W.D.
O'CONNELL
WHISKEY MERCHANTS

11 May 2022

Waterford Leader LAG
FAO: Sinéad Breathnach

Ms. Breathnach:

This letter is our response to the opinion we received regarding our grant with the Waterford LEADER. We have been engaged with LEADER on this project since the last quarter of 2020, and we are nearing the end of the build-out of our bottling line and bonded warehouse in Kilmacthomas, with an aim to commence production in our headquarters towards the middle of the summer this year.

Our grant with LEADER is made of six separate sections. It includes equipment for the storage and maturation of whiskey and other spirits, blending equipment for producing these spirits, water treatment, a bottling line, lifting & handling machinery and stainless steel equipment required for the operation of a large-scale bonded warehouse. Despite supply chain issues and a massive increase in cost to deliver, this project will be delivered as intended, and while there has been an opinion raised that we have breached the procurement process, we will show that we did not breach the procurement process as defined by our Letter of Offer.

The opinion raised against us regarding our blending equipment from Barison Industry includes the following three statements:

1. *The changes identified represent a material change to the subject matter of the original request for quotation/tender and if they were known at tender stage may have impacted on the decision of potential tenderers about whether they would submit an offer.*
2. *The changes bring into question whether value for money has been achieved which cannot be determined without a comprehensive analysis of the financial changes to the original quotation and the absence of competitive quotes.*
3. *Even though it has been indicated that the final price has remained unaltered there have been additions and omissions that effectively represent post tender negotiation which is not permitted in the regulations unless a process with negotiation is identified at the outset.*

We will address each of these three statements below, and conclude with some of our own statements that are important to consider.

WLP Statement I

*"The changes identified represent a **material** change to the subject matter of the original request for quotation/tender and if they were known at tender stage may have impacted on the decision of potential tenderers about whether they would submit an offer."*

To be direct, the blending system we received from Barison Industry is not materially different from the system for which we originally tendered. The equipment remains a food-grade blending system, as was tendered for, and it operates in the same manner with the same results. The only difference is the increased capacity and efficiency we receive with this system given the larger tanks, which change was identified as necessary for our requirements. We have attached to this letter two drawings from our supplier that show the system with 1000 L tanks and the system with 5000 L tanks. Please see the two drawings in Appendix I.

This is a minor technical change to the equipment that was identified after the tender stage by the successful tenderer as a necessary change to ensure that the blending system subject to the tender would in fact correctly suit our requirements.

We do not believe that the minor technical change to the blending machinery, comprising a change in tank volume after the tender stage, would have resulted in a different decision from potential tenderers as it is not a material change to our requirements or the overall equipment or function. Barison was the only company to respond to our tender process from the five we contacted. Barison is the market leader in this industry and the most qualified to handle our project. Without their expertise, we would not have identified the new efficiencies we could achieve with larger tanks that were identified as necessary to fulfil our needs. It is perfectly reasonable for us to draw the conclusion that a minor amendment to the specification of the tendered equipment (in particular a technical amendment that involved an increase in the overall size/volume of the equipment in question) did not require a full retender process and we had no reason to believe that to do so might have encouraged additional parties to enter the tender process in circumstances where they had previously declined the opportunity to do so.

Expert review indicating a material change

In a letter responding to us about the denial of funds for blending equipment, Jimmy Taaffe stated that WLP had an expert review the equipment to determine if there was a material change, and "*the change in specification from the electrical system to the vacuum system*" is a material deviation. This is completely inaccurate. To arrive at the conclusion that this represents a material change, one must fully understand how the system operates. We have not changed from an electrical system to a vacuum system. There is no vacuum or vacuum pressure involved in our system. It is still an electrical system. We merely changed the pump type from centrifugal force to positive displacement, which better suits our business and is easier to operate. Therefore, this expert review must be disregarded, as it is not correct and we are happy to provide further clarification to the WLP's appointed expert to clarify this issue and demonstrate how the operation acts in effect.

Even if a retendering process had been necessary, we have been made aware by suppliers on this and other sections of the project that the tendering process as implemented was too arduous and complicated for them to see any real business value in pursuing the quote. For example, because we must accept a quote before knowing whether our project has been approved for a grant, most businesses perceived participating in such a process to be a risk and they either did not have the bandwidth to pursue this kind of business or did not want to budget for business that may not actually take place. In the event that we had accepted a quote, and then been denied the funding by WLP, the accepted vendor would be out a significant contract. No amount of re-tendering this portion of the project would have seen a different result.

