

Helping Oregon Wineries Meet Consumer Demand During COVID-19

SB 406: UPDATE TO OREGON'S DIRECT TO CONSUMER SHIPPING LAW

The Problem

The COVID-19 pandemic has changed the ways that Oregonians purchase products and supplies. In the interest of convenience and safety, consumers have come to rely even more heavily on the internet for contactless ordering and delivery. Wine sales are no exception to this trend, but Oregon's wineries are facing additional challenges to deliver products to customers due to the current limitation on direct to consumer shipping. Many of Oregon's wineries are small production operations that have historically relied on tasting room sales for revenue. Now, due to increased COVID-19 restrictions including mandated closures and limitations on tasting room visits, these small businesses have had to find new methods through which to deliver their products to consumers, including increased reliance on shipping wine directly to consumers. Many of these wineries offer "wine clubs" that ship bi-annually and quarterly. **But Oregon law currently limits orders to two cases per month.** The monthly limit was occasionally a problem prior to the pandemic, but has now become a persistent issue for Oregon's wineries and the consumers that want to support this homegrown industry

The Solution

California and Washington do not have shipping limits and in order to remain competitive, Oregon wineries need to be able to deliver their product to consumers in the manner in which they want to receive it. To continue to thrive and conduct sales in the midst of a pandemic, wineries must be allowed to ship more than the currently allowed 2 cases per customer per month. Although we do anticipate modifications in purchasing behavior will persist even after the COVID pandemic with consumers shifting to increased online purchases. This will allow wineries to bridge the current sales gap that many are facing due to COVID-19-related tasting room restrictions as well as adapt to a new sales environment. **That is why industry partners have come together to propose that this limit be increased to 5 cases per customer per month.** This increase will allow customers to continue to purchase wine safely and efficiently and while supporting one of Oregon's most prized local industries during one of the most challenging periods in the history of Oregon's wine industry.



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