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FOR IMMEDIATE RELEASE

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WSWA Releases Statement on Calls to Dismantle the Three-Tier System

WASHINGTON, D.C., 06/17/2024 – Wine & Spirit Wholesalers of America (WSWA) today issued the below statement on calls to dismantle the three-tier system of beverage alcohol regulation:

“WSWA steadfastly defends the robust federal and state regulatory environment that created the safest, most competitive, and most successful alcohol marketplace in the world. Federal alcohol regulations coexist with the Twenty-First Amendment, giving every state the right to regulate alcohol as they see fit.

Keeping the alcohol marketplace competitive is paramount. Weakening the current system of regulation would take the industry back in time 90 years with only the largest and most lucrative brands dominating the marketplace, limiting consumer choice and value. This means that the investments of time, money, and sweat made creating the craft wine and spirits brand renaissance of today would all be in vain.

The current federal and state alcohol regulatory framework also provides for the world’s most diverse marketplace – people and products look much different today than they did 90 years ago, and this is something to be celebrated not dismantled.

Over the past decade, craft, startup, and small production wine and spirits have become one of the largest growth segments in the industry because of the three-tier system. Who would want to undo this? From a consumer safety standpoint, deregulation enables predatory behavior and puts consumers at risk of becoming victim to counterfeit and illicit alcohol.

Robust regulation means consumers can trust that what the label says is what’s in the bottle. We can track bottles from the producer, through the wholesaler right to the retail shelf, something you can’t count on in loosely regulated countries. Why would anyone want to threaten the health and safety of American consumers? Why would anyone want

to trade our model protecting consumers to one that turns a blind eye to product integrity?

As for the industry-wide social responsibility work lead by Responsibility.org and others, the risk of underage access to a socially sensitive product is managed by state regulators who utilize enforcement tools to detect and deter underage access and impaired driving. Again, who would want to take this ability away from regulators dedicated to public health and safety?

WSWA along with our industry partners will continue to engage with the appropriate regulatory agencies to ensure the value of the three-tier system is never diminished. WSWA always engages the White House, Congress, and state legislatures to ensure the U.S. marketplace is well-regulated and continues to be the global standard for others to follow. The U.S. leads and must continue to do so.

The three-tiers are the legs of the U.S. alcohol marketplace and without them, it would not stand to serve consumers, place responsibility at the forefront, or set the global-standard.”

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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