

GOVERNMENT

## UK, US working to reach trade deal on whisky, other luxury goods

December 17, 2020



*Glenfiddich is one of the Scotch whisky distillers impacted by tariffs. Image credit: Glenfiddich*

By LUXURY DAILY NEWS SERVICE

The United Kingdom and the United States are locked in negotiations to reduce trade tariffs on goods including whisky and textiles.

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

**Speaking to the BBC**, U.S. trade representative Robert Lighthizer suggested the steep tariffs now put on U.K. goods such as Scotch whisky, wool, tailoring and cashmere by the U.S. could be lifted if talks with Liz Truss, the U.K.'s international trade secretary, are successful. The hope of an olive branch from the Trump administration on this issue comes days after the U.K. abandoned E.U. tariffs imposed on the U.S. plane manufacturer Boeing.

### Tariff negotiations

The U.K.'s move to drop tariffs on Boeing to reach a trade deal with the U.S. in the wake of Brexit is somewhat controversial as Europe still backs subsidizing Airbus, the European plane manufacturer.

Per the BBC, the U.S. is hoping the U.K. will agree to concessions when negotiating a second EU dispute about aluminum and steel. Bourbon is one of the products the U.S. is lobbying to scrap E.U. tariffs on.

The Trump Administration is looking to resolve the Boeing-Airbus tariff wars with Europe and the U.K. on its own and not involve the World Trade Organization, according to the BBC.



*Scottish luxury cashmere manufacturer Johnstons of Elgin may see relief if trade negotiations are successful. Image credit: Johnstons of Elgin*

In August, Walpole, the United Kingdom's luxury trade lobby, was disappointed by news from the U.S. Trade Representative (USTR) that saw the continuation of retaliatory tariffs of 25 percent imposed on single-malt whisky, cashmere, wool, tailoring and bed linen products applied from Sept. 1.

Washington's move to raise the import tariff on certain high-end goods from Europe to 25 percent, hit U.K. and E.U. luxury businesses hard and came strictly in retaliation for subsidies paid to manufacture the Airbus fleet of planes ([see story](#)).

According to the United Kingdom Fashion & Textile Association (UKFT) the additional 25 percent tariff to several fashion and textile product lines has hit hard for British-manufactured knitwear, including Johnstons of Elgin and John Smedley ([see story](#)).

---

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.