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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

11/09/2015

CHRIS CAMPBELL, STAFF DIRECTOR
JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

The Honorable Loretta E. Lynch
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530

The Honorable Edith Ramirez
Chairwoman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Madam Attorney General and Chairwoman Ramirez:

I write today to urge you to consider carefully the impacts on Oregon brewers, consumers, and beer distributors as you review any future consolidation arising out of reported merger discussions between beer makers Anheuser-Busch InBev and SABMiller.

The brewing industry represents a major economic sector in the state of Oregon, home to more than 230 breweries which employ more than 7,400 people and contribute \$2.8 billion to the state's economy. Oregon's thriving brewing industry has developed largely as a result of the state's distinctive agricultural sector, strong craft beer culture, and fair and robust marketplace.

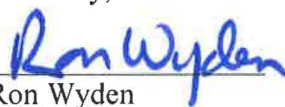
I am concerned by recent reports suggesting Anheuser-Busch InBev and its wholly owned distributors may have acted to curb competition in markets including Oregon.¹ The reports detail large brewers seeking to obstruct and outmaneuver craft brewers by purchasing distributors and exerting control over tap lines and store shelves. Out of concern over such reports, I have consistently proposed increased enforcement resources for those agencies charged with ensuring a fair marketplace for brewers and distributors.

In light of these events, I ask you to consider not only the direct effects of any proposed merger's impact on consumers and competitors in the large scale beer market, but also the effects on the ability for brewers of all sizes to enjoy fair access to distribution chains and consumers. It is incumbent on those charged with enforcing the nation's competition laws to ensure that this proposed merger or others like it not disadvantage craft brewers in Oregon and nationwide or restrict consumer choice. The review of any such arrangement provides an opportunity to work with brewers and distributors of all sizes to set clear rules for competition and ensure that anti-competitive practices do not recur in the future.

Finally, I ask that you keep lawmakers apprised as this situation develops and work with the Congress to ensure that the Department of Justice, the Federal Trade Commission and other agencies charged with enforcing fair trade and competition laws have the resources necessary to carry out their duties.

If you have questions or my office can be of assistance, please contact Christopher Arneson of my staff at 202-224-4515

Sincerely,


Ron Wyden

United States Senator

CC:

Jacob J. Lew, Secretary, Department of Treasury

John Manfreda, Administrator, Alcohol and Tobacco Tax and Trade Bureau

¹ Reuters: *U.S. probes allegations AB InBev seeking to curb craft beer distribution*, Oct. 12, 2015