

PRESS RELEASE | February 5, 2025

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## SHOT / CHASER: White House Downplays Inflation Impact of Tariffs, While Experts Show the Higher Receipts

**SHOT:** Following FDRA President & CEO Matt Priest's remarks on CNN, warning that the new tariffs will lead to higher prices, Counselor to the President on Trade Policy, Peter Navarro, inaccurately dismissed these concerns. Using hypothetical academic scenarios, Navarro claimed that the tariffs set to take effect during President Trump's second administration would not impact American consumers or businesses. Though he would not directly say they would not increase prices on consumers.

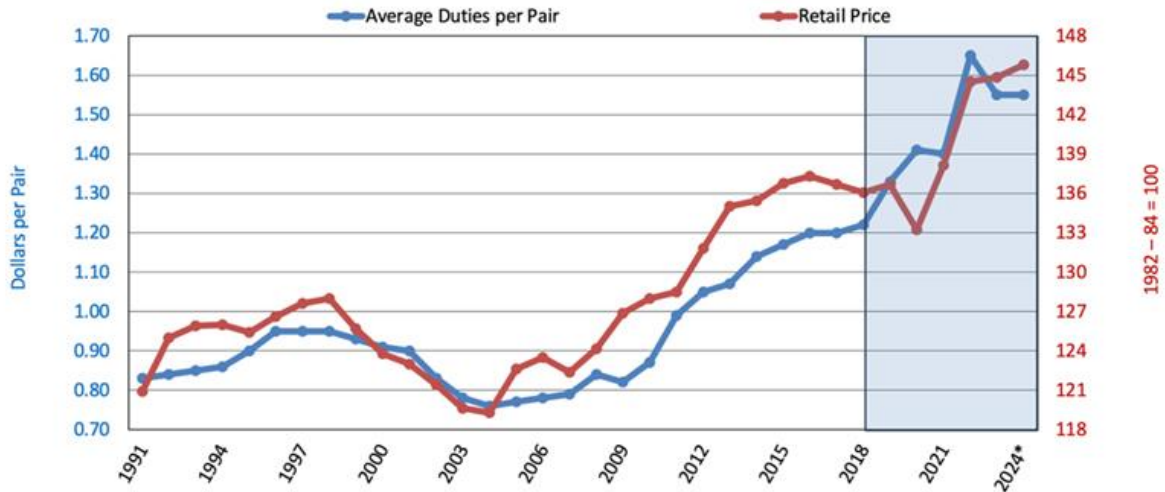
**CHASER:** President Trump's own government data shows when he added new tariffs on footwear, prices at retail increased (see attached). Further, FDRA has the duty invoices from U.S. Customs to U.S. shoe companies showing U.S. companies pay the tariffs, raising their costs and impacting employment.

### WHAT THEY'RE SAYING:

- [Matt Priest, FDRA](#): "These costs are paid by American companies and employ Americans. And the bill that - the invoice, I've seen them myself, it goes to the U.S. Customs and Border Protection, Department of Homeland Security, and that - those costs have to be buried somewhere. And the consumer's going to take those on."
- "Not to mention the fact that this is applied to all goods. So, discretionary income for working families is going to be, even tighter as prices go up across different consumer goods and sectors of the economy."
- "We brought in about \$10 billion in value for footwear from China last year, 10 percent. I'm not a mathematician, but 10 percent is about \$1 billion in additional costs at the border paid by American companies. So that \$1 billion has to go somewhere. It's got to be absorbed somewhere for companies to be competitive, to continue to have profitability."
- [Senator Rand Paul](#): "Tariffs are simply taxes. Conservatives once united against new taxes. Taxing trade will mean less trade and higher prices."
- [Senator Ron Johnson](#): "I share the market's concerns...I hope we don't end up with long-term 25% tariffs against each country, I don't believe that is productive. It is going to hurt American companies, American exporters, it will hurt American consumers long term,"
- [National Association of Manufacturers](#): "The ripple effects will be severe, particularly for small and medium-sized manufacturers," **said President and CEO Jay Timmons**. "Ultimately, manufacturers will bear the brunt of these tariffs, undermining our ability to sell our products at a competitive price and putting American jobs at risk."

## Retail Footwear Prices Generally Trend with Duties per Pair on Footwear Imports

\*The blue area shows when 301 tariffs were added and how it has increased prices at retail.



Source: FDRA calculations of USITC & BLS data. \* FDRA average duties per pair forecast

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As the administration pushes forward, experts and business leaders like Matt Priest will continue sounding the alarm on the real consequences for American families.

### 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 95% of the total U.S. footwear industry. Learn more: [fdra.org](https://fdra.org)