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**WSWA RESPONDS TO USTR ANNOUNCEMENT OF DUTIES ON
\$1.3B IN FRENCH GOODS IN DIGITAL SERVICES TAX DISPUTE**

WASHINGTON, D.C., 07/13/2020 – The Wine & Spirits Wholesalers of America (WSWA) responds to the Office of the U.S. Trade Representative’s announcement of duties on “\$1.3B in French goods in tax dispute” and continues to stand in strong opposition to tariffs on any foreign wines or spirits:

“We are pleased that the USTR is responding to our efforts and has made the decision to keep French sparkling wine and champagne off of this list of tariffed goods. WSWA is united with the industry and will continue to fight against retaliatory tariffs on EU-origin wine and spirits from the ongoing Airbus/Boeing dispute and additional digital service disputes across Europe,” **said WSWA President and CEO Michelle Korsmo**. “WSWA has been urging the USTR since June of 2019 to remove EU wine and spirits from the table of a trade dispute that originated outside of the alcohol industry – long before the pandemic. But now, at a time when the hospitality industry is fighting for its life, and additional tariffs will have catastrophic and compounding effects for years to come – a knockout blow for many.”

Since October 2019, America’s family-owned wine and spirit wholesalers and the industry at large have experienced the unintended consequences of a trade dispute between the United States and the European Union outside of the beverage alcohol industry – leading to loss of revenue, hiring freezes and general uncertainty. These consequences that will only compound the longer these tariffs remain in effect.

Economists at John Dunham and Associates report that under the 25 percent tariff on EU-origin wine and spirits implemented last October, the U.S. beverage alcohol industry was poised to lose nearly 36,000 jobs and more than \$1.6 billion in wages, costing the U.S. economy more than \$5.3 billion in 2020. At the time of the report’s release numbers could not account for the on-premise losses during the COVID-19 pandemic nor the [proposed expansion to the list of tariffed goods](#) released by the USTR on June 23, 2020.

“The unintended and exacerbating consequences of a trade dispute between the U.S. and the EU will only end when both parties to find a resolution. We hope they share our sense of urgency,” said Korsmo.

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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