



August 15, 2023

Liquor Advisory Group  
c/o Colorado Department of Revenue  
1707 Cole Blvd; Suite 350  
Lakewood, CO 80401

RE: *Wine & Spirit Wholesalers of Colorado (WSWC) opposition statement to the proposal to permit retailers to buy and sell wine and spirits obtained from private collections.*

Members of the Liquor Advisory Group:

On behalf of WSWC please consider these comments in opposition to the original and revised proposals *to allow non-licensed individuals 21 years and older to sell private collections of vintage alcohol to retailers for resale in Colorado.* Our opposition is explained below.

Each entity licensed in some manner within the three-tier system works directly with state and federal regulators to ensure safety and product integrity for American consumers with all wineries, breweries, distilleries and distributors subject to some federal regulation and every supplier, distributor and retailer licensed by the state in which it does business. Additionally, effective regulatory oversight and enforcement from the Alcohol and Tobacco Tax and Trade Bureau (TTB) within the Department of the Treasury serves a critical role in licensing businesses, approving product labels and conducting rigorous safety analyses. This proposal would create an exemption to the guidelines for ensuring product safety and integrity by allowing individuals to sell products they deem “collections”. There is no way to determine if an individual is a “collector” or whether the product is in fact “vintage” - “vintage” as defined in this proposal is subjective.

Overall WSWC does not feel this is sound public policy, and we have concerns around definitions, sales by unlicensed individuals, health and safety issues due to a proliferation of counterfeit alcohol and the lack of quality controls in the proposal. WSWC would strongly oppose allowing individuals to sell “private collections” to retailers for resale to the public.

“Vintage” is a term used in the alcohol beverage industry to define the year a product was manufactured. While this proposal clearly is referring to older, collectible type products of a certain age, use of the “term” may in fact create many unintended consequences in other sections of the statute. The revised proposal anticipates the “seller” affixing a label identifying that the product meets various criteria which would define it as “vintage” (not less than 10 years). With products potentially coming from all over the world there is no standard “collector” label and establishing requirements to validate who is a “collector” and ensure proper labeling will be difficult.

The proposal would open sales from any individual who is over 21, with the technology that exists today this would include individuals from other states, other countries, etc. There is no mention of how much, from where, and by what means the product would get delivered. There is virtually no quality control or assurances for the consumer. The proposal suggests that Colorado businesses and consumers are losing out because of current Colorado law prohibiting this activity. WSWC believes this activity would create a situation where unlicensed individuals would rush to buy up popular items from retailers or online then sell them back to retailers in other markets further causing chaos in the market.

WSWC believes this would create additional problems with unlicensed trucks, no documented invoices, unlicensed employees transporting alcohol across state lines to deliver alcohol.

The proposal states the acquiring licensee shall keep a record of each purchase of vintage wine and/or vintage Spirits. The record shall contain the following information:

- (a) The name, address, state license number, and phone number of the licensee purchasing Vintage wine and/or Vintage Spirits;*
- (b) The name, address, age and phone number of the seller of Vintage wine and/or Vintage Spirits;*
- (c) The brand name and quantity of each bottle of Vintage wine and/or Vintage Spirits purchased;*
- (d) The date of the purchase.*

Since these individuals are not licensed there is no process in place to ensure public safety measures have been met. What authority, if any, would LED have to inspect an individual’s records?

WSWC does not share the belief that the New York and California models are “working well”. I would submit the following examples of articles on some of the problems that occur.

<https://www.nytimes.com/2022/01/06/dining/drinks/fake-bourbon.html>

<https://www.lawhiskeysociety.com/pages/fake-pappy-van-winkle>

[https://www.insidehook.com/daily\\_brief/booze/fake-pappy-van-winkle-whiskey](https://www.insidehook.com/daily_brief/booze/fake-pappy-van-winkle-whiskey)

<https://www.distillerytrail.com/blog/buffalo-trace-cracking-down-on-counterfeit-pappy-van-winkle-bourbon-resellers/>

<https://www.wswa.org/news/americas-three-tier-system-alcohol-distribution-protects-against-counterfeit-alcohol-ensures>

WSWC respectfully requests your opposition to the proposal.

Sincerely,

A handwritten signature in black ink, appearing to read "Micki M. Hackenberger". The signature is written in a cursive style with a large, stylized initial "M".

Micki M. Hackenberger  
Executive Director