

MEDIA CONTACT
Michael Bilello
Senior Vice President, Communications & Marketing
michael@wswa.org | (202) 243-7506

FOR IMMEDIATE RELEASE

08/18/2021

## WSWA SUBMITS COMMENTS TO TTB ON COMPETITION IN THE U.S. WINE AND SPIRITS MARKETPLACE

WSWA Welcomes the Opportunity to Assess Marketplace Competition and the Role the Three-Tier System has Played in Establishing the World's Safest, Most Diverse Alcohol Marketplace

**WASHINGTON, D.C., 08/18/2021** – The Wine & Spirit Wholesalers of America (WSWA) today submitted comments to the Alcohol and Tobacco Tax and Trade Bureau (TTB) regarding the current market structure and conditions of competition in the American wine and spirits marketplace as well as an assessment of any threats to competition and barriers to new entrants.

"There are more brands from more companies and countries on more retail shelves in the United States than in any other country in the world," said WSWA President and CEO Michelle Korsmo. "The U.S. alcohol marketplace is unique in the food and beverage world in that while there are popular brands, no single one can buy and monopolize shelf space. Compare your grocery store's soda or chip aisle to the number of craft and small brands at your local liquor store — beverage alcohol is the leader in product diversity. The American entrepreneurial spirit is alive and well in the alcohol industry, with new startups entering the marketplace year over year, thanks in large part to the legal and federal regulatory structures in place that ensure a relatively easy and transparent process to become an alcohol producer, wholesaler or retailer."

The <u>expansive submission</u> covers the unique history of beverage alcohol within the United States and how today's legal and federal regulatory structures were born out of lessons learned from Prohibition with a robust and appropriate focus on public health and safety. Today, America's family-owned wine and spirits wholesalers have nearly 90 years of experience distributing a socially sensitive product safely to consumers, efficiently and effectively collecting and reminting local, state and federal taxes all while providing supply chain logistics expertise to save producers and retailers more than \$11.4 billion, annually.

The submission also suggests improvements that could be made to the current regulatory structure that would enhance marketplace access and fairness including addressing the evolution of the modern, independent retailer.

TTB's Request for Information comes on the heels of the Biden Administration's <u>Executive Order on Promoting Competition in the American Economy</u> which requires the Department of the Treasury to issue a report to the Chair of the White House Competition Council, assessing the current market

structure and conditions of competition, including an assessment of any threats to competition and barriers to new entrants in November.

State associations across the country undersigned WSWA's comment including AZ, CA, HI, IL, IN, KS, KY, MA, ME, NJ, NM, OH, OR, SC, TX, VA and WA.

Read WSWA's comment in full HERE.

## **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.

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