TTB Boot Camp for Distillers

WHAT TO EXPECT IN A DISTILLED SPIRITS PLANT PRODUCT INTEGRITY INVESTIGATION

TTB Disclaimer

Notice:

This information is being presented to help the public to understand and comply with the laws and regulations that the Alcohol and Tobacco Tax and Trade Bureau administers. It is not intended to establish any new, or change any existing, definitions, interpretations, standards, or procedures regarding those laws and regulations. In addition, this presentation may be made obsolete by changes in laws and regulations. Please consult the regulations for the most current regulatory requirements.

Sample documents (such as records, returns, and labels) are for illustrative purposes only and contain fictitious data.

Trade Investigations Division (TID)

The Trade Investigations Division (TID) is responsible for ensuring industry members comply with the laws and regulations administered by TTB.

TID investigators:

- Ensure only qualified applicants are granted permits to engage in the production and distribution of alcohol and tobacco
- Investigate allegations of trade practice violations in the marketplace
- Examine Certificates of Label Approvals (COLAs) to deter unauthorized usage
- Prevent misleading labeling and advertising of alcohol beverages
- Respond to credible information suggesting a health-related contamination or adulteration of an alcohol product

What Do We Look For?

Product integrity (consumer protection)

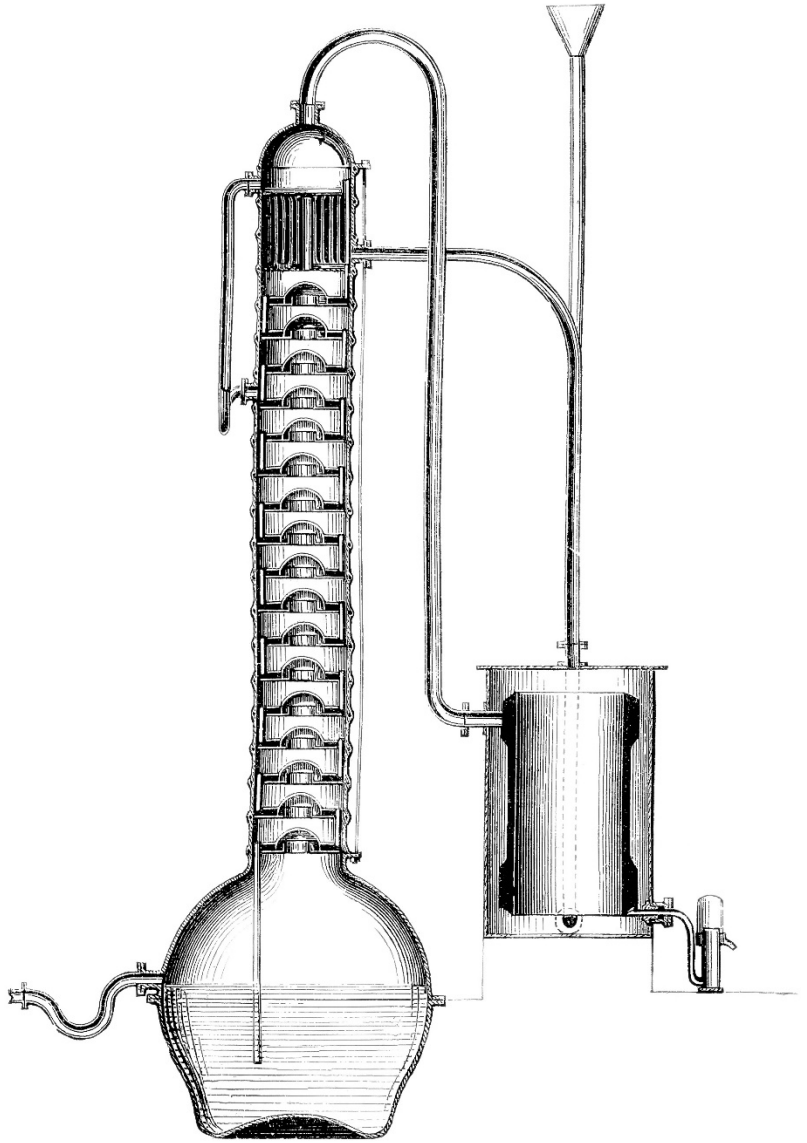
- Opening Conference
- Qualifying Documents
- Standards of Identity & Formula Compliance
- Label/Certificate of Label Approval (COLA) Verification

What Do We Look For?

