



State of the States

Steve Gross

Interim President & CEO

JANUARY 21, 2026 | DTC SYMPOSIUM
MONTEREY, CALIFORNIA



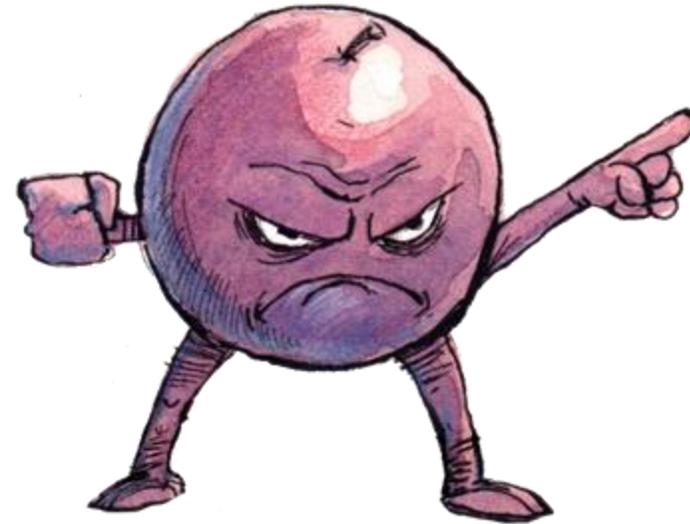
What are we here today to Support?

FREE THE GRAPES!
— TO ENSURE CONSUMER CHOICE IN FINE WINE —



Free the Grapes! Mission

To augment, not replace,
the 3-tier system with
legal, regulated DTC
shipments

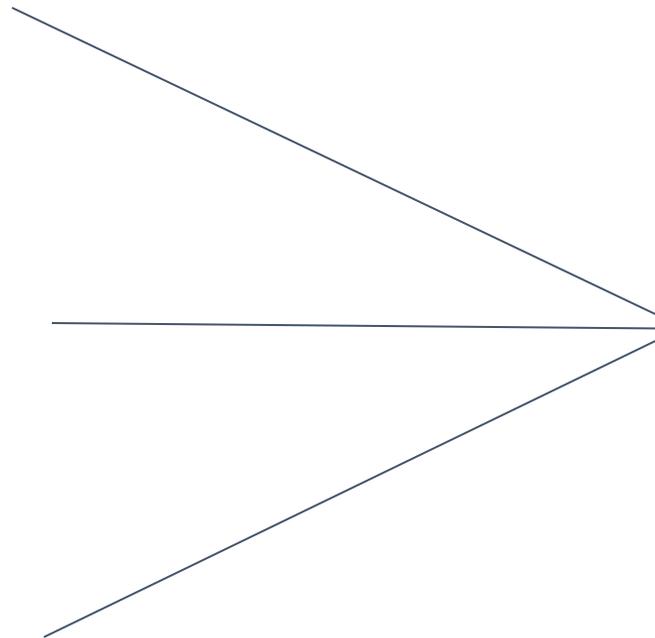


Industry's 3 Prong Strategy

1. CONSUMER MARKETING
FREE THE GRAPES!

2. LITIGATION
COALITION FOR FREE TRADE (RETIRED 2014)

3. LOBBYING
WINE INSTITUTE,
WINEAMERICA, FAMILY WINEMAKERS



STREAMLINE DTC SHIPPING

FREE THE GRAPES!

TACTICS & OUTCOMES

*Translating consumer frustration
into constructive action*



FREE THE GRAPES!

BOARD OF DIRECTORS



Rex Stults | *Napa Valley Vintners*

Michael Kaiser | *WineAmerica*

Jason Haas | *Tablas Creek Vineyard*

Steve Gross | *Wine Institute*

Dennis Cakebread | *Cakebread Cellars*

Jeff Carroll | *Commerce7*

Thea Schlendorf | *Executive Director FTG*

Action in 2025 - MS

Mississippi - Letter writing campaign encouraged consumers to voice support for favorable bills.



These States Need Your Help!

Take 2 Minutes to Write Your Legislators

Get an update on your state's wine direct shipping laws and, where indicated, use our website to write your legislators in support of legal, regulated direct wine shipping.

