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**FOR IMMEDIATE RELEASE**

02/09/2022

## **WSWA ISSUES STATEMENT ON TODAY'S TREASURY REPORT PROMOTING COMPETITION IN THE ECONOMY**

*"Today's family-owned wine and spirits wholesalers have never been as competitive, capable, efficient, moved more products to market, supported more consumer choice or helped to build more craft brand awareness."*

**WASHINGTON, D.C., 02/09/2022** – Wine & Spirits Wholesalers of America (WSWA) today issued the below statement regarding the U.S. Treasury Department's response to the Biden Administration's Executive Order promoting competition in the American economy:

"We are encouraged to see that throughout Treasury's report, maintaining a strong, independent wholesaler tier remains critical to federal and state regulators who work to ensure the U.S. alcohol marketplace is the safest, most diverse and competitive in the world.

The Twenty-first Amendment empowers states to protect its citizens and to maintain a well-regulated alcohol marketplace. Any federal or state legislation that proposes a distribution model outside of the three-tier system introduces issues of compliance, tax collection, underage access, illicit product, anticompetitive practices and diminishes the effectiveness of regulators.

The report also addresses the important role that trade practice regulations play in creating a competitive marketplace. When enforced evenly against all industry participants, large and small, trade practice regulations are an effective tool for the Alcohol and Tobacco Tax and Trade Bureau (TTB) in maintaining a fair marketplace. We applaud Treasury for recognizing that these regulations need to be clear and enforceable, and we encourage TTB to consider all industry viewpoints when undertaking any changes to the regulations.

We share the concern of many commenters that the direct-to-consumer shipment of alcohol drastically increases underage access to socially sensitive products. We encourage the Federal Trade Commission (FTC) to examine more recent data – including a [2012 study from the Journal of Pediatrics and Adolescent Medicine](#) that had significant and contradictory findings to their own (2003). We also emphasize Treasury's recognition that this issue is for state legislatures to decide.

We believe the Treasury's report fails to recognize how consolidation in other tiers created the need for an evolution of the distribution tier to address supply chain and logistics challenges.

Today's family-owned wine and spirits wholesalers have never been as competitive, capable, efficient, or moved more products to market, supported more consumer choice or helped to build more craft brand awareness. At its heart, the wholesaler tier is highly competitive and modeled on efficient and effective logistics that save the other two tiers more than \$11 billion annually and created a craft brand selection at the retail level that is unrivaled."

**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](http://www.wswa.org) or connect with us on [Facebook](#) or [Twitter](#).

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