



## **Frequently Asked Questions on the Strategic Alliance between Drizly and WSWA Services**

### ***What is Drizly?***

Drizly is the technology company powering a superior shopping experience for beer, wine and spirits in more than 15 cities across the United States. Combining the best selection and price, content-rich and personalized shopping experiences, and the speed and convenience of on-demand delivery, Drizly has created a three-tier compliant framework for connecting consumers to licensed retailers as retail commerce increasingly shifts to digital and mobile.

### ***What is WSWA Services, LLC?***

WSWA Services, LLC is an affiliate of the Wine & Spirits Wholesalers of America (WSWA).

WSWA is the national trade association representing the wholesale tier of the wine and spirits industry. With 362 member companies across all 50 states and the District of Columbia, WSWA is the voice for wholesalers in Congress, the executive branch, the courts, news media, and in communities across America. Member firms represent more than 80 percent of all wine and spirits sold at wholesale in the U.S.

### ***When did these two entities form their strategic alliance?***

WSWA Services and Drizly formed a strategic alliance in April 2015.

### ***Why did WSWA Services choose Drizly among its competitors?***

WSWA Services was inspired by the opportunity to advance the many benefits of the three-tier system through Drizly's ability to focus on the consumer experience and to promote to those consumers the largest variety of local assortment and choice. The Drizly model is also compatible with—and enhances—the three-tier system, which has proven remarkably successful in the eighty-two years since its creation.

After in-depth market analysis, WSWA Services chose Drizly because: it is a market leader in the sector; has a strong executive team and impressive, experienced advisors; and operates under an innovative strategic vision and aggressive growth plan that integrates well with the three-tier system.

***What does this strategic alliance mean for Drizly, WSWA Services and the industry at large?***

Drizly will now have direct access to a network of beverage alcohol industry experts—wholesalers—with long-standing, professional relationships at both the supplier and retailer levels, as well as support in navigating the legal and regulatory environment and beverage alcohol marketplace.

WSWA Services identified the strategic alliance with Drizly as a way to support next-generation technology that will directly benefit consumers, as well as the industry at large.

For wholesalers and WSWA Services, the strategic alliance provides an opportunity to unite decades of wine and spirits wholesaler experience with the dynamic technological changes that are reshaping the beverage alcohol industry.

For retailers, the strategic alliance will help expand their consumer base and promote the importance of the local retail tier in the beverage alcohol industry.

For suppliers, the alliance represents an opportunity for increased product impressions through an innovative marketing channel.

Ultimately, consumers will have greater convenience, choice and product knowledge without compromising product safety and integrity.

***Does this alliance signal a shift in wholesalers' long-standing views on direct shipping of beverage alcohol?***

No. While a number of states have passed laws allowing interstate direct-to-consumer sales of beverage alcohol shipped via common carrier, WSWA has for many years expressed concerns about the lack of regulatory oversight ensuring product integrity, consumer protection, and the collection of state excise and sales taxes. WSWA has never opposed local, in-state delivery of beverage alcohol to adult consumers by licensed retailers since they can be held accountable to comply with state and local laws and regulations.