WLP Statement II

"The changes bring into question whether value for money has been achieved which cannot be determined without a comprehensive analysis of the financial changes to the original quotation and the absence of competitive quotes."

There can be no question that value for money has been achieved.

First, we have achieved larger capacity with enhanced efficiency and have future-proofed our operation for the growth we expect given our company performance since late 2020. In short, and in the words of the supplier, we simply outgrew the system as originally tendered, and larger tanks were required in order to meet our business needs. In Appendix II, please see the attached statement from the supplier describing the rationale behind changing the size of the tanks

Second, because this system is the same as the one tendered except in terms of scale, we get the same finished product, at higher capacity with more efficiency, for the same overall cost, from the same supplier.

Third, there are no financial changes to the original quotation in total. We have placed a claim in for the blending equipment for the same overall amount (€33,940) as per the table in sections 2 & 3, pages 7-8 of our Letter of Offer.

- *"Where there is more than one element of a project which is approved for funding, each individually stated item is eligible to the amount specified in the above schedule of costs."*

This is the schedule of costs referenced in our Letter of Offer. Please see Appendix III for sections 2 & 3 of the Letter.

Nature of Contract / Goods / Item / Element	Supplier	Costs Ex VAT
Blending equipment	Barison Industry	33,940
RO Water Set	Celtic Water Solutions	4,900
Bottling Line	Bruni Erben	46,725
Lifting & Handling Equipment	Forklift Services	17,950
Cask Racking & Mobile Shelving	Thistle Systems	49,870
Stainless Steel	EnviroSafe Ireland	8,600
Total Costs		**€161,985**

According to the table in our Letter of Offer, we are required to purchase Blending equipment from Barsion Industry at an ex-VAT cost of €33,940; we did exactly that.

WLP Statement III

"Even though it has been indicated that the final price has remained unaltered there have been additions and omissions that effectively represent post tender negotiation which is not permitted in the regulations unless a process with negotiation is identified at the outset."

Your statement refers to our alleged actions not being in compliance with "the regulations". Can you please confirm specifically which regulations you are referring to and further confirm how our compliance with such specific regulations is incorporated as a condition to the Leader Programme?

Notwithstanding that we are unaware that our compliance to specific regulations to which you are referring is required as a condition to the Leader Contract to which we are a party, we note that we did not renegotiate the costs or terms of our agreement with Barison Industry. Following completion of the tender process, it became apparent that the exact specifications of the blending system equipment per our original tender would not meet our requirements and we therefore simply reevaluated how best to operate the overall blending system and required pumps and arrived at the logical conclusion that a small technical change to the size of the tanks and the quantity of pumps would be best for our business and our projected rate of growth. This was agreed and accepted by Barison and no negotiation was required.

The lack of materiality to the amendment is clearly evidenced by the fact that there was no amendment to the price payable by us for the blending system equipment.

Important Points for Consideration

Above, we have addressed the three statements from WLP regarding our blending equipment claim. However, we do have additional thoughts that are important to consider.

Public Procurement as specified in the Letter of Offer
First, our Letter of Offer with WLP and other county bodies, especially in regards to public procurement, lacks clarity and specificity. Please see section 8, page 14:

- *"Public Procurement Procedures must be adhered to throughout. Full Public Procurement is required prior to any change of use being considered by the LAG."*

You can find this section of the Letter in Appendix IV.

No legal definition is provided in our Letter of Offer with WLP to which we are a party for the capitalised term "Public Procurement Procedures" as included in section 8, page 14. It is therefore entirely unclear and uncertain as to what procedures this sentence refers and we are allegedly required to comply with.

As we are not aware of the terms of any such specific procedures being binding on us we cannot confirm if we acted in compliance, nor have we been in a position at any time during the term of the contract been aware of, or been able to identify the requirements of, such procedures.

