

High West Meets American Prairie



The Center for
Growth and Opportunity
at Utah State University

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October 2021

Policy Paper

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Executive Summary

High West Meets American Prairie explores how two organizations were able to combine their unique business models to help conserve the Northern Great Plains. American Prairie Reserve (APR) is a non-profit organization with the goal of conserving three million acres of grassland in central Montana (an area about the size of Connecticut). APR works with public land managers and private landowners to stitch together various land parcels into a biologically significant conservation area. One of APR's partners is High West Distillery, a nationally acclaimed distillery based in Park City, Utah, that has a passion for conserving the West. These two entities have joined forces to raise funds to purchase properties on the open market, generating value for both organizations.

The authors follow a case study approach and include interviews with the founders of both APR and High West. After reviewing background information about the western heritage that inspired both organizations, this report dives into the story of how these two very different organizations came to form a unique partnership and provides details about how the alliance works in practice. The paper concludes with lessons learned so that others with a passion for conservation, or for other social causes, might find innovative and economical ways to advance their goals.

Western Heritage

The American West is known for its wide open spaces and national parks. During the era of national park building, many iconic areas were set aside, beginning with the federal designation of Yellowstone National Park in 1872, followed by other areas with grand vistas such as Glacier, Grand Canyon, and Grand Teton national parks. Over time, however, increased scrutiny of park creation and the management roles of various agencies complicated how quickly national parks could be created.¹ Grand Teton National Park was established at its present size in 1950, but it took about 50 years, three acts of Congress, and much political debate to make this happen.² The creation of parks eventually became too expensive, time-consuming, and contentious.³

After the formation of Grand Teton, the federal government significantly slowed down the process of designating national parks.⁴ But there are additional areas worth conserving. Grasslands, for example, have been overlooked in the past but are now considered one of the most valuable and endangered biomes on earth. Grasslands host a diversity of flora and fauna and are important in their capacity for soil conservation, water filtration, and carbon sequestration. This explains why large environmental organizations such as the Nature Conservancy and World Wildlife Fund are focusing on grasslands.

There are only four intact temperate grasslands left in the world today.⁵ Temperate grasslands consist of a mix of forbs and grasses and make up some of the world's most fertile soils. These grasslands were once home to some of the largest herds of wildlife on the planet. Alongside the development of modern large-scale farming and ranching most temperate grasslands have been converted to agricultural lands.⁶ Today,

1 Donald C. Swain, "The National Park Service and the New Deal, 1933–1940," *Pacific Historical Review* 41, no. 3 (August 1972): 312–32, <https://doi.org/10.2307/3637861>.

2 Jackie Skaggs, "The Creation of Grand Teton National Park," US National Park Service, January 2000, https://www.nps.gov/grte/learn/historyculture/upload/The-Creation-of-Grand-Teton-National-Park_webiste-2000.pdf; Jack Neckles, "Grand Teton National Park 50th Anniversary Newsletter," 2000.

3 Swain, "National Park Service and the New Deal."

4 Laura A Hanson and Jerome P Bjelopera, "Federal Land Ownership: Overview and Data" (Congressional Research Service, February 21, 2020), <https://fas.org/sgp/crs/misc/R42346.pdf>.

5 Quoc Trung Bui and Margot Sanger-Katz, "Why the Government Owns so Much Land in the West," *The New York Times*, January 6, 2016, sec. The Upshot, <https://www.nytimes.com/2016/01/06/upshot/why-the-government-owns-so-much-land-in-the-west.html>.

6 "Animals of the Northern Great Plains," World Wildlife Fund, 2019, <https://www.worldwildlife.org/stories/animals-of-the-northern-great-plains>.

"Temperate Grasslands | Biomes of the World," Radford University Department of Geospatial Science, n.d., https://php.radford.edu/~swoodwar/biomes/?page_id=173.

6 William D. Henwood, "An Overview of Protected Areas in the Temperate Grasslands Biome," *Parks* 8, no. 3 (1998): 4–9.

according to the International Union for Conservation of Nature, this biome covers approximately 8 percent of total global land and is recognized as the most endangered ecosystem on most continents.⁷

The Northern Great Plains is one of these remaining grasslands, spanning approximately 180 million acres across five US states. Both historical and archaeological records indicate that this region once served as an “American Serengeti”—teeming with wildlife and thus similar to Tanzania’s Serengeti today.⁸ Explorers, writers, and artists have often commented on the beauty of the vast open spaces and wildlife of the Northern Great Plains. While painting bison along the banks of the Missouri River in Montana, noted American artist George Catlin wrote in 1833, “What a beautiful and thrilling specimen for America to preserve and hold up to the view of her refined citizens and the world in future ages!”⁹ Like Lewis and Clark, Catlin was inspired by the wildlife he observed during his time roaming the western plains, and he is credited as the first person to call for the “establishment of a nation’s park.”¹⁰ His vision of a large park was lost as the combination of Indian removal and agricultural settlement led to the eradication of elk, bighorn sheep, bison, mountain lions and grizzly bears. Elk and bighorn sheep were reintroduced after World War II, but populations are still below the region’s biological carrying capacity.¹¹

