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WSWA RELEASES STATEMENT ON USTR DECISION TO MAINTAIN CURRENT TARIFF LEVELS ON EU WINE AND SPIRITS

“Enough is enough. The USTR is well aware of the effect these tariffs are having on American businesses and is willfully ignoring the compounding impact of the COVID-19 pandemic on our industry.”

– WSWA CEO & President Michelle Korsmo

WASHINGTON, D.C., 08/12/2020 – The Wine & Spirits Wholesalers of America (WSWA) today announced its strong opposition to the United States Trade Representative’s (USTR) decision to continue the current 25 percent ad valorem tariff on certain EU wines, cordials and whiskeys in response to the ongoing WTO Airbus/Boeing dispute. The USTR reviews the tariff level and list of impacted products every 180 days.

“Enough is enough,” said WSWA CEO and President Michelle Korsmo. “The USTR is well aware of the impact these tariffs are having on American businesses and is willfully ignoring the compounding impact of the COVID-19 pandemic on our industry. While maintaining the current tariff levels is better than expanding or increasing them, the USTR has failed to provide relief to a once vibrant U.S. industry desperately in need of relief.”

Since October 2019, U.S. wine and spirits 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 losses of revenue, hiring freezes and crippling uncertainty. The consequences of tariffs on wine and spirits products have wreaked havoc on the hospitality industry still reeling from the COVID-19 pandemic.

A recent study by WSWA found that the 25 percent tariff implemented in October could result in the U.S. beverage alcohol industry losing nearly 93,000 jobs and more than \$3.8 billion in wages, costing the U.S. economy more than \$11 billion in 2020.

“Our industry is being used as a bargaining chip in a poor attempt to renegotiate a 15-year-old trade dispute that has nothing to do with American family-owned businesses struggling to keep the lights on during a global pandemic and economic recession. Mr. Lighthizer, the 93,000 men and women who may lose their jobs because of your decision are not nameless or faceless to us – they are hardworking truck drivers, warehouse and logistics staff, bookkeepers, sales professionals, maintenance and custodial workers and so many more. We are calling on you to end this attack on our industry and come to a



resolution with your European counterparts,” said Korsmo in a direct appeal to USTR Ambassador Robert Lighthizer.

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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