Product integrity (consumer protection)

- Manipulated/Altered COLAs
- Advertising
- Proof and Fill
- Samples for TTB Lab Analysis

Opening Conference

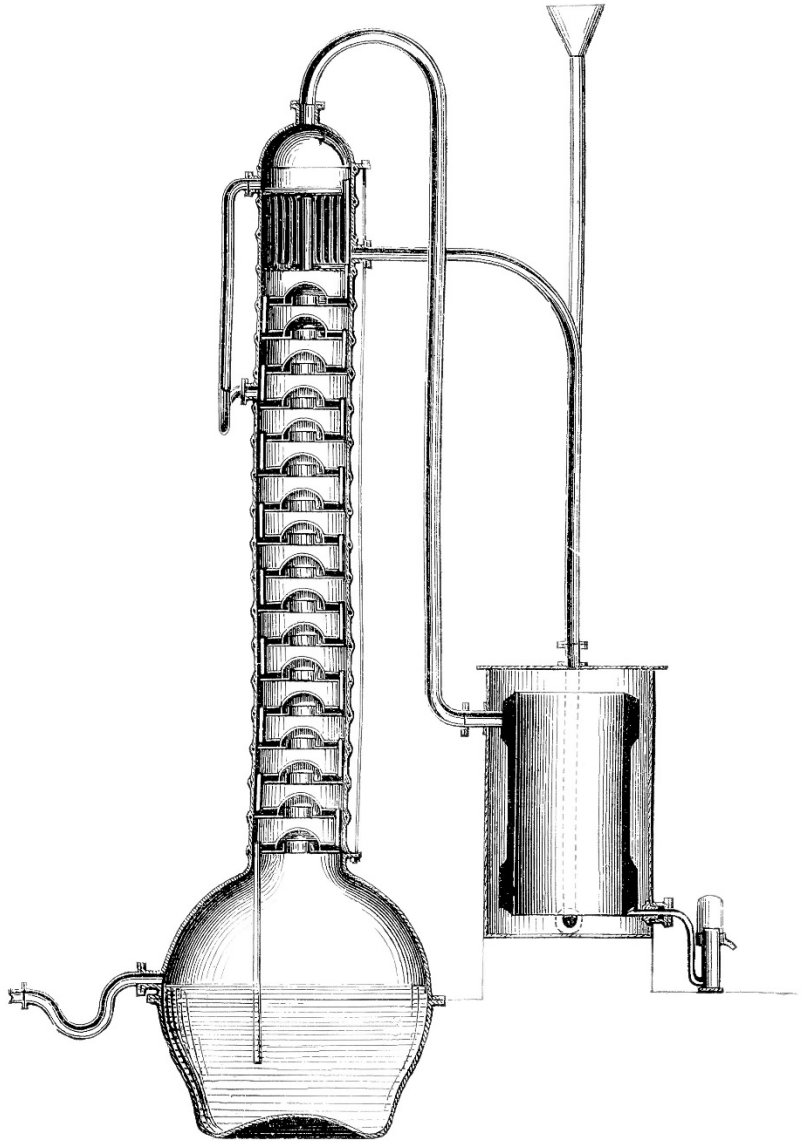


Opening Conference

The TTB investigator will:

- Tour the premises
- Identify and interview key personnel responsible for production, labeling, and lab analysis including alcohol and fill tests
- Identify COLAs, formulas, records, and reports needed for the investigation
- Identify operations conducted on bonded DSP premises

Qualifying Documents



Qualifying Documents

The TTB investigator will:

- Examine qualifying documents from the original application that relate to the DSP operations
- If necessary, advise of procedures to amend your permit/registration
- Verify that only authorized persons sign documents submitted to TTB

Qualifying Documents: Common Issues and Solutions

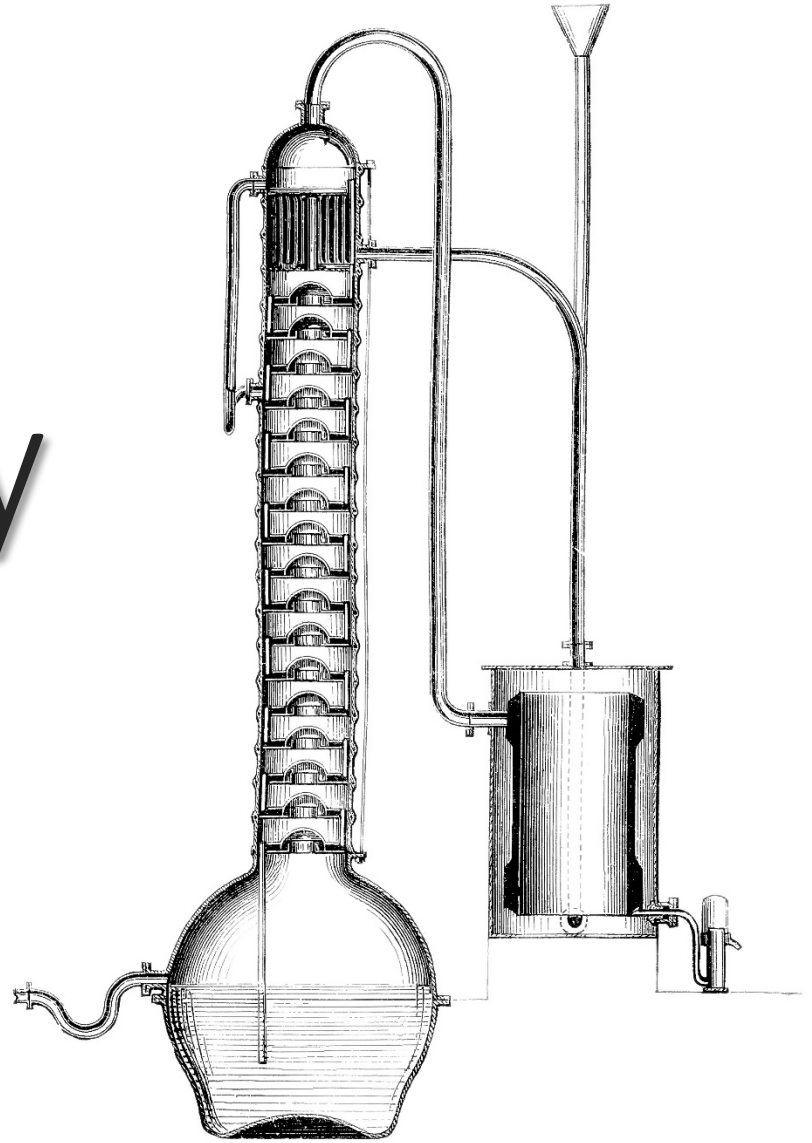
Not reporting changes in the business operations to TTB