Meanwhile, the history of distilling in Utah began with the arrival of Mormon pioneers in 1847. Settlers frequently faced problems accessing clean water, so they often brewed beer instead, producing spirits for medicinal uses as well as for casual consumption. One of the first industries to take off after settlers arrived was leather tanning; the local tanning industry came to be known as “valley tan.” The term *valley tan* was then used to describe anything manufactured at home, including a locally distilled whiskey made from wheat and potatoes.¹² It apparently packed a punch: Mark Twain described it as “made of imported fire and brimstone.”¹³

Alcohol production prospered in Utah until Prohibition. Even during that time period, homemade production continued apace—albeit off the record.¹⁴ In 1933, Utah became the 36th, and deciding, state to vote to repeal Prohibition. The spirit of temperance that characterized the early 1900s never completely receded, however, and alcohol production in Utah remains hampered by restrictive state regulations.¹⁵

An Unexpected Partnership

In 2006, High West Distillery began operating out of an old saloon with a 250-gallon still in Park City, Utah. It was the first legal distillery in Utah since 1870. It was not easy to get the distillery up and running, but the door had been partially opened as a result of the loosening of alcohol regulations for the 2002 Winter Olympics. Former High West board member Michael Levinthal also gives much credit to then governor Jon Huntsman Jr. for his business acumen and willingness to help the young company navigate state alcohol laws.¹⁶ Within a few years, High West Distillery had released the Valley Tan Whiskey label in a nod to the early days of alcohol production in Utah.

7 World Commission on Protected Areas, “Temperate Grasslands,” accessed July 21, 2021, <https://www.iucn.org/commissions/world-commission-protected-areas/our-work/temperate-grasslands>.

8 Dan Flores, *American Serengeti: The Last Big Animals of the Great Plains* (Lawrence: University Press of Kansas, 2017).

9 “Catlin’s North American Indians: Being Letters and Notes on their Manners, Customs, and Conditions, written during Eight Years’ Travel amongst the Wildest Tribes of Indians in North America” (2 vols.,; Philadelphia 1913) in volume 1, page 295.

10 George Catlin, *Letters and Notes on the Manners, Customs, and Condition of the North American Indians* (New York: Wiley and Putnam, 1841).

11 Flores, *American Serengeti*.

12 Connie Lewis, “Valley Tan,” *Utah Stories*, August 9, 2013, <https://utahstories.com/2013/08/valley-tan-a-short-history-of-this-utah-based-phrase/>.

13 Mark Twain, *Roughing It* (Hartford, CT: American Publishing Company, 1891), 78, <https://www.loc.gov/item/07023335/>.

14 Allan Kent Powell, “Prohibition,” *Utah History Encyclopedia*, 1994, https://www.uen.org/utah_history_encyclopedia/p/PROHIBITION.shtml.

15 Kathy Stephenson, “Utah’s Liquor Markup among Highest of Any Government-Controlled Agency,” *The Salt Lake Tribune*, February 14, 2017, <https://www.sltrib.com/news/2017/02/14/utahs-liquor-markup-among-highest-of-any-government-controlled-agency/>.

“Liquor Control States | DABC,” Utah Department of Alcoholic Beverage Control, n.d., <https://abc.utah.gov/about-dabc/liquor-control-states/>.

“State Craft Beer Sales & Production Statistics, 2020,” Brewers Association, 2020, <https://www.brewersassociation.org/statistics-and-data/state-craft-beer-stats/?state=UT>.

16 Michael Levinthal, interview by the authors, Park City, UT, May 28, 2020.

Founder David Perkins selected Park City because of his love for the West: “I’ve always had an affinity for the West,” he says.¹⁷ The impetus for founding High West was a wedding Perkins attended in Kentucky and a visit to the Maker’s Mark distillery. At that time he was working as a biochemist for the Silicon Valley firm Genentech, but a light bulb went off for Perkins during his distillery tour when he noticed the similarities between his biotech labs and the distillery. He packed up his family and moved to Utah, to create a unique brand with plenty of distance between himself and the Kentucky crowd. Perkins encourages people to follow their passions and not ignore the lightning-bolt ideas when they strike.¹⁸ One of these bold ideas was inspired by Levinthal, whom Perkins credits with the idea to create American Prairie Bourbon.

In 2011, Levinthal was invited to APR by his longtime friend Gib Myer, a colleague from his venture capital days at a firm called Mayfield. Levinthal brought a bottle of High West whiskey to share: “It seemed appropriate since we were spending special time together in the High West.”¹⁹ While sitting by the campfire trying to think of ways to raise money for APR, Levinthal recalls, “it dawned on me that partnerships like Ford and Eddie Bauer seemed to work well. These two brands created a mini brand, a unique Eddie Bauer package for Ford SUVs, which helped increase sales and benefited both organizations. Why not try out this route with APR, and why not start with High West?”²⁰

Levinthal took the idea back to Perkins, who vividly remembers Levinthal “telling me all about APR and the strong brand association with the West—he pitched it as an iconic story that must be told. . . . I knew it would take a great deal of effort to launch a new line but I had to give it a go.”²¹ Perkins paraphrases Thomas Jefferson: “I’m a big believer in luck. The harder I work, the more luck I have.’ You can’t tell what will happen, but you can certainly see what *could* happen. . . . This was the case with our American Prairie label, and I couldn’t be happier with how it turned out.”²²

