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Wine, spirits glass value chain worn down by tariff uncertainty

Wine and spirits customers charted major declines in exports to Canada in 2025. The Glass Packaging Institute is partnering on advocacy for a return to more traditional trade authorities.

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Ever-changing tariffs remain a serious thorn in the side of the U.S. glass packaging industry and its customers in 2026. Leaders from the Glass Packaging Institute, the Wine Institute and the Distilled Spirits Council of the United States detailed the latest on those challenges during a virtual event Monday.

All three groups remain committed to the Toasts Not Tariffs Coalition, which along with other retailer, distiller and restaurant organizations advocates for reciprocal, tariff-free trade with trading partners.

Some people surmised early last year that tariffs hitting metal packaging could be a boon for glass packaging, but that's not

necessarily the case, said GPI President Scott DeFife. “A food or beverage manufacturer just cannot flip their packaging choice on a 30-day, 45-day, even a 60-day, 90-day notice,” he said.

Across substrates, packaging companies have learned to adapt over the last year. In one example, O-I Glass said during its recent earnings call that trade policies drove inventory adjustments across the U.S. and Mexico and weighed on shipments at the end of 2025.

A February decision from the U.S. Supreme Court effectively blocked one pathway for tariffs. But unfortunately for manufacturers seeking more certainty, President Donald Trump can pursue other paths forward for tariffs, DeFife noted.

There are certain trade authorities, such as Section 232, Section 301 or anti-dumping, that have historically offered structured processes that industry can engage in, said Charles Jefferson, vice president of federal and international public policy at the Wine Institute.

“You can’t say the same about the IEEPA tariffs, the Section 122,” he said, calling for a return to “more traditional trade authorities that allow people to function and plan.”

The wine sector is facing its most challenging environment in decades, Jefferson said, noting the updates he had to share were “depressing.” Exports to Canada, which has historically been the U.S. wine industry’s most important export market, were down almost 80% in 2025, he said.

And challenges extend globally. Wine exports dropped below $1 billion for the first time since 2009, Jefferson said. Imports were down 10% in value and 4% in volume.

Wine is not your typical CPG product; supply chains are longer, Jefferson explained. Wine is also a product that’s tied to its place of origin, meaning winemakers can’t just pick up and transfer their production site. After the wine itself, the second-most expensive component in that process is the glass, he said.

“We can’t operate in an environment where tariffs are shifting on a day-to-day basis,” Jefferson said. In the past few weeks alone, there have been four possible tariff rates, he said. “It gets incredibly hard, obviously, to have any confidence to invest in those kinds of things.”

The U.S. spirits industry is facing its own challenges. There was a 3.7% drop in exports last year, said Robert Maron, senior vice president of international trade policy and market access at the

Distilled Spirits Council of the United States. Exports to Canada specifically declined 63%, causing the northern neighbor to fall from being the second-largest export market to sixth place in 2025.

Maron shared the reminder that production of certain regional spirits cannot be moved across borders, noting bourbon and tequila as examples. Like its partners, the spirits sector is seeking a more predictable and stable trading regime.

“That long-term certainty and that zero-to-zero tariffs we had with our major trading partners for nearly 25 years was critical to the growth,” Maron said. Priorities now include returning to a zero-to-zero protocol with major trading partners, ensuring that retaliatory actions are not imposed, and that “what’s happening right now is resolved sooner rather than later.”