



American Distilled Spirits Exports 2025 Mid-Year Report



U.S. Distilled Spirits Exports Decline Sharply in the Second Quarter of 2025 Amid Trade Tensions

Second quarter 2025 data on U.S. distilled spirits exports reveal a significant downturn, highlighting the adverse impact of ongoing trade tensions.

Exports declined by 9% compared to the same period last year, with particularly steep declines in shipments to key markets, including the European Union (EU), Canada, the United Kingdom (UK), and Japan.

While Canada recently removed its retaliatory tariffs on U.S. spirits, the ban on U.S. spirit sales remains in place in most Provinces. Notably, Canada is the only trading partner to retaliate against U.S. spirits. Exports to Canada plunged by 85%, dropping below \$10 million in the second quarter of 2025.

Exports to the UK and Japan each declined by more than 23%, while exports to the EU were down 12%.

Exports of several spirits categories posted double-digit declines, including Brandy (-12%), American Whiskey (-13%), Vodka (-14%), and Cordials (-15%), while exports of Rum declined 6%.

This trend presents a growing challenge for the U.S. spirits industry. International consumers appear increasingly inclined to substitute U.S. spirits with domestic alternatives or imports from other countries.

This shift may reflect a broader sentiment that U.S.-imposed tariffs are unfair, prompting consumers to support their domestic industries or seek non-U.S. products in response. For instance, in Canada, sales of U.S. spirits declined 68% in April 2025 whereas sales of Canadian and other imported spirits rose around 3.6% each.

Together, the EU, Canada, the UK, and Japan accounted for 70% of U.S. spirits exports in 2024. Over the past two decades, international markets have become vital to the spirits industry, with U.S. spirits exports rising more than fivefold since 2000 to surpass \$2.4 billion in 2024. In 2024, distilled spirits were exported from 43 states.

The international market is especially critical for American Whiskey producers, who are facing stagnating domestic sales and record-high inventory levels. Since 2012, American Whiskey inventories have tripled, reaching nearly 1.5 billion proof gallons by the end of 2024.

In contrast, domestic sales and exports totaled only 58 million and 45 million proof gallons, respectively. Moreover, American Whiskey domestic volume sales have deteriorated over the past two years, declining from 59.4 million proof gallons in 2022 to 57.6 million in 2024.

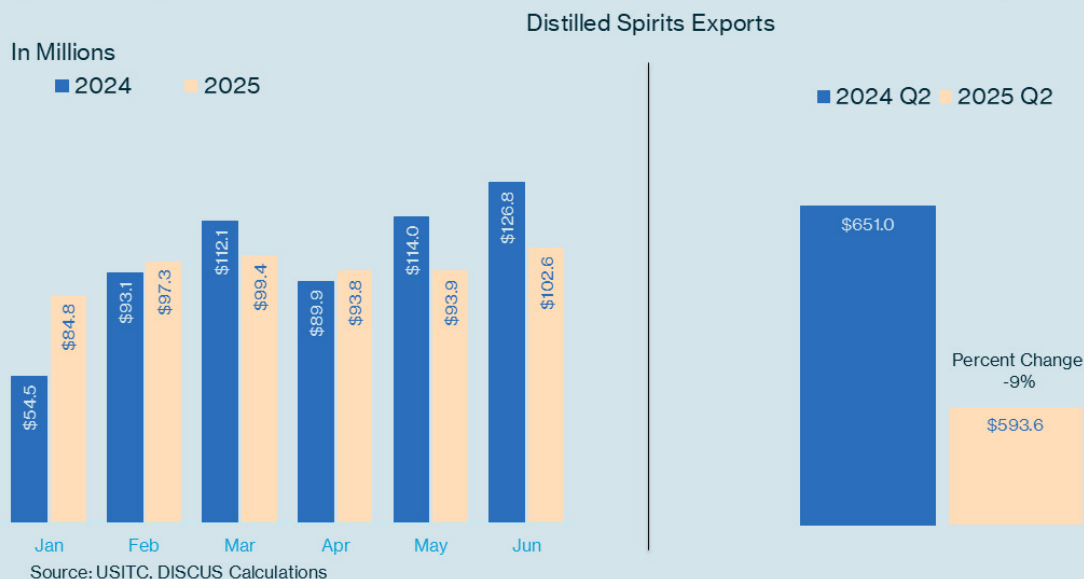
With domestic demand slowing, exports represent the most viable path to reducing excess inventory and ensuring the sustainability of American Whiskey makers.

Overall distilled spirits supplier sales in the U.S. have remained stagnant since 2022. In fact, sales declined from \$37.7 billion in 2023 to \$37.2 billion in 2024- a drop of 1% in nominal terms and 4% when adjusted for inflation. If trade-related disruptions continue to erode export volumes, U.S. distillers could face mounting pressure and financial strain.