Like Perkins, APR founder Sean Gerrity is passionate about conserving the West and had left a Silicon Valley career to help launch APR. Gerrity’s return to Montana followed nearly two decades in the Bay Area, where he had helped found a management consultant group, which included clients such as Apple and Intel. Gerrity had spent much of his childhood enjoying the outdoors, and wanted to raise his children in a similar fashion. According to Gerrity, his mother never went for a walk without a Peterson Field Guide, and his father would let him tag along on his hunting guide trips. These early expeditions helped shape Gerrity’s deep appreciation for wildlife.²³

Despite having roots in Montana, Gerrity “has a Silicon Valley perspective on risk taking,” says conservation partner Curt Freese. “His strategy was to put himself way out on a limb and work like hell not to cut it off.”²⁴ Gerrity’s goal in jumping into the APR project was to apply “an entrepreneurial mindset to stalled conservation efforts.”²⁵ Many people have been thinking about turning this corner of the prairie into a wildlife reserve for a long time; “Sometimes organizations just need a catalyst and a game plan, followed by tangible results,” says Gerrity.²⁶

While many conservation groups were looking at private property as an obstacle, Gerrity viewed it as an opportunity. He saw that “the path of least resistance in terms of conserving grasslands” was to raise private funds to buy key ranches as they came on the market. Land trusts and nonprofits have purchased conservation properties for decades, but not at this scale and not in one area.

17 David Perkins, interview by the authors, Park City, UT, May 13, 2020.

18 Perkins, interview.

19 Levinthal, interview.

20 Levinthal, interview.

21 Perkins, interview.

22 Perkins, interview.

23 Sean Gerrity, interview by Laura Huggins, Bozeman, MT, April 29, 2020.

24 Quoted in Rachel Hartigan Shea, “Range for Bison and Other Wildlife—Taking the Lessons of Silicon Valley to the Northern Great Plains,” *National Geographic*, June, 26, 2014, <https://www.nationalgeographic.com/news/innovators/2014/06/140626-sean-gerrity-prairie-bison-conservation-great-plains/#close>.

25 Shea, “Range for Bison and Other Wildlife.”

26 Sean Gerrity, interview by Laura Huggins, Bozeman, MT, April 29, 2020.

The business plan for building the American Prairie Reserve calls for combining about three million acres of existing public lands, including the one-million-acre Charles M. Russell National Wildlife Refuge and the 375,000-acre Upper Missouri River Breaks National Monument, by acquiring private lands in between. When complete, this reserve will be about double the size of Yellowstone National Park. APR recently completed its 31st land deal. Since the first property acquisition in 2005, the organization has assembled a land base of nearly 420,000 acres, comprised of private land and public land leased from the Bureau of Land Management (see figure 1). By combining land types in this way, APR is creating one large landscape that falls under a patchwork of ownership but is relatively seamless as a prairie ecosystem. This area is now open to the public without an admission fee; various camping options are available for a range of prices.

Figure 1. American Prairie Reserve Map (2021)