- Must report changes in officers / directors within 30 days
- Must report changes in control / ownership within 30 days
- New consultants / employees need Power of Attorney or Signing Authority to submit on your behalf

Failure to File for altered business premises

- New buildings, tanks, rooms, labs, etc. must be reported to TTB and approved before construction or addition

Standards of Identity and Formula Compliance



Standards of Identity

The TTB investigator will:

- Verify the permittee's records accurately identify the class and type of spirits produced and/or received in bond (imported and domestic)
- Determine whether the kinds of spirits are properly identified according to the materials from which they are produced
- When applicable, examine additional documents necessary to remove specific products from Customs custody
  - Certificates of origin for Scotch, Irish, and Canadian Whiskey;
  - Certificates of age for rum, brandy, and agave spirits; and
  - Certificates of authenticity for Tequila and Cognac

Standards of Identity: Common Issues

Proof Issues

- Vodka must be bottled at or above 80 proof
- Whisky (at the time of distillation) must be made at less than 190 proof

Ingredient Issues

- Corn whisky must be made with not less than 80% corn
- Straight whisky may not have sugar added
- Bourbon whisky must use charred new oak barrels
- Rum must be made with sugar cane or sugar cane products

Formula Compliance

TTB Approved Formula

- Ensure DSP has TTB-approved formulas for all products produced and bottled that require them

DSP Processing Batch Records

- Compare product batch records to TTB-approved formula
- Ensure ingredients match approved formula
- Ensure all quantities and ranges of ingredients are within compliance

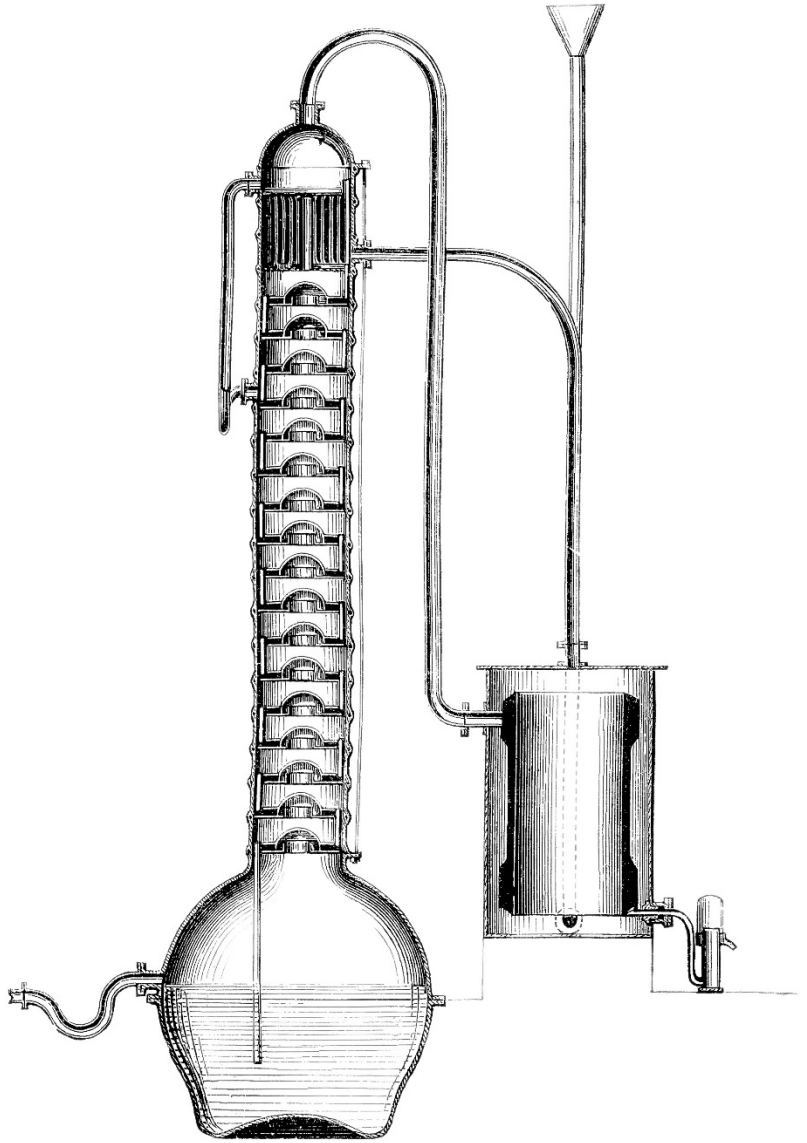
Formula Compliance: Common Issues

DSPs producing products without an approved formula

DSPs not adhering to an approved formula:

- Quantities and ranges must match your approved formula
- Statement of process must match your actual production process
- Must amend / resubmit formulas if you wish to change the ingredient list

Labels/COLA Verification



Label/COLA Verification

The TTB investigator will:

- Verify permittee has either certificates of label approval (COLA) or exemption from label approval for labels on all bottled spirits in inventory
- Verify labels on bottled spirits include all mandatory information and avoid prohibited practices (27 CFR Parts 5 and 19)
- Verify trade names appearing on labels are identical to trade names listed on permittee's basic permit

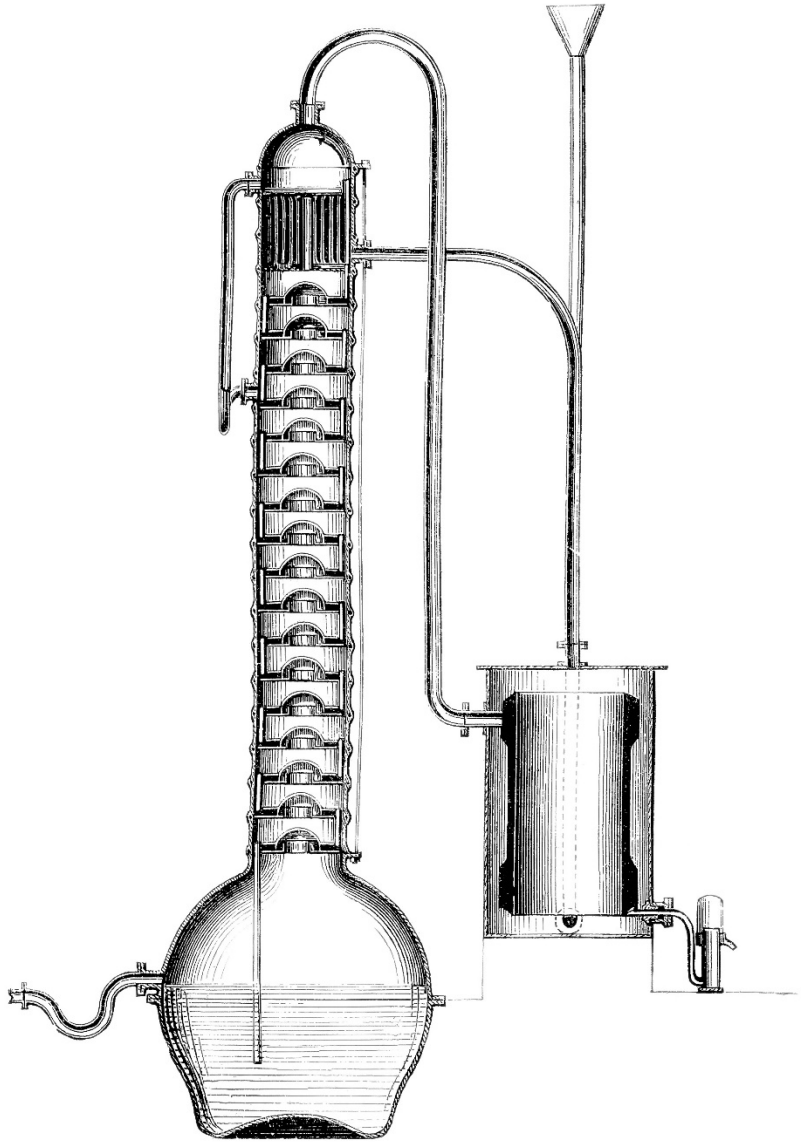
Label/COLA Verification

- For COLAs granted conditional or use-up approval:
  - Verify product labels comply with restrictions, including expiration date, listed in the **Qualifications** section
  - Verify adequate controls are in place to ensure new labels will be in compliance and expired COLAs are not used beyond expiration date
- Verify Government Health Warning Statement meets requirements of 27 CFR part 16
- Request DSP surrender any COLAs that are inactive, obsolete, or terminated

COLAs: Common Issues

- No COLA
- Making unallowable change to product label without obtaining new COLA
- Incorrectly formatted Government Health Warning Statement
  - **Government Warning** is not bold and does not stand out from rest of warning
- Exceeding requirements for conditionally-approved COLA or per a TTB-approved use-up approval

Advertising



Advertising

The TTB investigator will:

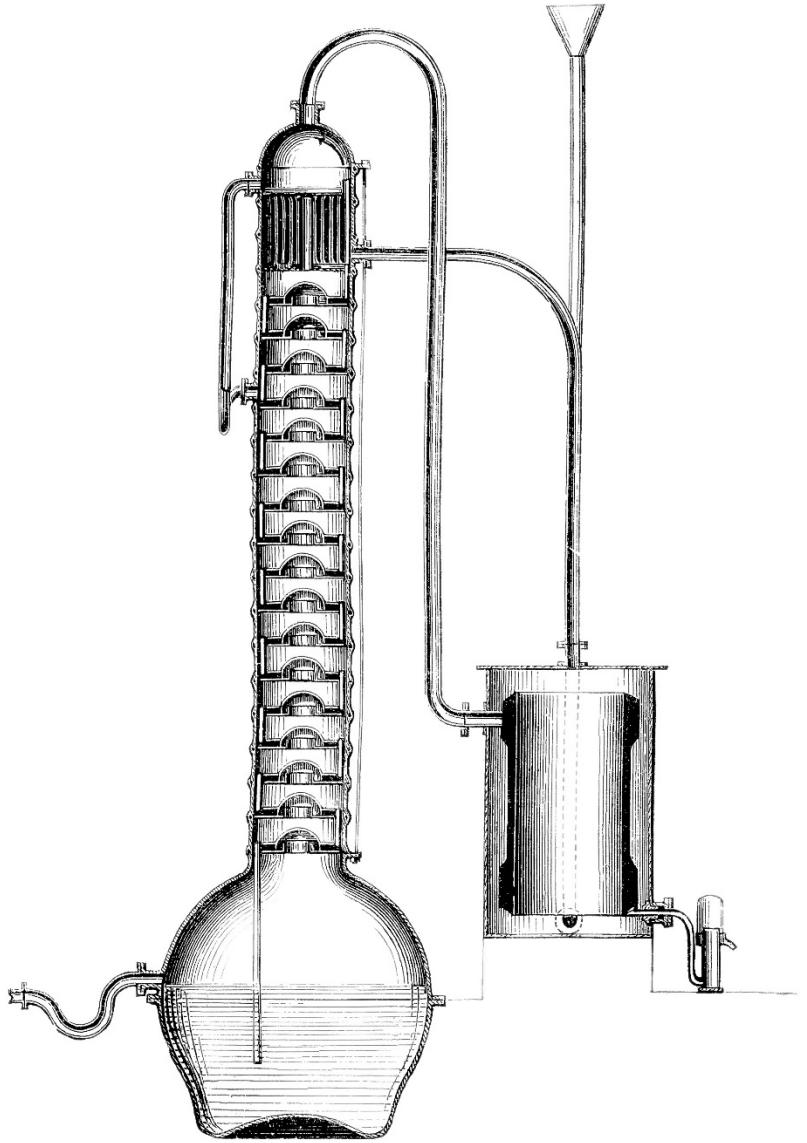
- Review all advertising material on the DSP website and social media accounts
- Review any point of sale (POS) materials for violations, such as:
  - Sales pamphlets
  - Posters
  - Promotional displays, or
  - Written, printed, or graphic materials in stock

Advertising: Common Issues

- Missing mandatory statements
- Health claims
- Advertising is inconsistent with label
- Class/Type issues

*For questions about TTB's advertising requirements, contact the Market Compliance Office at **202-453-2251 (option 4)** or by e-mail at Market.Compliance@ttb.gov*

Proof and Fill



Proofing

The TTB investigator will:

- Verify DSP proofing procedures
- Observe plant personnel conduct proofing test
- Verify all measuring devices used for proofing are correctly calibrated
- Review required proofing records
  - Records must include all information showing DSP is compliant with requirements/regulations at 27 CFR 19.188, 19.600, and 19.356

Proofing: Common Issues

- Not using properly calibrated equipment
- Not distilling samples with high solids before proofing
- Not correcting for temperature
- Not following consistent steps in proofing
- Not maintaining accurate proofing logs

