

 spotlight on
Ann Bakhaus





Bold and Determined

ANN BAKHAUS PUTS HER
'HEART AND MIND AND SOUL'
INTO BUSINESS, HORSES,
AND CIVIC CAUSES

By Jacalyn Carfagno | Photos By David Coyle

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There's a story Ann Bakhaus tells about an adventure trail ride she went on a few years back. No lope through verdant rolling hills, she and her friends joined cowboys driving cattle down from the mountains in Colorado.

Blight had killed so many trees it was like navigating horses through a field of giant pick-up sticks, and the footing was dicey. The others were experienced riders, but, Bakhaus remembered, "I was as green as a gourd." On the way up the steep hills, "they told me to just lean over and hold onto my horse's ears."

Ann Bakhaus does not shy away from a challenge.

Whether it's taking on the family's beer distribution business, developing a Thoroughbred operation, or pounding the pulpit for farmland preservation and other civic causes, Bakhaus leans in and takes hold.

"When she puts her heart and mind and soul into something, she's just incredibly persuasive and formidable in every way," said Lexington Mayor Jim Gray, who has known her for years.

Horses fulfill childhood dream

Bakhaus grew up in Lexington, where her family lived in the entire second story of a house on McDowell Road with two apartments on the ground level. It was temporary, Bakhaus said, until her mom and dad "could both find a farm that they agreed on and liked."

"Well, they both died in that house."

Her parents never got to the country, but that yearning took hold in their daughter, who attended Sayre School in Lexington; St. Mary's School in Raleigh, North Carolina; and the Atlanta School of Fashion Design. "When I had the opportunity, I said 'I'm going to the country, raise my kids in the country.'"

And she wanted to get a horse, "because Daddy would never buy me one."

As with any other endeavor dear to her, Bakhaus plunged in. She now has lots of horses at her 170-acre Keene Ridge Farm, named for the hills it occupies within sight of Keeneland Race Course.

She moved to the farm in the 1990s and began raising Thor-



City-born Ann Bakhaus fulfilled a longtime dream of living on a farm. At Keene Ridge Farm she raises Thoroughbreds, rides for pleasure, and enjoys her dogs.

oughbreds there a couple of decades ago. Now Keene Ridge claims 14 foundation mares, one stallion, and some retired and pleasure horses. The farm also serves as a nursery, this year foaling out 51 mares.

And it's a showcase for the industry as the smallest of the farms welcoming visitors through Horse Country, an organization created to "share the stories" of the equine industry in Central Kentucky.

Bakhaus gives many of the tours herself. "I can bring tears to these peoples' eyes ... They connect with these horses, and that's what we as a horse industry need to do," she said. "Shame on us for not doing it sooner."

Visitors learn about Keene Ridge's most famous progeny, English Channel, whom Bakhaus sold at Keeneland's 2003 September yearling sale for \$50,000. The Eclipse Award-winning turf runner earned \$5.3 million during his racing career and now



stands at nearby Calumet Farm.

They also hear about Beat Your Feet, the mare who went blind shortly after her foal by English Channel's full brother, Channeled, was born. A tumor was discovered, and it became clear the mare wouldn't live long. Bakhaus said they put a bell on the foal, Big Bad Zin, and "she'd stay right by his side when he was running, almost touching him, it was amazing." Beat Your Feet died a few hours after the foal was weaned. "That's the kind of story that connects people."

English Channel's early success led to what Bakhaus now sees as her biggest mistake — "not selling English Channel's mama, Belva." With English Channel's triumphs fresh in the public's mind, she put the mare in a breeding stock sale



Bakhaus shares her affection for horses with the many visitors who tour her farm through Horse Country, a consortium of farms and equine businesses.

with a reserve of \$3 million. The bidding reached \$2.1, "and I wouldn't let her go."

Eventually, Bakhaus said, Belva's offspring earned that \$3 million for Keene Ridge, "but it's taken a damn long time. I would have had a lot less heartache if I'd just taken the money and run."

