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Michigan Wineries Say Bill to Ban Wine Shipments Is Sour Grapes

Legislation could close doors on Michigan vineyards

Michigan's 42 wineries say they would be devastated and many would be forced to close if a bill in the State Senate passes. The measure would deal a major blow also to Michigan consumers by eliminate their ability to order wine from a winery – reversing a business practice that has been in place in Michigan for 35 years.

Legislation introduced in the Michigan Legislature by Rep. Chris Ward (R-Brighton) & Sen. Bob Emerson (D-Flint) would make it illegal for a winery – including Michigan wineries – to ship directly to their customers.

Thirty-nine states currently allow their in-state wineries to ship directly to their citizens while 26 states allow out of state wineries to ship directly..

WineMichigan, an organization of wineries and wineCAM (wine Consumers Across Michigan) an organization of consumers are both dedicated to defending the rights of Michigan wineries to ship to Michigan consumers, and are opposing the legislation.

“The economic livelihood of dozens of small, family-run Michigan wineries depends on our ability to ship wine directly to our customers. This legislation eliminates controlled and accountable direct sales when our wines are not available through distribution and retail channels close to the consumer and would kill our ability to make a profit – much less continue doing business in Michigan,” said Wine Michigan Member Don Coe, a partner in Black Star Farms Winery.

Sen. Michelle McManus along with several other lawmakers with wineries in their district also oppose the legislation.

“An outright ban on direct-shipped wine to Michigan consumers will cut our wineries off at the knees,” said McManus (R-Lake Leelanau). “We must remember that Michigan wineries have been allowed to ship their products directly to consumers for more than 30 years, and it hasn’t resulted in dramatic increases in underage drinking.”

Supreme Court Justice Anthony Kennedy said the argument about possible wine sales to minors is a non-issue. In his opinion, he noted 26 states that allow direct shipments have reported no increase in illegal sales to minors.

“Teenagers' preference for less expensive alcoholic beverages, the availability of more immediate ways to obtain alcohol, and state laws requiring an adult signature for liquor delivery have mitigated the problem,” he wrote.

“Even if we were to credit (Michigan's) largely unsupported claim that direct shipping of wine increases the risk of underage drinking,” Kennedy wrote, “this would not justify regulations limiting only out-of-state direct shipments.”

FACTS about Michigan wine shipments:

- Michigan wineries have been allowed to ship their products directly to consumers for 35 years, under tightly controlled and accountable regulations.
- In those 35 years, a Michigan winery has never been cited for shipping wine to minors.
- Michigan has some of the most restrictive wine shipping laws and highest wine prices in the country.
- Thirty-nine states allow their in-state wineries to ship directly to their citizens while 26 states allow out of state wineries to ship directly to consumers.
- Distributors and retailers can't logistically stock and sell the 10,000 new wines produced each year by America's 2,700 wineries. They cannot do this even for Michigan wines.
- Today, there are 42 wineries in Michigan and over 100 vineyard growers – producing more than 1,000 jobs in rural areas. This growing agricultural industry contributes over \$75 million in economic activity to the state.
- For every \$1 dollar spent at Michigan wineries, \$5 is generated in lodging, dining, and shopping in our surrounding cities.

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