

## **Fact Sheet**

## Advocacy Recommends Updates to TTB's Alcohol Trade Practice Regulations

On November 9, 2022, the Alcohol and Tobacco Tax and Trade Bureau (TTB) published an advance notice of proposed rulemaking (ANPRM) titled "Consideration of Updates to Trade Practice Regulations." In the ANPRM, TTB solicits input on possible improvements to the agency's trade practice regulations related to the Federal Alcohol Administration Act's exclusive outlet, tied house, commercial bribery, and consignment sales prohibitions. On July 5, 2023, the Office of Advocacy (Advocacy) filed a comment letter on the ANPRM.

## Advocacy recommended:

- TTB should modernize its trade practice regulations to increase the competitiveness of small alcohol producers.
- TTB should specifically update its trade practice regulations in response to certain
  anticompetitive category management, slotting fee, and tied house practices that are
  common in the industry.
- TTB should also consider consistent enforcement as an alternative to regulation. Effective enforcement should focus on large industry players with greater market power.

A complete copy of <u>Advocacy's letter to TTB is available</u>. For more information, please contact Meagan Singer, Assistant Chief Counsel at meagan.singer@sba.gov or (202) 921-4843.