Despite the challenges and vagaries of the horse business, she said the rewards have made it worthwhile.

"This is the hardest business ... but the highs are so awesome; they just keep you coming back."

Bakhaus sees similarities between her horse enterprise and her family's beer, wine, and spirits distribution business, Kentucky Eagle. Thoroughbred breeders must anticipate trends, what buyers will want two years after breeding decisions are made. "Whatever the buyer's mentality is, you're trying to figure that out all the time."

Consumer tastes in alcohol change, too. "You've got to stay nimble in the liquor and wine and beer business."

Kentucky Eagle emerged from modest start

It wasn't quite so complex when her father, O.A. Bakhaus, bought a local beer distributorship in 1948 that sold two brands of beer off a truck. Through a series of acquisitions and expansions, he had by 1988 become the distributor for the entire line of Anheuser-Busch beers, selling about 3 million cases a year. The company had facilities in Richmond and Winchester in addition to the 100,000-square-foot distribution center he built in Lexington.

Ann Bakhaus never intended to run the beer distributorship — hardly the career path for a woman with three young children who had studied fashion design. She had worked with her father in his real estate investments, and it was anticipated she'd take that over while her older brother would take on the manlier job of selling beer. But when the time came, her brother was enmeshed in his own real estate developments and didn't

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want to switch. If the beer business was going to stay in the family, Ann would have to run it.

So, she took the helm at Kentucky Eagle in 1997, with the challenge of learning the business almost from the ground up while convincing beer giant Anheuser-Busch that, as one of only four female distributors nationwide, she could do it. It didn't help that in February of 1998 what was supposed to be "a dusting of snow" turned into a blizzard and "my beer company collapsed." The roof fell in and destroyed "every truck I owned in Lexington."

But Bakhaus rebuilt and built.

Kentucky Eagle now occupies a gleaming, modern facility that opened in 2009 as the first LEED-certified Anheuser-Busch distribution center in the nation. LEED — Leadership in Energy and Environmental Design — is the gold standard for rating green buildings. Today it's common to see LEED-certified buildings, but it wasn't then. The idea is that it's worth the extra cost because, in addition to being better for the environment, environmentally sensitive buildings save their owners money on utilities — eventually.

"At the time she made the decision it was somewhat difficult to predict" just what those savings would be and how long it would take to recoup the extra cost, said Phil Seale, the executive vice president at Gray Construction who led the team that designed and built Kentucky Eagle's facility. But, he said, "She was very determined to do it." The warehouse grew by 25 percent, but the utility bills stayed the same.

Plus, "she had that generational view of her business," Seale noted. Yes, it cost more, but the dividends would benefit her family business far into the future.

And they will enjoy a building that has a distinctive flavor. Huge photos of Keeneland, native stone, natural light, company memorabilia, a wall dedicated to the hand-



Keene Ridge is home to 14 foundation mares as well as client horses, retirees, and pleasure mounts.

prints of longtime employees, and the floor in Bakhaus' office made of timbers from a barn that was on the property all make it a nice place to work and give it "a Kentucky feel," Seale said. "She was very conscious of all those things working together."

Still, Bakhaus was conscious of the bottom line. "She's extremely nice and extremely fair, but she's going to get good deals; she's a businesswoman, no doubt, and a good one," Seale said.

When Ann Bakhaus handed over control of the family business this June to her daughter, Tate Sherman, it had grown from the truck with two brands of beer her father bought in 1948 to a beer, wine, and spirits distributor selling about 5 million cases annually to more than 1,500 customers in 18 counties.

One of those customers is Keeneland.

"Ann is truly a steward of our industry in every capacity. She is a community leader, buyer and seller in our sales pavilion, and racing owner, and Keeneland is honored not only to consider Ann a partner, but a great friend," said Keeneland President and CEO Bill Thomason. "Above all, Ann understands the importance of this industry to our economic fabric and her passion is evident in her community works and dedication."



A signpost denotes the distance from Keene Ridge to the world's major racetracks.



