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Cost of Trump’s Tariffs Paid Almost Exclusively by Americans: Study

If it gives you any comfort, the bev/al industry isn’t the only one paying for Donald Trump’s tariffs. American business and consumers in general are paying for Donald Trump’s tariffs.

That’s the conclusion of a new study which analyzed more than 25 million shipment records covering a total value of almost four trillion US dollars in US imports. The findings are clear:

- US customs revenue increased by about $200 billion in 2025.
- Foreign exporters absorbed only about 4%of the tariff burden, 96% passed through to US buyers.
- Trade volumes collapsed, but export prices did not fall.

"The tariffs are an own goal," says Julian Hinz, research director at the Kiel Institute for the World Economy and one of the authors of the study. "The claim that foreign countries pay these tariffs is a myth. The data show the opposite: Americans are footing the bill." The tariffs act like a consumption tax on imported goods. At the same time, both the variety and volume of available products decrease.

Policy Implications

We’ll go through the study’s detailed findings in a minute. But first, the study reaches several unavoidable policy conclusions:

“First, tariffs are a tax on Americans. The claim that foreign countries “pay” for US tariffs is empirically false. With approximately 96% pass-through, nearly all the tariff burden falls on American importers and, ultimately, consumers. The $200 billion surge in customs revenue represents $200 billion extracted from American businesses and households.

“Second, tariffs do not transfer wealth from foreigners to Americans. They transfer wealth from American consumers to the US Treasury.” This is economically equivalent to a consumption tax—but one that applies selectively to imported goods, creating additional distortions and inefficiencies.

“Third, trade volumes adjust, not prices. The primary effect of tariffs is to reduce imports, not to force foreign producers to accept lower prices. This means fewer goods, less variety,and disrupted supply chains for American firms. The costs are real and immediate; the purported benefits are illusory

Fourth, supply chains bear significant costs. American manufacturers that rely on imported inputs face higher costs. They must either absorb these costs (reducing profits and investment), pass them to customers (raising prices for downstream buyers), or scramble to find alternative sources (incurring adjustment costs and delays). None of these options is costless.”

That last point – that higher tariffs may force manufacturers to return manufacturing to the U.S. – is a worthwhile goal. The question is: Can Trump and the Republicans stand the political cost – especially if Democrats figure out how to convert this an similar studies into political talking points?

The Details Behind the Conclusions

The study also examines the unexpected tariff hikes imposed on Brazil and India in August 2025: tariffs on Brazilian imports were suddenly raised to 50%, and for India, to 50% from 25%. Again, the data show that foreign exporters did not lower their prices to offset the additional tariffs. Had exporters absorbed the tariffs, their U.S. prices would have fallen relative to other markets—but this was not the case.

"We compared Indian exports to the U.S. with shipments to Europe and Canada and identified a clear pattern," Hinz explains. "Both export value and volume to the US dropped sharply, by up to 24 percent. But unit prices—the prices Indian exporters charged—remained unchanged. They shipped less, not cheaper."

This isn't some shocking new finding. What's shocking is that Trump's economic advisor wither failed to warn him of the consequences or he ignored them. It's a repeat of Donald Trump's last trade war – the one with China in 2018-2019.

Studies then "using detailed product-level data found pass-through rates close to 100%—meaning American buyers paid essentially the full amount of the tariff. Chinese exporters, despite facing significant new trade barriers, did not cut their dollar prices to maintain market share. Instead, the primary adjustment occurred through reduced trade volumes:fewer Chinese goods entered the United States, but those that did were not discounted.," the study says.

The latest study finds that " if the US imposes a 25% tariff on a product, exporters reduce their pre-tariff price by less than 1%. The tariff-inclusive price paid by US importers rises by approximately 24%—nearly the full amount of the tariff.

This finding has direct implications for the distribution of the tariff burden. If approximately 96% of the tariff is passed through to US buyers, then for every $100 in tariff revenue collected, roughly $96 comes out of American pockets and only $4 represents a reduction in foreign exporter profits. The claim that foreign countries "pay" the tariffs is, at best, 4% true.

Why don't exporters adbsorb tariffs? The study offers several possible explanations:

- "The United States is a large market, but it is not the only market. Exporters facing US tariffs can redirect their sales to Europe, Asia, or other destinations. If redirecting sales is feasible, exporters have less incentive to cut prices specifically for US buyers."
- Even if an exporter cuts prices, a 50% tariff is extremely difficult to overcome through price concessions. An exporter would need to cut their price by one-third just to offset a 50% tariff—a margin cut that would likely be unprofitable for most firms.
- If exporters believe tariffs may be temporary or subject to negotiation, they have less incentive to make costly price adjustments
- Many US importers have long-standing relationships with foreign suppliers and cannot easily switch to alternative sources. This gives existing suppliers pricing power: they know that their US customers cannot immediately replace them, so they face less competitive pressure to cut prices."

The study notes that importers, wholesalers, manufacturers and retailers who purchase imported or finished good bear the burden of the tariff. But ultimately, “consumers are the ultimate bearers of the burden. Whether through higher prices on imported goods, higher prices on domestically produced goods that use imported inputs, or reduced availability and variety of products, American households pay for the tariffs,” the study says.

Trump Threatens Higher Tariffs on Seven European Countries’s Goods

In his attempt to take of Greenland, President Trump is threatening an additional 10% tariff on goods from Germany, France, the UK, Netherlands, Sweden, Denmark and Finland. Obviously, beer, wines and spirits imported from those countries would appear to be affected as would a variety of other luxury goods. *The Wall Street Journal* has a partial list, here.