Fill Testing

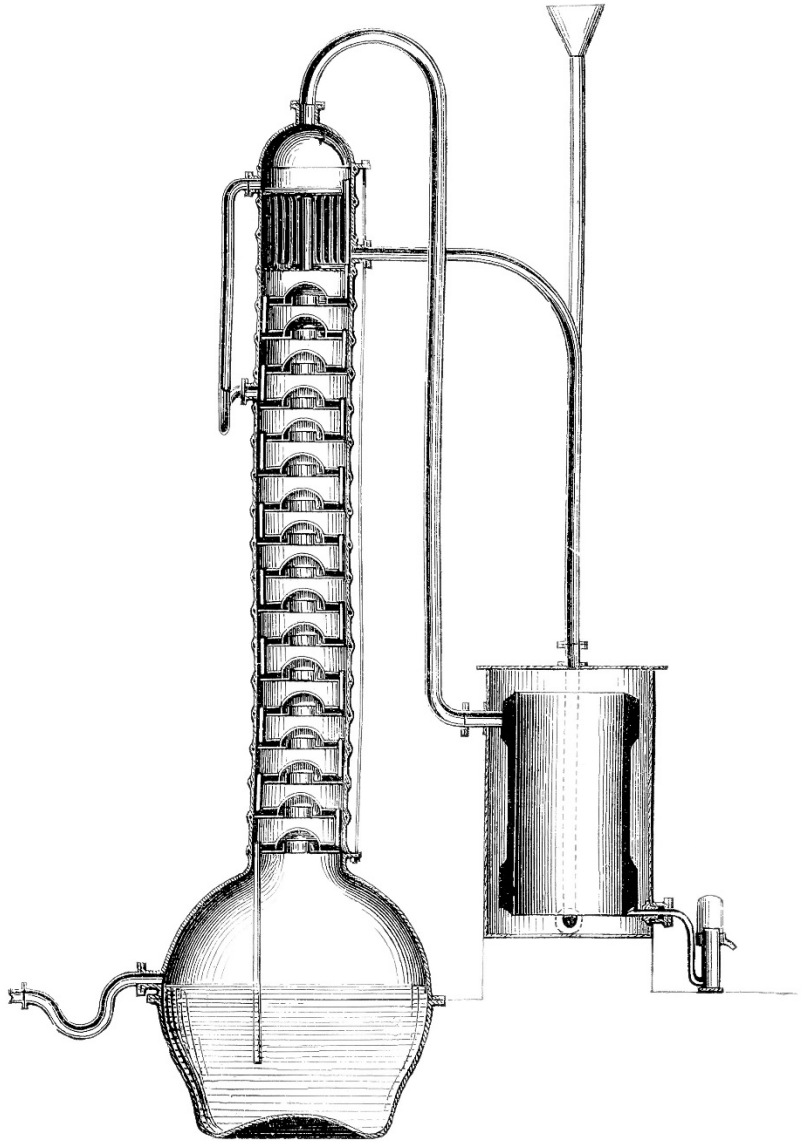
The TTB investigator will:

- Verify DSP fill procedures
- Observe plant personnel conducting fill test
- Verify all measuring devices used for fill are correctly calibrated
- Review fill records required
  - Records must include all information showing DSP is compliant with requirements/regulations at 27 CFR 19.188, 19.600, and 19.356

Fill:
Common Issues

- Calibration and Testing
  - Correcting for the temperature of the liquid
  - Must use calibrated equipment (thermometer, hydrometer, graduated cylinders, etc.)
  - Not checking each fill head on bottling line and making adjustments if necessary
- Records
  - No fill test records, or corrections shown on fill test record
  - No calibration records
  - No proofing records

Samples for TTB Lab Submission



Samples for TTB Lab Submission

The TTB investigator will:

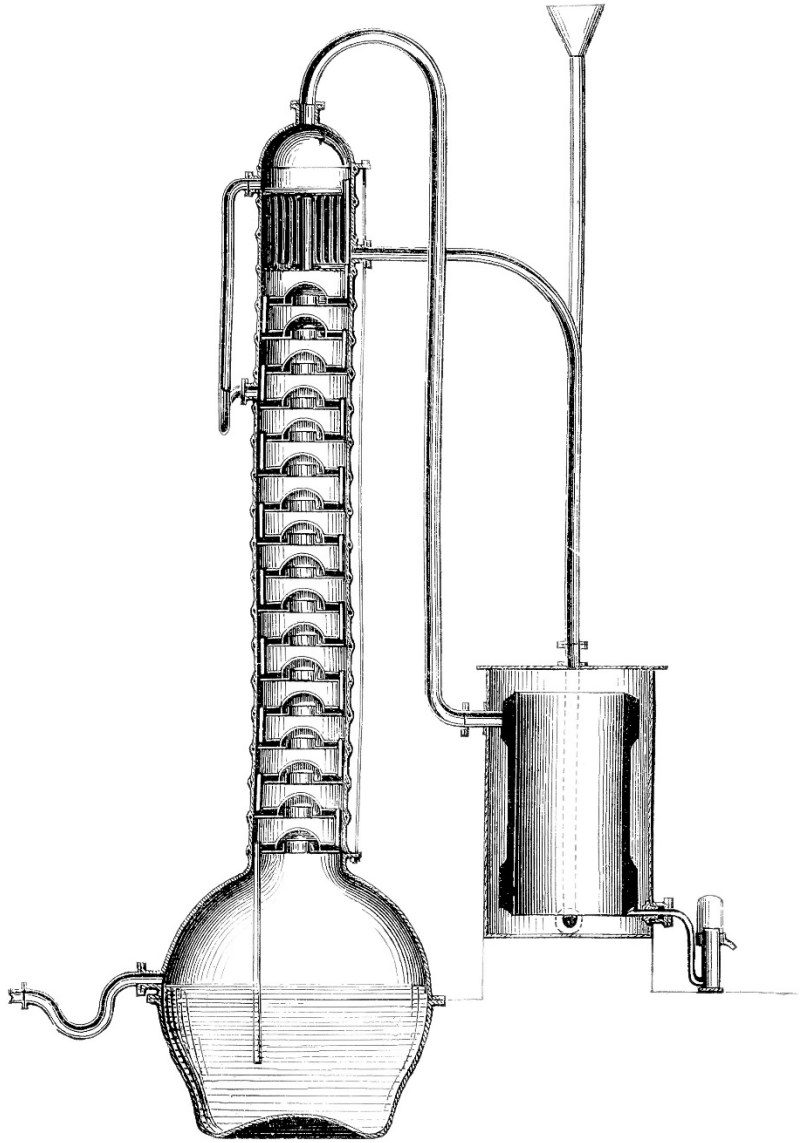
- Pull several samples from bonded inventory
  - Samples will be of various sizes and products
- Send samples to TTB lab for analysis and check for proof and fill compliance (27 CFR 19.356)
- Follow up with DSP as to the results of lab analysis

