



October 7, 2020

The Honorable Robert E. Lighthizer  
United States Trade Representative  
Executive Office of the President 600  
17th Street, NW Washington, DC 20508

Valdis Dombrovskis  
Executive Vice-President  
European Commission  
Brussels, Belgium

Dear Executive Vice-President Dombrovskis and Mr. Ambassador:

The undersigned 18 U.S. and EU associations representing retailers, restaurants, and distilled spirits, wine, and beer producers, wholesalers, and importers are united in our call urging the European Union (EU) and U.S. to come to a negotiated settlement without delay that simultaneously eliminates additional tariffs on distilled spirits and wine, which will generate growth and jobs on both sides of the Atlantic. Furthermore, in recognition of the severe harm that is impacting our industries during this time, the U.S. and EU should immediately agree to refrain from imposing any new tariffs and suspend all additional tariffs while negotiations are underway.

These tariffs, which have been imposed in connection with unrelated trade disputes, have generated severe economic pain for our sectors and our wider supply chains. Tariffs by the EU on American Whiskey and U.S. tariffs on Single Malt Scotch Whisky, Single Malt Irish Whiskey from Northern Ireland, liqueurs and cordials from Germany, Ireland, Italy, Spain, and United Kingdom, and certain wines from France, Germany, Spain and UK are greatly harming consumers and the entire industry's competitiveness, from distillery and winery workers, hospitality workers, retail workers, farmers, to packaging companies that provide the containers, caps, and lids, and truckers, freight forwarders and logistic providers that get these products through Customs.

In response to press reports that the World Trade Organization has issued its confidential report authorizing the EU to impose tariffs on \$4 billion in U.S. imports in connection with the large civil aircraft dispute, we are concerned that the EU will move swiftly to impose additional tariffs on U.S. wine, rum, brandy, and vodka. The EU has already indicated that it will increase the tariff on American Whiskey to 50% in June 2021 and the U.S. is required to “review and revise” the list of EU products on the tariff list periodically, with the next review in February 2021. The escalation of tariffs on the distilled spirits and wine sectors, by either the U.S. or EU, will only increase harm to an industry already suffering.

The spirits and wine industries and hospitality sector are facing incredible economic harm due to the mandatory closings of restaurants, bars and distillery and winery tasting rooms in response to the outbreak of COVID-19.

For these reasons, we strongly urge the U.S. and EU to come to a negotiated settlement without delay that simultaneously eliminates additional tariffs on distilled spirits and wine, to suspend these tariffs while negotiations to resolve the disputes are ongoing, and a commitment not to impose new or additional tariffs on beverage alcohol products in disputes unrelated to the sector. An immediate restoration of duty-free access for all distilled spirits and low tariffs for wine is essential to returning our industries to supporting jobs on both sides of the Atlantic.

Please do not hesitate to contact us if we can provide any additional information.

Signed:

Chris R. Swonger  
President & CEO  
Distilled Spirits Council of the U.S.



Karen Betts  
CEO  
Scotch Whisky Association



Robert. P. “Bobby” Koch  
President & CEO  
Wine Institute



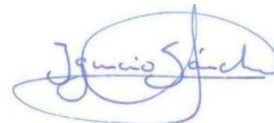
Ulrich Adams  
Director General  
spiritsEUROPE



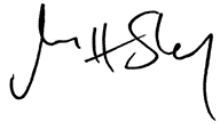
Michelle L. Korsmo  
President & CEO  
Wine & Spirits Wholesalers of America



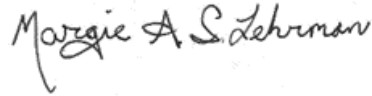
Dr. Ignacio Sánchez Recarte  
Secretary General  
Comité Européen des Entreprises Vins



Matthew Shay  
President and CEO  
National Retail Federation



Margie A.S. Lehrman  
Chief Executive Officer  
American Craft Spirits Association



John Bodnovich,  
President & CEO  
American Beverage Licensees



David French  
Executive Director  
National Council of Chain Restaurants



Matt Dogali  
President & CEO  
American Distilled Spirits Alliance



Eric Gregory  
President  
Kentucky Distillers' Association



Robert M. Tobiassen  
President  
National Association of Beverage Importers



Alison Leavitt  
Managing Director  
Wine and Spirits Shippers Association



Laura Abshire  
Director, Food and Sustainability Policy  
National Restaurant Association



Tom Wark  
Executive Director  
National Association of Wine Retailers



Benjamin Aneff  
President  
U.S. Wine Trade Alliance



Jim Trezise  
President  
WineAmerica

