

Dear Members of Congress:

We write to respectfully request that you cosponsor and actively support the United States Postal Service (USPS) Shipping Equity Act (H.R. 3287/S. 1663) to allow breweries, distilleries, wineries, cideries, and meaderies to utilize the USPS to ship products to consumers where state laws permit it.

This legislation would not only support producers that have struggled during the COVID-19 health pandemic and government-mandated business closures and/or limits, but also generate much-needed new revenue streams for the USPS. **New estimates suggest that the USPS could gain \$180 million annually in revenue through the shipping of beverage alcohol where permissible with state and local laws.** Furthermore, this important legislation would permit USPS to ship alongside private-sector carriers where it is permitted.

Breweries, distilleries, wineries, cideries, and meaderies operate in every state and congressional district and are critical partners to our country's agricultural, tourism, hospitality, and manufacturing industries. However, with the onset of the COVID-19 health pandemic and business disruptions, these producers have experienced dramatic declines in revenue as fewer Americans go out for dinner or a drink, gather for events, or travel. The loss of on-premise sales has caused small beverage alcohol producers to see an average revenue loss of at least 40 percent in 2020.

At the same time, adult consumers have increased demand for having beverage alcohol products delivered directly to their door. This demand is already being reflected in new state laws, which permit alcohol producers, restaurants, and retailers to deliver and/or ship beverages ranging from six-packs of beer and bottles of wine to individual mixed drinks, depending on the state. Of course, there are well-established and appropriate requirements and other safeguards in place to ensure minors cannot illegally access alcohol through these measures, and technological advances have enhanced such safeguards. In short, shipping is a convenient and safe way for adult consumers to purchase a wide variety of products, including beverage alcohol.

The USPS Shipping Equity Act supports consumer choice and offers producers – many of whom are in rural or remote areas – the opportunity to reach their adult customers that may otherwise be unable to purchase the product locally or travel to acquire it. As such, direct-to-consumer shipping serves as an important complement to the traditional three-tier system of beverage alcohol distribution and has been a critical business lifeline during this unprecedented pandemic.

Furthermore, the USPS Shipping Equity Act, working in conjunction with state and local laws not to supersede state regulation, offers the USPS the opportunity to participate in direct-to-consumer shipping where already in effect. It does not make any changes to federal excise tax

collection nor does it inhibit state or local authority in regulating beverage alcohol and provides strong safeguards (e.g., identification checks) to prevent underage consumption of alcohol by minors.

As consumers increasingly engage in e-commerce, the USPS Shipping Equity Act offers the USPS the opportunity to engage in this growing market:

- A consumer survey by SOVOS Ship Compliant/Harris Poll, found that 84 percent of regular craft beer drinkers – defined as those who drink craft beer at least once per month – want to be able to legally purchase beer via direct-to-consumer shipping to their homes. Additionally, the survey found that more than 73 percent say the pandemic has increased their interest in purchasing craft beer via direct-to-consumer shipping.
- In 2020, wineries shipped 8.39 million cases of wine to consumers through private shipping companies – a 27 percent increase over 2019. Forty-seven states currently allow the shipment of wine directly to consumers.
- Direct-to-consumer shipping is becoming more important to craft distillers. In 2019, fewer than 30 percent of craft distillers were able to take advantage of direct-to-consumer shipping. But, in 2020, that amount increased to 45 percent – likely due to the increase in states over the past year that passed temporary measures allowing direct-to-consumer shipping of spirits to help craft distillers access their customers during the pandemic.

We encourage you to support this important piece of legislation that will allow for consumer choice, support businesses across the country that have suffered during the pandemic, create a new revenue stream for the USPS, and allow USPS to compete in the marketplace more effectively. The undersigned organizations represent thousands of producers of beer, wine, spirits, cider, and mead across the U.S., and we would ask for your support.

For more information or to add your office as a cosponsor to the USPS Shipping Equity Act (H.R.3287/S. 1663), please reach out to Elazar Chacha (Elazar.Chacha@mail.house.gov) in Rep. Speier's office, Travis Martinez (Travis.Martinez@mail.house.gov) in Rep. Newhouse's office, or Matthew Traylor (Matthew_Traylor@merkley.senate.gov) in Sen. Merkley's office.

Sincerely,

Distilled Spirits Council of the United States
Brewers Association
WineAmerica
American Postal Workers Union
National Active and Retired Federal Employees Association (NARFE)
National Association of Letter Carriers
National Association of Postal Supervisors

National Postal Mail Handlers Union
National Rural Letter Carriers Association
United Postmasters and Managers of America
American Cider Association
American Craft Spirits Association
American Distilling Institute
American Mead Makers Association
American Single Malt Whiskey Commission
American Wine Society
National Association of Wine Retailers
Alabama Brewers Guild
Alabama Craft Distillers Association
Arizona Craft Brewers Guild
Arizona Craft Distillers Guild
Atlantic Seaboard Wine Association
Brewers Association of Maryland
Brewers Guild of New Jersey
Brewers of Indiana Guild
Brewers of Pennsylvania
California Artisanal Distillers Guild
California Cider Guild
California Craft Brewers Association
California State Association of Letter Carriers
Colorado Association of Viticulture and Enology
Colorado Brewers Guild
Colorado Distillers Guild
Connecticut Cider Association
Connecticut Spirits Trail
Distilled Spirits Council of Vermont
Distillers Association of North Carolina
District of Columbia Brewers Guild
Family Winemakers of California
Florida Brewers Guild
Garden State Winegrowers Association
Georgia Craft Brewers Guild
Georgia Distillers Association
Hawaiian Craft Brewers Guild
Idaho Brewers United
Idaho Distillers Association
Idaho Wine Commission
Indiana Winery and Vineyard Association
Illinois Craft Brewers Guild
Illinois Craft Distillers Association

Illinois Grape Growers and Vintners Alliance
Iowa Distillers Alliance
Kentucky Distillers Association
Kentucky Guild of Brewers
Louisiana Craft Brewers Guild
Louisiana Distillers Guild
Maine Brewers Guild
Maine Distiller's Guild
Maryland Distillers Guild
Maryland Wineries Association
Massachusetts Brewers Guild
Michigan Cider Association
Michigan Craft Distillers Association
Michigan Wine Collaborative
Minnesota Craft Brewers Guild
Missouri Craft Brewers Guild
Missouri Wine and Grape Board
Montana Distiller's Guild
Nebraska Craft Brewers Guild
New Jersey Craft Distillers Guild
New Mexico Cider Association
New York Cider Association
New York State Brewers Association
New York State Distillers Guild
New York Wine and Grape Foundation
New York Wine Industry Association
North Carolina Cider Association
North Carolina Craft Brewers Guild
Northwest Cider Association
Ohio Craft Brewers Association
Ohio Distiller's Guild
Ohio Wine Producers Association
Oregon Brewers Guild
Oregon Distillers Guild
Oregon Wine Council
Oregon Winegrowers Association
Pennsylvania Distillers Guild
South Carolina Craft Distillers Guild
Tennessee Craft Brewers Guild
Tennessee Distillers Guild
Tennessee Farm Wineries Association
Texas Cider Association
Texas Craft Brewers Guild

Texas Wine and Grape Growers Association
Vermont Cider Association
Vermont Grape and Wine Council
Virginia Association of Cidermakers
Virginia Distillers Association
Virginia Wineries Association
Walla Walla Valley Chamber of Commerce
Washington Brewers Guild
Washington Distillers Guild
Washington Wine Institute
Washington Winegrowers Association
Wisconsin Distillers Guild
Wisconsin Winery Association