A rendering of Town Branch Park from Oliver Lewis Way shows its proximity to downtown.

TOWN BRANCH PARK'S BIGGEST PROPONENT

If you meet Ann Bakhaus, be prepared to buy into her vision for Town Branch Park.

And, you might want to bring your check-book along, too.

There is a reason Bakhaus was among the first people Lexington Mayor Jim Gray contacted about transforming 10 acres of lost land behind the Lexington Civic Center into a park. "She's one of those people that you just cannot say 'no' to," Gray said.

Allison Lankford, executive director of the Town Branch Fund, said Bakhaus' role goes far beyond raising the money to make this a reality: "She's the champion of it. Her leadership and guidance and enthusiasm are at the heart of what is making the project work, honestly."

Town Branch Park will be Lexington's first venture into a public/private partnership model increasingly used elsewhere — New York's Highline, Louisville's 21st Century Parks — to build and maintain parks. Here, public land will be leased on a very long-term basis to a private nonprofit to create and operate Town Branch Park.

Loaded on Bakhaus' smartphone is a short video about the park. She narrates as slides scroll across the screen, setting a vision for a place where people can walk and run or just sit and read, where thousands attend concerts on the great lawn, kids splash in water, adults sit at kiosks sipping wine or beer.

One of the events that will be held each year at the park is Picnic with the Pops, an annual sellout that features the Lexington Philharmonic performing popular music for patrons who compete for the most original table decorations. The group announced in July that it is giving \$1.2 million to Town Branch Park to build — fittingly — an amphitheater. The gift "creates a tremendous opportunity for outdoor performing arts as a focal point

for the park and for the entire community," Bakhaus said when it was announced.

Bakhaus sees the park as a way to "bring the country into the city," using natural elements. Horse farm owners traditionally have been slow to contribute to urban projects, she said, "but they're all about this because they feel like they are bringing their life into the city."

And Bakhaus wants it to work for everyone.

"We're trying to be very thoughtful because we want everybody in this community to feel like this is their park," Bakhaus said.

That thoughtfulness includes working with Biederman Redevelopment Ventures of New York — a national leader in the field credited with transforming Manhattan's Bryant Park from a drug- and crime-infested no man's land into one of the city's most visited parks — to ask a broad swath of Lexingtonians questions like "what makes you feel comfortable in a park" and "what makes you feel included."

The responses will help shape programming, both the 600-plus free activities each year and paid events. Landscape firm SCAPE will use those plans to finalize the park's design. SCAPE, which is also designing Town Branch Commons, the linear greenway through downtown that will meet up with the park, also brings stellar credentials to the project. Founder Kate Orff was recently awarded a MacArthur genius grant, becoming the first landscape architect to receive that recognition.

The fundraising goal is \$32 million. Once large donors have contributed about two-thirds of the goal, Bakhaus plans to make an appeal to the public. "What I want is everybody in our community to give something — 50 cents, a dollar, whatever you can give — but have ownership in the park."

Like she does.

"It's something I wanted to be a part of for the community, and for all of the generations to come."



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Keeneland is where all of Bakhaus' interests come together. Kentucky Eagle sells "a boatload of beer" there, she said. It is an emblem of the Bluegrass countryside she's committed to preserving; and she sells and races her horses there.

When one of Bakhaus' horses won an allowance race at Keeneland, Bakhaus noted, "they took us in the director's room and served us Budweiser; they were so sweet."

For Bakhaus investing in an environmentally sensitive building, managing through the ups and downs of the horse business, opening her farm to tours, and championing a greenway and park in Lexington's downtown are part and parcel of perhaps the biggest challenge she's taken on — protecting and celebrating Central Kentucky and the farmland that makes it unique. "This is our identity," she said.

It's where her parents always wanted to live, and she's determined to preserve it for generations to come. **KM**



Kentucky Eagle became the first LEED-certified Anheuser-Busch distribution center in the nation in 2009. Bakhaus' office, above, gets abundant natural light and the floor is made of timber reclaimed from an old tobacco barn on the property.

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