

April 11, 2024

The Honorable Joe Biden
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

Shoe shoppers are currently being hit with record prices at checkout.

Retail footwear prices have risen sharply since implementation of 301 duties, climbing two of the last three years at the fastest annual rates in 34 years.

Now footwear prices at retail are increasing again—rising year over year in March the most in 16 months—in large part due to increased 301 duties levied on American companies and paid by American consumers.

Ending 301 duties on shoes by executive order is the only meaningful tool you have to lower shoe prices at retail in the near term.

Monetary policy, task forces, or new policy reviews are not going to lower the cost of footwear. Eliminating 301 tariffs is the only clear solution for directly lowering prices on shoes that are hitting American families right now.

301 duties push shoe prices higher on working-class families more than nearly every other product.

Shoe imports are hit with an average 12 percent duty rate versus other imported goods that average around 2 percent. Working-class families bear the brunt as shoe tariff rates are regressive. Children's shoes and lower-value shoes often face import tax rates of 20 percent, 37.5 percent and can reach nearly 70 percent in some cases. The added 7.5 percent 301 duty on certain shoes escalates prices further.

301 duties on kids' shoes directly led to record high shoe prices on families.

With the added 301 duty, the duty rate DOUBLED for certain children's casual shoes and slippers, and it more than TRIPLED on certain plastic sandals, wool slippers, and infant crib shoes, directly creating record price spikes at checkout. These are shoes families must buy multiple times a year for their children.

It does not require any public policy reviews for this commonsense action, just the stroke of your pen to help lower shoe prices.

Some in your administration even support this position. In the past, Treasury Secretary Janet Yellen clearly stated removing these tariffs would make a meaningful and real difference because tariffs directly raise domestic prices. We know for a fact that anything that lowers costs in the shoe supply chain translates to savings at retail due to the extremely competitive shoe retail environment; multiple retailers are often situated in the same shopping center, allowing consumers to shop for the best price.

Shoes are not a real negotiating tool in geopolitics, and the 301 duties are now creating greater harm than the bargaining chip the government falsely imagines.

You do not have to end 301 duties on all items. You can carve out breakouts on consumer goods to provide targeted inflation relief for mass market goods.

We understand the policy and politics behind 301 duties on microchips with national security implications. However, we are now past the tipping point where misinformed tariffs on consumer products like footwear are causing record harm to Americans versus the good intended.

Please act today. End 301 duties on footwear to lower prices for American families.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Priest". The signature is fluid and cursive, with the first name "Matt" being more prominent than the last name "Priest".

Matt Priest
President & CEO
Footwear Distributors & Retailers of America (FDRA)