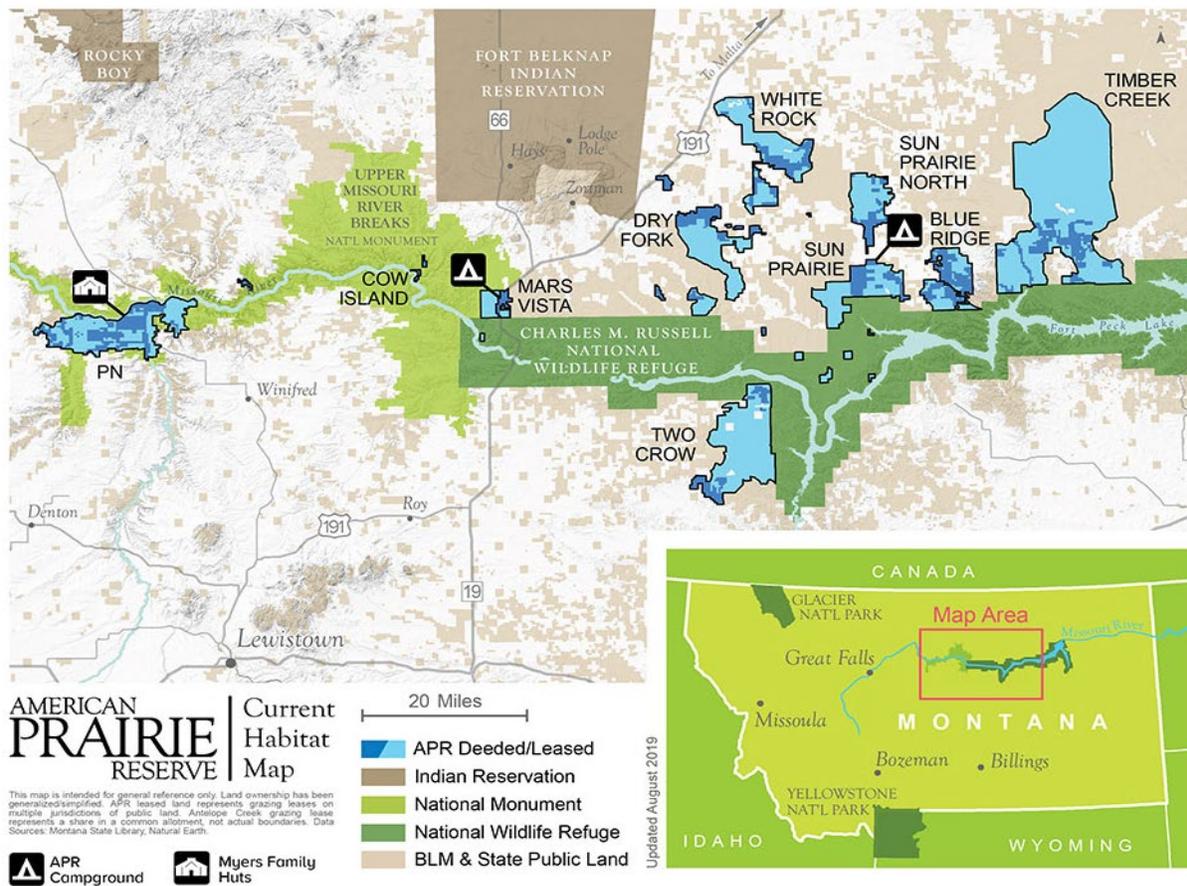


Image courtesy of American Prairie Reserve.

Buying and managing these properties requires an enormous amount of support from donors and partners. APR's current CEO, Alison Fox, was in charge of fundraising for the nonprofit when the partnership with High West began. Fox and Levinthal decided to hold a joint fundraising event in Park City in 2012. "Why not combine two organizations with supporters who have a passion for the West?" says Fox.²⁷ High West was attractive to APR, according to Fox, for a few reasons: "Big picture, we are an organization based on entrepreneurship; we have always been open to new ideas and strategies."

The energy around the organizations at the first joint event was apparent; guests appreciated what APR was trying to accomplish and wanted to help promote both APR and the American Prairie Reserve whis-

27 Alison Fox, interview by the authors, Bozeman, MT, May 26, 2020.

key label “We *had* to do more with the momentum we had started,” says Perkins.²⁸ Fox worked with the High West team to ensure that the label on the new bourbon brand featured wildlife from the reserve and that the story on the back of every bottle offered a clear conservation message and promised a 10 percent return to APR. At a time when the nonprofit had limited resources for marketing, Fox saw every bottle as a billboard for the growing organization.²⁹ Perkins supported sharing the APR story on the label because “it is a cool story and customers and media were intrigued,” which translated to more bottles sold and more support for both High West and APR.

How the Partnership Worked

Today, both American Prairie Reserve and American Prairie Bourbon are gaining recognition. High West’s bourbon is nationally available and has received numerous accolades; it was recently named one of the best bourbons of the 21st century in the *Robb Report*.³⁰ APR has been recognized by *National Geographic* as the “most ambitious” and largest conservation project underway in the United States.³¹ In part, this recognition comes from the pairing of these two brands.

Shared values and goals created a strong base for the High West–APR partnership. High West was an early adopter of corporate social responsibility—a management approach that encourages responsibility not just to shareholders and the company’s bottom line but also to society more broadly. Many consumers now expect businesses to acknowledge and attempt to mitigate the adverse impacts of their operations on the environment and on surrounding communities.³² The idea first began to gain traction in the United States in conjunction with the environmental movement of the late 1960s and 1970s, with outdoor companies such as Patagonia among the early adopters.³³ Cultural demand for corporate social responsibility increased further in the 21st century as the internet provided individuals with tools to pay more attention to ethical business practices. By 2011, 80 percent of Fortune 500 companies had a specific section of their website dedicated to social responsibility.³⁴

When Perkins started High West in 2006, he noted this trend but wanted to do something more than give social responsibility a nod on his company’s website. “I have always believed that businesses should be purpose-driven—protecting our home, the West, is simple and makes sense to people,” says Perkins.³⁵ This belief is, in part, what attracted Levinthal to invest in High West. As he put it, “Social responsibility is now at the forefront of what a company is—think Cotopaxi and TOMS—and brands must be authentic because people can see right through a disingenuous claim.”³⁶ Justin Lew, High West’s former vice president of marketing, adds, “Consumers are also getting better at seeing through BS as more and more companies are claiming they support social projects. The American Prairie partnership works so well because it is so authentic and people can go and touch it and see it for themselves.”³⁷ Customers know that the 10 percent given back actually goes to a tangible project. “Of course,” Perkins reiterates, “the partnership also works because it is mutually beneficial—it is important to keep in mind that you have to make money.”³⁸

28 Perkins, interview.

29 Fox, interview.

30 Dan Dunn, “The 25 Best Bourbons of the 21st Century (So Far),” *Robb Report*, December 15, 2020, <https://robbreport.com/food-drink/spirits/best-bourbons-21st-century-2817790/>.

31 “Last Wild Places: American Prairie Reserve,” *National Geographic*, January 14, 2020, <https://www.nationalgeographic.com/video/last-wild-places-american-prairie-reserve/>; “National Geographic Names the Reserve a Last Wild Place,” American Prairie Reserve, May 8, 2019, <https://www.americanprairie.org/project/national-geographic-names-reserve-last-wild-place>.