Alaska Limits on Live Music at Breweries, Distilleries Held Unconstitutional

An Alaska Superior Court judge ruled that a state law limiting live shows at breweries, distilleries and wineries in Alaska is an unconstitutional violation of the First Amendment and the Alaska Constitution’s protections for free speech.

“The speech restrictions fail the tests of strict and intermediate scrutiny, and such suppression of speech by the state cannot stand,” **Judge Adolf Zeman** wrote at the conclusion of his 25-page order.

Until 2022, alcohol manufacturers were prohibited from having entertainment — including TVs, dancing, games and live music — on site. That year, as part of a sweeping modernization of the state’s alcohol laws, breweries, distilleries and wineries were allowed up to four live events per year if approved by the Alaska Alcohol & Marijuana Control Office, the state regulator.

Bars continued to be allowed an unlimited number of live events without permit; the difference in limits was billed as a political compromise necessary for the reform to pass the Legislature and become law.

Three companies — Zip Kombucha, Sweetgale Meadworks & Cider House, and Grace Ridge Brewing Co. — filed suit to overturn the four-event limit, raising free-speech and equal-protection claims.

Zeman ultimately concluded that the state failed to show how restricting live entertainment at breweries and distilleries, but not bars, would protect public health or safety.

“This court recognized that the challenged speech restrictions were once a critical piece of a grand compromise … however, political compromise is not recognized as a substantial government interest for the purposes of restricting speech under the First Amendment. Neither is the codification of preference for one industry actor over another,” he wrote.

While Zeman overturned a law limiting live entertainment, he upheld a law forbidding breweries, distilleries and wineries from having pool tables, dartboards and similar games, “because they are not speech.”

He also gave nodding approval to a law that restricts brewery, distillery and winery operating hours and serving sizes to less than what’s allowed for bars.

“The Legislature has, and can further address public health and safety risks associated with alcohol consumption in breweries and wineries by limiting the amount of product that can be served, the hours during which they can operate, or by reducing the cap for the number of brewery or winery licenses allowed in a given community,” he wrote.

Lee Ellis, head of the government affairs committee for the Brewers Guild of Alaska, said by phone that the guild had been pushing for a legislative solution to the issue, “but we’re happy to see those entertainment live-music restrictions are finally lifted. I think it’s a win regardless, and we look forward to offering a lot of opportunities for small-time musicians to further present their craft.” – *Alaska Beacon*

Mission Bell Winery Lays Off 200 as Contract with Gallo Ends

Mission Bell Winery, one of the wineries divested by Constellation Brands in 2020, is laying off about 200 workers as a “transitionary supply contract” with Gallo for the making, cellaring and storing its Black Box brand. The contract was part of CBrands sale of the winery.

Charles Merinoff to Receive WSWA Lifetime Leadership Award

He began his career in the family’s beverage distribution business in 1980 and later led Charmer Industries before guiding strategic growth through the acquisition of Sunbelt Beverage Corporation, ultimately forming Charmer Sunbelt Group. In 2016, the merger of Charmer Sunbelt Group and Wirtz Beverage Group created Breakthru Beverage Group, one of North America’s largest and most respected wine, spirits and beer wholesalers, where Merinoff continues to serve as Co-Chairman of the Board of Managers and Operating Committee.

Throughout his career, Merinoff has been deeply engaged in community and charitable work. He has served as Treasurer and longtime board member of the Federal Law Enforcement Foundation, sat on the Board of Trustees of the Culinary Institute of America, and currently serves on the Board of Directors of the Thurgood Marshall College Fund. He has also been active in health-care organizations, including the North Shore-Long Island Jewish Health System and Lenox Hill Hospital. Merinoff leads the annual Wine and Wishes tasting and auction, which has raised millions for the Make-A-Wish Foundation of Metro New York.

Kentucky Distillers Assn. Names Gigi DaDan as Board Chair

Kentucky Distillers’ Association elects Gigi DaDan, general manager of Louisville Distilling Co., which owns Angel's Envy, chair of the Board of Directors. She succeeds Ken Lewis, founder of New Riff Distilling, who becomes immediate past chair.

Alongside DaDan, the Board also named David Salmon, COO/Founder of Jackson Purchase Distillery, as Vice Chair; Chris Morris, Master Distiller Emeritus at Brown-Forman Corp., as Treasurer; and Kaveh Zamanian, Founder, Rabbit Hole and Mary Dowling Whiskey at Pernod Ricard.

Other Board officers include Lewis as the Immediate Past Chair; Wally Dant, President and Distiller of Log Still Distillery, representing “Proof” level members; and Tom Bard, Co-Founder and CEO of The Bard Distillery, representing “Craft” level members.

LO SECCO Prosecco Expands U.S. Distribution, Launches Website

LO SECCO Prosecco DOC Brut Nature, a zero-sugar sparkling wine produced in Italy's Veneto region, said it partnered with **Northeastern Beverage** in Connecticut, **Maverick Beverage Co.** in Minnesota, and **Shorepoint Distributing** in New Jersey, bringing the brand's total footprint to eight states.

Founded by **Monika Elling**, LO SECCO Prosecco DOC Brut Nature contains zero sugar, is vegan and naturally low in carbohydrates.

