

**APRIL
2025**

AMERICAN SPIRITS EXPORTS 2024

REPORT BY THE
DISTILLED SPIRITS COUNCIL



DISTILLED SPIRITS COUNCIL
OF THE UNITED STATES

SUMMARY

In 2024, U.S. spirits exports reached a record \$2.4 billion, marking a nearly 10% increase from 2023. U.S. spirits exports to the European Union (EU) grew by 39%, driven by concerns over the potential return of tariffs on American Whiskeys in 2025, which were suspended in 2022. Another factor included the uncertainty at East and Gulf Coast ports due to labor negotiations and a brief port strike in the fall. Exports to the rest of the world declined by nearly 10%, which reflects a softening of the global spirits market.

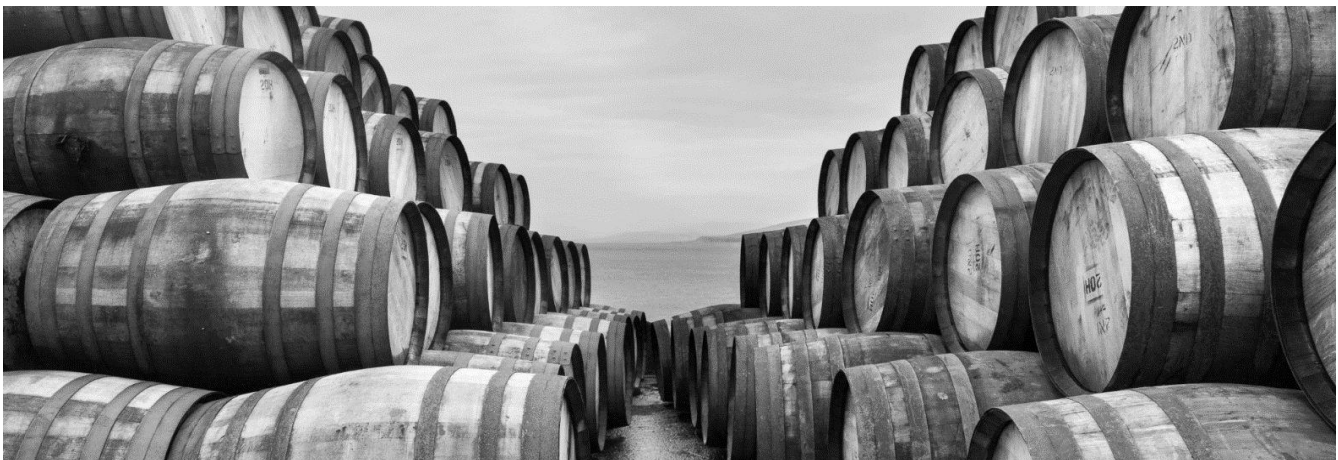
American Whiskeys, despite a slight decline in 2024, accounted for 54% of all U.S. spirits exports and totaled more than \$1.3 billion.

U.S. spirits exports have quintupled since 2000, rising from \$478 million in 2000 to more than \$2.4 billion in 2024. Growth of U.S. spirits exports is due, in large part, to the U.S. spirits sector having a fair and reciprocal playing field with 51 established markets that have provided tariff-free access for U.S. spirits, including the EU, Canada, Mexico, Japan and many others. Nearly 86% of U.S. spirits exports go to countries that have eliminated tariffs on U.S. spirits. Additionally, approximately 98% of spirits imports originate from countries that have eliminated tariffs on U.S. spirits exports.

Other factors that have driven long-term growth in exports include the shift by consumers in key markets towards premium American spirits, the continued reopening of the hospitality sector following the pandemic, and the rise in U.S. distillers, from less than 100 in 2005 to nearly 3,100 today, many of which now export.

Driven in large part by the EU's and UK's retaliatory tariffs, total U.S. spirits and American Whiskey exports tumbled by 12% and 18%, respectively, between 2018-2021. Since tariffs in these disputes have been suspended or removed, U.S. spirits producers have recaptured lost market share in the U.S.' largest export markets. Over the span of three years, American Whiskey exports to the EU surged nearly 60%, climbing from \$439 million in 2021 to \$699 million in 2024.

The outlook for 2025 remains uncertain due to ongoing trade disputes, negotiations and retaliatory tariffs. Continued long-term growth for the industry will be dependent on ensuring a permanent return to zero-for-zero spirits tariffs with the 51 countries and securing new market opening agreements with countries where high spirits tariffs are still applied, such as India, Vietnam, South Africa and others.



KEY INSIGHTS

In 2024, total U.S. spirits exports reached a record \$2.4 billion.