32 Karen L. Becker-Olsen, B. Andrew Cudmore, and Ronald Paul Hill, “The Impact of Perceived Corporate Social Responsibility on Consumer Behavior,” *Journal of Business Research* 59, no. 1 (January 2006): 46–53, <https://doi.org/https://doi.org/10.1016/j.jbusres.2005.01.001>.

33 Lindsay Warner, “Do Gooders: Socially Responsible Businesses,” Outdoor Industry Association, May 20, 2015, <https://outdoorindustry.org/article/do-gooders-socially-responsible-businesses/>.

34 Sun Young Lee and Craig E. Carroll, “The Emergence, Variation, and Evolution of Corporate Social Responsibility in the Public Sphere, 1980–2004: The Exposure of Firms to Public Debate,” *Journal of Business Ethics* 104, no. 1 (2011): 115–31.

35 Perkins, interview.

36 Levinthal, interview.

37 Justin Lew, interview by the authors, Park City, UT, May 13, 2020.

38 Perkins, interview.

Ensuring that the terms of the partnership were transparent and enforceable proved important. In the beginning of the partnership, the agreement to return 10 percent of the bourbon's profits to APR was a handshake deal built on trust. This worked early on, but as both organizations grew, APR's board chair, George E. Matelich, requested that the partnership be formalized. He worked with the author of this study (Laura Huggins) to get legal agreements in place in the spring of 2016. Steps included APR trademarking "American Prairie" in relation to spirits, both organizations formally agreeing to a well-defined marketing process, and the two groups working together to more clearly detail the terms of the agreement. This included outlining how "10 percent of after-tax profit" would be defined, which provided a clear formula to calculate the annual royalty payment to APR.

Leaders from both organizations have indicated that securing the legal contract was crucial to the longevity of the partnership. "After 30 years of evaluating hundreds of management teams and companies to make a few dozen investments, one gets a sense for what organizations are going to succeed," Matelich shares.³⁹ "I believed this unique western whiskey brand paired with APR's bold conservation effort was a special combination and one that needed to be formalized, as the people who created the relationship with a handshake would naturally rotate out of their roles or the institutions that formed the partnership."⁴⁰

Matelich's prediction proved accurate, and in the fall of 2016—six months after the formal agreement was signed—High West was sold to Constellation Brands, a Fortune 500 alcohol producer, for \$160 million.⁴¹ According to Lew, after High West representatives met with several beverage companies, Constellation Brands emerged as the right company to take the reins.⁴² Constellation Brand Manager Mark Erickson shares, "When Constellation was considering buying High West, the executives liked the whole package, but the partnership with APR served as the icing on the cake."⁴³ The company appreciated the connection with a US environmental cause and the marketing opportunities this provided. Furthermore, as Lew attests, company executives were looking for something "that will last for 100 years. Part of that was looking for solid trademarks."⁴⁴ The fact that APR made the effort to secure the trademark for American Prairie Bourbon signaled that APR was in the partnership for the long term. For its part, APR's leadership felt that the trademark was an important tool to help it continue to honor the organization's core values and control messaging as it transitioned to having a new partner.

The original partnership agreement held during this transition. Levinthal explains that he was pleasantly surprised that the partnership stayed in place after the buyout, since many partnerships fade after a few years or as companies change hands. "I was impressed with the APR team's ability to recognize their value in the partnership [while sticking] with the 10 percent deal and navigating the new relationships on the Constellation side."⁴⁵

American Prairie Bourbon saw a steep increase in sales during this transition period between owners. The product began as a nice party favor but quickly became High West's top seller. When High West and APR first partnered, many products were modestly successful sellers. Within a few years, however, American Prairie Bourbon sales "grew double digits and it's still growing over 10 percent."⁴⁶ Lew credits the non-profit partnership with making the marketing of the bourbon easier—"The story gives you a reason to talk about it. . . . It's a Western whiskey with a Western cause."⁴⁷

As sales of the bourbon increased, the profits not only helped High West but generated more support for APR. The first check in 2013 was for less than \$5,000. Lew explains, "we wanted to give more in the be-

39 George E. Matelich, interview by Laura Huggins via electronic correspondence, May 23, 2020.

40 Matelich, interview.

41 Tripp Mickle, "Constellation Brands Acquires High West Distillery for \$160 Million," *Wall Street Journal*, October 4, 2016.

