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## Finally, Some Good News for Kentucky Bourbon

By *Laura Cooper*



The European Union is American whiskey's largest export market. (Nam Y. Huh/Associated Press)

The struggling American whiskey industry needed some good news.

The threat of a 50% tariff from the European Union had cast a cloud over makers of Kentucky bourbon and Tennessee whiskey at a time when drinks companies are already contending with [lower American demand](#). The EU is American whiskey's largest export market, with nearly \$700 million in sales in 2024, according to the Distilled Spirits Council of the U.S.

Class-B shares of Jack Daniels maker **Brown-Forman** rose 2.3% Monday after the EU canceled its plan to impose a 50% levy on American whiskey. Such a tariff would have cut the distiller's operating income by 10%, Bernstein analysts estimated.

The development was also good news for importers of European beers, wines and spirits. In retaliation for the EU's planned 50% tariff on American whiskey, President Trump had threatened a [200% tariff on all alcohol from the EU](#).