

PRESS RELEASE | January 28, 2026

ICYMI: FDRA Hosts Press Call on 2026 Footwear Industry Outlook, Tariff Pressures, and the Pending IEEPA Ruling

WASHINGTON, D.C. – On Wednesday, January 28, 2026, the **Footwear Distributors and Retailers of America (FDRA)** held a press call to provide an in-depth update on the state of the footwear economy, outlining key industry pressures, consumer trends, and what's at stake as the Supreme Court approaches a ruling in the IEEPA case.

FDRA President & CEO Matt Priest and **Chief Economist Gary Raines** highlighted historic data shifts, persistent tariff-driven challenges, and the potential impact of an unfavorable decision on prices, hiring, and consumer choice.



[Watch the full press call HERE.](#)

Key Highlights from the press call

Growing Industry Uncertainty Ahead of IEEPA Ruling

FDRA emphasized that the industry is "waiting with bated breath" for clarity from the Supreme Court, which could come as soon as late February.

Matt Priest underscored the stakes:

"We're sitting in this really interesting place... just a lot of once-in-a-lifetime historic data that's popping up in ways we didn't expect."

"As we start 2026, we want to look back at where we are. We're obviously as an industry waiting with bated breath to see how the Supreme Court rules relative to the IEEPA case."

If the Court Rules Unfavorably

Priest noted the organization is prepared for the possibility of an unfavorable ruling:

"We will continue to engage with the administration should that happen... Consumers who rely on footwear have to buy from overseas sources. You're charging them more for that, and it's a product they have to buy."

If the ruling strengthens presidential tariff authority, companies may face hard choices:

"If it's the new landscape and the Supreme Court gives the president carte blanche authority... then the considerations are more about what we need to adjust in the product, what suppliers can absorb, and how much price flexibility we have with the consumer."

Consumer Sensitivity & the Risk of Shrinkflation

Priest highlighted mounting pricing pressures:

"Consumers are going to be even more sensitive to price increases... that's going to push many of our members to be competitive and to push those refunds down into more robust consumer pricing."

He warned that prolonged cost spikes often lead to hidden quality reductions:

"It's kind of like the shrinkflation consideration — when you get the bag of chips, and it's only a quarter full... One of the biggest threats to product creation is when duties double in a short amount of time."

Economic Pressures on Hiring and Investment

With higher-than-expected duties, companies may cut or redirect spending:

"If an American company has to pay millions of dollars they weren't budgeting for... they're not going to hire."

Rising Prices vs. Weak Consumer Demand

FDRA Chief Economist **Gary Raines** offered a sobering assessment of the competing forces shaping 2026:

"The retailer/importer and the consumer are caught between a rock and a hard place... Import numbers coming down are beginning to weigh on inventory, but at the same time, higher duties mean higher costs that need to be passed along."

He added:

"Are you going to have a consumer that's willing to pay those higher prices? Right now, the data suggests not very much... I'm not super confident that's going to be the case."

For more information about [FDRA](#) or to schedule an interview with Matt Priest on the state of the footwear industry, please email fdracomms@cgagroup.com

About FDRA

FDRA is governed and directed by footwear executives and is the only trade organization focused solely on the footwear industry. Serving the full footwear supply chain, it boosts its members' bottom lines through innovative products, training, consulting on footwear design and development, sourcing and compliance, trade and customs, advocacy, and consumer and sales trend analysis for shoe retailers around the world. FDRA supports 500 companies and brands worldwide, representing 98% of the total U.S. footwear industry. Learn more: fdra.org