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13 SENATORS URGE USTR TO DROP DUTIES ON EU WINE & SPIRITS

WSWA applauds the continued bipartisan support for wine and spirits wholesalers impacted by the ongoing WTO Airbus/Boeing trade dispute

WASHINGTON, D.C., 08/07/2020 –Wine & Spirits Wholesalers of America (WSWA) applauds the U.S. Senators that called upon the United States Trade Representative (USTR) today to remove tariffs on EU wine and spirits products in a [bipartisan letter](#) authored by Senators Susan Collins (R-ME) and Bob Menendez (D-NJ). WSWA and its member companies engaged with Senate offices over the past week to encourage support for the letter, which calls for an end to duties on EU food and beverage products imposed in retaliation to the ongoing World Trade Organization (WTO) Airbus/Boeing trade dispute.

“This is a clear signal that Congress understands the extreme stress the hospitality industry is suffering from right now,” said WSWA CEO & President Michelle Korsmo. “The USTR has now heard from 164 U.S. Representatives and 13 Senators on both sides of the aisle, as well as nearly 24,000 American business owners during the open comment period. At this point, if the USTR chooses to include EU wine and spirits on the list of impacted products it is willfully ignoring the harm it is causing to U.S. businesses already facing unprecedented challenges in the wake of the ongoing COVID-19 pandemic. We thank the Senators for their support and urge the USTR to remove EU wine and spirits from the list of impacted products and come to a resolution with our European trading partners.”

The [letter](#) sent to USTR Ambassador Robert Lighthizer urges USTR to end the 25 percent ad valorem tariff currently imposed on European food and beverage products, including certain EU wines, cordials, and whiskeys. The letter specifically cites the compounding impact of the COVID-19 pandemic on the hospitality industry as a specific concern.

“Restaurants, retailers, grocers, importers and distributors, many of which are small, locally-owned businesses, have experienced severe economic hardship...and the COVID-19 pandemic has only compounded the harm...Consumers are wary of increased prices during this uncertain time and the tariffs create an additional burden,” said the letter.

In a [recent study](#) conducted by WSWA, new data analysis based on cargo manifests from the U.S. Department of Commerce, Bureau of the Census through April 2020 found that **the U.S. alcohol industry is poised to lose 92,570 jobs and nearly \$3.8 billion in wages, costing the U.S. economy \$11 billion in 2020 if current tariff levels persist.**

The study did not take into account the USTR's [new proposal](#) for additional tariffs on spirits, liqueurs and cordials from all EU members not currently facing tariffs, nor the compounding impact of restaurant and bar closures to the industry due to COVID-19, both of which would exacerbate the negative impacts on the industry.

The USTR is expected to release a decision on August 12, 2020.

About Wine & Spirits Wholesalers of America

WSWA is the national trade association representing the distribution tier of the wine and spirits industry, dedicated to advancing the interests and independence of distributors and brokers of wine and spirits. Founded in 1943, WSWA has more than 380 member companies in 50 states and the District of Columbia, and its members distribute more than 80 percent of all wine and spirits sold at wholesale in the United States.

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