vinetur

Distilled Spirits Council Urges Texas to Disclose Ties Behind Private-Label Brands

The group says hidden financial interests can skew market access within the state’s three-tier alcohol system.

Wednesday, September 16, 2026



The Distilled Spirits Council of the United States is pressing Texas lawmakers to require more disclosure around private-label spirits brands, saying regulators should have a clearer view of who is connected to those products and whether any undisclosed

financial interests are shaping how they are sold in the state.

According to the council, its testimony before the Texas Senate called for rules that would require the disclosure of relationships tied to private-label or control-label spirits products. The trade group said that kind of reporting would make it easier to identify when a retailer, brand owner, supplier or another party has a financial stake that could affect market access or compliance with state alcohol laws.

DISCUS said the issue goes beyond labeling in the ordinary consumer sense. In its account of the matter, the group argued that Texas regulators need better transparency about the business arrangements behind certain spirits brands, particularly when exclusive or retailer-linked labels may involve parties operating in different parts of the alcohol supply chain. The council said fuller disclosure would help protect competition and support the state's three-tier system, which separates producers, wholesalers and retailers.

That system remains the basic framework for alcohol regulation across much of the United States. It was designed to prevent one tier from exerting too much control over another and to limit conflicts of interest that can affect pricing, placement and access to store shelves. In that context, questions about private-label products can become sensitive when a brand appears to be independent on paper but may be tied through ownership, financing or other commercial arrangements to businesses elsewhere in the chain.

Private-label spirits generally refer to products sold under a store brand or another exclusive label rather than under the producer's main brand name. In some cases, the product is made by an established distiller and marketed under a separate identity for a retailer or another commercial partner. Those arrangements are common in many consumer goods categories, but alcohol regulation adds another layer because states often impose strict rules on who can own, control or benefit from brands sold through licensed channels.

DISCUS has framed the Texas debate as a transparency issue rather than a challenge to private-label products themselves. Based on the council's description of its position, the trade group is not asking the state to ban those brands. Instead, it is urging

lawmakers and regulators to make sure the commercial relationships behind them are visible and reviewable, especially when a hidden interest could influence distribution decisions or create an uneven playing field for other suppliers.

The issue matters in Texas because it is one of the country's largest alcohol markets and an important state for spirits suppliers, distributors and retailers. A regulatory change there could affect how companies structure exclusive-label deals, brand ownership arrangements and sales strategies. It could also influence how aggressively regulators in other states examine similar products if Texas moves toward a stricter disclosure model.

For the broader beverage business, the debate has implications that go beyond spirits. Any new disclosure requirement for private-label or control-label products in Texas could change commercial practices for companies that rely on exclusive brands to differentiate their portfolios in a major market. It could also sharpen scrutiny of competitive balance within the three-tier system, with possible spillover into how regulators think about retailer-linked products in other beverage categories, including wine and beer, if they view the underlying concerns as similar.

The council's push comes at a time when exclusive and store-specific products have become a more visible part of alcohol retailing. Retailers often see those brands as a way to offer distinct selections and improve margins. Suppliers may see them as a route to shelf space and volume. But those same arrangements can draw regulatory attention when it is unclear who ultimately controls the brand or who benefits financially from its sales.

Texas lawmakers have not publicly detailed, in the information available from the council's notice, what form any future action might take. The discussion could lead to legislation, rulemaking or additional review by state regulators, depending on how the Senate and relevant agencies decide to proceed. What is clear from the council's filing is that DISCUS wants any state response to focus on disclosure of relationships and financial interests, with the stated aim of preserving fair competition and maintaining the integrity of the state's alcohol distribution structure.

The issue is likely to be watched closely by distillers, wholesalers, retailers and compliance professionals, especially those involved in contract production, exclusive labels and multi-party brand agreements in Texas.