42 Lew, interview.

43 Mark Erickson, interview by Laura Huggins, San Francisco, June 10, 2020.

44 Lew, interview.

45 Levinthal, interview.

46 Lew, interview.

47 Lew, interview.

ginning but the accounting was difficult—it was hard to allocate 10 percent when the company as a whole was still not profitable.”⁴⁸ Yet, as a board member, Levinthal was not worried: “We had high margins and a solid product and partnership that I knew would pay off in the longer term.” As sales grew, the payment to APR grew too. Soon after Constellation purchased High West, the royalty payment jumped by about 900 percent. Constellation declined to provide future projections, but does expect sales to continue to climb. Erickson offers an additional indication of Constellation’s commitment to American Prairie Bourbon: “We are considering partnering with another company to produce a High West–APR clothing item or blanket, which will also have a return to the nonprofit.”⁴⁹

Marketing the Partnership

The partnership between High West and APR has boosted brand visibility for both organizations. In fact, the marketing aspect of the partnership might be the biggest draw for High West and Constellation Brands. Constellation sees the partnership with APR as important because by telling the APR story the company can further differentiate High West as a western whiskey brand. The partnership also helps ensure that High West’s claims about supporting the West are credible: “Consumers and media appreciate that High West invests in real land and people,” says Erickson.⁵⁰ Figure 2 shows a poster Constellation designed and placed in stores throughout the country in honor of National Bourbon Heritage Month.

Figure 2. American Prairie Bourbon Poster



Image courtesy of Constellation Brands.

48 Lew, interview.

49 Erickson, interview.

50 Erickson, interview.

APR places a high value on marketing. Fox recalls recognizing from the beginning that “High West had a strong press strategy at a time when we had very little bandwidth for media relations.”⁵¹ The partnership led to more media attention for APR, with coverage in publications such as *Men’s Health* and *Entrepreneur*, along with increased social media engagement. American Prairie Bourbon continues to get mentions in outlets including *Forbes*, *Esquire*, and the *Robb Report*.⁵² As mentioned earlier, the *Robb Report* recently included it in a list of “The 25 Best Bourbons of the 21st Century (So Far),” using the following language: “Every purchase comes with a karmic boost, as well—High West donates 10 percent of profits from the sale of each bottle to the APR, which is dedicated to protecting and preserving America’s natural resources.”

The founders of APR believe collaboration with for-profit partners, even unlikely partners such as distilleries, is essential to achieving environmental benefits on a global scale. When the High West–APR partnership came together, Fox says, “I had a sense that it was going to last.” She explains, “Both entities approached it as a long-term deal. We formed strong relationships and spent quite a bit of time getting the marketing right.”⁵³ For example, the team worked with an artist from Montana to create six beautiful paintings of prairie species to showcase over the years. The first label included a painting of a sage grouse; now High West is highlighting the pronghorn (see figure 3). APR’s former director of corporate partnerships and author of this study, Laura Huggins, recalls receiving calls from people as far away as Japan who had come across APR via the High West label.

Figure 3. High West Distillery’s American Prairie Bourbon Label

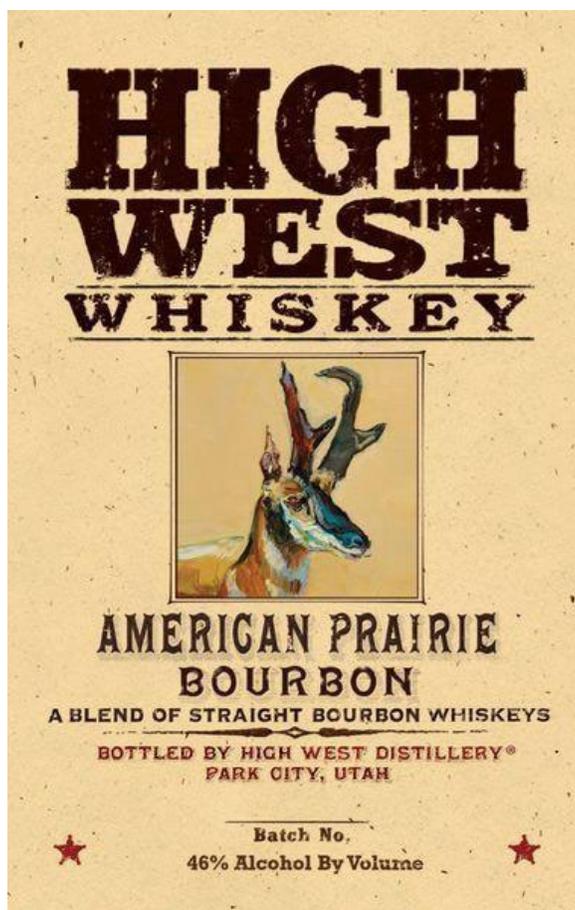


Image courtesy of Constellation Brands.

51 Fox, interview.

52 Dunn, “25 Best Bourbons.”

53 Fox, interview.

The partnership's outreach impact became more apparent after High West was acquired by Constellation Brands. Constellation is a large US company with a significant marketing budget. Soon after the buyout, Constellation sent a marketing team to APR to create short stories for social media. High West has a larger social media reach than APR, so the nonprofit appreciated the added attention that came from this effort. High West also began sponsoring other organizations, such as the US Ski and Snowboard Team. This led to positive cross-pollination when American Prairie Bourbon was poured at Olympic events and appeared at other venues such as the Sundance Film Festival. This publicity helped APR reach audiences that likely would never have heard of the organization were it not for High West's other partnerships.

