



Virginia General Assembly Passes Progressive Legislation to Support State's Distilled Spirits Industry

VA 2019 signals a new chapter in the Commonwealth's support for Virginia's distilled spirits industry after several key pieces of legislation passed this year's General Assembly Session and are set to go into effect July 1, 2019.



Happy Virginia distillers.

HB 1770 / SB 1668, championed by a partnership between the Virginia Alcoholic Beverage Control Authority (ABC) and the Virginia Distillers Association (VDA), contains two core components:

- Increasing the commission paid to Virginia distilleries for onsite distillery store sales from 8% to 20%.
- Discretionary opening of Virginia ABC stores as early as 10 a.m. on Sundays, expanded from 12 p.m.

"Sundays continue to be a popular shopping day for many of our customers," said Virginia ABC Chief Executive Officer Travis Hill. "This legislation will allow us to better serve those who choose to shop on Sundays and provide economic growth for the state and our burgeoning distilled spirits industry."

"Our partners at Virginia ABC understood the challenges that we face as spirited entrepreneurs, and through their support, legislation was passed that directly incentivizes growth," said Gareth H. Moore, President of the VDA and CEO of Virginia Distillery in Lovingson, Va. "Our 64 licensed distilleries are a part of the fastest growing sector of the beverage business in the Commonwealth, and improving the economics for direct sales and allowing expanded hours is good policy for Virginia distilleries, Virginia ABC, Virginia taxpayers and, of course, consumers of Virginia spirits."

The formula for pricing distilled spirits in the Commonwealth is the same whether the product is sold at a Virginia distillery, or at a local ABC retail store. At distillery stores, in order to cover overhead expenses associated with retail sales — employee salaries, electricity, credit card processing machines, etc. — distillery store operators receive a commission. The previous commission rate of 8% of gross sales exclusive of sales tax was too low to cover retail expenses,

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Family-Owned Wine & Spirits Wholesalers Employ 88,000 Americans Earning \$7.5 Billion in Wages, New Data Shows

American family-owned wine and spirits wholesalers deliver spirits and wine from every corner of the world to local restaurants, bars and stores and are a major economic engine, according to a new study. Wholesalers employ nearly 88,000 Americans nationwide who earn a collective \$7.5 billion in annual wages as part of an industry that generates \$77.5 billion in tax revenue each year. Since 2016, wholesaler jobs have increased 19% and collective wages paid have increased by \$1 billion.

This data is part of a new industry economic impact study and coincides with the newly-designed WSWA.org website, which tells the story of wholesalers and the three-tier system while highlighting the value of America's beverage alcohol system.

The economic data and WSWA.org website will support WSWA's advocacy, advertising and media relations efforts.

"Family-owned wine and spirits distributors are the local marketing, brand building and logistics experts for beverage alcohol products in every state and congressional district in America," said WSWA President and CEO Michelle Korsmo. "To perform this wide range of services, the nation's wine and spirits distributors directly employ 88,000 Americans who earn a collective

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Pennsylvania House Advances Bill to Create Pennsylvania Distilled Spirits Industry Promotion Board

The state House of Representatives has advanced a bill that would create the Pennsylvania Distilled Spirits Industry Promotion Board, which would be responsible for awarding grants to craft distilleries.

The board would award \$1 million in grants to be used for promotion, marketing and research-based projects to benefit the distilled spirits industry in the state.