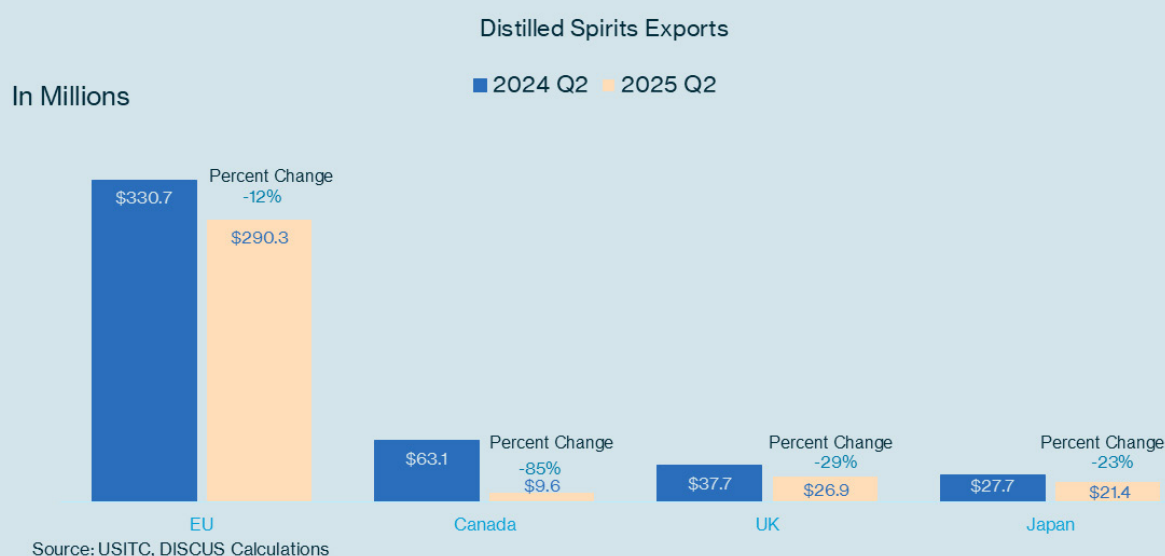


Key Insights

Spirits exports declined 9% Year-over-Year in the second quarter of 2025

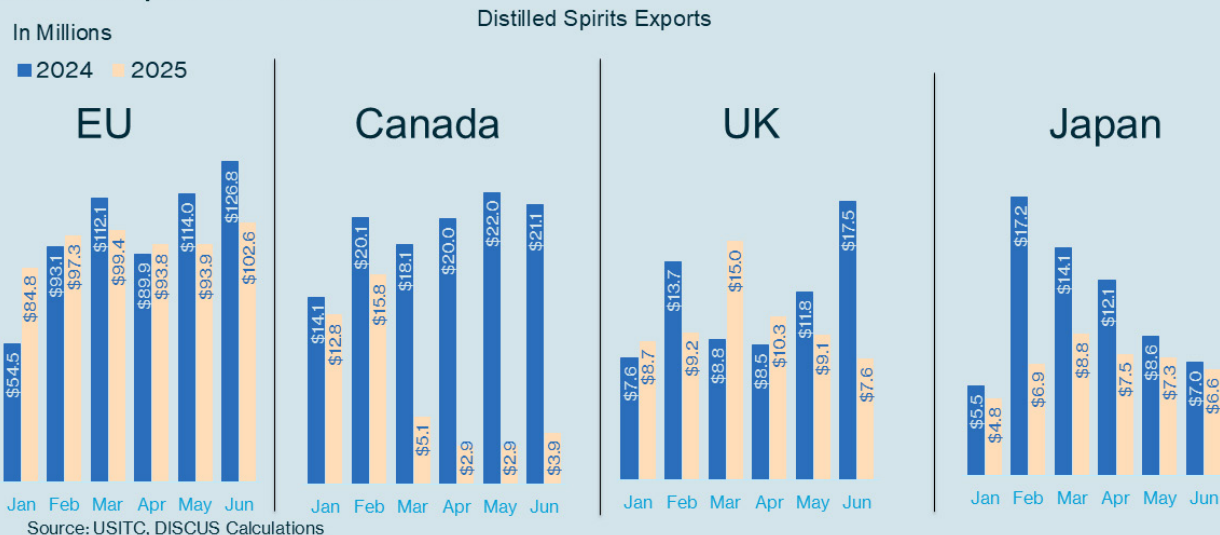


...with decreases reaching as high as 85% for Canada and 12% for the EU



Key Insights

Spirits exports to major trading partners declined significantly in the second quarter of 2025