Lab Samples: Common Issues

- Product is under/over proof
- Product is under filled
- Headspace, more than 8% of container

See 27 CFR 5.202(b), 19.356(b), and 19.356(c) for additional information

Closing Conference and Follow-up



Closing Conference

The TTB investigator will:

- Hold closing conference with DSP and explain results of investigation
- Advise proprietor of the results from samples submitted to the TTB lab for analysis which may require corrective action
- Issue written summary of violations and, if needed, advise proprietor of corrective action

Adverse Action

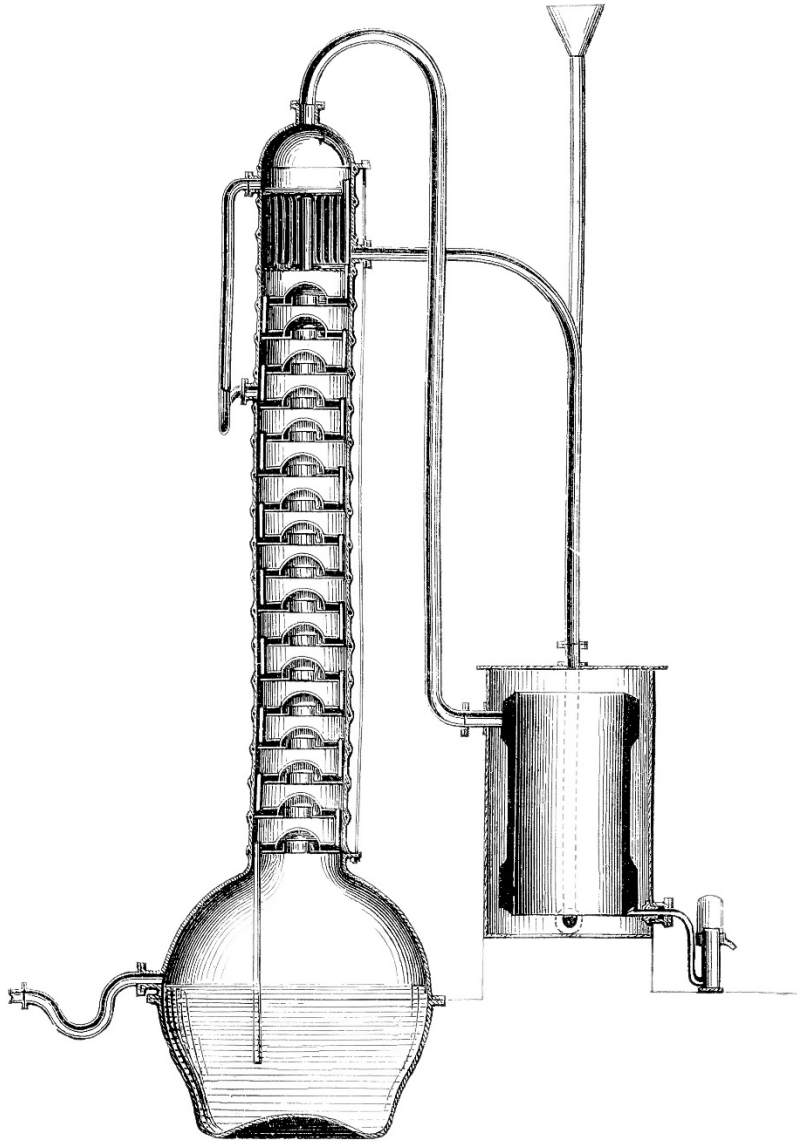
- Violations may result in TTB taking administrative action against your permit
- Administrative action can range from a warning letter, up to and including, suspension or revocation of a permit
- Findings are made part of your official TTB file
- Additional administrative actions may be taken if violations continue

