

Diageo acquires Texas-based whisky distiller Balcones Distilling



Founded in 2008, Balcones Distilling is a Texas-based craft distiller and producer of American Single Malt Whisky

Diageo has acquired Balcones Distilling, a Texas-based craft distiller and producer of American Single Malt Whisky. Founded in Waco, Texas in 2008, Balcones is a celebrated player in the emerging whisky movement in Texas, with a diverse portfolio of award-winning super premium and above whiskies, including Texas “1” American Single Malt, Lineage American Single Malt and Baby Blue Corn Whisky.

Balcones embraces Texas’ intense heat as well as its temperature fluctuations to create whiskies with differentiated flavors. The team leverages distinctive high quality, and often locally sourced, original ingredients, including Texas-grown malted barley and roasted blue corn, to produce a range of highly decorated whiskies.

The super-premium and above whisky segment has seen consistent volume growth in the US in recent years, with a compound annual growth rate (CAGR) of 13.3% from 2016 to 2021. Within that, American Single Malt Whisky has been a driver of momentum, with 18.2% CAGR over the same period.

Claudia Schubert, President, Diageo North America, said, “We are delighted to welcome Balcones Distilling into Diageo. The Balcones team are true innovators and pioneers in the emerging American Single Malt and Texas whisky movements, and their super premium plus whiskies are highly complementary to our whisky portfolio. This acquisition is in line with our strategy to acquire high growth brands in fast growing segments, such as super premium whisk(e)y, and we look forward to working with the Balcones team to support further growth for these world-class whiskies.”

Greg Allen, Chairman, Balcones Distilling, said, “Balcones started with an idea driven by an innovative spirit and passion to create something original and authentic in the heart of Texas. Now, we couldn’t be prouder to have created these award-winning American Single Malt and Texas whiskies, but also to have helped initiate an exciting new era of whisk(e)y in Texas. We are thrilled that Diageo shares our belief in its potential and we look forward to seeing Diageo bring Balcones’ incredible whiskies to more consumers.”

The acquisition has been funded through existing cash resources.