vinetur

New industry data show bars and restaurants are widening their lead over retail alcohol sales

SipSource told wholesalers in Chicago that wine, beer and core spirits remain in decline, with distribution points down 3% to 5%

Monday, October 5, 2026



U.S. wine and spirits wholesalers gathered in Chicago last week as new market data presented at an industry forum pointed to weaker distribution for wine and core spirits, continued declines across major alcohol categories and a wider performance gap

between bars and restaurants and retail stores.

The Wine & Spirits Wholesalers of America said its 2026 Annual Membership Forum was held October 1 and 2 and brought together wholesale owners, chief executives, senior executives and board members from around the country. The Washington-based trade group said the meeting focused on market conditions, public policy, technology and the pressures facing the wholesale tier of the beverage alcohol business.

One of the clearest signals from the forum came from SipSource, WSWA's market intelligence platform, which is based on aggregated distributor depletion data. Danny Brager, a SipSource analyst, told attendees that core spirits, wine and beer are all still in decline, though the data also show signs of stabilization. He said consumers are still buying beverage alcohol, but their purchasing patterns are changing.

According to Brager's presentation, smaller package formats are gaining ground while what he described as true premiumization is largely absent. He also said pressure on shelf space and product assortment remains strong, with points of distribution down between 3% and 5% over the past couple of years across wine and core spirits, in both on-premise and off-premise channels.

That trend matters well beyond wholesalers. A smaller physical footprint in stores and other outlets can influence which brands stay visible, which formats get restocked and how producers and importers plan their product mix in the U.S. market. The shift toward smaller formats and the better relative performance of bars and restaurants could affect packaging, portfolio and channel decisions across wine, beer and spirits.

Brager told the forum that channel performance has split more sharply over time. On-premise sales, which include bars and restaurants, are outperforming off-premise sales, which include liquor stores, grocery stores and other retail outlets. He said that gap has widened each month. In a difficult market, he said, companies need dependable data to guide sales planning, forecasting and broader business decisions.

WSWA did not release detailed SipSource tables with the forum announcement, but it described the market as being under pressure from several macroeconomic challenges at the same time. The group said the forum's programming was designed to help

members respond to those shifts while protecting their position in a changing alcohol market.

Francis Creighton, WSWA's president and chief executive, said in a statement that the industry is dealing with rapid change and that the organization's role is to give members the tools, resources and policy environment they need to compete. He said the annual forum is one of the group's main opportunities to hear from members, compare what they are seeing in the market and coordinate on issues affecting wholesalers.

Policy took up a large part of the event. WSWA said its leadership briefed members on federal and state priorities, political fundraising through WSWA-PAC and the broader regulatory environment. A notable part of that discussion focused on intoxicating hemp beverages, which the association described as a growing market without consistent federal oversight.

WSWA said it is backing the Beverage Regulatory Parity Act, introduced as H.R. 10079, which it said would create clearer and more consistent rules for those products. The issue has become more important for wholesalers and suppliers as hemp-derived drinks expand in some states while regulators and lawmakers continue to debate how they should be classified, taxed and distributed.

The forum also turned to technology, especially artificial intelligence. Brooks Hamilton, founder and chief executive of AI Strategy Advisors, spoke about AI adoption across the wholesale tier and urged companies to separate practical business uses from hype, according to WSWA. Ajay Rai of Masava, which sponsored the event, presented ways AI can be used to connect fragmented systems, improve visibility across operations, reduce inefficiencies and make better use of resources.

Those discussions come as wholesalers face pressure to protect margins while adapting to slower sales growth, changing consumer preferences and more complicated compliance demands. For many companies in beverage alcohol distribution, the near-term value of AI is less about headline-grabbing tools and more about inventory management, route planning, pricing, sales support and back-office efficiency.

WSWA said members also met in large and small enterprise council sessions to set priorities for the coming year. The event included a closing address from Mark Brown, executive chairman of Sazerac Company.

Brown told attendees that he believes some news coverage overstates the industry’s decline, even as the business faces major change from suppliers to retailers to consumers. He also warned about what he called a neo-prohibitionist movement and said the issue affects every part of beverage alcohol. His comments reflected a broader concern inside the industry that falling sales in some categories are being compounded by political and public health campaigns that could lead to tighter restrictions.

The forum also marked a leadership transition at the trade group. WSWA said Michael Hertz of United Distributors will succeed Cutter Smith as chairman for 2027.

WSWA represents the distribution tier of the wine and spirits business and says its more than 380 member companies operate in all 50 states and the District of Columbia. The group says its members distribute more than 80% of all wine and spirits sold at wholesale in the United States.