Mississippi

Write to Your Legislators! Bring DTC Shipping to Mississippi

Action in 2025 - DE

Delaware - Letter writing campaign and press outreach highlighted concerns about HB 187

delaware online

POLITICS

Delaware's wine shipping bill waits to be signed by Gov. Meyer, but is it the right move?



Krys'tal Griffin
Delaware News Journal

Updated July 18, 2025, 10:06 a.m. ET

FREE THE GRAPES!

— TO ENSURE CONSUMER CHOICE IN FINE WINE —

Update: June 11, 2025

Dear Wine Lovers of Delaware,

Object to HB 187!

As you may know, Delaware is one of the few states that continues a ban on all winery-to-consumer direct shipping. The state has seen many attempts to introduce and pass bills that would finally overturn this prohibition, but success has been elusive. And this will remain the case with HB 187!

We are calling on you to object to this bill! The bill will be heard in the House Economic Development/Banking/Commerce and Insurance Committee at noon on **Tuesday, June 17th** in Dover.

Write to your Delaware legislators today!

HB 187 (Smith) is "anti" direct shipping. It is positioned as a bill that will allow wine shipping to Delawareans, but has so many limitations as to be completely unworkable for winery-to-consumer direct shipping in practice.

Help us expand wine availability in "The First State" by voicing your concerns today.

Compose Your Message

- US Senators
- US Representative
- State Senator

[more](#)

Please feel free to personalize our sample message below with details on:

- * The unavailability of specific wines you want to enjoy
- * If you've been denied direct shipments to an address in your state
- * If you've shipped wine to friends or family in states which allow direct shipping

Subject

Please Object to HB 187!

Message Body

Dear [Representative/Senator - auto fill]
As an adult voter of Delaware, I urge you to OBJECT to House Bill 187, which is completely unworkable for direct shipping and does not support my ability to purchase.

Enter Your Info

Your Information



JOIN US

WHAT CAN WINERIES DO TO HELP?

- ✓ **Subscribe to FTG Email List at freethegrapes.org**
- ✓ **Watch for FTG Requests**
Our emails include copy for wineries and their associations to forward to consumers
- ✓ **Compliance**
Our industry gains credibility and trust through compliance
- ✓ **Read Our Blog**
Find information on DTC shipping related topics

Support and Enjoy the DTC Wine Symposium!

May 16, 2005 – Granholm Decision

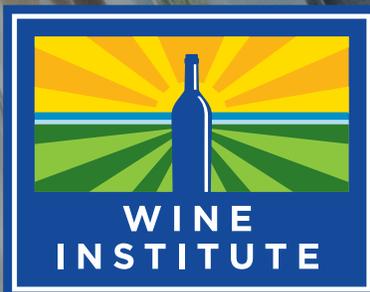


SUPREME COURT
OF THE UNITED STATES

Happy
Anniversary



US Supreme Court, Dec 7, 2004 ([FreeTheGrapes!](#))



