vinetur

RNDC asked a judge to approve its Chapter 11 wind-down plan

Unsecured creditors say the plan releases claims that could exceed $1 billion for a $50.25 million settlement

Thursday, October 29, 2026



Republic National Distributing Company, one of the largest liquor distributors in the United States, is moving deeper into Chapter 11 liquidation as creditors, employees, and federal bankruptcy overseers fight over how the company’s remaining assets should be divided.

In a filing on Tuesday, October 27, RNDC asked a bankruptcy judge to approve its plan for moving through Chapter 11, according to court records cited by Inc. The case remains pending. RNDC’s lawyers have also reached a settlement with unsecured creditors, but that agreement does not end the dispute around the company’s wind-down. The plan still faces an objection from the U.S. Trustee’s Office, the federal unit that monitors bankruptcy cases.

The company entered Chapter 11 earlier in 2026 after a period of falling alcohol sales and growing debt. Since then, it has been unwinding its business state by state instead of trying to reorganize as an operating company. Reporting from BevNet, cited by Inc., said a judge has approved sales of RNDC businesses in Alaska, Kentucky, and Michigan. The company had already started the process by closing multistate deals with Reyes Beverage Group and Martignetti Companies.

Court papers show the scale of the claims now surrounding the distributor. RNDC’s bankruptcy petition lists 30 of its largest unsecured claims at more than $300 million in total. Eighteen of those claims are held by wine and spirits suppliers, including Proximo Spirits, Edrington, and Delicato Family Wines. The figures underline how much exposure major beverage producers can have when a large wholesaler fails.

The proposed wind-down plan includes several large concessions and settlements. According to court documents cited by Inc., it contains a $50.25 million settlement of future claims against the company’s equity owners, a waiver of $260 million in second-lien loan claims, and $47.7 million in unsecured notes. But the unsecured creditors committee has argued that the claims being released may be worth far more than the settlement amount. BevNet reported that the committee estimated those released claims could exceed $1 billion.

That disagreement has turned into the central fight in the case. The unsecured creditors committee includes major drinks companies such as Pernod Ricard and Proximo. Its members are pressing for a larger recovery at a time when many suppliers are already dealing with softer demand, tighter inventories, and cautious ordering across parts of the alcohol market.

Another major dispute involves employee compensation funds. The committee challenged RNDC’s plan to reserve $64.5 million in deferred compensation funds for employees who were not given a priority claim in the bankruptcy case. Under the pending deal, $47 million from those deferred compensation funds would instead go to general unsecured creditors, while employees who participated in RNDC’s deferred compensation plans would receive the remainder.

The U.S. Trustee’s objection adds another layer of uncertainty. Inc. did not detail the full basis of the objection, but its presence means the court still has unresolved issues to consider before any broader liquidation plan can be finalized. For now, RNDC can point to progress in asset sales and in the creditor settlement, but the most contested parts of the bankruptcy are still open.

The case matters beyond RNDC’s own balance sheet because distributors sit in the middle of the beverage supply chain. When a company of this size collapses, wineries, distilleries, and other suppliers can face delays in collecting money, uncertainty about inventory already in the system, and the need to quickly replace distribution coverage in multiple states. The liquidation could also push beverage companies to review credit terms, contract protections, and how dependent they are on a small number of wholesalers.

RNDC’s bankruptcy shows how that pressure can spread through the alcohol business. Suppliers are not just trying to recover unpaid invoices. They are also trying to protect future market access in states where the company once handled large portions of wine and spirits distribution. Until the court rules on the remaining objections, the final split of RNDC’s money among creditors, employees, and other claimants remains unsettled.