



## Massachusetts Package Stores Association, Inc.

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January 10, 2020

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

Dear Mr. Ambassador:

On behalf of Massachusetts retailers of beer, wine and spirits, the Massachusetts Package Stores Association is writing to express our strong support for fair trade and open markets by not imposing new tariffs and removing recent tariffs on EU and U.S. spirits and wines without delay. The ongoing Tariff War with the EU and China has already affected businesses and impacted jobs across Massachusetts. Furthermore, domestic retail prices for alcohol beverages are increasing and the reduced American exports of U.S. made alcohol beverages is significant.

Since the EU's 25 percent retaliatory tariff on American Whiskey was imposed last year, exports have declined by about 25 percent. The effects of tariffs on wines have raised costs by 15 to 30% throughout the U.S. Additionally, China has imposed a 54 percent retaliatory tariff on U.S. wine imports, which is contributing to an almost 60 percent decline in trade with China since the beginning of 2019. It is in this context that many within the AB industry are deeply concerned that the next round of tariffs will materially harm American businesses and impact many U.S. jobs.

Retailers of beer, wine and spirits in Massachusetts strongly oppose new tariffs. We also call on the U.S. and the EU to honor their shared commitment to reach a negotiated settlement to the current disputes by immediately and simultaneously removing the EU's retaliatory tariff on U.S. whiskey and the U.S. tariffs on imported EU spirits and wines.

The Massachusetts Package Stores Association is a not-for-profit association dedicated to serving the needs of the retail package store owners of the Commonwealth of Massachusetts. Our membership is made up of family or independently owned, and operated alcohol beverage retailers of Massachusetts. The Association's mission is to provide services to members that are not available to them as individuals and to use the collective strength of its membership. Our motto is "Strength in Unity."

Respectfully Submitted,

Robert A. Mellion  
Executive Director  
Massachusetts Package Store Association

*The Massachusetts Package Stores Association (MPSA) is a non-profit trade organization representing the interests of locally owned retail liquor stores across Massachusetts. MPSA is keenly aware of the business challenges its members face including rising operational costs; changing competitive landscape; regulatory compliance; wage and labor issues; legislative issues; preventing illegal sales and more.*