"We're at a pivotal moment as consumers recognize that zero sugar Prosecco can align with modern lifestyles, including low-carb, keto, and GLP-1–influenced approaches, without compromising quality or enjoyment," Elling said. "We're proud to partner with distributors who understand that wellness and responsible wine consumption are not opposing ideas. Together, we're focused on building thoughtful, sustainable growth with both the trade and today's increasingly informed consumers."

Dos Equis "Most Interesting Man in the World" Returns

After nearly a decade, Dos Equis is bringing back The Most Interesting Man in the World with the legendary rallying cry, "Stay Thirsty, My Friends," to reawaken a sense of curiosity, boldness, and story-rich living.

The iconic advertising figure, portrayed by actor Jonathan Goldsmith, will make his highly anticipated return through a non-traditional, integrated campaign, debuted with a new :45 commercial airing during Monday night's college football title-game broadcast featuring the Indiana University Hoosiers vs. the Miami University Hurricanes.

The original campaign (2006-2016) became a cultural phenomenon – popping up in memes, appearing on late night shows, and generating social conversation – which helped to more than triple the size of the Dos Equis brand. The character carved out a permanent place in popular culture, with more than half of beer drinkers today still associating the character with Dos Equis by just a photo alone.

"Our research found that 83% of people exposed to the original campaign wanted to see it return, and the old ads drove an incredible 97th percentile brand recall in recent testing," said **Alison Payne**, CMO, **Heineken USA**. "While this campaign has been off the air for nearly a decade, the love for The Most Interesting Man in the World never faded. That's why we're relaunching the 'Stay Thirsty' campaign to drive excitement among fans and inspire a new generation to be bold, be curious, and stay thirsty for new adventures. Because an interesting life is full of stories, ones that you will want to tell your friends about over a beer - preferably Dos Equis of course."

A recent Talker Research study confirmed that one-in-four Americans feel trapped in mundane routines. So rather than simply bring back a beloved character, Dos Equis created a narrative that demonstrates what the world looks like without someone inspiring us to Stay Thirsty – proving why we need him now more than ever. Beginning on Jan. 8, Dos Equis started to drop hints that The Most Interesting Man in the World could be returning, intriguing fans with a series of teasers showing a familiar figure – "The Least Most Interesting Man" – living a decidedly *uninteresting* life, painstakingly ironing dress socks and building ships in bottles. The innovative approach to his return was intentionally executed without any visible Dos Equis branding, relying on the iconic character, his legendary lines and signature music to signal to fans his imminent return. You can view the spots HERE, HERE and HERE.

Fans watching college football's biggest game will get their questions answered: After just one glance of the most interesting beer at the back of his fridge, The Most Interesting Man in the World immediately regained his memory and his signature confidence. To celebrate his return amid football season, The Most Interesting Man in the World hosted an epic Sailgate party just a few miles from the stadium in Miami prior to kickoff.

Joth Ricci, Family Buy Winderlea Vineyard & Winery

Joth Ricci and his family have purchased **Winderlea Vineyard & Winery** in Dundee, Ore., from founders John Sweat and Donna Morris. Terms weren't disclosed.

Ricci’s ties to Oregon wine deepened during his time as President and CEO of Adelsheim Vineyard, a winery with longstanding ties to Winderlea through pioneering winemaker David Adelsheim. Adelsheim helped lay out the original estate vineyard planted in 1974, well before Winderlea was founded as a winery.

Day-to-day operations will continue with no immediate changes planned. The existing team will maintain its focus on the winery and hospitality spaces, carrying forward the approach that has long defined Winderlea. Leading the business will be **Lindsey Morse** as Vice President of Strategy and Winery Operations, whose background includes leadership roles at Ponzi Vineyards and Stoller Family Estate, as well as Adelsheim, where she first collaborated with Ricci. The family is also supported by a close circle of trusted advisors and industry veterans, including **Kim Bellingar**, founder of Century Vineyards and former COO of Adelsheim, who will provide strategic support across business operations and organizational development.

Ricci’s daughter Anna, both a fourth-generation Oregonian and OSU graduate, is actively involved at the winery, taking a hands-on position supporting day-to-day operations and work across the estate. Her involvement reflects the family’s connection to Oregon wine, agriculture and hospitality, and brings a presence anchored in curiosity and respect for Winderlea’s history and character.

Ricci is a third-generation Oregonian who has held top leadership roles across some of the region’s most recognized food and beverage brands, including as general manager at Columbia Distributing and president of Stumptown Coffee Roasters, where he launched Cold Brew and led the brand to its existing partnership with Peet’s Coffee. He later guided Dutch Bros Coffee as CEO through its 2021 IPO, the largest in Oregon history. Ricci currently serves as executive chairman of Burgerville.

Miller Lite's New Campaign: Socialize in Person (and Drink Miller Lite)

Miller Lite's new campaign, “Legendary Moments Start with a Lite,” debuts Saturday, Jan. 10 during NFL playoff football. It will extend beyond TV with The Miller Lite Damp January Club, encouraging consumers to socialize along with the chance to win beer money, exclusive merch and more. The campaign’

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The campaign’s inaugural spot, “Ditch the Apps” will debut this Saturday during NFL playoff football.

In the spot, a man exchanges looks of interest with a woman at the bar before returning to scrolling on his phone. Then, the icon Christopher Walken appears out of nowhere, with whispers of his name adding to his grand and mysterious entrance into the frame.

“Don’t just like somebody on the app,” he says. “Like them in real life.”