Wine Institute's Role In the States

State Relations Team



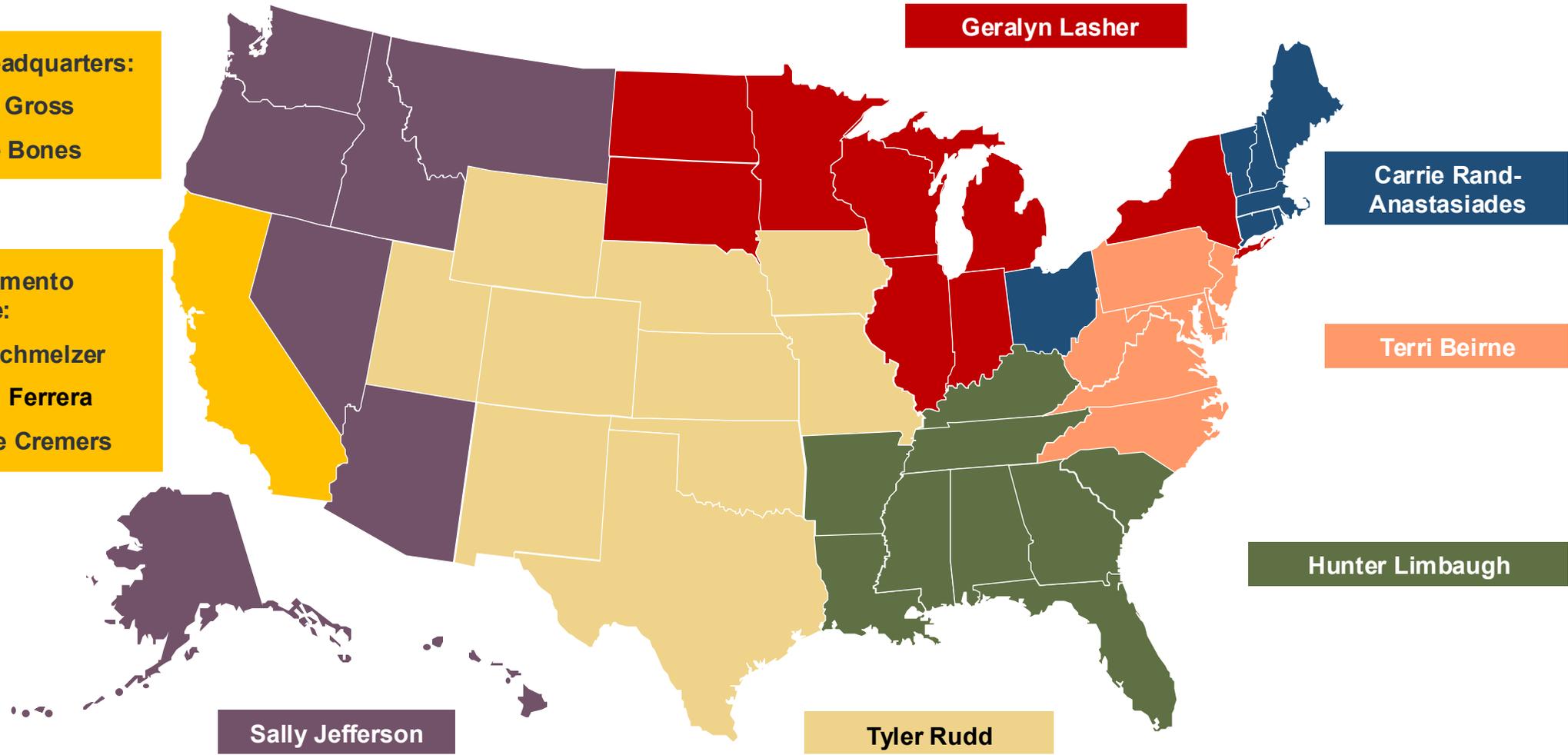
(Left to Right) Terri Beirne – Eastern States Counsel | Annie Bones – Regulatory Compliance Manager | Carrie Rand-Anastasiades – Director New England States | Hunter Limbaugh – Southeastern Counsel | Sally Jefferson - Director Western States | Tyler Rudd – Central States Counsel | Geralyn Lasher – Director Great Lakes States | Steve Gross – Interim President & CEO

