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FOR IMMEDIATE RELEASE

07/29/2020

160+ LAWMAKERS URGE USTR TO DROP DUTIES ON EU WINE & SPIRITS

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

WASHINGTON, D.C., 07/29/2020 –Wine & Spirits Wholesalers of America (WSWA) applaud the more than 160 Members of the U.S. House of Representatives that called upon the United States Trade Representative (USTR) to remove tariffs on EU wine and spirits products in a bipartisan letter authored by Representatives Bill Pascrell (D-NJ-9) and Brad Wenstrup (R-OH-2). WSWA and its member companies engaged Congress over the past two weeks to encourage support for the letter which calls for an end to duties on EU food and beverage products imposed in retaliation of the ongoing World Trade Organization (WTO) Airbus/Boeing trade dispute.

The [letter](#), sent to USTR Ambassador Robert Lighthizer, urges USTR to end the 25 percent ad valorem tariff currently imposed on certain EU wines, cordials and whiskeys and discourages any additional tariffs on EU wine and spirits products. USTR recently [proposed](#) expanding tariffs to include other wine and spirits categories and is expected to release a decision on August 12, 2020.

“Millions of American families and small business are struggling because of the COVID-19 crisis. Our trade policies need to reflect the current realities. Holding the European Union accountable for their illegal subsidies that hurt American workers is essential. Yet as we seek a resolution for this case, our large bipartisan coalition wants Ambassador Lighthizer to ensure the path forward does not cause unintended hardships for those trying to make ends meet, especially for the food, beverage, and hospitality industries,” **said Representative Pascrell.**

“Our trade policy needs to reflect the realities of our current situation amidst the COVID-19 outbreak. I support the Administration’s determination to rigorously defend American interests abroad and Ambassador Lighthizer’s continued work to resolve longstanding disputes with the European Union. I urge the Ambassador to consider which American industries have been particularly hard hit and serve us with considerable purpose, and to tailor the U.S. response accordingly,” **said Representative Wenstrup.**

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.

During a [WSWA webinar](#) on tariffs last week, Representative Stephanie Murphy (D-FL-7) recognized WSWA's work on this issue and shared her concerns for the compounding impact sustained tariffs are having on an industry already reeling from the economic impact of COVID-19.

"In an effort to penalize the EU for certain practices, the Administration is hurting innocent businesses, workers, and customers in sectors completely unrelated to aviation. And, they are doing so at a time when [the beverage alcohol industry is] already facing extreme and, in some cases, existential challenges due to COVID... I do know that many members of Congress are sensitive to the impact, and that's largely due to your [WSWA's] advocacy efforts," said Murphy.

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.

To learn more, please visit www.wswa.org or connect with us on [Facebook](#) or [Twitter](#).

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