Events also serve as an important outreach tool and "inspire and attract donors," according to Fox.⁵⁴ High West, for example, has sponsored APR's Ken Burns American Heritage Prize⁵⁵ event in New York City for the past three years. One of the highlights of the evening for guests is receiving a bottle of American Prairie Bourbon. The outreach around the mini brand and the shared events all come together to bring in more support to continue to expand APR. As Fox sees it, "High West helps provide touch points with potential donors, and we have seen the basic marketing principle of taking seven touches to reach saturation work."⁵⁶ This refers to a common marketing idea that it takes seven instances of being exposed to a product or brand before individuals will remember or look for that product on their own. The increased exposure from partnering with High West has provided APR with more access to visitors and donors.

Lessons Learned

The partnership between High West and APR reflects a growing demand for socially responsible business practices and innovative conservation efforts. Demand for socially responsible business practices seems to have reached a critical mass. Not only are consumers increasingly asking more of companies, business leaders are trying to hold their own industries to higher standards too. For example, BlackRock Capital Investment Corporation, the world's largest asset manager, recently published a letter from its CEO, Larry Fink, that advocated for corporate social responsibility and urged companies to make a positive contribution to society. Fink cautioned against practices that maximize short-term profits at the expense of broader societal interests, concluding, "Ultimately, purpose is the engine of long-term profitability."⁵⁷

When considering how to form effective partnerships, this study's interviewees highlight the importance of shared values and purpose-driven initiatives. Finding areas where two organizations' missions clearly overlap is the first step. This requires that organizations have a common set of core values that are reflected in their business choices. Gerrity, who helped create APR's mission statement, shares that the organization was founded on a core value of "Innovation and Optimism," meaning that "we are not wedded to traditional approaches but strive to learn from other industries, taking the best ideas and effectively applying them to our efforts."⁵⁸ APR could have taken a more traditional approach and lobbied the government for support, but this was not what the organization was about. In Gerrity's words, this is "why it felt natural to partner with a whiskey company with a similar optimism and spirit for the West."⁵⁹

Lew from High West emphasizes that an organization's values and any related socially responsible activities will be easier to convey and easier for consumers to support if they are related to the company's product or overall mission. There are two reasons for this: First, if employees can see that a cause fits with their overall brand and mission as a company, then they will be more motivated to contribute. Second, because employees already have expertise within their field, they will be able to harness that expertise to add value

54 Fox, interview.

55 See "Support American Prairie," Ken Burns American Heritage Prize, American Prairie Reserve, accessed July 21, 2021, <http://www.kenburnsprize.com/>.

56 Fox, interview.

57 Larry Fink, "A Fundamental Reshaping of Finance," BlackRock website, January 10, 2019, <https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>.

58 "Our Mission and Values," American Prairie Reserve, accessed July 21, 2021, <https://www.americanprairie.org/mission-and-values>.

59 Gerrity, interview.

to a related social cause. Indeed, Erickson says he accepted his initial position with High West because he was attracted by the team's authenticity and its goal to give back to the local community and contribute to APR. Erickson adds, "I came from a nonprofit so it felt natural to work with both High West and APR."⁶⁰

Shared values are not only beneficial to the partnering organizations, they can also help build trust with consumers. Several studies show that consumers are more likely to perceive companies as altruistic when there is a close relationship between the company's business activities and its corporate social responsibility projects.⁶¹ Successful examples include Subway's Heroes for Hunger food drive and Johnson & Johnson's Safe Kids Worldwide campaign—both causes that are congruent with the sponsor company's business operations.⁶² Consumer trust is critical for any company to be successful in the long term, and socially responsible business activities that are closely related to the business's main objective can bolster that trust. Fox mentioned that donor trust is important as well and that APR has been very careful to avoid overclaiming, because she has seen the damage that "greenwashing"—conveying a false impression of a company's environmental practices—can do to an organization's reputation. Overlapping missions and shared values help ensure the longevity of organizational partnerships, but other practices, such as authenticity, transparency, and clear legal agreements, are also key to long-term success.

Both Perkins and Fox firmly believe that in order for partnerships to be successful in the long term, they should be mutually beneficial. Fox points out that it is easy for nonprofit organizations to undervalue what they bring to a partnership: having a clear idea of where the nonprofit adds value and being able to articulate that value is essential. "You are bringing your brand (and your brand equity and what that stands for) to the table, so you should approach it like a business transaction . . . ; you are bringing significant assets to the table for these corporate partners."⁶³

Although charitable partnerships and projects are ideally motivated by shared values and authentic engagement, they should also generate positive returns for both organizations. Partnerships take resources to create and maintain and need to be self-sustaining in order to last, which means both parties must receive a positive return. Perkins recognizes the value that APR brought to the partnership, saying of High West's decision to partner, "It wasn't out of pure wanting to help: it helped us too. Money is important. It was mutually beneficial."⁶⁴

Another key to the longevity of the partnership was making the terms of the partnership official. As mentioned previously, when High West and APR first partnered, the agreement to donate 10 percent of profits was a simple handshake deal. After a few years, both organizations worked together to establish the terms of a formal agreement, including an agreement about how 10 percent is defined and what formula will be used for calculating the royalty payment. Leaders from both entities have indicated that securing the legal contract was crucial to the survival of the deal.

