

Luxury Assets: Whisky

Collect for pleasure, or invest for return?

Getting started.

Building a rare whisky collection has the capacity to intertwine personal taste, history, and value creation. But having a clear purpose is your first step. Are you collecting for personal enjoyment, meaningful gifts, as a legacy for future generations, or as an outright investment?



Firstly, familiarise yourself with the language of whisky, including the whisky's age, the region, the cask type, and the bottler or distillery. This will enable you to understand labels, interpret tasting notes, and find whiskies that suit your purpose.

Auction records and sales news are a good place to start for setting a budget. These market references will help you understand pricing fluctuations and avoid overspending.

Avoiding fakes and frauds.

Up to 40% of whiskies on the secondary market are reckoned to be fake or fraudulent, and so provenance verification is absolutely vital.

Research current pricing for any whisky you are considering purchasing. If the price is too good to be true then it probably is. If the price seems oddly high it may also be a sign of a fake.

Check bottle integrity, label condition and evaporation levels. For example, a 50-year-old whisky bottle is unlikely to have a pristine label, however it has been stored, while an original label on a bottle that can be shown to be modern is likely to reveal a fake.

The ideal proof of authenticity is distillery-letterheaded paperwork confirming the provenance of the bottle or cask.

Hidden auction fees.

When buying whisky through auctions keep an eye out for buyers' premiums, shipping, and insurance costs, as well as taxes and import duties for international purchases. Research auction houses' fee structures, and clarify these costs upfront to avoid surprises.



Continued on page 2...

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Acquiring rare whiskies

A well-rounded whisky collection will include diverse styles from different regions. Don't restrict yourself to one style or region and look beyond big brands. The best collections feature a mix of large and small distillers. To maximise value, diversify your collection and keep an eye on industry trends via news, and particularly auction results.

Investment vs enjoyment.

The beauty of investing in luxury assets is that they can, of course, simply be enjoyed. So, prioritise whiskies that appeal to your palate. Many collectors purchase two bottles – one for their long-term collection and another for enjoyment. Look out for bottles that come with a sample, as this allows you to taste the liquid without opening your main bottle.

Invest, too, in top-quality glassware as this will enhance your tasting experience and allow you to enjoy whisky with all the senses.

A well-designed whisky glass directs aromas towards the nose, maximising enjoyment.

If your goal is primarily investment you must store your whisky bottles properly, and maintain detailed records of provenance and ownership. Whether you're collecting for investment or personal enjoyment, always do your research and ensure you're acquiring a legitimate liquid.

Thanks.

Charles Beamish, Beamish International.



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