

Whisky

2. Whisky

- **Details:** Scotch whisky is a global icon, contributing £7.1 billion to the UK economy in 2022 and supporting 66,000 jobs. It accounts for 77% of Scottish food and drink exports, with annual sales valued at \$7.5 billion, shipped to over 180 markets. The industry is innovating with sustainability, reducing greenhouse gas emissions by 34% at production sites and exploring renewable energy from by-products (e.g., bio-butanol from distillation waste).

- **Economic Significance:** Whisky is Scotland's largest food and drink export, bolstering trade and tourism (e.g., distillery tours). Its cultural significance reinforces Scotland's global brand.
- **Locations:**
 - **Speyside:** The heart of whisky production, with over 50 distilleries, including Glenfiddich, Macallan, and Glenlivet, centered around towns like Dufftown and Elgin.
 - **Islay:** Famous for peated whiskies, with distilleries like Laphroaig, Ardbeg, and Bowmore.
 - **Highlands:** Diverse whisky styles from distilleries like Glenmorangie (Tain) and Dalmore (Ainnes).
 - **Lowlands:** Known for lighter whiskies, with distilleries like Auchentoshan (Clydebank) and Glenkinchie (East Lothian).
 - **Campbeltown:** Historic whisky region with distilleries like Springbank.

Claim: Scotch whisky contributes £7.1 billion to the UK economy (2022), with 66,000 jobs and 77% of Scottish food and drink exports. It's a global industry, with key regions like Speyside, Islay, and Campbeltown, and major distilleries like Glenfiddich and Glenmorangie.

Verification:

- The £7.1 billion figure aligns with industry reports, as Scotch whisky is one of Scotland's most valuable exports. The 66,000 jobs figure is plausible, covering production, distribution, and tourism (e.g., distillery visits).
- The 77% export share for food and drink is consistent with historical data, as whisky dominates Scotland's food and drink sector.
- Speyside, Islay, and Campbeltown are indeed key whisky regions, and distilleries like Glenfiddich (owned by William Grant & Sons) and Glenmorangie (owned by LVMH, a French luxury group) are major players.

Business Ownership:

- The whisky industry is a mix of Scottish-owned companies (e.g., William Grant & Sons) and international ownership. **Since devolution, there's been consolidation, with global firms like Diageo (UK-based but multinational), Pernod Ricard (French), and LVMH acquiring distilleries.**

- Devolution hasn't directly changed ownership, but the Scottish Government has promoted whisky as a cultural asset, boosting tourism and export initiatives. The industry remains a global business, with significant foreign investment.

Scotch Whisky's Economic Impact 2022

- Diageo: A British multinational alcoholic drinks company, Diageo owns 29 distilleries and produces 27% of all malt capacity. Their brands include Johnnie Walker, Talisker, and Lagavulin.
- Pernod Ricard: A French company, Pernod Ricard owns 13 distilleries, including Chivas Brothers.
- The Edrington Group: This company, also based in Scotland, owns distilleries like Macallan.
- William Grant & Sons: Another Scottish company, they own Glenfiddich and other distilleries.
- The Scotch Whisky industry is highly productive, having added approximately £273,000 per employee directly to the UK economy in 2022.

Executive Summary

- In 2022, the Scotch Whisky industry, defined as the production and sales & distribution of Scotch Whisky, generated £7.1 billion Gross Value Added (GVA) (direct + indirect + induced) in the UK
- Out of this total, £5.3 billion was generated in Scotland
- The industry supported 66,000 jobs across the UK and 41,000 in Scotland
- The manufacturing of Scotch Whisky is highly productive and generated £6.3 billion GVA across the economy, of which £3.4 billion was directly generated by production



<https://www.whiskyinvestdirect.com/about-whisky/malt-whisky-distilleries-in-scotland>

The total production capacity of the malt distilleries in Scotland is estimated at 403 million Litres of Pure Alcohol (LPA) per year, although it typically does not operate at full capacity. In 2023, the industry operated at 83% capacity, for an estimated production of 336 million LPA. The full production capacity of each Scotch malt whisky distillery is listed below, with capacity given in LPA. [Malt whisky distilleries in Scotland | WhiskyInvestDirect](#)

Export Growth

Exports of Scotch Whisky have increased by 31% between 2018 and 2022, to a record £6.2bn.

The growth of global exports directly links to the growth of industry GVA across the UK over the same period.

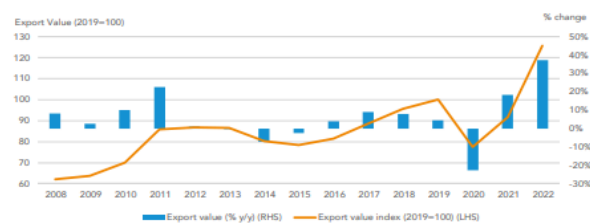
In 2022, Scotch Whisky exports accounted for:

77% of Scottish food % drink exports

26% of UK food % drink exports

2% of all UK good exports

Growth in Scotch Whisky exports, 2008-2022



Source: HMRC/SCA analysis

Scotch Whisky Impact per Region

Direct Production GVA in Scotland

£442m (14%)
Central Scotland

£627m (19%)
Glasgow

£799m (25%)
Highlands & Islands

£244m (8%)
Lothian

£507m (16%)
Mid Scotland and Fife

£77m (2%)
North East Scotland

£160m (5%)
South Scotland

£379m (12%)
West Scotland

The GVA breakdown is based on Scottish spirits employment shares by region obtained from the Business Register and Employment Survey (BRES). These figures were used as an approximation for the employment shares of Scotch Whisky employees across Scotland.