Walken then hands the man Miller Lites and encourages him to go say hello, sparking the real-life connection. The spot ends with Walken declaring that “Legendary Moments Start with a Lite. It’s Miller Time.”

'A Win for Big Alcohol,' Anti-Alcohol Advocates Say

The U.S. Alcohol Policy Alliance (USAPA) criticized the newly released 2025–2030 Dietary Guidelines for Americans (DGAs) as "a win for the alcohol industry and its allies in Congress."

"The evidence is clear: alcohol is a toxic, addictive carcinogen that kills about 178,000 Americans each year, a 30 percent increase in deaths over the past decade," said Mike Marshall, CEO of USAPA.

USAPA applauds the recommendation to "drink less," but says it falls short of providing the clear, specific guidance needed by healthcare providers and policymakers. Scientific consensus shows there is no healthy level of alcohol consumption.

The updated guidelines eliminate specific recommendations on daily intake, remove the definition of a "standard drink," and omit guidance that people under age 21 should not consume alcohol at all. Also absent are the key findings of the federally funded Alcohol Intake and Health Study, a comprehensive report Congress directed HHS to ignore. (Se adjacent story for investigation into the Alcohol Intake and Health study.)

ICCPUD Study 'Deliberately Biased,' House Investigators Say

The Biden Administration sought to "push an (anti-alcohol) agenda on the American people" through a "deliberately biased" report prepared by the Interagency Coordinating Committee on Preventing Underage Drinking (ICCPUD), according to a report released by Rep. James Comer (R.-Ky.), chairman of the House Oversight & Investigations Committee.

The ICCPUD report was intended to influence the Dietary Guidelines Advisory Committee to adopt the "Canadian Model" and declare that one drinking could cause one to contract cancer or other dread diseases, the House report says.

That's 19-page report by the Republican staff of the House Oversight & Investigations Committee focuses on three improper elements:

> Congress had directed the National Academies of Sciences, Engineering & Medicine 9NASEM) to study the relationship between alcohol intake and health and had appropriated $3.3 million to fund the study. ICCPUD was not authorized to conduct a study and Congress made that clear in an appropriations statute.

> Every member of the ICCPUD committee examnng the question of alcohol intake and health in adults was a well known anti-alcohol advocate,
> ICCPUD hid information about the AIH study's bias and predetermined goal from Freedom of Information (FOIA) requestors and Congress by classifying documents as "pre-decisional and deliberative," with no apparent regard for whether that was true.

The House committee report was issued prior to release of the Dietary Guidelines.

CBrands Net Sales, Profit Fall 10% in 3rd Fiscal Quarter

Constellation Brands reports net sales of $2.223 billion, down 10% from the like year-earlier period, and net profit of $503 million, or $2.88 a share, down 18% from a year earlier.

On a comparable organic basis, net sales were also $2.223 billion, down 10%, but net profit was $534 million, down 10%, or $3.06 as share.

The Beer Business saw net sales decline 1% driven by a 2.2% decline in shipment volume, partially offset by favorable pricing. Depletions decreased 3.0% as declines for Modelo Especial of about 4%, Corona Extra of nearly 9%, and the Modelo Chelada brands of about 2% were partially offset by strong growth from Pacifico and Victoria of over 15% and 13%, respectively.

CBrands said its Beer Business ranked as the No. 3 dollar share gainer in Circana U.S.-tracked channels and had four of the top 15 dollar share gaining brands across the entire U.S. beer category.

Turning to the Wine & Spirits business, CBrands said net sales declined 51% driven by a 70.6% decrease in shipment volumes reflecting the impacts of the SVEDKA Divestiture and the 2025 Wine Divestitures, strategic pricing actions taken on select brands, and changes in distributor contractual obligations.

Depletions among the remaining brands were flat but d outpaced the corresponding higher-end wine segment in both dollar and volume sales performance in Circana U.S. tracked channels.

Rhinestone Signs Statewide Distribution Deal with Hensley

Rhinestone, the Arizona-born alcohol-free beer brand built for both drinkers and non-drinkers alike, announced a full statewide distribution partnership with Hensley Beverage Co. The agreement brings Rhinestone's portfolio of alcohol-free brews to on- and off-premise accounts across Arizona.

The Hensley partnership comes on the heels of Rhinestone's January rollout into 47 Sprouts Farmers Market locations statewide, marking a major acceleration in retail and on-premise availability.

"We're unapologetically local, so having a partner with deep Arizona roots was extremely important," said Dustin Johnson, Rhinestone founder and Arizona native. "We launched just months ago with a very clear point of view, and a partnership with Hensley this early on validates that there's real demand for a homegrown non-alcoholic beer with grit and swagger. Arizona is our backyard, and there's no better partner than Hensley to help us scale statewide."

Manufacturing Contracted in December

Economic activity in the manufacturing sector contracted in December for the 10th consecutive month, following a two-month expansion preceded by 26 straight months of contraction, say the nation's supply executives in the latest ISM Manufacturing PMI Report. "The Manufacturing PMI ® registered 47.9 percent in December, a 0.3-percentage

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"The Manufacturing PMI ® registered 47.9 percent in December, a 0.3-percentage point decrease compared to the reading of 48.2 percent in November and the lowest reading of 2025. The overall economy continued in expansion for the 68th month after one month of contraction in April 2020. (A Manufacturing PMI ® above 42.3 percent, over a period of time, generally indicates an expansion of the overall economy.)

