

Southern Glazer's Wine & Spirits and Republic National Distributing Company Testimony
in Opposition to

LD 2160, An Act to Modify Provisions of Law Affecting Small Distilleries

Joint Standing Committee on Veterans and Legal Affairs

February 13, 2026

Senator Hickman, Representative Supica, and Members of the Veterans and Legal Affairs Committee,

My name is Daniel Walker with Preti Flaherty, and I provide testimony in opposition to LD 2160 on behalf of Southern Glazer's Wine & Spirits (SGWS) and Republic National Distributing Company (RNDC).

SGWS is a national beverage distributor operating in 44 states, the District of Colombia, and Canada. RNDC is a national beverage distributor operating in 39 states and the District of Colombia. Both companies employ managers and salespeople in Maine who interact with the Maine Bureau of Alcoholic Beverages and Lottery Operations (BABLO) on behalf of distilled spirit manufacturers, providing local marketing support, pricing input, as well as working with licensed on and off premise accounts in Maine.

SGWS and RNDC oppose LD 2160 for a number of reasons.

First, small distilleries should operate within the three-tier system like all the other players within the system. Maine's three-tier system of manufacturers, wholesalers, and retailers have established a balance and made investments in the system as it is. This bill would allow small distilleries to bypass the system in several ways:

- Allowing on-premises licensees to purchase spirits directly from a small distillery and bypassing Maine's licensed reselling agents.
- Bypassing licensed retailers by self-distributing directly to on-premises licensees or restaurants without using a licensed wholesale distributor.
- Permitting small distilleries to purchase spirits from another small distillery and sell them for on-premises consumption at their own facilities without obtaining an additional license.

It would be inequitable to make these changes to benefit only small distillers and allow them to work around the system and avoid the costs the rest of the system pays.

Second, LD 2160 weakens Maine's public health and safety. Direct sales from small distilleries would undermine Maine's current regulatory system and bypass the safeguards that have kept Maine residents safe, ensure taxes are collected, and maintain the greatest consumer access of

products in the world for over 80 years. The bill does not provide any measures to regulate how the small distilleries would transport the spirits to bars, restaurants, and retailers. Would they use the state system and infrastructure to transport or would they transport outside of state control?

Importantly, the similar issue of direct to consumer sales of spirits was introduced last session in LD 1754 and was finally rejected. We have had this debate, and we should not take this up again in the short session.

For these reasons, SGWS and RNDC oppose LD 2160. Thank you for the opportunity to provide this testimony.

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