Had it been more clear in our Letter of Offer that in the event of a minor amendment to the technical specifications of tendered equipment we may have needed to contact WLP or retender the entire portion of this project, we would have done so. Instead, there is a two sentence reference about '*Public Procurement Procedures*' without any clarity as to what the terms and content of such procedures are or how we might access and identify the terms of such procedures. . There is no document or link to public procurement guidelines or procedures referred to or attached to the Letter of Offer with WLP, and no reference to any specifics provided about the content and requirements of the 'Public Procurement Procedures' that we are supposedly required to comply with . It is therefore our position that we cannot now be deemed subject to a certain specific set of rules or procedures that were not previously identified to us in the terms of the Letter of Offer. Additionally, there was no change of use in this project, with regards to both this specific equipment and the project as a whole.

We note that, generally, contract terms are unfair if they put one at an unfair disadvantage. Contract terms must be drafted in clear, plain and understandable language. Any ambiguities in a contract term must be interpreted in favour of the consumer/buyer or beneficiary - in this case, O'Connell Whiskey Merchants as the Promoter. Without more specificity or clarity on what exactly section 8 means or where to reference public procurement procedures, this sentence does not impose a legal obligation on us of which we are allegedly in breach under the Letter of Offer.

As an example, in section 3 of the Letter of Offer, it is very clear that funds can be reallocated between the costed project investments, up to 10%, subject to approval. On a separate part of our project, we are already exploring this reallocation, currently on hold due to this appeal process. Because the Letter of Offer was clear about reallocating funds, we knew to contact our WLP representatives to request moving funds from one part of the project to another.

Our values of honesty and integrity

We believe wholeheartedly that honesty and integrity are the keys to our success. It must be clearly noted that we did not engage in any underhanded practices or mislead WLP or any other county bodies. In fact, we initiated a conversation about this equipment with WLP in February of this year. After discussing with WLP a separate section of the project and the rapidly rising prices of stainless steel and lifting & handling equipment, they indicated that any change in equipment or provider would require their (or the LAG's) approval. We were also informed that any change in line items from the original RFQ would require approval. We immediately reviewed the other parts of our project and informed WLP of a change in size of the blending tanks & hoses. We were then asked for a letter explaining the situation to be sent to our WLP contact and then to the LAG, which we sent over on March 7. Please see Appendix V for this letter.

In hindsight, after reviewing our Letter of Offer, there was no need to raise this as an issue with WLP nor to send the letter, because there is no mention of the specific pieces of blending equipment in the contract (see above point regarding sections 2 & 3).

Our responsibilities as a business

We have fronted the costs of our warehouse and the equipment required for its operation ourselves. This expense is not limited to the project with WLP; it involves the entire build-out of a warehouse in Kilmacthomas. We fronted the costs of this project ourselves with the expectation that we would receive reimbursement in good time and good faith. We do not see this as a good faith complaint regarding our project. If this decision is made final, the potential loss of funds we will incur as a result impacts not just our business, but the business interests of local workmen and suppliers who we work with on a regular basis for our business and could potentially damage our relationship with these valuable partners.

Conclusion

We respectfully assert that we did not breach our Letter of Offer, and we did not act in any way that disrespects the WLP or the processes involved with this project, as we understood them. To back up our assertion, we have pointed to the specific sections in the Letter of Offer that concern equipment purchased. We showed that sections 2 & 3 indicate that we did not breach our Letter of Offer regarding specific items purchased; the Letter of Offer indicates that we must buy blending equipment from Barison Industry fro the pre-approved total, which was the final result.

We also showed that section 8 lacks the clarity and specificity about public procurement that should be necessary and required in a contract for such requirements to be legally binding on us as a contracting party.

We have shown that we did receive value for money with our blending equipment. We will operate at a higher capacity and better efficiency as a business, for the same money, and we are future-proofed to deal with our expected business growth.

We have shown that we did not renegotiate with our selected (and the only responsive) supplier. They did suggest changes to the size of equipment given the scope of our operation, which had grown significantly between when we originally tendered for the equipment and when we were making the purchase. However, these suggestions were not a renegotiation - we considered them as expert advice from a market leader, and we saw the value for money in those suggestions.

We respect that there is a process and that this complaint is not personal, but in this instance, we are not in breach of the rules, process or Letter of Offer associated with this project grant with LEADER. We have sought legal advice regarding the contract in light of the opinion from WLP and will provide it to the LAG if requested.