State Relations Regions

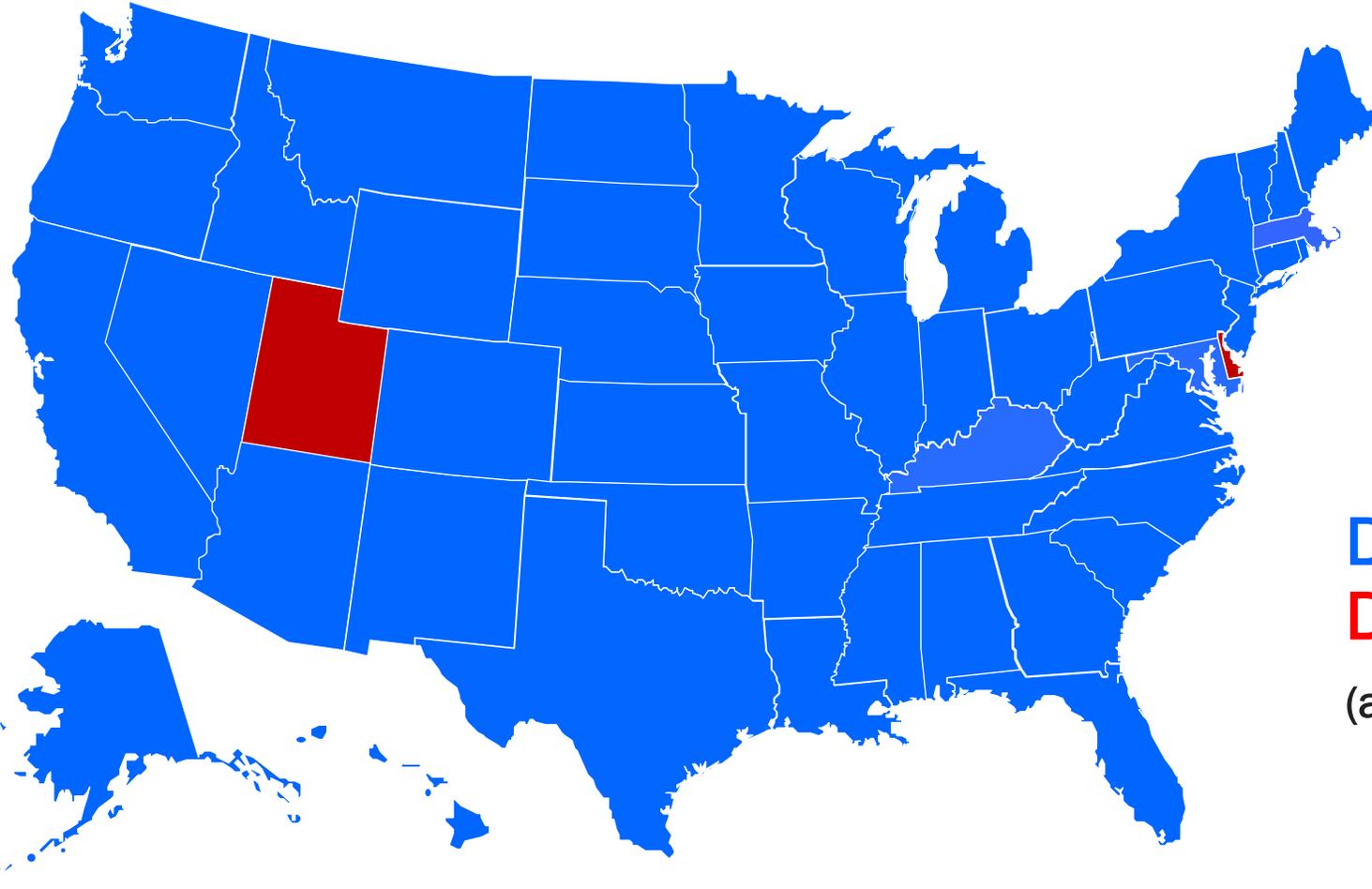


WI Headquarters:
Steve Gross
Annie Bones

Sacramento Office:
Tim Schmelzer
Anna Ferrera
Noelle Cremers

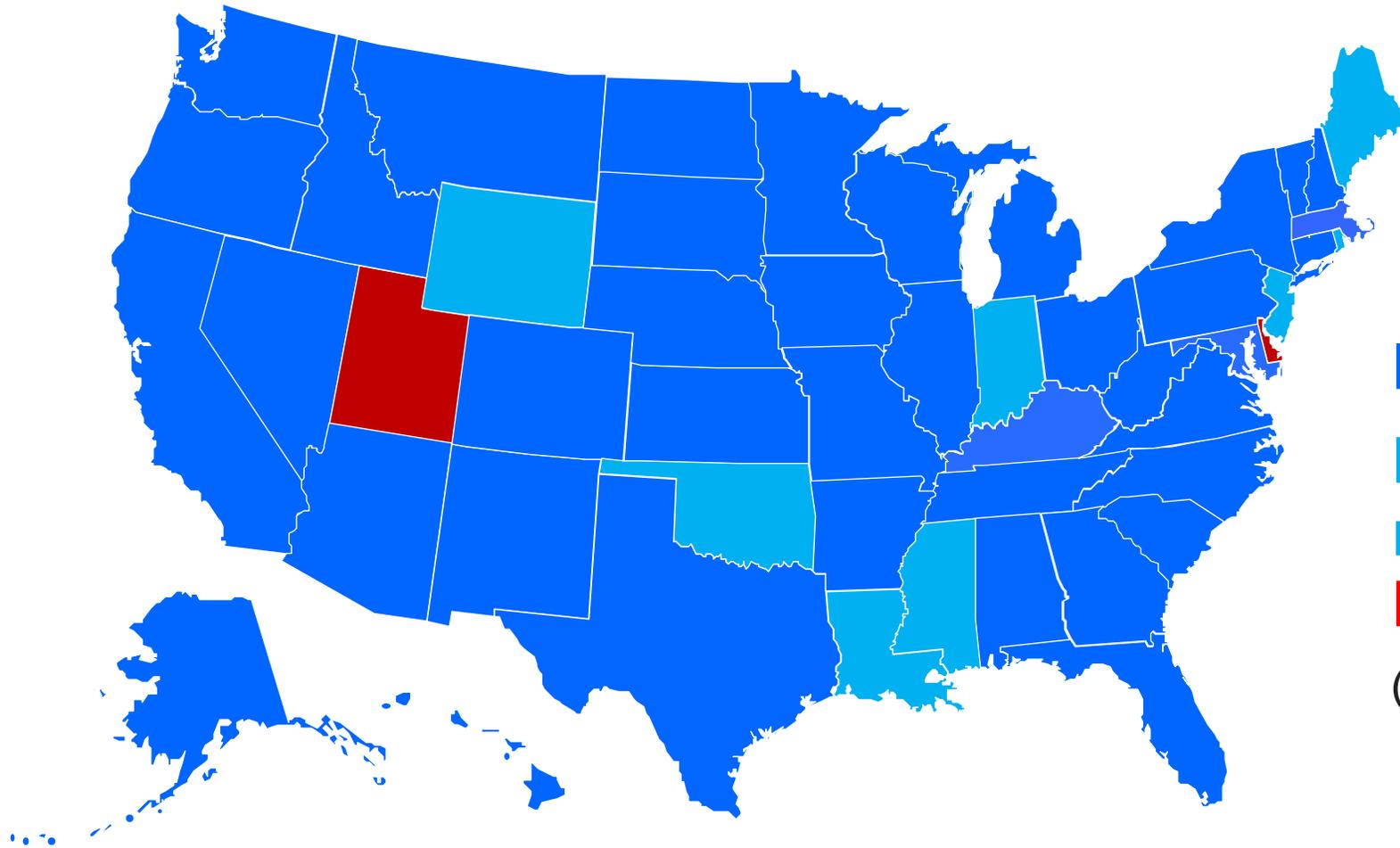


Direct-to-Consumer Shipping



DTC allowed
DTC prohibited
(as of 1/21/2026)

Direct-to-Consumer Shipping - Reality



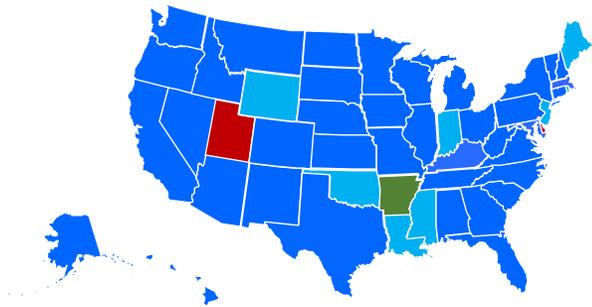
DTC allowed

DTC allowed with
major restrictions

DTC prohibited

(as of 1/21/2026)

Direct-to-Consumer Shipping - Reality



DTC allowed

**DTC allowed with
major restrictions**

DTC prohibited

(as of 1/21/2026)

What are the “Major Restrictions” we reference?

- **Wyoming & Louisiana – only products not in distribution**
- **Oklahoma – no fulfillment houses allowed**
- **Indiana – no DTC if in wholesale distribution**
- **Rhode Island – on-site sale requirement**
(Arkansas fixed in 2025)
- **New Jersey – 250,000-gallon capacity cap**
- **Mississippi – restrictions on wholesale unless “highly allocated”**
- **Maine – new bottle bill provisions posing major issues**

What Have We Been Focused On?



