October 17, 2025

Hon. Andrew N. Ferguson, Chairman
U.S. Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Via Regulations.gov

Re: Docket No. FTC-2025-0660 – Comments on Draft FTC Strategic Plan for FY 2026–2030

Dear Chairman Ferguson:

On behalf of the American Craft Spirits Association (ACSA), the only national nonprofit trade association representing nearly 600 independent craft spirits producers and suppliers across the United States, I appreciate the opportunity to submit comments on the **FTC's Draft Strategic Plan for FY 2026–2030** ("The Plan").

We commend the Commission for its clear commitment to fostering fair competition and protecting small businesses from anti-competitive behavior. The Plan rightly identifies the importance of research, advocacy, and guidance in promoting competitive markets. These are precisely the tools needed to address persistent and systemic barriers that hinder the craft spirits industry's growth and its ability to compete on a level playing field.

The Problem: Systemic Market Barriers and Anti-Competitive Practices

Although the craft spirits sector has grown substantially—from fewer than 100 producers in 2010 to over 2,200 today—our members face entrenched market access challenges that severely limit their ability to thrive. These challenges include:

- **Outdated mandatory distribution laws and restrictive direct-to-consumer (DTC) shipping regulations**
- **Routine violations of unenforced trade practice regulations which allow large producers and distributors to dominate the market**
- **Widespread abuse of sponsorships and pay-to-play tactics that stifle small producer visibility and create unfair leverage for large, well-funded producers**
- **A patchwork of state laws that limit consumer access and distort competition**

These anti-competitive conditions are not merely regulatory quirks—they are market failures. They give advantage to dominant market players, restrict consumer choice, and thwart the innovation and entrepreneurship that define the craft spirits industry.

A Strategic Opportunity: FTC Research to Inform Modern Policy

Goal 2 of the FTC's Draft Strategic Plan - **"Protect Americans from unfair methods of competition... and promote fair competition"** - and, more specifically, Objective 2.2 - **"Promote fair competition through research, advocacy, and guidance"** - offer a clear and actionable path forward.

We urge the FTC to **commission a comprehensive study of the beverage alcohol spirits marketplace**, with a focus on:

- The competitive effects of current state regulations on craft spirits, including DTC shipping restrictions
- The barriers to market access faced by small distilleries
- The economic impact of modernizing these regulations on consumers, producers, and state revenues

Such a study would mirror the FTC's groundbreaking 2003 report on wine e-commerce, which helped catalyze a policy shift that opened DTC wine shipping in 48 states and the District of Columbia. That report demonstrated how research and advocacy can change outdated laws, expand consumer access, and support small producers—all without compromising public safety.

The craft spirits sector needs similar support. Without it, thousands of small manufacturers, farmers, and hospitality partners will continue to face insurmountable hurdles that limit economic opportunity, suppress competition, and keep consumer choice artificially low.

State Advocacy Filings

The FTC has historically provided research and comments on state-level legislative proposals, including efforts related to beer franchise laws and wine direct shipping proposals. These interventions were critical in preserving competition and supplier autonomy. The same approach could be applied today to inform state legislatures debating DTC spirits shipping and other market access issues.

Short of committing the resources a modern FTC study would require, FTC advocacy filings, aligned with the Plan and grounded in sound economic research, would:

- **Guide state legislatures** toward common-sense, pro-competition reforms
- **Clarify the national competitive landscape** of beverage alcohol markets
- **Protect consumers** by expanding access and choice without compromising safety
- **Support small American manufacturers** and foster innovation in a struggling sector

Conclusion and Request

We respectfully urge the FTC to include in its Strategic Plan a commitment to conducting a comprehensive study on competition in the craft spirits industry, with specific focus on direct-to-consumer shipping and state-level regulatory barriers.

Thank you for your continued commitment to protecting fair competition. Our leadership would welcome the opportunity to further discuss how the FTC's work can meaningfully support America's craft spirits producers.

Sincerely,

Margie A S Lehrman

Margie A.S. Lehrman
Chief Executive Officer
American Craft Spirits Association (ACSA)

American Craft Spirits Association Box 470 Oakton, VA 22124