



Footwear & Politics


By Thomas Crockett • Jul 28, 2025


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As we head to the August 1st deadline, when numerous reciprocal tariff rates are scheduled to increase, we have a few important updates to share.

 **China extension?** The U.S. and China are currently meeting in Sweden to try to make progress on a tariff deal. Treasury Secretary Scott Bessent said last week the two countries will be “working out what is likely an extension.” This would give both sides more time to negotiate.

- **Yes, but:** Absent an extension, tariffs on Chinese-made goods could increase substantially on August 12th. Chinese-made products currently face a 30 percent added tariff as a result of the trade truce. The added tariff was 145 percent before the truce.


 **EU deal:** Yesterday, President Trump announced a framework for a tariff deal with the EU that will result in 15 percent added tariffs on EU-made products into the U.S. The EU faced a threat of 30 percent tariffs absent a deal.

 **Significant uncertainty:** The deals that have been announced so far provide new added rates for goods imported from specific countries — Vietnam (20%), Indonesia (19%), The Philippines (19%), the EU (15%).

- These tariff rates will be stacked on top of existing tariffs for footwear, which currently average 12%.
- However, numerous questions remain, including **whether these new rates hit companies this Friday (August 1st)**, when the tariff agreements will be finalized, when they will take full effect, when the regional value content restrictions (that trigger even higher tariffs) will be released, and how those new rules will work with existing rules of origin.

What’s next: We expect more deals to be announced this week leading up to the deadline. We are also waiting for the release of executive orders from the White House that provide some clarity on the situation.

- We will discuss this in detail tomorrow on our Weekly Member Call. Register for the call here (one-time signup for the rest of the year), and encourage others on your team to sign up as well: [Weekly Member Call](#)

 FDRA continues to urge the administration to provide relief for footwear within all of the reciprocal tariff agreements.

- In addition to multiple meetings with the administration, FDRA led a [company letter](#) calling for footwear tariff relief, an [association letter](#) on the president’s comments that his tariff policy is not aimed at bringing sneaker production to the U.S., and a [July 9th letter](#) urging the administration to prevent tariff stacking on top of the current high footwear tariffs.

As always, we will send out key updates to FDRA members as we receive them.

Thanks for reading. We’re available for any questions or comments you have in the meantime.

Matt and Thomas

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