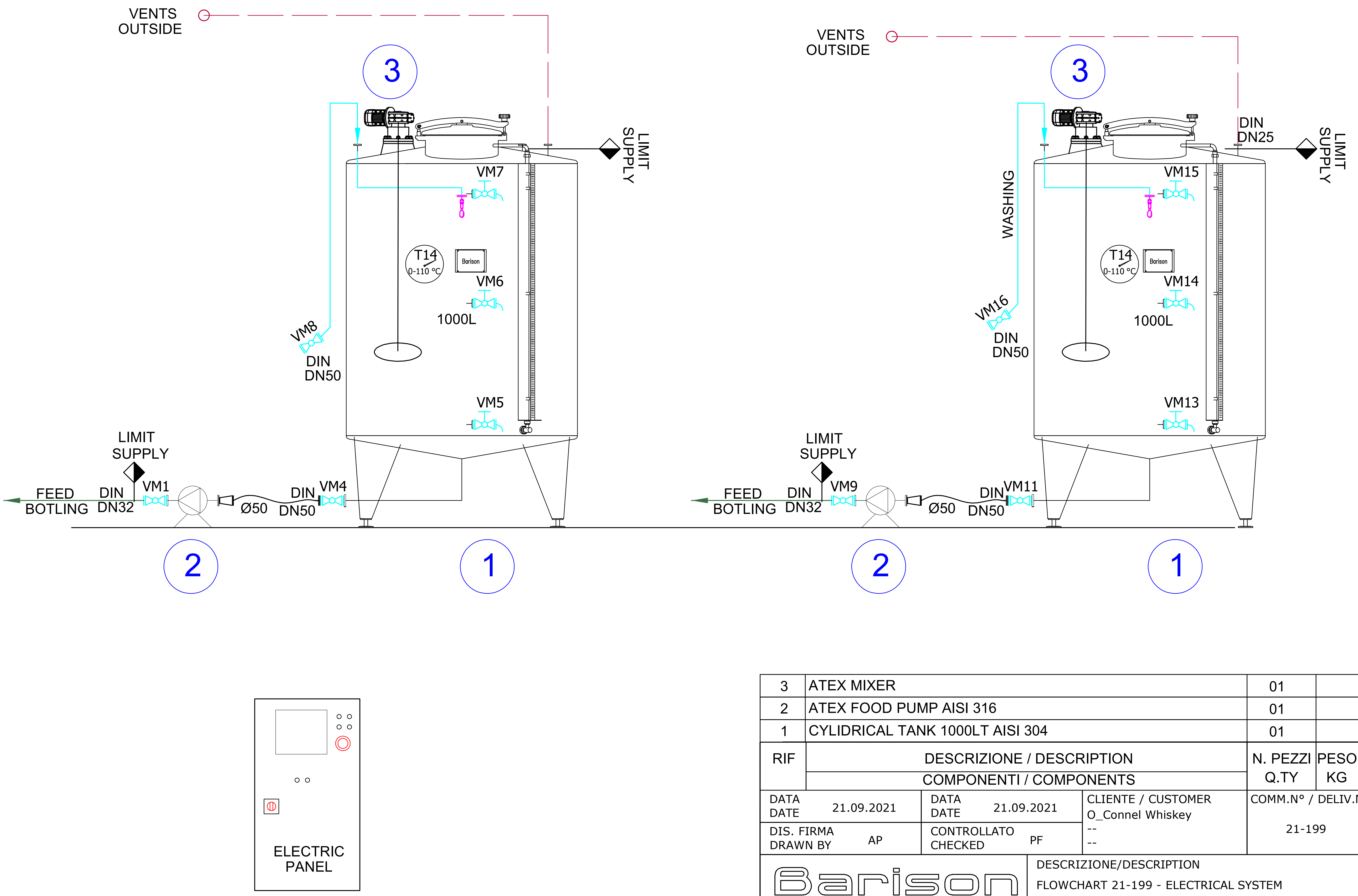
We hope that you agree with us that there has been no breach, and that 100% of our blending equipment is eligible for grant reimbursement. We appreciate your attention to this matter, and look forward to hearing from you with any questions or additional information you may need.

