

**THE LEGEND OF**

**PORT' ELLEN**

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**DISTILLERY**

## PREFACE

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**T**his book is an endeavour to document the history of the famous and beloved Port Ellen Distillery.

The name Port Ellen will always be closely tied to the name of the successful entrepreneur and later owner John Ramsay. Ramsay played an important role in both the utilization of distillery technology as well as marketing Scottish whisky, particularly by exporting it to the United States.

In the summer of 1996, I acquired my first bottle of Port Ellen on Islay. This has since triggered a passion to collect Port Ellen bottlings as well as information about the distillery, which by then had already been shut down for 13 years. Due to having graduated in history, I started to focus my historical interest on this particular distillery. My passion for whisky and the acquaintance with Ludwig and Bärbel Reifferscheid (owner of a well known whisky business), that over the years has developed into a friendship, have opened avenues to many well-known personalities in the sphere of whisky both at home and abroad. From the numerous contacts that I have had, I would particularly like to highlight those with Professor Walther Schobert, Grant Carmichael and the brothers Fred and Stewart Laing.

During the research for this book, which had been further intensified after the turn of the millennium, I received invaluable encouragement and support from many friends and other persons.

However there were also, drawbacks as sources that could have promoted my research

were constantly referring to their company secret and thus not accessible. 32 years after the final shut down of the distillery, this research now sometimes resembles a 1.000 piece jigsaw puzzle with many pieces of it missing.

Therefore, certain issues in this book will remain speculative while others are probably never going to be solved.

It is my hope that I was successful in compiling all the information about Port Ellen which previously had been spread across various works, in one single edition for the first time.

This book is aimed at preserving the legacy of Port Ellen Distillery beyond the day, when the last Port Ellen casks will be bottled, which is likely to come during the next decade.

**Port Ellen,**  
one of the twin pagodes, 2014





**Port Ellen** workforce 1906

His business was in want of capital and his whisky markets had rapidly receded due to the effects of the war and the prohibition in the United States. The latter hit the Port Ellen business hard because the distillery lost its most important export market for which it had provided whisky over more than half a century.

His battlefield injuries left Ramsay was in bad state of health too The constant lack of money pressed him to sell his father's distilleries one after the other.

In 1920, James Buchanan & Company Limited acquired Port Ellen Distillery and its assets in partnership with John Dewar & Sons Limited and formed the Port Ellen Distillery Company Limited. W.P. Lowrie's vast knowledge of Port Ellen Distillery may have moved Buchanan to acquire the distillery. For years Lowrie had acted as Buchanan's main supplier and since his retirement in 1906, his firm was owned by James Buchanan. (20)

At the beginning of the 20th century the whisky industry was in turmoil. Companies were crashing, mergers and acquisitions were rife and the giant Distillers Company Ltd. (DCL) had been formed. To protect themselves against a hostile takeover, Buchanan and Dewar founded the Scotch Whisky Brands Ltd. in 1915. This company was renamed Buchanan-Dewar Ltd. in 1919 and by 1922 it had acquired interests in eleven distilleries. Despite the prohibition in the United States, which put a damper on sales the company continued to grow and bought a total of six distilleries between 1919 and 1923 to supply whisky for its

blends, including facilities in Ord, Parkmore, Port Ellen, Pulteney, and Aultmore.