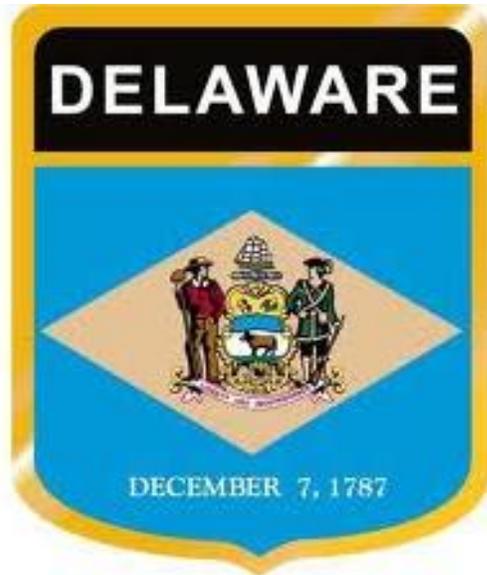
Opening New States

**Improving Existing
Laws**

**Protecting Against
Anti-Shipping Efforts**



January 2026 – Still Two States to Open



Delaware Legislation in 2025

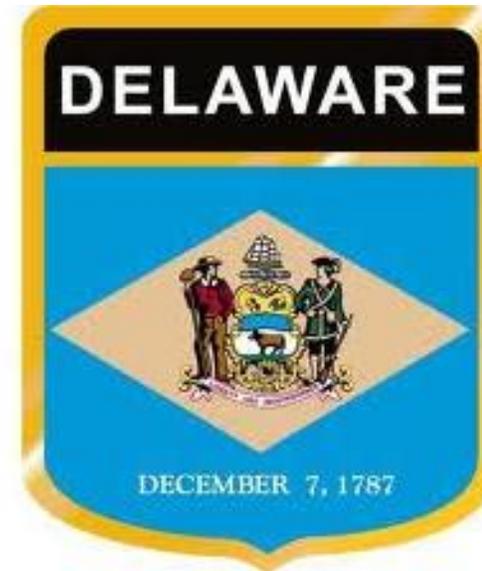


Our bill to open the state to DTC was amended before passage to become unworkable.

Problems include:

- **Wholesaler exclusion**
- **1,800 case limit**
- **High fees**
- **Common carrier restrictions**

Effective date is 7/1/26 – we are working to fix the bill



Mississippi Legislation in 2025



Two bills were passed.

- **S 2145** – New Law created with major restrictions – Effective 7/1/25
- **S 2851** – Removed criminal penalties, left in provisions limiting wines sold through state control system

Wineries have started to ship, but the restriction on wines in distribution unless “highly allocated” is problematic.

Working to fix that in 2027



Removing On-Site Visit Restrictions



Arkansas – New Law Passed in 2025



**H 1476 was passed and signed on
4/16/25**

- **Removed on-site visit requirement from old law**
- **Allows 24 cases annually per individual from each winery**
- **Initial permit \$50 – Annual renewal \$25**
- **Quarterly reporting and tax payment**
- **Effective 8/4/25 – Rulemaking required**



Rhode Island – No bill in 2025



Our efforts to get a bill passed to remove the on-site purchase requirement have stalled so far in 2025. The Committee Chairman is requiring a \$1,500 annual permit fee, which is unworkable, especially for a state the size of Rhode Island.



Improving Existing Laws



Colorado – Addressing Delivery Change



S 274 – Our bill to address the change resulting from an AG’s opinion last year requiring that a delivery can only be made to the person placing the order for the wine. This bill will allow any adult to be able to sign to receive the wine shipment.

Signed by the Governor on 6/11/25.



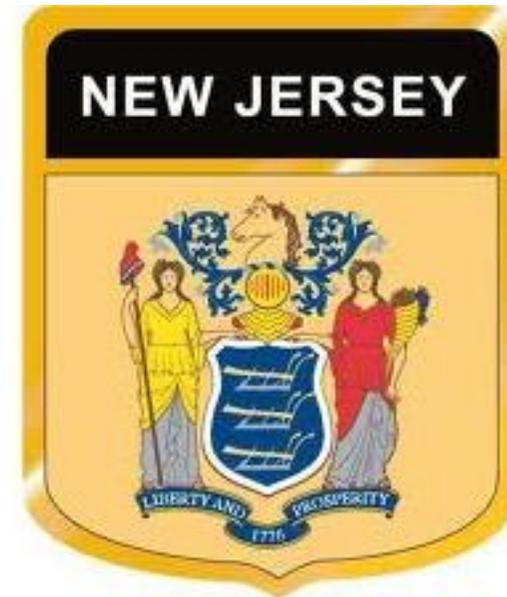
New Jersey: Removing Capacity Caps – 2025



This was the 2nd year of a 2-year session.