Respectfully,

Daithí O'Connell
CEO, O'Connell Whiskey Merchants

Thomas Draths
COO, O'Connell Whiskey Merchants

APPENDIX I



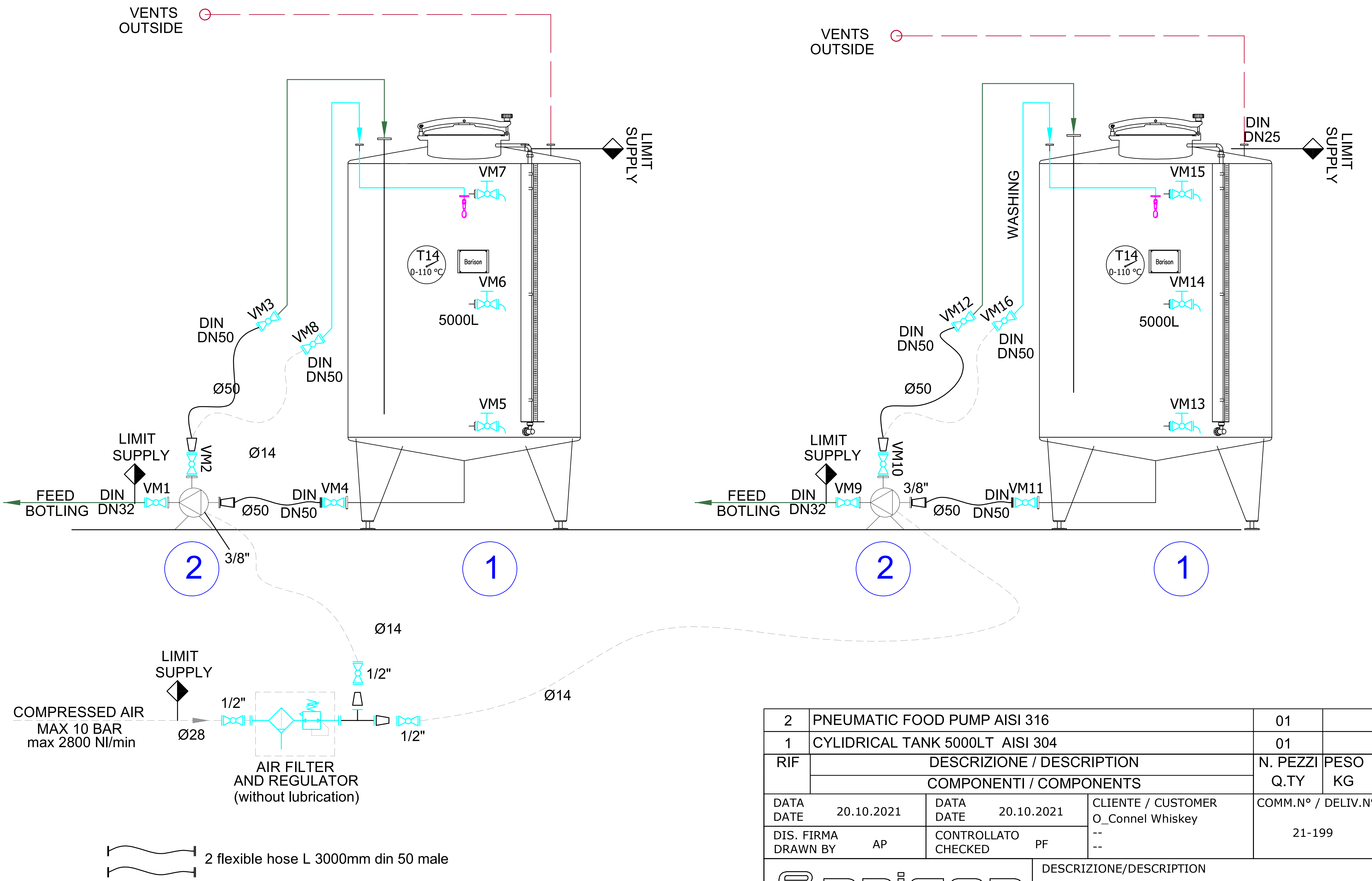
RIF	DESCRIZIONE / DESCRIPTION COMPONENTI / COMPONENTS	N. PEZZI Q.TY	PESO KG	CODICE CODE
3	ATEX MIXER	01		--
2	ATEX FOOD PUMP AISI 316	01		--
1	CYLIDRICAL TANK 1000LT AISI 304	01		--

