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Italian wine industry faces major setback as US tariffs threaten key export market

Producers and importers warn of revenue losses and shifting consumer habits amid rising prices and trade uncertainty

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At the Vinitaly wine fair held this weekend in Verona, Italy, concern dominated conversations among Italian wine producers and U.S. importers. The recent decision by former President Donald Trump to impose a 20% tariff on European imports, including Italian wines, has cast uncertainty over one of Italy's most important export markets. Italy is the largest exporter of wine to the United States, with sales reaching €2 billion ($2.2 billion) last year, according to data from Federvini, the Italian federation of wine and spirits producers. This figure represents about 25% of Italy's total global wine exports.

The new tariffs are expected to significantly impact revenues. Lamberto Frescobaldi, chairman of the Italian Wine Union, estimated that Italian wine exports to the U.S. could lose around €323 million annually under the current tariff structure. Producers and importers say that even before the tariffs officially took effect, business had already

slowed due to uncertainty and fear in the market.

Simone Luchetti, president of Banville Wine Merchants, a major U.S. importer of Italian wines such as Brunello di Montalcino, Amarone, Prosecco and Barolo, said he expects a 25% to 35% drop in both consumption and revenue for his company. He expressed hope that negotiations between the European Union and the United States might lead to a reduction or removal of the tariffs. “Hopefully, the EU will not retaliate — a trade war would be difficult to navigate,” Luchetti said.

The price increases caused by the tariffs are already changing consumer behavior in the U.S., according to importers. Charles Lazzara, founder of Volio Imports based in Colorado, said that many American consumers are highly sensitive to price changes and may abandon their favorite brands if prices rise too much. He gave an example: a bottle of mid-range Prosecco that currently sells for $10.99 could soon cost $12.99 due to the new duties.

Luchetti added that bottles currently priced between $14 and $18 could become harder to sell if they cross the $20 threshold after tariffs are applied. This could push some labels out of the U.S. market entirely as buyers look for more affordable alternatives.

Marilisa Allegrini, head of Allegrini Estates which produces nearly a million bottles annually including Brunello di Montalcino and Amarone, said that wine consumption in the U.S. was already facing challenges before the tariffs were introduced. “Wine consumption in the U.S. was already in crisis, and tariffs have hit it further,” she said.

Despite these concerns, some producers remain optimistic about their long-term prospects in the American market. Giancarlo Moretti-Polegato, owner of Villa Sandi winery in Montebelluna, Veneto — a region known for its Prosecco — believes that certain wines cannot be easily replaced by cheaper alternatives from other countries. “Prosecco can only be produced in Italy, especially in Veneto — it can't be replaced!” he said.

Still, many industry professionals worry that if Europe responds with countermeasures targeting American products like bourbon whiskey or other spirits, tensions could escalate into a broader trade conflict affecting more sectors.

The situation remains fluid as both sides weigh their next moves. For now, Italian winemakers and their American partners are bracing for a difficult period ahead as they try to adapt to higher costs and shifting consumer habits in one of their most important markets.