"The New Orders Index contracted for a fourth straight month in December following one month of growth; the figure of 47.7 percent is 0.3 percentage point higher than the 47.4 percent recorded in November. The December reading of the Production Index (51 percent) is 0.4 percentage." she said, adding:

"“The Supplier Deliveries Index indicated slower delivery performance after one month in 'faster' territory. The reading of 50.8 percent is up 1.5 percentage points from the 49.3 percent recorded in November.

(Supplier Deliveries is the only ISM ® PMI ® Reports index that is inversed; a reading of above 50 percent indicates slower deliveries, which is typical as the economy improves and customer demand increases.)

The Inventories Index registered 45.2 percent, down 3.7 percentage points compared to November's reading of 48.9 percent..

point lower than November's figure of 51.4 percent. The Prices Index remained in expansion (or 'increasing' territory), registering 58.5 percent, the same as November's reading. The Backlog of Orders Index registered 45.8 percent, up 1.8 percentage points compared to the 44 percent recorded in November. The Employment Index registered 44.9 percent, up 0.9 percentage point from November's figure of 44 percent.

Services See Expansion

Economic activity in the services sector continued to expand in December, according to the nation's purchasing and supply executives in a monthly survey. The survey finished the year in the 10th month expansion.

"In December, the Services PMI registered a reading of 54.4%, 1.8 percentage points higher than the November figure of 52.6 percent and a third consecutive month of expansion," said Steve Miller, chair of the Institute for Supply Management Services Business Survey Committee. "The Business Activity Index continued in expansion territory in December, registering 56%, 1.5 percentage points higher than the reading of 54.5 percent recorded in November. The New Orders Index also remained in expansion in December, with a reading of 57.9 percent, 5 percentage points above November's figure of 52.9 percent. The Employment Index expanded for the first time in seven months with a reading of 52 percent, a 3.1-percentage point improvement from the 48.9 percent recorded in November — the fifth consecutive monthly increase since a reading of 46.4 percent in July.

"The Supplier Deliveries Index registered 51.8 percent, 2.3 percentage points lower than the 54.1 percent recorded in November. This is the 13th consecutive month that the index has been in expansion territory, indicating slower supplier delivery performance. (Supplier Deliveries is the only ISM® PMI® Reports index that is inversed; a reading of above 50 percent indicates slower deliveries, which is typical as the economy improves and customer demand increases.)

"The Prices Index registered 64.3 percent in December, its lowest level since a reading of 60.9 percent in March 2025. The December figure was a 1.1-percentage point drop from November's reading of 65.4 percent. The index has exceeded 60 percent for 13 straight months.

Wine Market Council Surveys on Wine and Wellness

Wine Market Council (WMC) will host a special webinar on January 21 (11am PST) to present findings from its latest national research study, Wine & Wellness: Consumer Perceptions of Wine as It Relates to Health and Wellness. The webinar is open to WMC members and media.

The study surveyed more than 1,500 U.S. consumers to better understand evolving attitudes toward wine in the context of health and wellness—an increasingly important topic as many consumers reassess alcohol consumption following the COVID-19 pandemic.

“Our members identified wellness as a critical area for research, given the growing number of issues influencing consumer perceptions,” said Liz Thach, MW, President of Wine Market Council. “These include the rise of weight-loss drugs such as Ozempic, the growth of THC-infused beverages, World Health Organization announcements, ingredient and nutrition labeling, no- and low-alcohol wines, and other related trends.”

The survey sample was representative of the U.S. adult population, and included consumers from all 50 states. It was balanced to the U.S. census for age, income, education, gender, and ethnicity.

“Previous WMC studies have indicated there are differences in how younger, middle-aged, and older consumers receive and focus on health or wellness issues in general,” said Christian Miller, Research Director at Wine Market Council.

“This research takes a deeper dive into the different variables and components shaping perceptions of wine and wellness, ranging from news and meme retention to diet concerns to perceived impacts on both medical and personal well-being. We will also have some comparative data for cannabis drinks and other beverage alcohol categories,” Miller added.

Joining Thach and Miller as a guest speaker will be Rebecca Hopkins, wine marketing executive and founder of A Balanced Glass. With more than 25 years of experience, Hopkins has led communications for leading importers and producers, including Folio Fine Wine Partners and Constellation Brands. Since 2018, she has run A Balanced Glass, a global online community dedicated to supporting the health and wellbeing of wine professionals."

"Rebecca's expertise makes her an ideal contributor to this discussion," said Thach. "She will offer valuable perspective on the study findings and share practical action steps wineries can take to better address evolving consumer needs."

Key topics explored in the study include:

- Consumer perceptions of health and wellness impacts across beverage alcohol categories
- Awareness and influence of major health and wellness news, stories, and social media trends
- The role of wine in dietary, physical, and psychological wellness
- Trial, usage, and perceptions of non-alcohol and low-alcohol beverage options
- Preferences for alcohol, ingredient, and production information on labels
- Usage and impact of GLP-1 weight-loss drugs
- Usage and impact of cannabis- and hemp-derived beverages
- Segment analysis by gender, generation, ethnicity, and consumption frequency

Litigation

Maryland Ordered to Allow Out-of-State Breweries to Ship Beer to Residents

A federal judge has voided a Maryland law that prevented out-of-state breweries from shipping beer to Maryland residents.

"Maryland authorizes out-of-state wine producers to ship their products to Maryland consumers," U.S. District Judge Richard Bennett wrote. "Out-of-state beer producers should be permitted to do the same."