DATA DATE 21.09.2021	DATA DATE 21.09.2021	CLIENTE / CUSTOMER O_Connel Whiskey -- --	COMM.N° / DELIV.N° 21-199	SCALA / SCALE --
DIS. FIRMA DRAWN BY AP	CONTROLLATO CHECKED PF			

Barison Industry
craft your passion

DESCRIZIONE/DESCRIPTION
FLOWCHART 21-199 - ELECTRICAL SYSTEM

DISEGNO N. / DRAWING No.	REV. / REV.	DATA / DATE
21-199 O_Connel Whiskey.dwg	2	21.09.2021



RIF	DESCRIZIONE / DESCRIPTION COMPONENTI / COMPONENTS	N. PEZZI Q.TY	PESO KG	CODICE CODE
2	PNEUMATIC FOOD PUMP AISI 316	01		--
1	CYLIDRICAL TANK 5000LT AISI 304	01		--

DATA / DATE 20.10.2021	DATA / DATE 20.10.2021	CLIENTE / CUSTOMER O_Connel Whiskey -- --	COMM.N° / DELIV.N° 21-199	SCALA / SCALE --
DIS. FIRMA / DRAWN BY AP	CONTROLLATO / CHECKED PF			

Barison Industry
craft your passion

DESCRIZIONE/DESCRIPTION FLOWCHART 21-199 - AIR SYSTEM		
DISEGNO N. / DRAWING No. 21-199 O_Connel Whiskey.dwg	REV. / REV. 3	DATA / DATE 21.10.2021

APPENDIX II

Barison
Industry
craft your passion

Dear Daithi,

Following our recent discussion we are pleased to provide further detail regarding the design process and technical detail involved under Barison contract 21/199 involving the supply of two blending tanks and ancillary equipment.

It's useful at the outset to examine the basic user requirement of what you set out to do. Essentially you required a system which would facilitate the intake of mature Whiskey from IBC's or Casks into blending tanks . Once in the tanks the system would facilitate the addition of water to blend down or proof the whiskey to the desired bottling strength , and then once the whiskey was at the required proof, a means to transfer the whiskey forward to the filler on your bottling line. The rationale for having two tanks was to have one system dedicated to peated whiskey , while the other was to be used for non-peated product. You also required a means to clean the tanks and pipes between different products , known as Clean in Place (CIP).

And I think if anybody with the appropriate level of knowledge examines the system as originally intended and the final system supplied it will quickly become apparent that while both systems could to a greater or lesser degree deliver on your intended specification, the final design and system supplied is far superior in terms of functionality delivered and value for money. We have provided flowcharts of both systems which will allow such an examination to take place if required.

In our view, any discussion as to whether the use of an electrical system or an air operated system constitutes a substantive change is ill informed – both systems do exactly the same thing . In the electrical system , electricity is used to facilitate intake of the product into the mixing tanks , the blending of the product in those tanks and the subsequent transfer of the product to the filler. In the air operated system , compressed air is used to facilitate intake of the product into the mixing tanks , the blending of the product in those tanks and the subsequent transfer of the product to the filler.

The key element that emerged during the design development process was that in the time period between the initial tender for the works, and the subsequent retender, your business had outgrown the volume of the initial tanks. It was through understanding this is in discussions with you that Barison proposed an alternative which would be more suitable for the requirements of your growing business going forward. In addition Barison proposed the alternative air system as a more economical means of achieving the same end result , resulting in the elimination of very expensive electrical equipment (for the reason that it has to be ATEX rated given the nature of your business) , utilising the air system to achieve exactly the same thing, with more functionality and flexibility we'd suggest, and finally being able to deploy the potential savings realised in the provision of larger tanks which were more suitable for your business currently and going forward.

We trust this provides some element of clarification to the issue at hand and please don't hesitate to contact us directly or our Irish agent if you require any further information or we'll happily jump on a Zoom or Teams meeting either to explain this to anybody if needs be.

Finally may we wish you continued success with your business. We were delighted to see that Bill Phil was awarded a Gold Medal and your 10 Year Old a Double Gold at the San Francisco awards last week, bringing highly deserved recognition to everything your brand is about. We're sure yourself and your team are delighted and will no doubt leverage it to continued growth internationally. It's fantastic to see the revival in Whiskey businesses in rural locations in Ireland , bringing much needed visitor traffic but more importantly creating employment, and W.D. O'Connell is certainly a highly regarded brand at the forefront of that revival.