U.S. Spirits Exports Have More Than Quintupled Since 2000

U.S. spirits exports increased from \$478 million in 2000 to more than \$2.4 billion in 2024.

In Millions



Source: USITC.

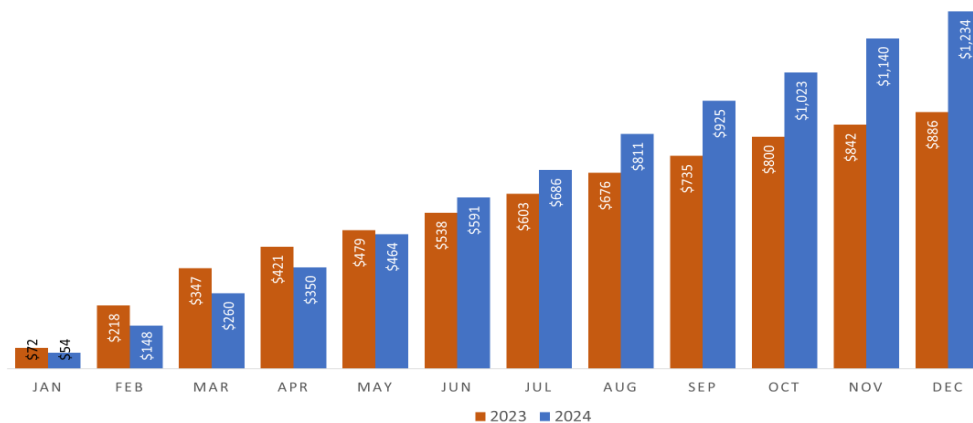
While U.S. distilled spirits exports to the EU grew by 39% in 2024, exports to the rest of the world declined by nearly 10% which reflects a softening of the global spirits market.

U.S. spirits exports to the EU lagged 2023 figures through May 2024. However, they gained momentum starting in June, ultimately ending the year with a nearly 39% increase. This increase may be attributed mainly to rising concerns about the return and doubling of the EU tariffs on American Whiskeys, and uncertainty at East and Gulf Coast ports due to labor negotiations and a brief strike in the fall.

U.S. Spirits Exports to EU Surged in the Second Half of The Year

Exports were down 3% YOY through May 2024 before gaining momentum and rising 39% by the end of the year

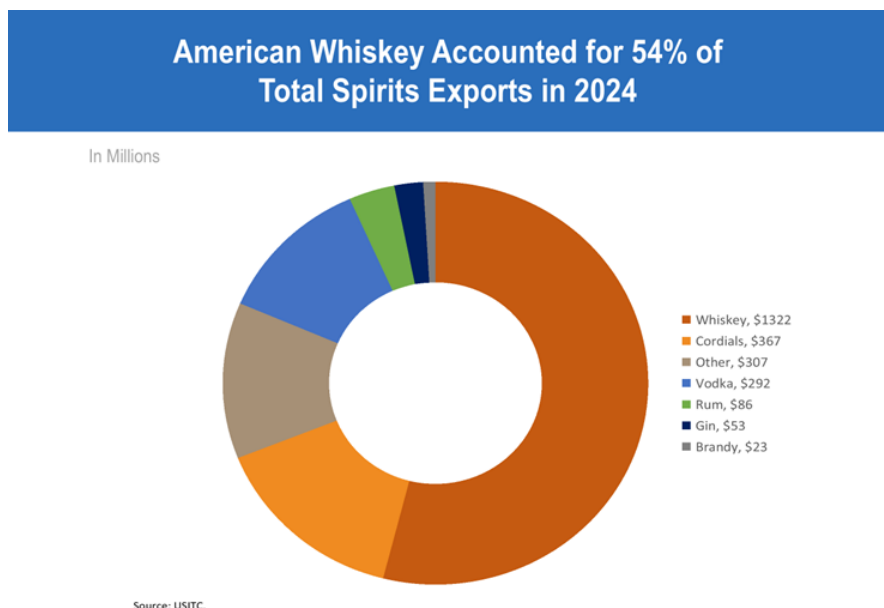
Cumulative Exports to EU By Month, In Millions



Source: USITC.

While American Whiskeys accounted for 54% of all spirits exports, cordials and vodka exports reached record levels.

American Whiskeys, despite a 5.4% decline in 2024, stayed by far the most exported category of U.S. spirits. American Whiskeys accounted for 54% of all spirits exports in value terms at more than \$1.3 billion and 33% in volume terms. American Whiskeys include Tennessee Whiskey, Bourbon, American Rye Whiskey and American Single Malt. Exports of cordials and vodka reached new records in 2024, with cordials rising by 128% to \$367 million and vodka increasing by 82% to \$292 million compared to 2023. Compared to 2023, U.S. exports of rum declined by 12% to \$86 million, gin increased by 32% to \$53 million, and brandy declined by 39% to \$23 million.



