

A short case-study on a cottage industry which became a global success.

‘The Hot Irishman’ – A Steaming Success.

Over thirty countries, including Kazakhstan, have fallen head-over-heels for *The Hot Irishman*, and its promise of quality, consistency and an ‘easy life’. I know what you’re thinking, ‘if only we could bottle this Irishman’, but that’s just what husband and wife team, Rosemary and Bernard Walsh, did.

The Hot Irishman is a blend of whiskey, coffee and sugar, otherwise known as The Irish Coffee. This Irish Coffee in a bottle is used to make a perfect hassle-free Irish Coffee in seconds and their method guarantees the flavour, quality and texture will be consistent each time – just add hot water and cream. The idea is a simple one, though it took several months of research to perfect the blend. It has since gone on to become a worldwide success and is sold in over thirty countries covering the five continents, as well as high-end department stores such as Harrods and Galerie La Fayette in Paris.

Rosemary and Bernard Walsh’s story will inspire anyone who would like to leave the rat-race and return to rural Ireland. Though few believe there are opportunities to make this type of change, this Carlow couple have shown you can quite literally create your own opportunity.

Rosemary was working in London as a software engineer but had tired of the daily grind and sought a new challenge, something that would give her a fresh perspective on life. Her passion was cooking so she enrolled in a three-month course at Ballymaloe Cookery School. When the course finished, Rosemary secured a job

running a ski chalet in Meribel, France. During the daytime Rosemary enjoyed skiing and managed to combine some holiday fun into her new position, however each night she had the task of preparing dinner for the chalet's twenty-five guests.

When the last piece of food had been eaten, often not until eleven o'clock at night, Rosemary usually just felt like collapsing into bed; however her guests had all come to look forward to the evening's highpoint – Rosemary's signature Irish Coffee. A drink that is usually fun to make, was less fun when it was wedged between tiredness and the task of getting the kitchen cleaned and prepared for the next day.

At weekends her husband Bernard would arrive to offer his assistance - one of his tasks was making the Irish Coffee.

"Guests quickly commented that the Irish Coffee tasted different when I made them," Bernard said. "The problem with Irish Coffee is that it's an easy drink to ruin if the maker is heavy-handed with any of the vital ingredients. We thought there has to be an easier, more efficient way to make Irish Coffee, a method that would ensure consistency of taste and texture," Bernard said.

When Rosemary's season in Meribel finished, she returned to the town she grew up in, Tullow in Co Carlow, and began work on making a fool-proof Irish Coffee. She experimented with various methods to see if at least part of the mixture could be made in advance and hold its taste.

"Encouraged by early results, we researched the blend for nine months with an independent drinks laboratory in Dublin," Bernard said. After weeks of tasting many different whiskey, coffee and sugar combinations, they arrived at the perfect balance

of a dark roasted Colombian coffee, a smooth single malt Irish Whiskey, and golden brown Carlow sugar. But the sixty-four million dollar question still remained: was there a market for Irish Coffee in a bottle?



Bernard Walsh testing an Irish Whiskey.

“At this point I was still working in London, my background was in technology, but I had moved into sales/marketing and eventually marketing director of an IT firm. I too wanted to move back to rural Ireland, to enjoy a different type of life,” says Bernard. Before he could walk away from his salaried job, he and Rosemary needed to know if there really was a market for their product.

“We wanted to do a feasibility study because without this we couldn’t move forward. We applied for a grant with a body that supports small businesses; unfortunately we were turned down and told our idea didn’t have a future. Undeterred, we applied to our local LEADER company, which was then called Barrow Nore Suir Rural

Development (BNS). [The LEADER functions of BNS are now served by Kilkenny LEADER Partnership Company and South Tipperary Local Development Company.] They agreed to give us a €5,000 grant towards the feasibility study and had a lot of belief and enthusiasm for our product. Their support came at the most crucial time and without this grant *The Hot Irishman* might still be nothing more than an idea,” Bernard said.

The Hot Irishman was then taste-tested by hundreds of people from over thirty countries before it went onto the next phase of development. The results of the feasibility study were positive so Bernard felt certain he was making the right move in leaving his job and returning home to Ireland.

“Rosemary looked after product development and I concentrated on sales and marketing. I had come from an industry where companies paid huge money for branding but I felt we could do as well ourselves - and besides, we didn’t have the budget to employ experts,” he said. Instead, they turned to their friends, invited them for a ‘lock in’ at their home and served Irish Coffee while they brain-stormed names until the wee hours of the morning. Out of this, *The Hot Irishman* was born.

The Hot Irishman received a tremendous response, in particular from the airline industry, which awarded them the Airline and Catering Industry Award – an Oscar of the food industry. “Irish Coffee had been one of the few after-dinner drinks that most airlines wanted to serve but couldn’t because of the many steps and the time involved,” explained Bernard. “However, *The Hot Irishman* conveniently reduced the

process to one simple step, making it as easy to prepare as a tea or coffee. We stocked our product with eight international airlines.”



Company founders: Rosemary and Bernard Walsh.

They had secured a niche market very early on for their product, however, after 9/11 this market disappeared as many carriers stopped offering this Gourmet Service.

“This is why it’s so important to constantly develop new products and new markets,” Bernard said. His company now makes a range of Irish Whiskies and Irish Liqueurs including The Irishman 70, Writers Tears Irish Whiskey, The Irishman Irish Cream and the exclusive Irishman Single Malt to name but a few.

Now just over ten years old, the brand boasts a worldwide export market accounting for 90% of its sales. Its key customers range from high profile Duty Free shops at

major airports to the shelves of multiple giants, to specialist retailers. Their accolades include a Gold at the 2009 International Spirits Challenge, a rating of 93 points in Whisky Bible 2010 (Jim Murray), International Gold Mercury Awards and several Great Taste Awards.

However, like every other Irish company *The Hot Irishman* was affected by the recession.



“Thankfully people still drink so we are affected less than others. The things that helped us were: being clever with how we buy, better debt chasing, seeking payment in advance, insisting on export credit insurance and continuing to push new product development. Companies understandably may want to cut back on new product development but we have increased ours. In 2009 we launched two new products, one to offer better value and one to give us more options on the export market. We also

spread the risk and have moved from being dependent on a few markets to now exporting to over 30 countries, covering all continents,” Bernard explained.

Bernard gives the following advice to any new business: “Get your cash management right. Cash-flow is critical, as is finding the correct route to market. You are only as good as your distributor and their people. Enthusiasm, energy and professionalism at all times and work with the appropriate agencies, like LEADER companies which exist throughout the country and are only more than willing to help, finally have an exit strategy!”

(Written with the generous assistance and co-operation of Bernard Walsh. March 2010)