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WSWA LAUDS OHIO AG FOR LANDMARK INVESTIGATION AND ACTIONS TAKEN TO CURB ILLEGAL LIQUOR AND WINE SHIPMENTS

WASHINGTON, D.C., 07/08/2020 – Today, Wine & Spirits Wholesalers of America (WSWA) issued the following statement on Ohio Attorney General Dave Yost announcing one of the first-ever <u>lawsuits</u> centered on the 21st Amendment Enforcement Act for a preliminary injunction to stop the flow of illegal wine and liquor shipments into the state:

"The illegal direct shipping of alcohol to consumers from out-of-state entities undermines job creators in the state who follow the state's laws, and report and collect taxes on alcohol sales. Illegal shipping of alcohol increases risks of irresponsible consumption and underage access. By enforcing the laws passed by the state legislature, Ohio is sending a message to bad actors that it will stop those who illegally profit from unsuspecting consumers, endanger public health and safety, and compromise state and local governments' collection of consumer and business taxes, which total \$43.64 billion across the country. Attorney General Yost understands the dangers of illegal alcohol sales and shipment, and should be commended for doing the right thing to protect Ohio's consumers and familyowned businesses." – Michelle Korsmo, President and CEO, WSWA

Recently, Yost joined 45 other attorneys general in signing open letters to Facebook, Craigslist, and eBay asking them to undertake certain steps to curtail illegal alcohol sales online that more often than not, involved shipping alcohol directly to consumers over state lines. The letter uncovers the "occurrence of unlicensed, unregulated and untaxed" sale of alcohol through digital platforms. Alcohol advertised online often includes "counterfeit, mislabeled or fraudulent...black market products" that "pose health risks" and possible sales of dangerous products to minors. The attorneys general also asked the companies to "join [them] in this shared responsibility to protect [the nation's] youth, the Constitution and the integrity of the digital marketplace" as well as "to undertake some initial steps to address this shared problem."

About Wine & Spirits Wholesalers of America

WSWA is the national trade association representing the distribution tier of the wine and spirits industry, dedicated to advancing the interests and independence of distributors and brokers of wine and spirits. Founded in 1943, WSWA has more than 380 member companies in 50 states and the District of Columbia, and its members distribute more than 80 percent of all wine and spirits sold at wholesale in the United States.

To learn more, please visit www.wswa.org or connect with us on Facebook or Twitter.