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***America's Beer, Wine & Spirits Retailers Celebrate 75th Birthday of the
Three-Tier System***

Reject Activist Group's False Claims About Wine Deregulation

Bethesda, Md. – April 24, 2008 – With the 75th Anniversary of the repeal of Prohibition this April, the American Beverage Licensees (ABL) is not only celebrating the end of this failed experiment, but also the 75th birthday of the Three-Tier System. The effective and efficient system of regulating alcohol beverages sales has helped produce billions of dollars in revenue for the federal government, states and municipalities; allowed state and local governments to adapt laws and policies that best reflect the values of their citizens; and most importantly, introduced millions of consumers of legal drinking age to beer, wine and spirits from different regions of the country and every corner of the world.

“Thanks to the innovative producers and all-important distributors of alcohol beverage products, retailers - those last to handle beer, wine and spirits products before they reach the customer - are extremely well served by today's Three-Tier System,” said ABL executive director Harry Wiles.

When it comes to alcohol beverage products, the selection offered to American consumers is broader today than ever before. Though much of this choice and variety has to do with the increasing number of brands produced by alcohol beverage manufacturers, this ever-widening selection of products would not reach retailers and their customers were it not for the hard work of alcohol beverage distributors.

“Walk into the average American liquor or package store, and then walk into a liquor store anywhere else in the world. Almost anywhere in the U.S. you can find wines and spirits from every continent except Antarctica,” said Wiles. “The U.S. has the most diverse and consumer-friendly beverage alcohol marketplace in the world due to the cohesion that exists between the three tiers.”

Despite the evolution and advances in the alcohol beverage industry made over the past 75 years, there are still those who wish to misconstrue the effectiveness of the Three-Tier System. Peripheral activist groups such as the Specialty Wine Retailers Association, speaking only for an elite cadre of wine merchants, rather than the greater alcohol beverage retail community they purport to represent, only serve to blur and disparage the importance of proper regulation of alcohol beverages.

“Comments about how ‘America's wholesalers have proven to be a failure at providing retailers and their customers with even a fraction of the wines available in the United States’ are simply not true and are misrepresentative of the sentiments of the vast majority of retailers,” said Wiles.

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Wiles added, “Any ability SWRA members have to provide consumers with a wide range of products is derived directly by the variety and selection provided by wholesalers.

“Retailers and their distributor colleagues are not luddites. Technology is something that the alcohol beverage industry is embracing. Whether it is inventory software programs, fully-integrated POS systems or ID scanners to verify a customer’s age, the industry is on the cutting edge,” said Wiles.

“The past fifteen years have shown that the Internet holds vast opportunities for commerce, but we should not let those possibilities blind us to the fact that alcohol is a unique and age-restricted product; states have the ‘unquestionably legitimate’ right to regulate its sale and distribution; and tearing down an effective system of regulation will increase the costs associated with getting products to market and handling the administrative, bureaucratic and regulatory issues.”

Bricks-and-mortar retailers, who pay local property and sales taxes, are an important link in the alcohol beverage system and assets to their communities. If shadowy, unregulated networks for alcohol sales undercut these legitimate businesses, the losses in jobs, tax revenue and public safety would be staggering.

The same is true for alcohol beverage distributors who provide thousands of products to retailers and also ensure product safety and product integrity on the way to the marketplace. By centralizing distribution, they reduce the costs of that process to both suppliers and retailers, and pass those savings on to the consumer.

In New York State, for example, there are some 19,000 wine products and almost 10,000 spirits products posted with the state and available to every retailer. This means thousands of manufacturers around the world make use of the distributor tier to get their products to consumers.

“The fact is, the great majority of retailers in this country feel very well served by their distributor friends, both in terms of selection and in terms of the raw dollar value distributors bring to the marketplace,” said Wiles. “Wholesalers provide efficiencies and functions that benefit suppliers, retailers and the consumer.”

ABL looks forward to another 75 years of consumer choice, cost-effectiveness and a strong Three-Tier System.

About American Beverage Licensees (ABL)

American Beverage Licensees (ABL) is the preeminent national trade association for retail alcohol beverage license holders across the United States. Its members, who number nearly 20,000, are comprised of on-premise and off-premise retailers who annually help infuse billions of dollars into the American economy. ABL represents the interests of American small business owners and a historical part of the American way of life. Many members are independent, family owned operators who assure that beverage alcohol is sold and consumed responsibly by adults. ABL serves as a way for beverage alcohol retailers nationwide to bring their combined wisdom and strength to bear on the challenges each face daily.