



American Pyrotechnics Association Urges Tariff Exemption to Sustain Fireworks Supply Chain and Support Community Traditions

Southport, NC – June 10, 2025 – As the nation prepares for Independence Day and the 250th anniversary of its founding in 2026, the American Pyrotechnics Association (APA) is highlighting serious concerns regarding shifting tariff rates that threaten the viability of small fireworks businesses and the broader supply chain that supports American celebrations. The current tariff at 30% threatens to shutter small fireworks businesses nationwide and could undermine preparations for America's 250th anniversary celebrations in 2026.

The Situation:

- U.S. fireworks companies rely almost entirely on China, which produces 99% of consumer fireworks and 90% of professional display fireworks.
- A combined tariff burden initially reached 145% under overlapping trade rules. Although that rate has recently fluctuated, the current level remains unmanageable for most industry operators.
- Fireworks are a seasonal, highly regulated, and culturally significant product with no viable domestic manufacturing alternative at scale.

APA is urging the Trump administration and the Office of the U.S. Trade Representative to consider a tariff exemption or a more manageable tariff rate for fireworks. A similar exemption granted in 2019 recognized the unique characteristics of the industry and its reliance on a single source of supply. APA believes renewed relief would help stabilize supply chains for the next several seasons and allow the industry to manage through current challenges.

Impact on Small Businesses and Communities

The fireworks industry is largely composed of small, family-owned companies. These businesses:

- Operate on limited seasonal revenues, concentrated in the weeks surrounding July 4th and New Year's.
- Serve rural and suburban areas, partnering with nonprofits, faith-based groups, and civic organizations.
- Often provide fundraising platforms for local charities through retail stand partnerships, with proceeds supporting community programs.
- Must comply with stringent federal regulations and face high insurance and storage costs that limit operational flexibility.
- The tariffs were levied so late in the preparation for the 2025 Fourth of July season that many businesses were not contractually able to pass on the increase in cost to consumers.
- If the administration maintains a 30% tariff on fireworks imports, the industry will be compelled to pass these increased costs on to consumers, mirroring actions taken by other sectors.

Supply Chain Challenges

- Uncertainty around continued access to Chinese supply, where over 99% of consumer fireworks and 90% of professional display fireworks are sourced, has already disrupted production, as manufacturers were forced to halt production and shipments.
- Tariff-related costs are compounding existing shipping, insurance, and logistics pressures.
- Many Professional Fireworks Display Companies are locked into long-term contracts and cannot raise prices to offset unexpected cost surges.
- Consumer sellers and professional display companies are actively exploring alternative supply options, but no feasible substitutes exist in the near term.
- Relief would allow time to pursue diversified sourcing while ensuring celebrations continue uninterrupted.

APA's Position

APA respectfully seeks:

Preserving & Promoting an American Tradition

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- A sector-specific exemption or reduced tariff level to allow fireworks importers to maintain operations during a challenging economic period.
- Recognition that this request is not political, but rooted in the economic reality facing seasonal, safety-regulated small businesses.

“Fireworks are an iconic part of America’s celebration of freedom,” said Julie L. Heckman, APA Executive Director. “This isn’t about politics. It’s about making sure communities can continue to celebrate while giving small businesses a path forward through supply chain challenges.”

About the American Pyrotechnics Association

The APA is the leading trade association of the fireworks industry. The APA supports and promotes safety standards for all aspects of fireworks. The APA has a diverse membership including regulated and licensed manufacturers, distributors, wholesalers, retailers, importers, suppliers, and professional display fireworks companies. Additional information about the fireworks industry, facts & figures, state laws, and safety tips can be found on APA’s website at <http://www.americanpyro.com>.

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