We had 2 bills (A 871 & S 1581) to create a new license to allow those wineries/companies over 250,000 gallons to get a DTC Shippers Permit

Failed to Pass in 2025



Fighting Challenges to Existing Laws



Illinois – Uniform Law Commission



Efforts to pass the Uniform Law Commission's DTC legislation were defeated in 2023 & 2024.

The 2025 died in committee.



Maine – Effort to Limit Shipments



H 714 would have prevented any winery selling through the 3-tier system from getting a DTC shipper license.

We defeated the bill on 4/15/25.



Maine –Bottle Bill for DTC



We are continuing to negotiate with BABLO and the DEQ regarding the addition of DTC wine bottles to the bottle deposit law which became effective on July 1, 2025.

Comingling Agreement requirement is the major sticking point.



Maine – Ownership Registration



Registration of Ownership:

- **Issues with complex ownership structures and trusts**
- **New ownership threshold of 10% passed in 2024**
- **Our bill to address “indirect interest” with same 10% threshold was signed by the Governor 4/11/25**



Ohio – Fee Increase



The Governor's budget bill included a provision that increases the annual renewal fee for the S-2 license (held by wineries over 250K gallons annual production) from \$100 to \$250.



Other Challenges Facing DTC



**What else is
keeping me up at
night?**



Increasing Enforcement



- **Michigan & Ohio – Ongoing AG level enforcement of illegal shipping**
- **Massachusetts – sting operations continue, including age verification of purchaser**
- **Texas, Vermont and Arizona – funding to increase enforcement activities**
- **Virginia, Tennessee, Massachusetts availing of licenses**
- **California Privacy Policy Changes**

Related Issues Influencing DTC

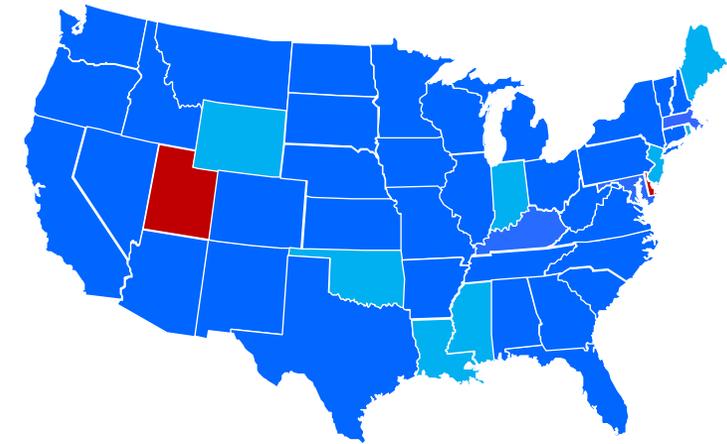


- **Spirits and beer shipping legislation (including capacity cap proposals)**
- **Retailer DTC litigation and legislation**
- **Hemp-based THC beverage shipping**
- **Fulfillment house focus by DTC opponents**
- **Common Carrier focused opposition**
- **Social Media Platform Restrictions**

Facing Challenges As They Arise



Wine Institute will respond to new challenges and opportunities as they arise as we work on behalf of our members.



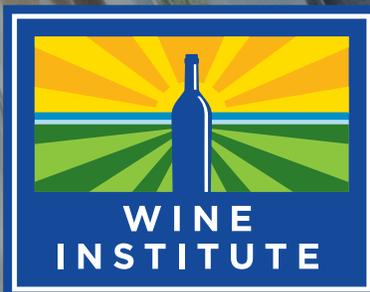
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What Can YOU Be Doing?



- **Ensure your DTC shipments are ALL legal!**
- **Increase use of “Age Verification” at point of sale (even when not required by statute)**
- **Work with compliance companies to encourage system integrations for both wineries and states**
- **Work with third-party providers to ensure your joint programs meet state requirements**
- **Engage your customers (and potential customers) when asked to do so by FreeTheGrapes. Sign up at www.FreeTheGrapes.org**





Questions?

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