## **Definition of Regulatory Value**

## Distributors provide for the safe distribution of alcohol.

Alcohol laws regulate an established safe, efficient and orderly marketplace for alcoholic beverages in order to promote moderate consumption and responsible trade practices. Distributors are accountable for the local implementation of and compliance with those laws which preserve public safety and enhance consumer value and choice.

## Means of Providing Value

- 1. **Distributors assure the preservation of orderly markets.** Distributors preserve orderly markets and business practices. This promotes responsible competition, moderation and trade practices which reflect local customs and community interests.
- 2. **Distributors are key to a transparent regulatory system.** The Three tier system ensures a safe, sustainable and transparent regulatory system for alcoholic beverages. Distributors are the linchpin of that system through which federal, state and local governments enforce their alcohol laws. Distributors effectively serve this role because they are local businesses whose actions are easily monitored and controlled.
- 3. **Distributors insure legal distribution of beer.** Distributors protect against illegal distribution of alcoholic beverages by insuring that sales and deliveries of are made only to licensed retailers.
- 4. **Distributors are accountable for alcohol laws and regulations.** Distributors are accountable for compliance with all federal, state and local laws and regulations designed to insure safe handling, fair trade practices and responsible consumption of alcoholic beverages.
- 5. Distributors ensure visibility for product chain of custody and tax collection. Distributors maintain detailed records that make transparent the chain of custody of alcoholic beverages from supplier to retailer and, in many states, ensure the timely payment and complete collection of state and local taxes and licensing fees.
- Distributors exemplify reliability and leadership for compliance with all laws.
   Distributors are accountable for compliance with all Federal, State and Local laws governing commerce, transportation, public health, employment and other business functions.