The statute allows Maryland breweries to ship to Maryland residents but requires delivery by a brewery employee, not by q common carrier such as UPS. The's ruling both requires Maryland to allow out-of-stat breweries to ship to Maryland residents and in-state breweries to be able to use common carriers.

Cider, Mead Producer Sues TTB Over Ban on Vintage Years on Labels

Garden Path Fermentation, a beer, cider, mead, and fruit wine producer based in the Skagit Valley, Washington, joined by a consumer plaintiff, said it sued Alcohol & Tobacco Tax & Trade Bureau challenging a federal rule that prohibits producers of cider, mead, and fruit wine from listing "vintage" years on their labels.

The rule violates the First Amendment by suppressing truthful commercial speech without evidence of consumer harm and without a reasonable justification, Garden Path argues. The plaintiffs also allege that the rule is arbitrary and capricious under federal administrative law.

TTB said it never comments on pending litigation.

“Vintage information is basic agricultural information,” said Justin Leigh, counsel for the plaintiffs. “Consumers understand what a vintage year means, regardless of whether the product is made from grapes, apples, or honey. There is no rational basis for the government to allow this information for grape wine while censoring it for other wine products.”

Leigh brings extensive firsthand experience in the cider, wine, and beer industries. A former owner of Dwinell Country Ales, a Goldendale, Washington–based producer that brewed beer and produced wine and cider, he is also the owner and farmer of his own cider fruit orchard, giving him direct experience with agricultural production, harvest variability, and the importance of vintage information to both producers and consumers.

In addition to his industry background, Leigh has been involved in prior litigation challenging restrictive alcohol regulations. He previously facilitated litigation against the Oregon Liquor and Cannabis Commission involving brewery self-distribution, in which Garden Path Fermentation was a plaintiff. He is currently counsel in a federal constitutional challenge against the Washington State Liquor & Cannabis Board concerning direct-to-consumer sales restrictions imposed on out-of-state distilleries. That case, which alleges that Washington’s statutory scheme unlawfully discriminates against interstate commerce and violates constitutional protections, is on appeal before the Ninth Circuit.

“Having worked as a producer, farmer, and attorney in this space, I’ve seen how these rules affect real businesses and real consumers,” Leigh said. “This case is about transparency, free speech, and treating cider, mead, and fruit wine with the same respect afforded to grape wine under federal law.”

The lawsuit highlights a striking inconsistency in federal regulation: cider, mead, and fruit wine containing less than 7% alcohol by volume are regulated by the Food and Drug Administration (FDA), which does not require pre-approval of labels and permits truthful vintage information. Once those same products exceed 7% alcohol, however, TTB prohibits vintage statements altogether.

The plaintiffs are seeking declaratory and injunctive relief to prevent TTB from enforcing the vintage prohibition against cider, mead, and fruit wine producers. They are not seeking damages.

Will Lowering Prices Boost Sales? Maybe

Wine sales aren't what they used to be, but neither are spirits or beer sales, so some execs are considering lowering prices. Good idea?

It all depends. First, remember any action is muddier than normal because of two factors: First, President Trump's tariffs, which have led all but two Canadian provinces to remove American alcoholic beverage from retail shelves. Second, the U.S. economy is sort of bi-furcated – many Americans, even those making a decent income, are feeling squeezed because wage growth hasn't kept up with inflation for a decade or more. At the same time, for other American, the economy is doing just fine and so are they.

So, what does academic research say? Traditional luxury products are highly quality, very high price and can make their owners feel superior to ordinary consumers. "Affordable luxuries," such as wine and spirits, on the other hand, are sold at reasonable price premium, but not so high as to be out of reach of mass and still enjoy a neutral and reasonable level of perceived prestige.

Using temporary price discounts can drive sales for affordable luxiuries and may attract new customers. But people who are high in need for social status may be offended bya price promotion at a luxury hotel and have a lesser intention of returning as a result, according to a 2015 study by Wan Yang in Cornell Hospitality Quarterly.

Mike Veseth, who writes as The Wine Economist, noted in 2016 that if diners in a restaurant respond favorably to lower prices for wine by buying more wine, then money from new purchases more than offsets the revenue lost by lowering the price you have elastic demand. So if demand is elastic, lowering the price makes sense. But if demand is inelastic – i.e., if you lose money, jnelastic – you probably shouldn't lower prices.

Of course, you don't have to lower prices on all your wine (or spirits or beer). If you have a tasting room, lower the price on your tasting room fee on your slowest day, or during the slowest period of the day. Or, you could lower pricing on one wine in your lineup. Or on a special day. Or for a special groop.

The point is, a modest price might help boost sales revenue and attract new customers. Just have a good story as to why you're doing so. About 40 years ago, when the hotel business was really slow, Marriott rewarded its shareholders with 50% off rooms in Marriott properties. When business picked up, that shareholder benefit disappeared.

Large-Scale Fla. Wine Industry Possible After Research Breakthrough

Researchers have grown and harvested wine grapes that are resistant to the main bacterial disease that has long prevented Florida from establishing a large-scale wine industry.

Researchers successfully grew five grape varieties in Citra, Florida, that are resistant to Pierce's disease, a bacterial infection that kills the vines and shrivels the grapes. The effort, led by Ali Sarkhosh, associate professor in the UF Institute of Food and Agricultural Sciences (UF/IFAS) horticultural sciences department, produced a harvest of grapes that resulted in 13 cases of wine.

