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BeerInstitute.org

July 1, 2022

President Joseph R. Biden Jr.
The White House
1600 Pennsylvania Avenue N.W.
Washington, DC 20500

Dear President Biden:

Thank you for your recent commitment to work with your Cabinet and consider tariff relief as a solution to rising inflation. We understand this is a challenging economic time for all Americans. We also appreciate Commerce Secretary Gina Raimondo's appearance on CNN's State of the Union with Jake Tapper on Sunday, June 5, in which she discussed inflation and the economy. Secretary Raimondo mentioned lifting tariffs as a potential solution to inflation and said, "Anyone who brings [President Biden] a good idea that he thinks will help American families, he's open to doing it."

As the CEOs of leading beer suppliers in the United States, who employ tens of thousands of Americans, including many organized labor jobs, we agree with Secretary Raimondo that tariff relief results in inflation relief. More than two million American jobs are supported by the beer industry. While our industry is more dynamic and competitive than ever, aluminum tariffs continue to burden breweries of all sizes. That is why we urge your Administration to lift the Section 232 aluminum tariffs and provide critical relief to American workers and domestic job creators. Eliminating the tariffs will alleviate pressure and allow us to continue our vital role as strong contributors to this nation's economy. Economists across the political spectrum agree; for example, the [Peterson Institute recently found](#) that removing both the existing duties and quotas on aluminum is a critical piece of anti-inflationary policy.

The beer industry uses more than 41 billion aluminum cans annually, given the competitive nature of the beer marketplace in America today. Consumers have more choices in beer than at any time in our history, and they are increasingly choosing to consume them from aluminum cans. The American beverage industry has paid more than [\\$1.4 billion in Section 232 aluminum tariffs since 2018](#). These tariffs reverberate throughout the supply chain, raising production costs for aluminum end-users and ultimately impacting consumer prices.

Just as concerning is that of the \$1.4 billion ostensibly paid in tariffs, 92% did not go to the U.S. Treasury. We applaud your Administration's efforts to negotiate lifting tariffs off individual countries. However, those efforts to provide economic relief to American consumers have no effect if end-users – such as U.S. brewers – are charged a tariff-

burdened price regardless of whether the metal should be tariffed based on its content or origin. We believe an investigation by your Administration into aluminum market manipulation and benchmarking would bring much-needed transparency to the marketplace and relief to end-users and American families.

The Progressive Policy Institute recently said, "[Tariffs are easily the most regressive of all U.S. taxes, forcing the poor to pay more than anyone else.](#)" We agree. As your Administration continues to look for ways to relieve the pressures of inflation, we strongly urge you to look at the unintended consequences of Section 232 tariffs on aluminum. We are happy to discuss this issue in further detail and be a resource for your Administration.

Sincerely,



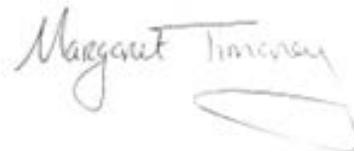
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