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American Spirits Exports Plunge Amid Trade Tensions and Shifting Global Sentiment

Major markets see sharp declines as tariffs, bans, and anti-American attitudes challenge U.S. distillers' international growth prospects

Tuesday, October 7, 2025



Exports of American distilled spirits fell by 9 percent in the second quarter of this year, according to a report released Monday by the Distilled Spirits Council of the United States. The drop marks a sharp reversal from last year's strong export performance

and highlights growing challenges for U.S. spirits producers in key international markets.

The report shows that the decline was widespread across major destinations, including the European Union, Canada, the United Kingdom, and Japan. These four markets together account for about 70 percent of total U.S. spirits exports by value. The most significant decrease occurred in Canada, where exports of American spirits dropped 85 percent to less than $10 million during the quarter. The council said that most Canadian provinces continue to ban American whiskey and other spirits from their shelves. This is a response to U.S. tariffs on Canadian goods, even though Canada removed its retaliatory tariffs in September.

Shipments to the European Union, which remains the largest market for American spirits, fell 12 percent to $290.3 million. Exports to the United Kingdom declined 29 percent to $26.9 million, while shipments to Japan were down 23 percent to $21.4 million. The council attributed these declines in part to ongoing trade tensions and uncertainty over tariffs.

Chris Swonger, president of the Distilled Spirits Council, said there is growing concern that international consumers are turning away from American brands in favor of locally produced spirits or imports from other countries. He warned that this shift could have long-term consequences for U.S. producers if trade barriers remain in place.

The council represents leading spirits companies such as Pernod Ricard, which makes Jameson Irish whiskey, and Brown-Forman, producer of Jack Daniel’s Tennessee Whiskey. Both companies rely heavily on exports for growth outside the United States.

Other American consumer goods companies have also reported challenges linked to rising anti-American sentiment abroad. In August, Levi Strauss warned investors about risks from “rising anti-Americanism” that could lead consumers to avoid U.S.-made products. In May, McDonald’s CEO Chris Kempczinski told investors that the company had seen an increase in such sentiment, especially in Northern Europe and Canada.

The export slump comes at a difficult time for American whiskey makers and other distillers, who are already facing slowing sales at home and record-high inventory levels. Swonger emphasized that the global spirits industry is highly interconnected and that tariffs imposed by one country can have ripple effects throughout the sector.

The Distilled Spirits Council called on the Trump administration to work with trading partners to restore zero-for-zero tariffs on spirits and other consumer goods. The group argues that free trade is essential for maintaining access to international markets and supporting jobs across the U.S. beverage industry.

The report’s findings highlight how trade policy decisions can quickly affect demand for iconic American products abroad. As negotiations continue between Washington and its trading partners, industry leaders say they will be watching closely for signs of progress toward reducing barriers and restoring confidence among global consumers.