NATIONAL
RESTAURANT
ASSOCIATION

July 29, 2025

The Honorable Jamieson Greer
United States Trade Representative
Office of the United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Dear Ambassador Greer:

On behalf of America's restaurants, I write to commend the administration's efforts to create a more balanced and fair-trade environment.

While we support your efforts to protect American consumers and businesses by holding other countries accountable, we remain extremely concerned that imposing tariffs on food and beverage products would have far-reaching consequences for restaurants, which already operate on razor-thin margins.

Restaurants depend on a steady, year-round supply of fresh ingredients to serve millions of customers daily. Because many essential food products can't be grown in the U.S. year-round, we rely on global supply chains to maintain quality, affordability, and consistency. Tariffs on these critical imports would disrupt supply chains, drive up costs for operators, and ultimately lead to higher menu prices for consumers.

We are pleased that USMCA compliant goods are currently exempt from tariffs, and we are hopeful that the administration will maintain this exemption as you work to negotiate trade agreements with Canada and Mexico.

A 30% tariff on food and beverage products from Mexico and Canada, many of which cannot be grown or produced domestically, would cost America's restaurants $15.16 billion. Considering that food costs account for 33 cents of every dollar in sales, such a tariff would result in a 35% profit loss for an average small restaurant operator.

These numbers are staggering to an industry that deals in real time with fluctuations in commodity prices. Restaurants aren't like other small businesses. They run on tight pre-tax margins that average 3-5%, and they have, on average, 16 days cash on hand. This means significant cost increases are not sustainable for most.

We are also optimistic that the Administration will secure mutually beneficial trade agreements with a broader range of countries ahead of the August 1 deadline. Imposing tariffs on key partners such as Brazil and the European Union would pose significant challenges to the restaurant supply chain, affecting the cost and availability of essential goods like coffee, beef, and European food, wine, and spirits. Currently, beef prices are already at record highs and impact menu prices on items like hamburgers, tacos, and more.

We agree that our trade deficits with other countries should be more balanced, but as food and beverage products do not significantly contribute to these deficits, we are hopeful that these products can be exempt.

As always, our shared goal is to ensure our nation's restaurants continue to be a powerhouse of the national economy, serving up affordable, delicious meals to millions every day.

Thank you for your attention to this matter and for working to safeguard the strength and stability of America's restaurants.

Sincerely,

Sean Kennedy
Executive Vice President, Public Affairs

cc:
The Honorable Brooke Rollins
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave SW
Washington, DC 20250

The Honorable Howard Lutnick
Secretary of Commerce
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