

# One system. Three tiers. All fifty States.

## **Alcohol (like prescription drugs or firearms) is no ordinary commodity.**

In fact, alcoholic beverages are the only commercial products specifically named in the United States Constitution. Because our society recognizes the importance of controlling alcohol use and access, alcohol has always been treated differently under the law than most other products.

Within recent memory, alcohol manufacturers at one time owned or controlled most retail outlets. This led to irresponsible and unaccountable practices, resulting in high levels of alcohol abuse and underage sales.

The three-tier system was created to strike a balance between control and access of this socially important, but potentially harmful, commodity.



## **HOW THE THREE-TIER SYSTEM WORKS**

- In all 50 states, alcohol is sold through a three-tier system, whereby manufacturers, distributors and retailers each occupy a different level.
- Manufacturers supply distributors; distributors in turn supply retailers.
- Under the laws which created the three-tier system, each level of the system is independent of the others – ensuring accountability to the public as well as the benefits of healthy competition.
- By requiring that all alcohol pass through state licensed distributors subject to Connecticut regulatory authority, the three-tier system ensures that alcohol is only sold to licensed retailers in a manner that is consistent with applicable law and that the proper taxes are paid.
- ***At a time when society is demanding more effective regulation in other industries, the three-tier system has been effectively ensuring transparency and accountability in the beer, wine and spirits industry for generations.***