Responding to a question about what recommendations he has for other companies looking to partner with nonprofits, Perkins says, "Get a good lawyer early on that can help you with the partnership agreement."⁶⁵ He explains that having clearly defined obligations and mutually agreed-upon terms shows respect for the other party. Having a secured legal agreement in place with High West and an established trademark for American Prairie Bourbon before the sale to Constellation created a higher-value brand

60 Erickson, interview.

61 Namin Kim, Youri Sung, and Moonkyu Lee, "Consumer Evaluations of Social Alliances: The Effects of Perceived Fit between Companies and Non-profit Organizations," *Journal of Business Ethics* 109, no. 2 (August 2012): 163–74; Nora J. Rifon et al., "Congruence Effects in Sponsorship: The Mediating Role of Sponsor Credibility and Consumer Attributions of Sponsor Motive," *Journal of Advertising* 33, no. 1 (2004): 30–42, <https://doi.org/10.1080/00913367.2004.10639151>; SooKyoung Ahn, Heajung Kim, and Judith A. Forney, "Co-marketing Alliances between Heterogeneous Industries: Examining Perceived Match-Up Effects in Product, Brand and Alliance Levels," *Journal of Retailing and Consumer Services* 16, no. 6 (2009): 477–85, <https://doi.org/10.1016/j.jretconser.2009.08.003>.

62 Satya Menon and Barbara E. Kahn, "Corporate Sponsorships of Philanthropic Activities: When Do They Impact Perception of Sponsor Brand?," *Journal of Consumer Psychology* 13, no. 3 (2003): 316–27, https://doi.org/10.1207/S15327663JCP1303_12.

63 Fox, interview.

64 Perkins, interview.

65 Perkins, interview.

and gave APR bargaining power. In addition, Erickson says that American Prairie Bourbon gives Constellation the credibility it is seeking with consumers: “This label and story has a ton of potential—a western whiskey that comes from its spiritual home in Utah and gives back to the largest conservation project in the West. What more could we ask for!”⁶⁶

Finding charitable partnerships that align with a business’s mission statement can contribute to long-term success. Corporate mission statements do not spring to life automatically, but are shaped by people. This is why Fox highlights the importance of understanding an organization’s founding team and its members’ goals and values. Levinthal adds that both APR and High West were formed by dedicated entrepreneurs who pursue socially responsible actions not just because it makes their organization look good but because those values are central to who they are as people and as organizations. He emphasizes the role of entrepreneurs and business leaders in setting an example by how they run their businesses: “This is not simply about economics; it turns out to be really good business—but we also have to lead, we have to be a community leader, and we have to show our customers, our suppliers, everybody in our ecosystem how we are going to lead.”⁶⁷

Several interviewees suggested that having clear selection criteria for potential partners is a key component. Fox recommended developing a checklist of the characteristics that are important when looking for organizations to partner with, and being willing to turn down partnerships with groups that do not fit those criteria. APR’s board has had to make the difficult choice to turn down potential partnerships—and the funds that go along with them—when the fit was not right. When joining a partnership, one organization aligns its reputation with the other’s to some degree, so it is important to partner with companies that have high-quality products and trusted brands.

Transparency also helps foster trust, both between partnering organizations and between companies and their customers. Effective transparency involves more than just investing in marketing about corporate social responsibility. High West and APR have taken advantage of the fact that the reserve is a physical location that can be visited. Both organizations share images and news from the reserve and have invited donors to visit the site and see for themselves how their money is being used to advance grassland conservation. Recent studies have found that companies that share substantive information about partnerships and projects, take responsibility for their efforts (including when they fall short), and encourage stakeholders to participate in discussions about social responsibility goals can help foster trust and reduce skepticism.⁶⁸ Clear communication of a company’s goals, methods, and results can kindle customer confidence, increase profits, and help inspire other organizations.

Conclusion

Many doubted APR’s ability to start a new, large-scale park without government funding. And while people were still scratching their heads over the idea of a whiskey distillery opening in Utah, these two entrepreneurial organizations were charting new territory, achieving their goals, and leaving a road map behind to guide others.

High West’s partnership with APR illustrates how purpose-driven companies can thrive in their business pursuits while contributing to broader environmental goals. Its story also demonstrates how environmental nonprofits can successfully tap into private initiative rather than relying fully on the government to achieve their desired outcomes.

66 Erickson, interview.

67 Levinthal, interview.

68 Brad Rawlins, “Give the Emperor a Mirror: Toward Developing a Stakeholder Measurement of Organizational Transparency,” *Journal of Public Relations Research* 21, no. 1 (December 2008): 71–99, <https://doi.org/10.1080/10627260802153421>; W. Timothy Coombs and Sherry J. Holladay, “The Pseudo-panopticon: The Illusion Created by CSR-Related Transparency and the Internet,” *Corporate Communications: An International Journal* 18, no. 2 (2013): 212–27, <https://doi.org/10.1108/13563281311319490>.

The High West and APR partnership is an example of how two organizations with entrepreneurial founders captured the spirit of the West by leveraging their shared values into a long-lasting relationship that is good for business, for the environment, and for the nation as a whole. The old frontier mentality that helped shape American institutions was about tenacity, entrepreneurship, and creativity, but it also included a deep-rooted belief in individual responsibility for the well-being of communities and the resources people depend on. When High West Distillery met American Prairie Reserve, the two organizations rekindled this spirit and laid the groundwork for other businesses, nonprofits, and individuals to build on.