Project: Developing Kelp Based Wine and Spirits

Lead Entity: Maia Danielson, Float Camp

Category: Innovation

Project location: Ketchikan, Alaska

Start Date: August 1, 2023

End Date: December 31, 2024

Partners: PEMDAS Wine Consulting

Sweetgrass Distillery

Uncharted Alaska Distillery

Seagrove Kelp

Project Overview:

The project initially was to develop both kelp-based wines and spirits but as the project evolved, on the recommendation of consultants, spirits were prioritized.

Problem:

The transportation/processing cost of kelp is significant. Using it locally and in value added products helps to mitigate this financial hurdle.

Solution:

Kelp based spirits can be produced in SE Alaska with minimal additional transportation/processing costs but with significant value-added benefits. For the national market, kelp can be transported to Washington to take advantage of economies of scale. The cost of transporting the kelp is offset by the savings realized from other inputs.

Project Outcome:

Kelp can be distilled into alcohol using sweeteners or grains to feed the yeast. The wine product has very limited commercial application, however distilling the wine creates a unique yet mainstream product, vodka.

Project Course:

Kelp wine was made and then distilled on the recommendation of industry consultants. Marketing studies were also performed. The first study was dockside in Ketchikan, targeting the cruise ship passengers. The second study was national and unrelated to Alaska tourism.

Success/Challenges:

Success: The product can be produced. Uncharted Alaska Distillery in Ketchikan entered kelp-based vodka in the 2024 Symphony of Seafood competition and won both the Most Innovative and Beyond the Plate categories. They will be selling kelp vodka out of their distillery to cruise ship passengers starting Summer 2025.

Challenges: Bringing a new kelp product to the market requires significant marketing expenditure. Realigning kelp with sustainability/uniqueness/high-end and away from seaweed/ocean trash is paramount.

Results:

Kelp vodka is commercially viable.

The dockside study focusing on the cruise ship passengers showed a strong interest in this product for its uniqueness, sustainable focus, and being an Alaskan made product.

In contrast, the national study found the Alaska connection less important, but the uniqueness made the consumer consider it a high-end product. The national study highlighted the importance of offering tastings at local liquor stores due to the “newness” of the product. This study leans toward national production in Washington to leverage economies of scale in their well-developed alcohol industry.

Data:

Please see attached marketing studies

Additional Information:

This project was finished significantly below budget as the focus shifted to spirits and away from wines. Sugar kelp was used, however, in the future, trials using various species of kelp that are harvested year-round would be helpful. Additionally, developing gin and barrel aged products from vodka would be the next logical step.