While Florida has a thriving muscadine grape industry, the global market for muscadine wine is small compared to wine made from Vitis vinifera, the species of grapes behind world-famous wines such as cabernet sauvignon, sauvignon blanc and merlot. Florida is already the nation's second-highest wine-consuming state, behind only California, with an industry valued at $15 billion in 2022. Yet most of the wines served are produced elsewhere, primarily in California, Oregon and Washington.

Sarkhosh said he hopes this research will offer a potential additional crop for muscadine grape farmers. As of 2017, there were 547 Florida vineyards, growing muscadine and hybrid grapes.

"This could be an enormous opportunity for vineyards in Florida to expand into additional types of wine for a wider market," he said. "This could be the start of a new chapter for Florida wine."

UF researchers worked with Château Le Coeur, a winery based in DeFuniak Springs, Florida, to make the wine from their harvest. The wine was crafted with 75% Florida-grown fruit and blended with 25% cabernet sauvignon and merlot.

The grape used in the wine collaboration is a hybrid called "Erante Noir" and was developed at the University of California, Davis. It carries the genes of sauvignon blanc and cabernet sauvignon.

John Choquer, the owner of Château Le Coeur, emphasized the potential for this collaboration.

“If we are successful in growing in the area and combating Pierce’s disease effectively, it will be a strong growth industry and emerging market for agri-tourism,” he said.

Early tastings point to a dark, fruit-forward wine. Château Le Coeur named this debut wine “Genial,” a French expression for something new and innovative.

He said he is also planting a variety of traditional wine grapes, red and white, at his vineyard. He said his winery is grateful for UF’s support and collaboration as he works to create a Florida-based traditional wine industry. “This is not a short-term experiment,” Choquer added. “We plan to test more Pierce’s disease-resistant and traditional vinifera varieties, refine vineyard practices and build a new type of wine industry here in Florida. There will be challenges, there will be setbacks, but the potential is also so great. There is such a strong market potential here in Florida.”

For Total Alc, Christmas Week Was Merry: Sales Surge 22%

But not that merry: That 22% surge was week-over- week, NIQ said, adding that for the four weeks ended Dec. 27, total alcohol sales were down compared to a year earlier: Dollar sales slipped 5.4% to $9.48 billion vs. a year ago and case volume was off 5.3% to 157.2 million.

Spirits continued to drive losses, NIQ said. Spirits were down 8.5% in dollar sales vs. down 9.7%^in the prior L4W period and down 9.7% in volume. Wine also was down – Value was off 7.7% and volume was down 8%.

If you want some cheer, look at prepared cocktails. Ease wins out again, with this category up 4.95in dollars, even though case volume dropped 1.3%, a bot s;lpwer tjam tjhe [revious period's 1.5% dip. "The results are consistent with the sustained momentum of RTD offerings." NIQ observed.

Top spirits categories all saw losses: Whiskey continued to lead the losses, down 9.1% in vale, 8% in volume, followed by tequila, which slipped 8.4% in value and 4.3% in volume. Vodka posted the slowest decline sagging 6.4% in dollars and 5.3% in volume. "All Other" spirits eased 0.6% in dollar sales, but grew 8.8% in volume, driven by non-alc spirits.

Turning to wine, NIQ noted that wine again suffered losses in the four weeks ended Dec. 27, but those losses improved compared to the previous latest four week period where dollar sales sagged 8.4%.

Top 10 States Post Declines

The top 10 states all posted declines. Ohio stood out as the slowest decliner: dollar sales fell 2.2%, followed by Michigan, down 2.8% and Texas. down 2.7%. New Jersey saw dollar sales fall a brutal 13.4%. Volume in the Garden State was off 14.1%.

Christmas Week was miserable for off-premise operators: Liquor led value losses at 8%, food fell 5.3%, mass slipped 3.8%, club 2.9% and convenience maintained its position as the slowest decline with a 1.8% drop.

A-B Expands Sponsorship of MSG Venues

Anheuser-Busch expanded its sponsorship of MSG Entertainment properties, including at Madison Square Garden and Sphere in Las Vegas; as well as with the New York Knicks and New York Rangers, the Concert Series at Madison Square Garden, College Hoops at The Garden, and MSG Networks.

NÜTRL Vodka Seltzer and Cutwater, two of the fastest growing brands in the industry that are leading and growing the ready-to-drink (RTD) alcohol beverage category, will be promoted alongside Michelob ULTRA, America's #1 top-selling beer.

Fans attending sports events at Madison Square Garden will recognize Anheuser-Busch's portfolio of brands advertised both inside and around the venue, with a robust suite of assets that include:

- Multiple on-court / on-ice displays during Knicks, Rangers and college basketball games via the basket stanchion, courtside signage and dasher boards
- Gardenvision features during multiple Knicks and Rangers home games each season
- Branding throughout the arena that includes an activation space in the main concourse for select games
- Prominent street signage on 7th Avenue outside the arena featuring Anheuser-Busch's portfolio of brands
- VIP experiences and exclusive prizes via Michelob ULTRA's "Superior Access" program

In addition, as the Official American Beer Sponsor of both the Knicks and Rangers, Michelob ULTRA will be integrated in the game day experience wherever 21+ fans watch their favorite team, headlined by in-person viewing parties, sponsorship of MSG Networks' in-studio bar during pre and post-game shows and original content series that will be distributed across each team's social channels.

