

Today Teaninich has a capacity of just over 10million litres, making it still one of the largest distilleries in Scotland (for reference the new Macallan distillery has a capacity of around 15million litres).

In 2000 Teaninich's traditional roller mill and mash tun were replaced with a hammer mill and mash filter. The modern system provide a selection of benefits and creates a unique whisky profile.

The hammer mill grinds the malted barley into a fine flour, rather than the coarse grist common with whisky making, which allows more efficient extraction of the sugars, making the fermentation process more efficient. It must be used with a mash filter to remove the finer particles created compared to a traditional grist. The combination also allows the distillery to experiment with different grains as well as barley and means that Teaninich distillery is at the forefront of whisky development in Scotland.

Diageo have included Teaninich as a single malt in many of its special releases, including a 1976 Rare Malts Selection 22 year old in 1996, a 1996 Manager's Choice in 2009 and a Special Release 17 year old to mark Teaninich's bicentenary in 2017.



Teaninich Distillery  
20th Century



THE TEANINICH  
DISTILLERY:

# Comparing Value & Costs



## Value: Paying The Right Price

Just as important as selecting the right cask is ensuring you pay the right price. We choose our entry point carefully to ensure we're providing you with a baseline that you can verify for yourself. Even within our preferred price range and selection of distilleries, we still consider the implications of the price. If we don't believe the prices offered on the wholesale market are currently providing a suitable entry point for potential personal investors, then we don't take them on.

Below we show how these casks compare to other new make casks that are currently available direct from distilleries. It is clear to see that these casks offer incredible value. Especially when you consider Teaninich is an established, well known distillery with the backing of an internationally renowned parent company.

<b>Teaninich</b> f. £2,000 0 Years Old	<b>Borders</b> c. £1,995 0 Years Old	<b>Annandale</b> c. £2,930 0 Years Old	<b>Arran</b> c. £3,750 0 Years Old	<b>NcNean</b> c. £3,500 0 Years Old
<b>Lindores Abbey</b> c. £4,000 0 Years Old	<b>Lagg</b> c. £6,000 0 Years Old	<b>Raasay</b> c. £6,000 0 Years Old	<b>Ardnahoe</b> c. £6,000 0 Years Old	<b>Inchdairnie</b> c. £12,000 0 Years Old



Teaninich Stills  
Teaninich distillery

## Next Steps

If you have any questions or would like to go ahead with a purchase of one of these casks please contact Hannah:  
[hannah@marklittler.com](mailto:hannah@marklittler.com)

Once you have decided what to buy, the process of buying a cask is straightforward:

## What to Expect

### Contract

We will issue you a contract to read and sign electronically that states your cask purchase details with us as an agent, and your ongoing agreement with the warehouse.

### Invoice

Once the contract is signed we will send your invoice. For WOWGR compliance payment should be from a personal account not a business account.

### Payment

On receipt of payment we send your details and payment to the warehouse, who will open you a private account and issue your Delivery Order.

### Delivery Order

Delivery Orders should be printed, signed and returned via post. The warehouse will confirm on receipt and transfer the cask into your name.

### Storage

Your new cask will be consigned to be moved to the warehouse for long term storage, please be aware we move casks in bulk to keep down costs for you, and as such this can be up to 6 months from receipt of payment.

### Ongoing

We are here to help with your cask management going forward. Whether it's arranging a regauge, taking bottles from your cask, or looking for an updated valuation please get in touch and we can assist.



*Teaninich Pot Still  
Teaninich distillery*

## A Few Important Notes

We think it is important that we have accurately conveyed the key points to consider when deciding to invest in casks. Please read the below statements and check that you feel comfortable that you understand them:

### Whisky Is An Unregulated Market

Mark Littler Ltd. is not authorised or regulated by the FCA (Financial Conduct Authority). Whisky casks are not an investment of a specified kind within the scope of the Financial Services and Markets Act 2000 nor is it a controlled investment subject to Section 21 of the Financial Services and Market Act 2000 and the Financial Promotion Order. Any and all information provided by Mark Littler Ltd relates to whisky and its value.

No information provided should be deemed to constitute the provision of financial investment or other professional advice subject to regulation under the Financial Services and Market Act 2000.

The purchase of whisky casks described or recommended in our marketing materials or on the website may not be suitable for all people. You should seek your own professional advice as to the suitability of any such purchase before you enter into any transaction.

### Returns Are Not Guaranteed

Any information relating to past valuations of whisky is not necessarily a guide to future performance. The value of your purchase may go down as well as up, and your capital may be at risk. Mark Littler Ltd. cannot be held responsible for market fluctuations and conditions for the price of whisky.

### The Inherent Vice of Cask Maturation

The volume of spirit/whisky within a cask drops over time, as does its ABV (alcohol by volume) this is part of the natural maturation of whisky but purchasers need to be aware that casks should be monitored via a regular regauge to manage the risk posed by this process. Regauge frequency should increase with the age of the cask, we suggest every 3-5 years for casks under 20 years old.

The ABV (alcohol by volume) of a cask must be above 40% for the contents of a cask to be classed as whisky. Casks must be matured for a minimum of 3 years before the contents can be classed as whisky.

Cask value increases slowly when the cask is young. Whisky cask investment should be viewed as a long term investment of 10 or more years.



Teaninich Whisky  
10 Year Old Sherry



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LITTLER**  
VALUE | ADVISE | SELL