America’s Beer Distributors: The Face of the American Beer Industry
Do you know how that ice cold beer you enjoy at the end of a long day, at a ball game or with dinner makes its way safely to you, the consumer?

The answer is America’s 3,300 beer distributors which employ 130,000 people.

Who Are America’s Beer Distributors?

Beer distributors, licensed by both the federal and state governments, get bottles, cans, cases and kegs from a brewer or importer to the shelf of your favorite store, local restaurant or neighborhood bar through a safe, transparent and accountable system. They work hard to help new brands get to market and to ensure that consumers can choose from a vast selection of beer. In fact, more than 13,000 labels of beer are available to American consumers today.

America’s independent beer distributors are local businesses that operate in every state and congressional district across the United States. They provide 130,000 solid jobs with good benefits to people who live in their communities.

Beer distributors do more than buy, store, sell and deliver beer. They are also small business owners, civic leaders, parents and philanthropists who are active in their communities. Beer distributors play a vital role in working to keep the communities where they live and work safe by sponsoring a wide array of programs to promote responsible consumption, combat drunk driving and work to eliminate underage drinking. Beer distributors also value their role in the state-based system of alcohol regulation that works to keep communities and citizens safe while encouraging healthy competition and a robust marketplace.
The Importance of State Alcohol Regulation

Today’s successful system of state-based alcohol regulation gives each state the ability to enact and enforce alcohol laws consistent with the desires and needs of its citizens. Alcohol is not like potato chips or toothpaste and is not regulated the same way as other products. State-based regulation of alcohol allows each state the flexibility to deal with local needs, concerns and circumstances. After all, people in Nevada feel very differently about alcohol than those in neighboring Utah.

Today’s system is rooted in the 21st Amendment which was designed to provide guidance and solutions after the failure of national Prohibition. The growth in organized crime, underground black markets and consumption of counterfeit and poisonous alcohol that occurred during Prohibition made clear that a one-size-fits-all approach to alcohol regulation does not work.

The 21st Amendment gave rise to the American three-tier system of independent alcohol distribution – composed of brewers and importers, distributors and retailers – which has effectively balanced community attitudes about alcohol with healthy marketplace competition and vast consumer choice for 80 years.

21st Amendment

Passed by Congress February 20, 1933. Ratified December 5, 1933.

Section 1.
The 18th article of amendment to the Constitution of the United States is hereby repealed.

Section 2.
The transportation or importation into any State, Territory, or Possession of the United States for delivery or use therein of intoxicating liquors, in violation of the laws thereof, is hereby prohibited.

Section 3.
This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by conventions in the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.
Benefits of the Three-Tier System and Beer Distributors

Generating Healthy Competition and a Robust Marketplace

Beer distributors source beer from a wide variety of importers and manufacturers. By working with numerous brewers, distributors provide a vehicle to market for the largest multinational beer brands to start-up craft brewers. Because of this system, you can order a California craft beer off a menu in Illinois; enjoy a Vermont brew in a Tennessee restaurant; and see a tap handle from Pennsylvania in a Texas bar.

The three-tier system provides the infrastructure, capital and personnel small brewers need to reach a wide network of retailers. Distributors’ infrastructure includes state-of-the-art warehouses and fleets of temperature-controlled trucks and vehicles that preserve these perishable products. Distributor personnel include not only employees that handle warehousing, transporting and delivering all types of beer to local retailers, but also sales and merchandising professionals who help promote each label of beer they sell. Distributors deliver customized inventory based on the requirements of each individual retailer in their local market.

Providing Tremendous Variety to Consumers

Because beer distributors help get new brands to market, consumers benefit by having the choice between the largest international brands and the smallest local brews all on the same store shelf, restaurant list and bar tap. Today, American consumers

America’s independent beer distributors are a critical link in a three-tier distribution system. Distributors are regulated by the states and provide a tremendous variety of beer brands and styles to licensed retailers at a great value while protecting the public. The three-tier system is made up of brewers and importers, distributors and retailers.
can choose from more than 13,000 labels of beer ranging from lambics and lagers to porters and pale ales. There is a flavor and style for every palate!

**Protecting Consumers**
Beer distributors provide a clear chain of custody in the sale of beer. America’s beer distributors are licensed by both the state and federal governments. Distributors source fresh beer only from federally-registered brewers and importers and sell it only to state-licensed retailers including restaurants and convenience stores. This system helps to ensure that retailers hold the appropriate license, do not sell to those under the legal drinking age and comply with local alcohol beverage laws. The system also ensures that beer is traceable; so if there were a suspected problem with a product, distributors could act swiftly to track the identified product and pull it from the marketplace.

This regulated distribution system also helps protect American consumers from counterfeit and poisonous alcohol. The American distribution system helps protect consumers from counterfeit and poisonous alcohol.

**Collecting Taxes**
The same controls that provide accountability in beer sales also ensure states can efficiently collect taxes on alcohol products. Because distributors are able to monitor the beer from the time it leaves the brewery until it arrives at a licensed retail outlet, they are often best equipped to collect state taxes and help the state enforce alcohol laws. For this reason, many states find it more efficient to collect taxes from a limited number of federally- and state-licensed beer distributors than from the hundreds or thousands of retail establishments that sell alcohol products.

**Providing Value and Efficiency for Retailers**
By storing perishable products, providing access to a diverse selection of brands at various price points, and hiring local citizens dedicated to helping sell beer and promote local businesses, America’s 3,300 licensed beer distributors provide tremendous value and efficiency to America’s 576,000 licensed
Distributor services—like monitoring retailer shelves, taps and keg lines to ensure consumers are receiving the freshest product—reduce retailer operating costs and translate into dramatic annual savings for retail outlets across the country. Distributors also assist retailers through point-of-sale advertising, merchandising and stocking.

Additionally, beer distributors help ensure that bars, restaurants and stores that sell beer do so responsibly and only to those of legal drinking age by routinely providing materials that discourage underage sales. These materials—like signs, posters or stickers—are often seen on cooler doors and at cash registers when consumers purchase licensed beverages.

The National Beer Wholesalers Association (NBWA) is a trade association that represents the interests of America's 3,300 licensed, independent beer distributors – with operations located in every state and congressional district across the United States. NBWA works to strengthen the state-based system of alcohol regulation that facilitates an orderly marketplace; creates a transparent and accountable system of alcohol distribution that protects American consumers; and promotes responsibility in the manufacture, distribution, sale and consumption of alcohol.