

News Release

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MATHER TOASTS DRAM GOOD WHISKY VENTURE

Whisky production at a disused distillery in Dumfries and Galloway is to be revived for the first time in 90 years, it was announced today.

Enterprise Minister Jim Mather revealed that the Annandale Distillery Company Ltd was one of 24 Scottish companies to have accepted Regional Selective Assistance (RSA) in the last quarter, together creating or safeguarding almost 600 jobs.

With the aid of a £150,000 RSA grant, 18 new jobs will be created producing malt whisky at Annandale under a significant £4 million investment project.

Mr Mather said:

“The return of whisky production to Annandale is a welcome development for Scotch whisky – a globally-successful industry the Scottish Government wants to see expand to help us deliver our aim of increasing sustainable economic growth

“That’s why this venture is such a significant boost, not just for the Dumfries and Galloway economy, but Scotch whisky generally – one of Scotland’s premium industries which has, unfortunately, been hit hard by punitive increases in duty imposed by the Treasury.

“In the absence of tax raising powers, Regional Selective Assistance is a scheme which helps Scottish businesses to flourish, encourages investment and stimulates job creation.

“I hope that RSA will prove a valuable tool in creating new jobs and resurrecting whisky production at Annandale and I wish those involved with the project every success.”

Project Director David Thomson said:

“Our ambition is to create an interesting and meaningful brand around ‘Annandale’, to create a whisky drinking experience around the main parameters of Single Malt Scotch whisky flavour and to create an engaging visitor experience.

“Having conducted much of the detailed early planning, our project is now moving into the more advanced stages of design. This represents a significant private business investment in Scotland which, coupled with £350,000 from Historic Scotland and the offer of Regional Selective Assistance from the Scottish Government, and will deliver real economic benefits and create new Scottish jobs.”

Campbell Evans, Director of Government and Consumer Affairs at the Scotch Whisky Association, said:

“The development at Annandale is part of a very welcome trend of new distilleries being built and silent distilleries being brought back into production. Significant recent investment across the Scotch Whisky industry is being supported by growing demand worldwide and is good news for the wider Scottish economy.”

NOTES FOR NEWS EDITORS

1. The Annandale Distillery Company Ltd is owned by businessman David Thomson and his wife Teresa Church, who are spearheading plans to revive the old distillery, which originally opened in the 1830s. For further information, Professor Thomson can be contacted on 07831 315671.

2. David Thomson is the founder and now Chairman and CEO of MMR Research, one of Europe’s largest, independent consumer research businesses. He is also Visiting Professor in the Department of Food Biosciences, University of Reading, UK. His current interests include Sensory Branding (the integration of product sensory characteristics into brand architecture) and the development of Means-End Chain Theory as a template for understanding consumers’ choice behaviours. He is a strong advocate of choice-based research methods. Outside MMR, David has recently purchased the long-derelict Annandale Distillery in the Scottish Borders (closed in 1919), with the intention of restoring the historic buildings and reinstating distillation. Annandale will probably be the first ever, Single Malt Scotch whisky where both the distillery plant and the brand will have been deliberately ‘reverse-engineered’ from the intended sensory profile of the final product!

3. Regional Selective Assistance (RSA) is the Scottish Government’s main national scheme of financial assistance to

industry. It provides discretionary grants for investment projects that will create or safeguard jobs in Assisted Areas – areas designated for regional aid under European Community law.

4. Payments of RSA are made in instalments, typically over years, provided that job and project expenditure targets are met. The amounts quoted here and in the report represent the maximum grant potentially available if the project is satisfactorily completed, and not the amount actually paid to date. All job numbers are based on firms' forecast figures at the time a grant is offered and are subject to change, depending on future economic conditions and other factors affecting the business concerned.

5. To view the quarterly report and find out more about RSA please visit our website at: www.scottishbusinessgrants.gov.uk

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