U.S. spirits sector has fair and reciprocal trade with 51 countries, which account for 86% of spirits exports.

The U.S. spirits sector has a fair and reciprocal playing field with 51 countries, including our major trading partners, the EU (27 members), UK, Canada, Mexico, Japan and Australia, in addition to Bahrain, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Japan, Jordan, Macedonia, Morocco, Nicaragua, Oman, Peru, Singapore, South Korea, Taiwan and Ukraine.

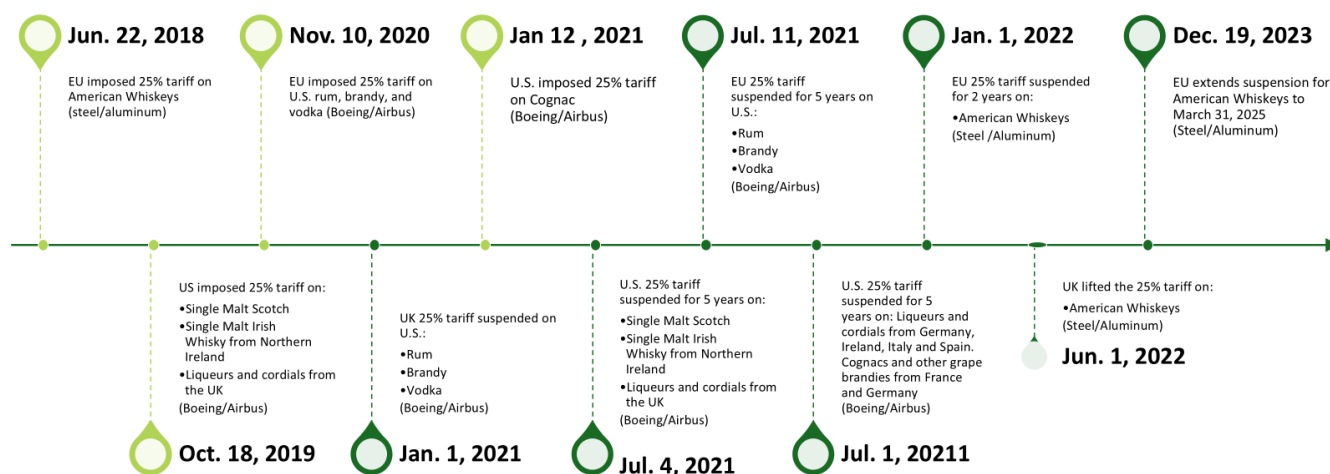
In fact, nearly 86% of U.S. spirits exports (\$2.1 billion) and 86% of American Whiskey exports (\$1.14 billion) go to countries that eliminated tariffs on U.S. spirits. In exchange, the U.S. opened its market for imported spirits by eliminating tariffs. As a result, approximately 98% of spirits imported into the U.S. originate from countries that have eliminated tariffs on U.S. spirits exports.

In contrast, U.S. spirits exports to high-tariff countries, such as India (100% tariff on bottled Bourbon, 150% tariff on all other spirits), Vietnam (45% tariff), Brazil (20% tariff on all imported distilled spirits, except bulk whiskey, which has a 12% tariff) and South Africa (tariffs on imported spirits range from 1.54 Rand/liter for bottled spirits to 1.36 Rand/liter for spirits imported in bulk), reached \$86.7 million, accounting for only 3% of total U.S. spirits exports in 2024.

Retaliatory tariffs had a significant negative impact on total U.S. spirits exports.

Tariffs were imposed on American Whiskeys by the EU and UK starting in July 2018 and began to be lifted in 2021. The UK removed its retaliatory tariff on American Whiskeys in June 2022. The EU suspended its tariff on American Whiskeys for two years on January 1, 2022. In December 2023, the EU extended the suspension to March 31, 2025.

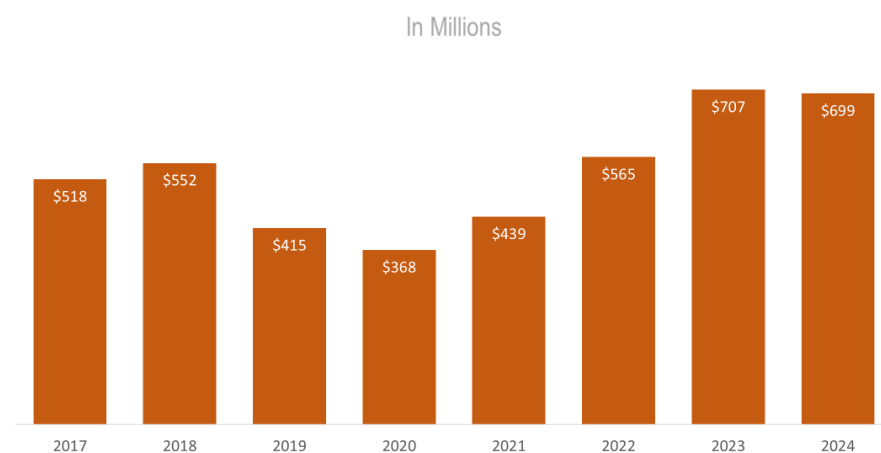
Spirits Tariff Timeline (2018-2023)



