

## **New Wine Retailer Association Formed to Ensure Consumer Access to National Wine Market**

MARCH 6, 2006, SACRAMENTO, CA – Today, a patchwork of uneven and unconstitutional state laws constrain wine retailers and hurt wine consumers by limiting wine selection and artificially raising prices. To address these inequities, the Specialty Wine Retailers Association has been formed to encourage states to create a borderless national wine marketplace that offers consumers more choice, lower pricing and more convenience, and offers states increased tax revenues.

([www.specialtywineretailers.org](http://www.specialtywineretailers.org))

“As a result of the May 2005 U.S. Supreme Court ruling, 33 states now allow licensed, out-of-state wineries to ship directly to their consumers. But only 12 states, at most, allow retailers to do the same,” said Lesley P. Berglund, SWRA President. In *Granholm v Heald*, the U.S. Supreme Court ruled that “states may not enact laws that burden out-of-state producers or shippers simply to give a competitive advantage to in-state businesses.” *Heald* applies to both wineries and retailers, but many states that enable direct-to-consumer shipments from *wineries* do not extend the same privilege to *retailers*. The Specialty Wine Retailers Association was formed to correct this issue.

The traditional merchant role is even more relevant in today's dynamic marketplace. There are more than 3,500 wineries in the United States – at least one in every state -- producing more than 10,000 new products each vintage, far more than any retailer could stock and sell. More than five hundred new wine brands were introduced in 2005, according to *Wine Business Insider* (February 21, 2006). Replacing archaic, discriminatory laws will provide consumers with more transparency to what is available and more competitive pricing, which will help all tiers of the wine industry.

“This association is a win-win for everyone,” Berglund added. A national wine marketplace allows consumers to purchase from their favorite wine merchant, regardless of location, and merchants can provide access, information and recommendations to a larger pool of wine consumers. A successful retailer will, by definition, benefit wholesalers who sell them wine for re-sale, and that creates additional tax revenues for states. “We are also working closely with the other organizations deeply involved in ensuring consumer access, such as Free the Grapes!, Coalition for Free Trade, and the wine industry’s lobbying organizations,” she added.

“We welcome the opportunity to join forces with the SWRA,” said Todd Zucker, co-owner of K & L Wine Merchants in California. “Our company routinely ships hundreds of cases of wine each week to our California customers. All applicable taxes are collected, and adult signatures are obtained on every order. Direct shipments of wine to customers outside California are easily handled in the same fashion, thus giving consumers access to more choices.”

SWRA members include, but are not limited to, wine merchants, wine auction houses, wine e-tailers, catalogers, and wine clubs. Members operate in 30 states, and as of February 2006, include 1-800 Flowers.com (Ambrosiawine.com), Beverages & More, Bonhams & Butterfields, Houdini (Wine Country Baskets), K & L Wine Merchants, My Wines Direct, Rare Wine Company, Signature Wines, Vinesse, Vinfolio, and Winebid.com, among others. The organization is in active membership discussions with hundreds of other wine retailers -- and even wineries -- across the country that are supportive of a national wine market.

Headquartered in Sacramento, California, SWRA is organizing as a 501(c)(6) not-for-profit trade association. The Association serves its members in various legislative and regulatory arenas and by litigating to improve the system for all constituencies.  
[www.specialtywineretailers.org](http://www.specialtywineretailers.org))

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