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## WSWA Commissions Study Examining the Economic Costs of DTC Alcohol Shipping

*New study finds the cost of enforcing direct-to-consumer alcohol shipping laws nationwide over \$255 million.*

**WASHINGTON, D.C., 02/22/2023** – Wine & Spirits Wholesalers of America (WSWA) today announced the findings of an [economic study](#) commissioned to assess the economic costs resulting from the enforcement of direct-to-consumer (DTC) alcohol shipping laws at both a national and state-by-state level. The findings of the new economic model place the total cost of state DTC enforcement needs, from the labor needed to audit licenses and track illegal shipments to initiating sting operations, at more than \$255 million.

“As state legislatures consider DTC bills, it’s important that they have a clear understanding of the direct costs their states will incur to ensure that enforcement agencies maintain regulatory oversight of these regulated products,” said WSWA’s Vice President of State Affairs, Chelsea Crucitti. “DTC alcohol shipping introduces a host of public health and safety concerns into the U.S. market that have never existed before – but money talks and we want policy makers to really understand that DTC shipping is the equivalent of an unfunded mandate.”

The study found staggering enforcement costs nationwide. California alone currently spends \$1.4 million enforcing its DTC wine law; should DTC spirits legislation be enacted, the study suggests that the total cost to properly enforce DTC alcohol shipping would balloon to \$116.9 million. The study further breaks down the total cost of enforcement to include new regulatory agency employees and wages, new equipment, lost tax revenue and more.

Economic firm John Dunham & Associates (JDA) JDA is a leading economic consulting firm specializing in the economics of the beverage alcohol industry, with clients in all three tiers of the industry. The study’s model was based on current import propensity in each state, population, and the size of the state-specific spirits industry.

Learn more about the cost of DTC spirits shipping in your state: <https://www.swa.org/DTC-Economic-Impact-State-By-State>

**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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