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Reyes Beverage Group will acquire 11 RNDC markets in a bankruptcy shake-up

The takeover covers 38 million cases across Texas, Florida and Colorado, where producers face strict limits on changing wholesalers.

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A wave of deals set off by Republic National Distributing Co.’s bankruptcy is reshaping alcohol distribution in the United States, concentrating more wine, spirits, and beer business in fewer companies and putting renewed focus on state laws that govern how producers can change wholesalers.

RNDC, once the country’s second-largest wine and spirits wholesaler, filed for Chapter 11 bankruptcy protection in late July and has been selling assets market by market since then, according to trade publication BevX. The largest buyer so far is Reyes Beverage Group, which agreed to take over 11 markets, including Texas, Florida, and Colorado, representing 38 million cases.

Other pieces of RNDC’s business are also being reassigned. Keg 1 River City is expected to complete a deal for RNDC’s Kentucky operations at the end of October. In Michigan, Great Lakes Wine & Spirits said on October 9 that it had reached agreements for RNDC’s remaining business in the state, while Imperial Beverage and Vintage Wine Co. agreed to divide the wine portfolio. Those Michigan transactions still require bankruptcy court approval and are expected to close between October 30 and November 15.

Martignetti has also expanded through the RNDC breakup. In September, the company paid $14.5 million, plus inventory, for RNDC’s spirits brokerage business across 17 control states, where state governments play a direct role in alcohol distribution or sales.

The consolidation is not limited to wine and spirits. BevX reported that Reyes added Western Maryland Distributing’s business in Maryland, Pennsylvania, and West Virginia. Martignetti also agreed to buy Girardi Distributors, a wholesaler for Anheuser-Busch and Constellation.

Colorado has become one of the clearest examples of how these deals can turn into legal fights. Constellation, Mark Anthony Brands, and Sierra Nevada have all moved to end distribution agreements with Coors Distributing. Sierra Nevada and Mark Anthony are shifting to Reyes, according to BevX. Coors Distributing has said the suppliers did not give reasons for the terminations and has argued that the moves violate Colorado’s beer franchise law. The company has asked a Denver court to block the transfers until

an arbitrator rules on the dispute.

That legal clash reflects a broader issue in the alcohol business. Unlike many other industries, suppliers in the United States usually cannot freely change channels or sell directly to retailers when a relationship breaks down. In most states, alcohol remains governed by the three-tier system created after the repeal of Prohibition in 1933. The system separates producers, distributors, and retailers, and state franchise laws often make it difficult for suppliers to leave wholesalers without cause or formal process.

The current round of acquisitions is already being discussed as a structural shift inside the wholesale trade. The National Beer Wholesalers Association, meeting in Orlando this week, has referred to the trend as “The Great Convergence,” a label that captures the way beer houses, wine distributors, and spirits brokers are moving into one another’s lanes through acquisitions and contract transfers.

Regulators are also paying closer attention to distributor power. On October 2, the Federal Trade Commission settled a price discrimination case against Southern Glazer’s Wine and Spirits, the largest wine and spirits distributor in the United States. BevX reported that Southern Glazer’s handles roughly 33% of the bottles sold in the country. Under the settlement, which lasts six years, the company is barred from charging nearby independent retailers significantly more than large chain competitors for the same bottle in sales involving the five biggest chains across 26 states. A monitor will oversee compliance.

Southern Glazer’s did not admit wrongdoing and has said it does not expect the FTC order to materially change its business. Critics of the settlement have said it does not go far enough because it does not require the company to repay alleged past overcharges. Three weeks before that FTC settlement, Southern Glazer’s agreed to pay $12.5 million and enter a non-prosecution agreement related to a California bribery scheme.

The regulatory pressure and the bankruptcy-driven dealmaking are unfolding inside a system that varies sharply from state to state. One FTC commissioner noted in a statement on the Southern Glazer’s matter that those differences can complicate the use of federal law in alcohol pricing cases. The same patchwork shapes disputes over

contract terminations, territory rights, and supplier transfers.

For beverage companies, the stakes are immediate. As wholesalers combine or take over new territories, producers and importers can face changes in route systems, warehousing, brand attention, and negotiating leverage. A large supplier may gain broader reach through a bigger distributor network, while smaller brands may worry about getting less sales focus inside a larger portfolio. Retailers can also be affected if fewer wholesalers control more brands in a market, which may influence price negotiations, delivery options, and shelf access. Those effects will depend on state rules, court decisions, and how the new owners integrate the businesses they are buying.

The contrast with other countries remains sharp. In many foreign markets, a producer can sell directly to a restaurant or retailer. In the United States, that usually requires a licensed wholesaler. Direct-to-consumer shipping is also limited. American craft distillers can ship to consumers in only about 10 states, according to their trade association, leaving most producers dependent on the wholesale tier for market access.

The next steps in the RNDC asset sales will come through court approval and closing deadlines over the coming weeks, while the Colorado case could show how far state franchise protections can slow supplier moves in beer. Together, those proceedings are helping determine which companies will control the middle tier of the U.S. drinks business and how easily producers of wine, beer, and spirits can reach stores, bars, and restaurants.