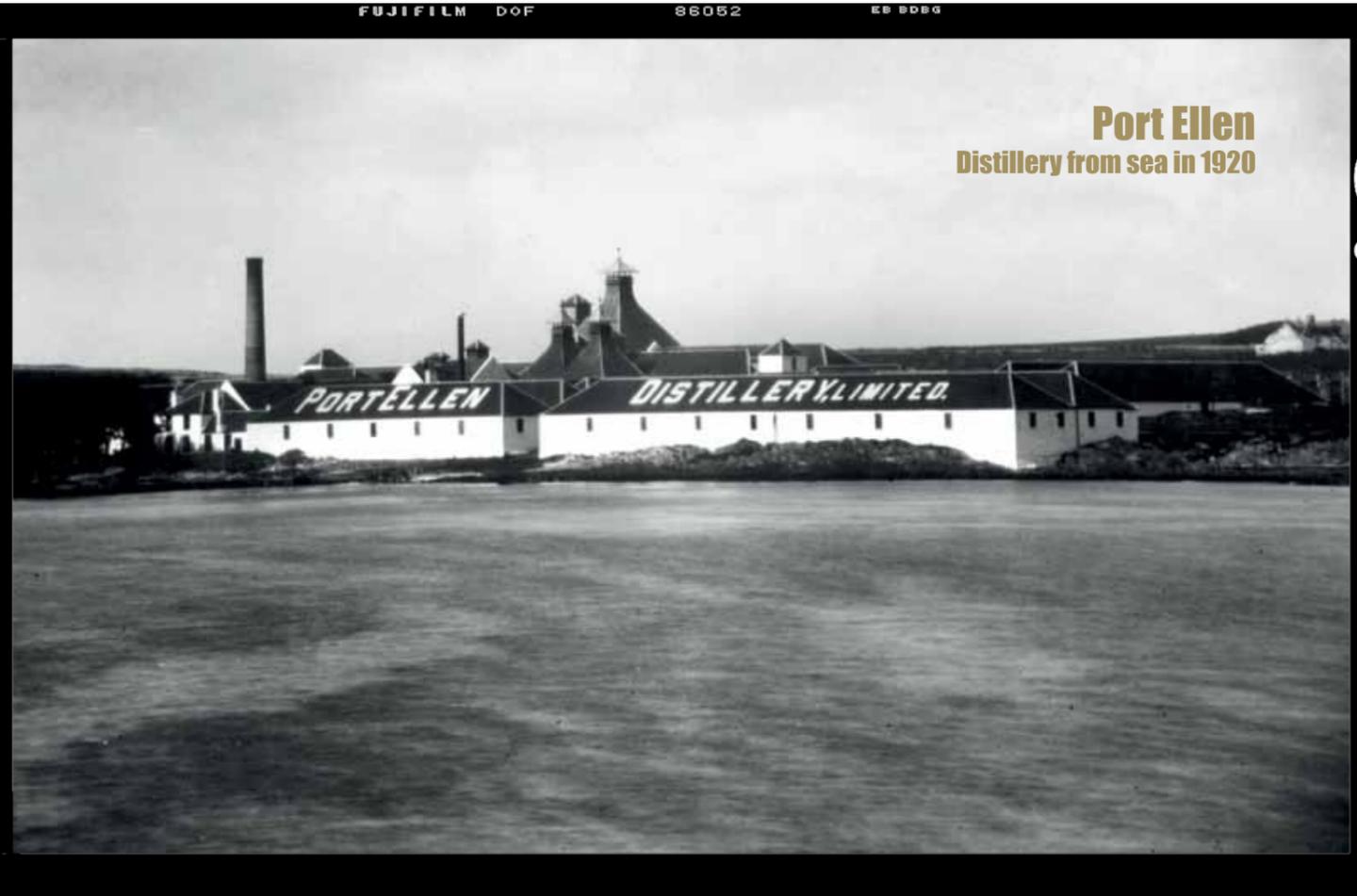
Like his father Ian Ramsay proveded himself to be a fair partner for the other Kildalton distilleries. After the sale of Port Ellen he also sold the distilleries Lagavulin, Laphroaig and Ardbeg to the people who had leased them before. He ignored higher offers from others.

Lagavulin distillery, the farm, 100 acres of peat land and the water rights were sold after longer negotiations in the 1920s for £16,000. (21)

Ardbeg was the third of his Kildalton distilleries that Ramsay was forced to let go. Col-lin Hay and the Buchannan family pursued their acquisition. Ramsays accountant Robert MacFarlan from Glasgow negotiated throughout 1920 and 1921. Ardbeg was eventually sold by Ramsay in 1922. The distillery and its land changed owner for £19,000. The sale was cut into parts and finally written off by 1932. (22)

The negotiations about the price of Laphroaig took up some more time By 1924, Ian Hunter had purchased the distillery, Texa Island and Ardenstiel House. Especially in this case Ramsay ignored a higher offer by Peter Mackie (Lagavulin), who had had many quarrels with his Laphroaig neighbours since 1907. (23)

After the sale of his distilleries and parts of his estates Ramsay became a noted ornithologist and expert on the birds of Islay. He died in 1959.