Voluntary Disclosure

Voluntary disclosure of non-compliance

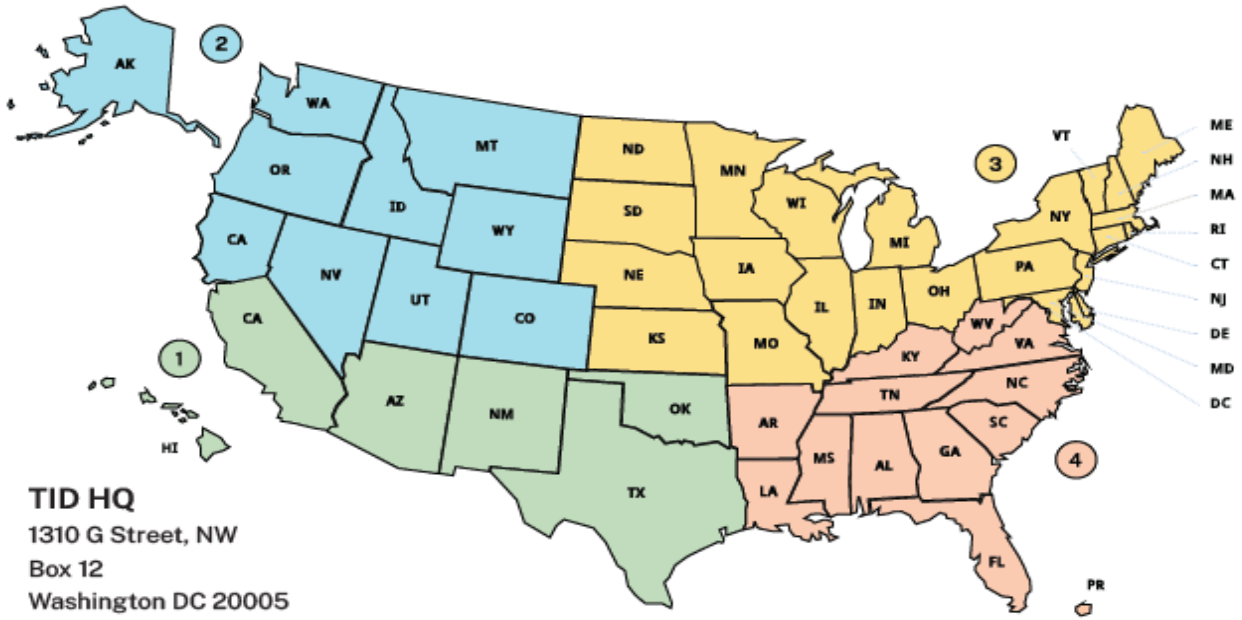
- TTB encourages industry members to voluntarily disclose violations upon discovery and take appropriate corrective action
- These disclosures may mitigate actions taken by TTB in response to violations
- See TTB Industry Circular 2004-5 for details
  - https://www.ttb.gov/images/industry_circulars/archives/2004/04-05.html
- Submit your voluntary disclosure here:
  - https://www.ttb.gov/contact-nrc

Resources



Trade Investigations Division

August 2025



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Box 12
Washington DC 20005

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Western I District
21143 Hawthorne Blvd #461
Torrance, CA 90503-4615
Phone: 513-684-2481

Arizona, California (Southern), Hawaii, New Mexico, Oklahoma, Texas

2

Western II District
21143 Hawthorne Blvd #461
Torrance, CA 90503-4615
Phone: 513-684-2491

Alaska, California (Northern), Colorado, Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming

Western I and Western II are mailing addresses only. Please direct all inquiries to the respective phone numbers.

4

Southeast District
4300 W. Cypress St, Ste 340,
Tampa, FL 33607
Phone: 202-453-3117

Alabama, Arkansas, Florida, Georgia, Kentucky, Louisianna, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, Virginia, West Virginia

3

Northeast District
1310 G Street, NW, Box 12
Washington, DC 20005
Phone: 202-453-2267

Connecticut, Delaware, DC, Illinois, Indiana, Iowa, Kansas, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Vermont, Wisconsin

Puerto Rico
Torre Chardon
350 Ave Carlos Chardon,
Suite 310
San Juan, PR 00918
Phone: 202-453-3164

Internet Resources

Websites

- www.ttb.gov
- www.fda.gov
- www.ecfr.gov
  - 27 CFR parts 1, 5, 16, 19
- Distilled Spirits Beverage Alcohol Manual

Key Search Words

- Formula
- BAM
- Beverage Alcohol Manual
- Distilled Spirits Rulings
- eCFR
- COLA

**If searching on TTB.gov, begin each search with 'TTB' to return results on TTB site.*

Resources on TTB.gov

Alcohol Beverage Formula Approval Home Page
https://www.ttb.gov/formulation/index.shtml

Subscribe to automatically receive the weekly TTB Newsletter
https://public.govdelivery.com/accounts/USTTB/subscriber/new

Permits Online Help Center
https://www.ttb.gov/ponl/permits-online-help.shtml

Resources on TTB.gov

Laws, Regulations, and Public Guidance:

Laws, Regulations and Public Guidance | TTB: Alcohol and Tobacco Tax and Trade Bureau

CBMTRA page:

Tax Reform – Craft Beverage Modernization Act (CBMA) | TTB: Alcohol and Tobacco Tax and Trade Bureau

TTB Federal Register Publications:
https://www.ttb.gov/what-we-do/regs-guidance/federal-register-publications

Resources on TTB.gov

List of Allowable Changes to Approved Labels:

List of Allowable Changes to Approved Labels | TTB: Alcohol and Tobacco Tax and Trade Bureau

Formula Approval Tool:

New Distilled Spirits Formula Tool | TTB: Alcohol and Tobacco Tax and Trade Bureau

Proofing Video Series:

Proofing Tutorial | TTB: Alcohol and Tobacco Tax and Trade Bureau

Thank You for Watching!

Please take a few minutes to provide feedback on this session:

https://www.ttb.gov/survey

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