American Whiskey exports to the EU have begun to recover from retaliatory tariffs.

While the EU's tariffs were being imposed, American Whiskey exports to the EU, the largest American Whiskey export market, plunged 20%, from \$552 million to \$439 million (2018-2021). With the suspension of the EU's 25% retaliatory tariff on American Whiskeys in January 2022, U.S. whiskey exports increased nearly 60% compared to 2021. In 2024, total American Whiskey exports to the EU reached \$699 million, accounting for 53% of total American Whiskey exports (\$1.3 billion).

American Whiskey Exports to European Union



Source: USITC.

The EU and UK tariffs also caused global U.S. spirits exports to drop significantly starting in 2019 that did not rebound until the removal of tariffs.



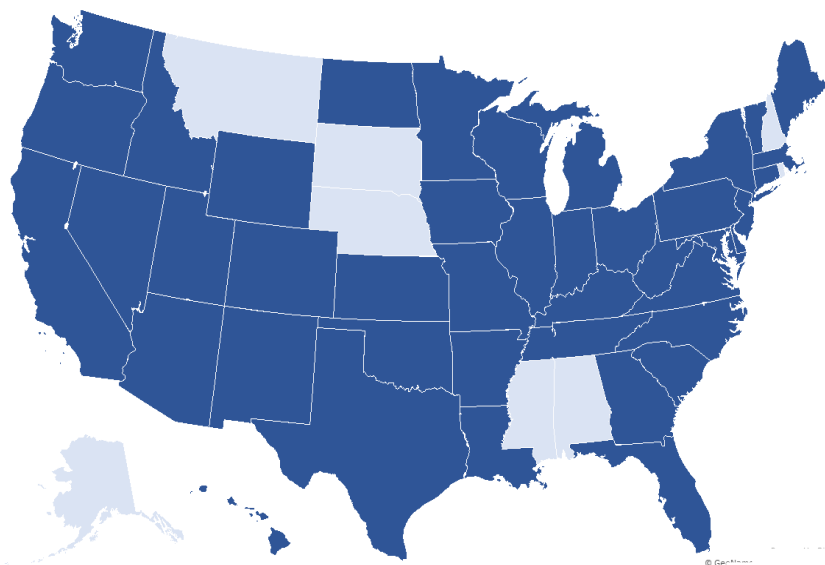
The EU, Canada and Mexico markets are in the top 5 export markets for U.S. spirits.

Approximately 50% of U.S. spirits were exported to the EU (\$1.2 billion), making it the largest export market. The top five markets for U.S. spirits in 2024 were the EU, Canada (\$221 million), UK (\$137 million), Australia (\$131 million) and Mexico (\$126 million).



U.S. distilled spirits were exported from distillers located all over the United States.

Distilled spirits were exported from 43 states in 2024, with Tennessee ranking as the top exporting state.



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

2025/2026 DEVELOPMENTS TO WATCH

The outlook for 2025 remains uncertain due to ongoing trade disputes, negotiations and retaliatory tariffs.

On February 14, India announced a reduction of its import tariff on Bourbon from 150% to 100%, effective immediately.

Canada, the second largest market for U.S. spirits exports, began imposing a 25% tariff on all U.S. spirits on March 13, and most Canadian provinces have removed all U.S. alcohol products from retail stores. Additionally, U.S. spirits are being hit with a 160% retaliatory tariff in China and a 70% retaliatory tariff by Türkiye.

On April 9, EU member states voted on its retaliatory tariff list against the U.S., and American Whiskey and other American spirits were not included on its final list. The EU's recent decision not to reimpose a retaliatory tariff on American Whiskeys and other U.S. spirits is a positive first step toward untangling spirits from these trade disputes.

Continued long-term growth for the industry will be dependent on ensuring a permanent return to zero-for-zero spirits tariffs with the 51 countries and securing new market opening agreements with countries where high spirits tariffs are still applied, such as India, Vietnam, South Africa and others.

Spirits Tariff Timeline (2025-2026)