**Port Ellen  
Distillery from sea in 1920**

The attempts of the market leader Distillery Company Ltd. (DCL) to acquire its competitor Buchanan-Dewar and Johnnie Walker were successful in 1925. The takeover/merger of these companies was supported by Price Waterhouse & Co. since 1909, but was discontinued because of the First World War. After the merger of Buchanan-Dewar with DCL in 1925, Port Ellen was

absorbed into the group. The Port Ellen Distillery Company Limited was voluntarily liquidated two years later as part of the DCLs rationalisation programme - largely due to the effects of the Great Depression. The assets were then acquired by John Dewar & Son Limited and W.P. Lowrie & Company Limited before being finally transferred to DCL subsidiary Scottish Malt Distillers (SMD)

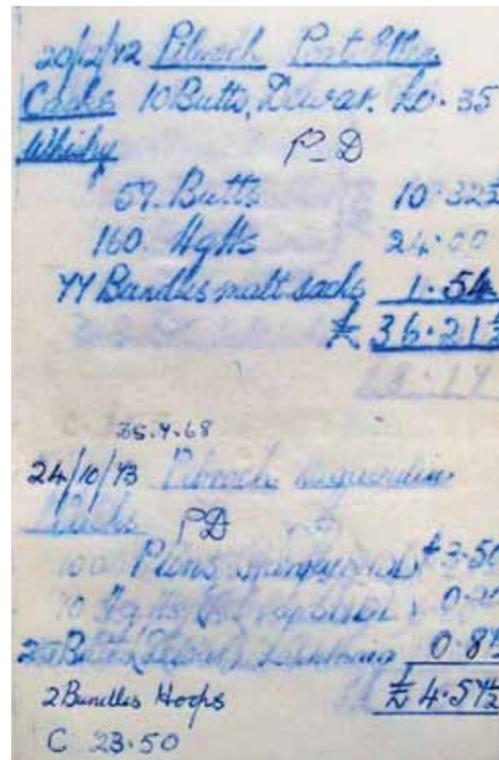
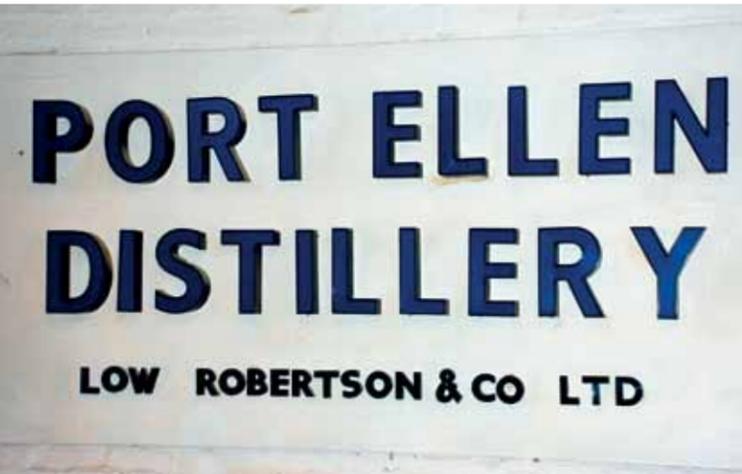
in 1930. (24) At this time the DCL and its subsidiaries were taking over the largest and finest stocks of maturing whisky throughout Scotland, and although Port Ellen was officially closed in 1930, there can be no doubt that the distillery possessed an extensive stock in bond. At that time there was enough whisky warehoused in Port Ellen to last for 40 years, and the more cynical observers realise that it took entire 37 years before the distillery came on stream again. (25)

The DCL subsidiary SMD continued to operate the maltings and bonded warehouses during the closure. The maltings produced malt especially for Lagavulin distillery and the Port Ellen casks in the warehouses were used over the decades in the group's blends. Free space was used for the storage of Malt-Mill and Lagavulin casks. (26)

The rest of the distilling equipment was removed and used by other distilleries of the group. ■

**Port Ellen  
Distillery in 1935**





**T**he rebuilding of the distillery During the 1960s the demand for Islay whisky which went into the blends of White Horse, J&B and Black & White, and that were distributed by DCL, notably increased. These Islay whiskies accounted for approximately 2 per cent of the blends. Owing inter alia to this rise in demand, it was decided to reactivate the Port Ellen Distillery by enlarging its capacities and partially rebuilding it from scratch. The re-equipment of the Port Ellen Distillery started in the spring of 1966 and was completed on 1 April, 1967.



