WASHINGTON — The U.S. Department of the Treasury, in consultation with the U.S. Department of Justice and the Federal Trade Commission, released a new report today on competition in the markets for beer, wine, and spirits. While commending the proliferation of new firms over the last several decades, the report also details challenges to the growth of small businesses and new entrants into the marketplace. It contains a series of recommendations to better level the playing field for small businesses and new marketplace entrants by enforcing existing laws that promote competition and modernizing outdated alcohol regulations. The report, Competition in the Market for Beer, Wine and Spirits, is a product of Executive Order 14036, Promoting Competition in the American Economy.

“The Biden-Harris Administration is committed to ensuring an economic environment that promotes fairness and competition,” Assistant Secretary for Economic Policy Ben Harris said. “The report identifies several competitive issues in the beer, wine, and spirits markets, which, if remedied, would allow entrepreneurs, small businesses, and new entrants to compete on a level playing field with larger market participants.”

“American consumers, small business owners, entrepreneurs, and workers should not have to suffer under the thumb of a highly concentrated beer industry,” said Assistant Attorney General Jonathan Kanter of the Department of Justice’s Antitrust Division. “Enforcement and regulatory authorities should have the courage to learn and the fortitude necessary to enforce the law and protect competition.”

The report analyzes the markets for beer, wine, and spirits and finds significant concentration in certain markets. The report also analyzes the role that complex regulations play in stifling small businesses and blocking market access to new participants. To solve the competitive challenges in the beer, wine, and spirits marketplace, the report identifies several priorities, including strengthened review of horizontal consolidation, enforcement of trade practice rules against exclusionary conduct, and reform of post-Prohibition era regulations that hinder small firms and new entrants from accessing the marketplace.
The full report can be read here 📄