



September, 28 2021

The Honorable Gina Raimondo
Secretary of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

The Honorable Katherine Tai
United States Trade Representative
Executive Office of the President
600 17th Street, NW
Washington, DC 20508

Dear Secretary Raimondo and Ambassador Tai,

On behalf of the Toasts Not Tariffs Coalition, which includes 50 U.S. associations and state guilds representing the entire three-tier chain of the U.S. beverage alcohol industry, we are writing to reiterate our call for an immediate return to duty-free access for American Whiskey exports to the European Union (EU) and the United Kingdom (UK), and to ensure that the UK does not impose additional tariffs on U.S. wine.

The continued application of 25 percent tariffs on exports of American Whiskeys--now in its third year--is having a devastating impact for U.S. exporters to our most important export markets; American Whiskey exports have declined by 37 percent to the EU and by 53 percent to the UK.

We fully appreciate and applaud the efforts by the administration to secure agreements to suspend for five years tariffs imposed in connection with the WTO Boeing-Airbus disputes. Our Coalition strongly supports the administration's commitment to settle the underlying disputes and to find solutions to address the myriad of serious concerns posed by non-market economies.

However, we note that urgent action is needed as the EU's tariff on American Whiskeys is scheduled to double to 50 percent on December 1. If this is allowed to happen, it will further exacerbate the unlevel playing field in the EU market for American Whiskeys, which account for over 61% of total U.S. spirits exports. Furthermore, the EU has publicly committed to resolve the underlying dispute on steel and aluminum by the end of the year. It is imperative that progress be made on this matter to ensure that the tariffs on American Whiskeys are lifted without delay.

In addition, the UK is reviewing its retaliatory tariffs on American products in connection to the steel and aluminum dispute and we understand an announcement is imminent. The UK's proposed list retains American Whiskeys and includes American wine, which is not currently subject to tariffs. The UK is the second largest export market for U.S. wine, totaling \$235 million in 2020. The imposition of a 25 percent retaliatory tariff on U.S. wine would have a significant negative impact on the top U.S. agricultural export to the UK.

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Accordingly, we reiterate our request for the Biden Administration to secure the immediate suspension of the EU and UK's tariffs on American Whiskey and ensure the UK does not impose additional tariffs on U.S. wine. We stand ready to support the administration's efforts to rebuild our critical relationships with the EU and UK.

Thank you for your consideration.

Sincerely,

American Beverage Licensees
American Craft Spirits Association
American Distilled Spirits Alliance
American Distilling Institute
American Single Malt Whiskey Commission
Arizona Craft Distillers Guild
Atlantic Seaboard Wine Association
California Artisanal Distillers Guild
Colorado Distillers Guild
Connecticut Spirits Trail
Distilled Spirits Council of the United States
Distillers Association of North Carolina
Florida Craft Spirits Association
Idaho Distillers Association
Illinois Craft Distillers Association
Independent Restaurant Coalition
Iowa Distillers Alliance
Kentucky Distillers' Association
Louisiana Distillers Guild
Maryland Distillers Guild
Michigan Craft Distillers Association
Montana Distillers Guild
Napa Valley Vintners
National Association of Beverage Importers
National Association of Wine Retailers

National Council of Chain Restaurants
National Restaurant Association
National Retail Federation
New Jersey Craft Distillers Guild
New Hampshire Distillers Guild
New York State Distillers Guild
North American Shippers Association
NY Wine Industry Association
Ohio Distiller's Guild
Oregon Distillers Guild
Oregon Wine Council
Pennsylvania Distillers Guild
South Carolina Craft Distillers Guild
Tennessee Distillers Guild
Texas Distilled Spirits Association
The Maryland Wineries Association
United States Bartenders' Guild
U.S. Wine Trade Alliance
Virginia Distillers Association
Washington Wine Institute
Willamette Valley Wineries Association
Wine & Spirits Wholesalers of America
Wine and Spirits Shippers Association
Wine Institute
WineAmerica