Yours sincerely,

Christian Barison

APPENDIX III

LEADER Programme 2014-2020

(Letter of Offer)

Project Ref. No. 31LDRWAT113885

1. Waterford Local Development Committee (LCDC), as LAG, has responsibility for the delivery of the LEADER Programme 2014-2020 within County Waterford. Waterford LEADER Partnership CLG (WLP) has responsibility for implementing the Rural Development (LEADER) Programme 2014-2020 on behalf of Waterford LCDC. Waterford City & County Council (WC&CC) are the financial partners for the programme.

2. The LEADER Programme 2014-2020 Operating Rules set out the rules and regulations for the programme. All initiatives/projects funded under the LEADER Programme 2014-2020 must be in compliance with these rules and regulations, including the two EU framework Regulations:
   (a) The Common Provisions Regulation (EU Regulation 1303/2013) sets out a single framework for the implementation of the five European Structural Investment Funds, which facilitates a more co-ordinated approach to the delivery of the funds.
   (b) LEADER is governed more specifically by the EAFRD EU Regulation 1305/2013, which details the types of supports for rural development, including LEADER.

3. The Promoter(s) agrees to abide by all rules and regulations of the LEADER Programme 2014-2020, including any amendments implemented over the lifetime of the programme.

IT IS HEREBY AGREED AS FOLLOWS

1. Duration and Agreement to Funding:

Subject to the terms detailed herein, this Letter of Offer shall commence from the date of Acceptance and shall continue in force until 29th March 2022 ("the Project Term"). All assistance must be drawn-down **prior** to the project completion date. All projects must commence within two months from the contract date of issue (i.e. 29th May 2021) failure to do so without LAG approval will render the offer null & void.

2. Project Costs

The table overleaf sets out the specific costs which will be funded under the LEADER Programme 2014-2020 for the project:

Nature of Contract / Goods / Item / Element	Supplier	Costs Ex VAT
Blending equipment	Barison Industry	33,940
RO Water Set	Celtic Water Solutions	4,900
Bottling Line	Bruni Erben	46,725
Lifting & Handling Equipment	Forklift Services	17,950
Cask Racking & Mobile Shelving	Thistle Systems	49,870
Stainless Steel	EnviroSafe Ireland	8,600
Total Costs		**€161,985**

3. Funding Approved

The table below sets out the breakdown of public and private finances, including the maximum percentage for LEADER Programme 2014-2020 funds, for the project:

Sources of funding		Cost Ex VAT(€)
LEADER Programme		€80,992.50
Donation of Property		
Voluntary Labour		
Own resources:	*Cash/Money in account*	€80,992.50
	Loan/Bridging Finance	
Other Public funding from Non EU Sources (Local Authority, Fáilte Ireland, etc.)		
Total cost of project		**€161,985**

The grant aid payable in respect of the work(s) set out in the application will not exceed

50%, to a maximum of €80,992.50 of the approved receipted costs, whichever is the lesser.

Receipted costs must adhere to this. **If expenditure on a project proves higher than approved an increase in grant aid shall not be given.** Where there is more than one element of a project which is approved for funding, each individually stated item is eligible to the amount specified above in the schedule of costs.

The reallocation of funds within a project between the specified costed investments included in the grant offer, to a maximum of 10% (provided that the original project will still be delivered and the procurement process is not compromised), must be authorised and approved in writing by the LAG before the relevant expenditure is incurred. This cannot be done retrospectively. Any reallocation within a project in excess of €5,000 shall only be done with express LAG approval. Funding may only be reallocated to items approved by the LAG and as per the original funding offer. **New elements cannot be introduced to projects after formal approval by the LAG.**

Payment of grant aid will also be subject to compliance with any Special Conditions contained in this Letter of Offer.
Evidence of compliance with any Special Conditions must be provided as part of the grant claim documentation submitted.

If public or state funding is in any way obtained by the Promoter(s) for the same or similar purpose as defined in this Letter of Offer, without the express agreement of the Minister in charge of the LEADER Programme 2014-2020, then this Letter of Offer shall be immediately null and void. Also if after the Letter of Offer the applicant obtains public or state funding for the same or similar purposes as defined in this Letter of Offer then Letter of Offer will be null and void.