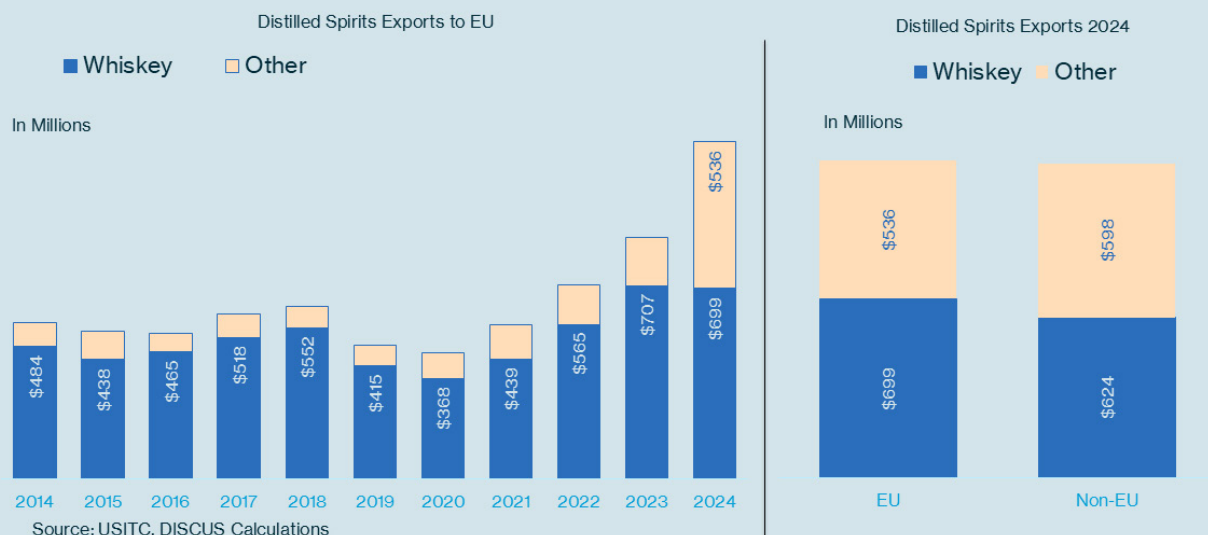


Exports of several spirits categories posted double-digit declines



Key Insights

The EU has become a crucial market for American Spirits, accounting for 50% of total spirits exports in 2024



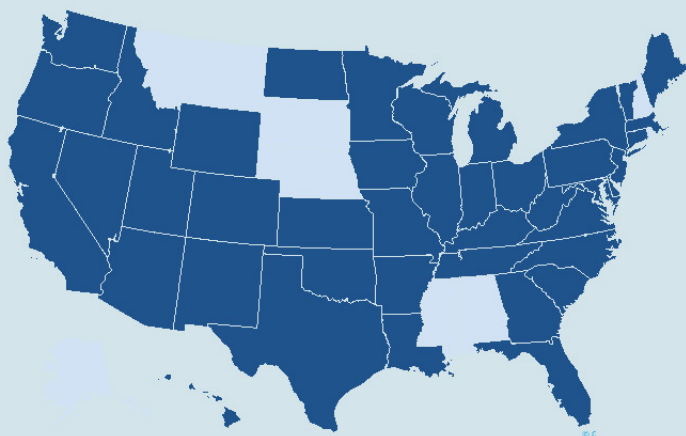
The European Union, along with Canada, UK, and Japan accounted for 70% the U.S. spirits exports in 2024



Source: USITC, DISCUS Calculations

Key Insights

Distilled spirits were exported from 43 states in 2024



Top 10 spirits exporting States in millions		
1	Tennessee	\$934
2	Kentucky	\$751
3	Texas	\$354
4	Florida	\$334
5	Indiana	\$142
6	Illinois	\$128
7	California	\$70
8	Arkansas	\$46
9	Maine	\$37
10	New York	\$29

Source: Census

U.S. Spirits exports have more than quintupled since 2000

In Millions

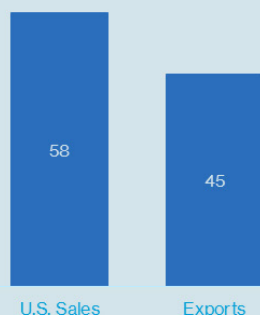


Source: USITC, DISCUS Calculations

Key Insights

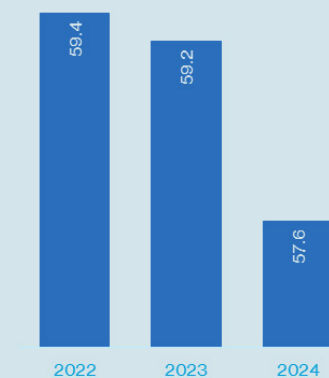
American Whiskey Inventory has tripled since 2012, amid declining domestic sales, exports have become essential to reduce the inventory

American Whiskey
Sales and Exports 2024
Proof Gallons, In Millions



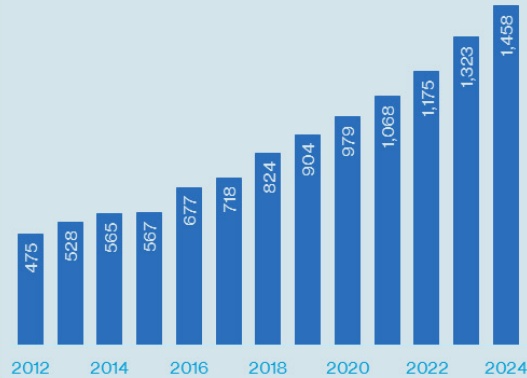
Source: DISCUS and USITC

American Whiskey Domestic Sales
Proof Gallons, In Millions



Source: DISCUS

American Whiskey, End-of-Period Inventory
Proof Gallons, In Millions



Source: Tax and Trade Bureau





**DISTILLED
SPIRITS
COUNCIL**
OF THE UNITED STATES