Port Ellen's First Cask—April 1967  
Angus Mac Taggart, Duncan Ramsay, George Ballingall

In 1966, the Eilean Sea Services began to operate a 35-ton landing craft, the 'Isle of Gigha' between Port Ellen and the mainland. Her first main contract was to bring in construction materials and equipment for rebuilding the distillery. (27)

The old distillery had been well designed, so the shells of some of the original buildings

were retained. Some of the new buildings replaced others where the same part of the process had been carried out one hundred years earlier. (28)

The barley intake and dressing plant were completely renewed and upgraded. The No. 1 malt barn was unaltered but the No. 2 barn was extensively modernized by introducing a cylindro-conical steeping vessel equipped with automatic aeration. The No 2 kiln was reconstructed and a new wedge wire floor installed.

The malt storage silos were refurbished and enlarged, and a new roof was fitted. The mill room was rebuilt and a new 4-roll Porteus mill purchased. In 1932, when the distillery was temporarily shut down, the original Port Ellen mill had been transferred to the active SMD Rosebank Distillery. (29)

The process water and the cooling water were drawn from one of the nearby Leorin Lochs, where the distillery had water rights.

Port Ellen Distillery used mainly the Golden Promise and Triumph barley varieties at the end of its era. Much of the barley used in the old days was locally cultivated. Since the installation of the drum malting facility the barley has mainly been brought in from the mainland.(30)

A new mash tun of a traditional cast-iron type with a copper top was installed with the mashing process controlled from a central panel incorporating all the necessary instruments and electrical gear. It had a capacity of about five metric tonnes. At full production

ten mashes were made per week. (31.) Wort was transferred to the washbacks via an overhead filling line to prevent residual liquid in the pipe causing bacterial spoilage of the fermentation.

The tunroom roof was renewed and heighte-



Port Ellen First Cask

ned to hold eight washbacks made of larch, each with its own electrically driven „switcher“ unit to prevent froth overflow. The washbacks had a content of 30,000 litres each.



Port Ellen Distillery in the 1960s

This development may have been instigated by the massive price increases that DIAEGO had announced for their 12th and 13th, but particularly the 14th release. Needless to say that it had not gone unnoticed to the proprietor of the Port Ellen rights, how the struggle for allotments and price rigging around the 11th release, comprising 3 000 bottles, had evolved. The attempt to regulate the market by nearly doubling the price for the 12th release failed, although in quantity it only fell a few bottles short of its predecessor. Subsequently, the prices for the 13th and 14th release were increased even more substantially, also on grounds of rarity. While in the beginning £1,600 were asked for a 13th release bottle, the price for the 35 year old 14th release has been increased to a hefty £2,200 during the last quarter of 2014. In contrast, the development regarding the older bottlings surprises. Having been disregarded for many years – a Signatory-Millennium bottling from 1975 could until recently be acquired for much less than £ 200 – a constant increase in prices has now begun. Owing to the exorbitant price increases of the most recent bottlings, parts of the market are heading for the inexpensive ones that have entered the market years ago. Nevertheless, some Port Ellen bottlings still remain being underrated.

A further booster for the Port Ellen bottlings from the last decade are the high ratings by whisky connoisseurs as for instance the Malt-Maniacs. Such, a rating of 95 out of 100 possible points, for instance, will guarantee a swift sale of the bottles and a considerably higher margin of profit. This also applies to the Port Ellen Rare Malts after they have been easily available for nearly a decade. The 22-year-old

Rare Malt, rated at 93 points, presently sells at around £750.

On his homepage British Port Ellen expert and renown whisky merchant Sukhinder Singh commented the development of prices in November 2011 as follows:

“Two things are certain: The market price of previous years’ official releases is almost certain never to go down, while prices of future distillery bottlings will increase further. The 1st release from 2001 started life at £110; today the retail price would be around £1,000.

There are also some casks of Port Ellen still with independent bottlers, but with the speed of sales I cannot see these lasting too many more years. Also, with every new release we see an increase in price: the average price of a cask strength Port Ellen was about £50 in 2002; as we reach the end of 2011, it is around £180-200.”

Because of the recent price explosions this estimate is now outdated. The Port Ellen 1st release meanwhile costs more than £2,000. There are no more cask strength Port Ellen bottlings on sale for a price below £300. Sukhinder Singh’s maxim, that official bottlings never go down in price, will always remain valid.

It can be concluded, however, that since the massive price increase for the 13th, 14th and 15th release has occurred, those bottlings will remain longer on the merchants’ shelves than the preceding releases. Many Port Ellen collectors have withdrawn from this segment, and therefore, due to the reduced number of customers, the situation for venturers will clearly become more difficult.

**Port Ellen,  
12-year-old whisky bottled  
for Queen Elizabeth II**