Where any dispute in relation to this offer arises, then the Special Conditions take precedence over the General Conditions contained in this offer.

The tax affairs of Contractors/Suppliers must be in order prior to the Promoter(s) making any payments. Should a Contractor/Supplier tax affairs not be in order at the time of payment it likely will deem the grant aid for that payment ineligible.

The Promoter(s) is required to submit a short written report on the activities, the outcomes and the outputs which occurred during the implementation of the project funded in advance of the final project claim.

APPENDIX IV

Alternatively, a copy of the contractors TCC – current at the time of payment by the Promoter to the contractor – will suffice.

The Promoter must comply with all relevant Tax Clearance requirements.

The website http://www.finance.gov.ie/publications/guidelines/update-tax-clearance-procedures provides an update on tax clearance procedures, with reference to Dept. of Finance Circulars 43/2006 and 44/2006.

The website http://www.revenue.ie/en/tax/rct/subcontractor.html provides information on Relevant Contracts Tax (RCT) for sub-contractors.

Non-resident suppliers/contractors

Non-resident suppliers/contractors must also provide an Irish Tax Clearance Certificate. Further guidance on Tax Clearance for non-residents is available on the Revenue website at http://www.revenue.ie/en/business/running/tax-clearance.html.

Payments to non-resident suppliers or contractors who have not provided a valid Tax Clearance Certificate will be deemed ineligible.

Documents referred to above must be current at the time of payment, i.e. Promoters TCC – current at the time of payment of grant aid or phase of grant aid; Contractors/ Suppliers TCC – current at the time of payment by promoter to contractor/supplier.

7. VAT

The default position for all promoters will be that they are registered for VAT. VAT is not eligible for funding with the exception of non-recoverable VAT when it is genuinely and definitively borne by the beneficiaries. For VAT to be eligible under the LEADER Programme 2014-2020, Promoter(s) must provide recent written confirmation from the Revenue Commissioners that they are not registered for VAT. This must be provided at the time of application and before each payment is made. The decision to fund the VAT element of the project costs shall be the right of the LAG.

8. Procurement/Tendering Procedures

Public Procurement Procedures must be adhered to throughout. Full Public Procurement is required prior to any change of use being considered by the LAG.

APPENDIX V

W.D.
O'CONNELL
WHISKEY MERCHANTS

28 February 2022

Waterford Leader Partnership
FAO: Claire Connors

Ms. Connors:

As part of our application for a WLP grant for our new production facility, and as part of the tender process, we received a quote for blending equipment (used for the blending of Irish whiskey or other spirits) from Barison Industry. It should be noted that Barison was the only company to respond to this request from the five that were invited.

Included in this original quote were:

- Two x 1000L tanks
- One x ATEX rated food pump
- Two x 1.5m hoses
- Two x 3.0m hoses
- One x Anton Paar handheld metre
- One x electrical panel
- Shipping

The final equipment we received from Barison is slightly different from what we originally requested, largely in size; otherwise it's the same blending system, just more customised for our operation and built to enhance our efficiency and future growth. The changes are:

- Two x 5000L tanks (additional 8,000 Litre capacity)
- Two x ATEX rated food pumps (1 additional pump)
- Two x 3.0m hoses (additional 3m)
- Two x 6.0m hoses (additional 6m)
- One x Anton Paar handheld metre
- Shipping

As you can see there was no requirement for the electrical panel on this list of equipment. The larger tanks use only compressed air to operate, instead of the electrical control panel.

The electrical control panel was the most expensive individual component of the system, and by removing that from the design, we were able to transfer the cost to the larger blending tanks.

After the tender process and the notice that we were approved for the grant, we were in contact with the supplier to better understand the electrical requirements for the system while we prepared our warehouse buildout from shell to working bottling plant. During those conversations, Barison Industry realised that they could adjust the equipment for our set-up to make us more efficient and future-proof the business for growth, while keeping the costs in line with the original tender process. They had planned the original system for us assuming that we were a distillery, and after realising that we are not a distillery but are instead a bottling and blending business, Barison suggested these changes to our system.

While the equipment is marginally different, it will, in both the short- and long-term, make us a more efficient business with a better ability to grow our operation in the future.

Respectfully,

Daithi O'Connell
CEO & Founder
O'Connell Whiskey Merchants, Ltd.