As an Official Partner of the Concert Series at Madison Square Garden, Anheuser-Busch will have a significant presence on digital signage and as part of on-site activations during live music and entertainment events.

Anheuser-Busch will also gain substantial exposure through an expanded presence at Sphere in Las Vegas including on the Exosphere – the fully-customizable LED exterior of Sphere and the largest LED screen in the world.

"For more than 100 years, Anheuser-Busch has contributed to the world class fan experience at Madison Square Garden and its family of venues," said Spencer Gordon, Group VP of Connections at Anheuser-Busch. "We're committed to continuing that legacy for years to come with this extended sponsorship, whether you're a fan of the Knicks, Rangers or the hundreds of performers at MSG every year. Our portfolio of brands and strategic partnership will provide first-class experiences for some of the most passionate fans in the world."

Carbonation Lifts Likeability, Purchase Intent for Muscadine. Will Canning?

The value-added process of carbonation led to a significant increase in likability, purchase intent, and ranking for the carbonated wine samples over uncarbonated samples of muscadine wine, Nick Wendrick, found while an undergraduate at the University of Florida.

Now a master's degree candidate at UF, is studying how muscadine wine packaged in glass compares with wine in aluminum cans. The objective is to help wineries determine if canned wine is appropriate for their product portfolio.

He notes that from March 2020 to March 2021, canned wine sales grew 62%. He's hopeful his research will yield another value-added process to help increase the popularity of muscadine wine.

It should. Other research at UF has found that canned wine has been gaining popularity for years. It's easy to produce single servings which increases the locations where wine can be consumed to include beaches, swimming pools, ball parks and stadiums. There's less breakage, and canned wine can be recycled.

Various commercial researchers see CAGRs of anywhere from 13.1% (Global Market Insights) to 17.1% (Future Market Insights).

There are, of course, challenges, some caused by the low internal strength of cans themselves, others by negative consumer perceptions, and still others by the cost of necessary capital equipment.

Still, research thus far at UF suggests that aluminum cans may be a vuabkle packaging alternative to glass for carbonated muscadine wine.

New License Seen Aiding NY Craft Brand Owners

In a move Lindsey A. Zahn, a White Plains, N.Y., attorney, describes as "a major step to support craft beverage entrepreneurs," New York State has adopted an alcohol Brand owners license.

Bogle Promotes Dana Stemmler to Winemaking

Bogle Family Wine Collection promotes winemaker Dana Stemmler to Director of Winemaking, as recognition of her outstanding contribution, leadership, and nearly two decades of excellence at the Clarksburg winery.

Stemmler has crafted an impressive portfolio of acclaimed, award-winning wines that exemplify Bogle Family Wine Collection’s commitment to quality, consistency, and sustainability.

Revelton Builds Executive Team

Revelton Distilling Co. named John D’Attoma as VP-Sales, North America, effective Jan. 16, 2026, and highlighting the recent addition of Don Boelens as Chief Operations Officer, who joined the company in September 2025.

D’Attoma's career includes leadership positions at Broken Shed Vodka, Southern Glazer’s Wine & Spirits, Allied Beverage Group, and Standard Beverage Corp.

Suntory Global Names Seth Lorenz as U.S. Chief Sales Offer

Suntory Global Spirits named Seth Lorenz U.S. chief sales officer. He joins from Mast-Jägermeister U.S. At Suntory, he will be responsible for managing the P&L for the company’s U.S. commercial business, including managing distributor and customer relationships and delivering sustainable, profitable growth within the U.S., one of the company's largest markets.

Lorenz succeeds Dave Turo, who was recently named EVP/Managing Director – Suntory Global Spirits Portfolio at Southern Glazer's Wine & Spirits.

WSWA Adds 3 to Federal Affairs Team

Wine & Spirits Wholesalers of America (WSWA) appointed three key federal affairs leaders: Ben Castagnetti, Scott Luginbill, and Kelsey Snyder. They will report to Dawson Hobbs, EVP-Government Affairs.

Before joining WSWA, Castagnetti, a Director, Federal Affairs, for WSWA, worked for Sen. Maria Cantwell (D-WA), focusing on trade, foreign relations, and national security issues.

Scott Luginbill, VP-Federal Affairs, brings more than 15 years of experience in public affairs and government relations to WSWA. Most recently he served as Senior Advisor and Deputy Chief of Staff to Sen. Jim Banks (R-Ind.)

Snyder joins from National Federation of Independent Business where she was a principal of Federal Government relations.

KLG PR Repping ALB Vodka

ALB stands for Albany, the airline code for Albany, N.Y., where the vodka's producer, Albany Distilling Co., the city's first distillery since Prohibition, is based. It's positioning itself as "he hardworking vodka from upstate, not another stylized Brooklyn or Manhattan lifestyle label," KLG says.

Share a Splash Wine Co. hired Erle Martin as chief executive officer.

He previously led both the Coppola and Crimson Wine Group organizations. Martin has held senior executive roles on the distribution side of the business, most recently with Winebow. With nearly four decades of experience across both the producer and wholesaler tiers of the wine industry, he brings a rare and comprehensive perspective to the role.

Yoav Gilat, founder, will transition from CEO to executive chairman, focusing on long-term strategy, innovation, board governance, mentorship, and maintaining Share a Splash's unique company culture.

To Your Continued Success,
KANE'S BEVERAGE WEEK

JOEL WHITAKER, Editor

Thanks for reading!