United States Senate

WASHINGTON, DC 20510

December 18, 2025

The Honorable Andrew N. Ferguson
Chair
Federal Trade Commission
600 Pennsylvania Avenue NW
Washington, DC 20580

Dear Chair Ferguson,

At a time of increasing food costs for American families,[1] we write to express concern regarding the potential that consumers may not witness the full cost reductions they expect following President Trump's recent decision to lift tariffs on imported coffee, bananas, cocoa, and other tropical products.[2] We write to urge the Trump Administration to use its authority to address potential anti-competitive behavior in the grocery industry to help bring down food prices.

On April 2nd, 2025, President Trump imposed global reciprocal tariffs, including on goods that cannot be produced at scale in the United States such as coffee, bananas, cocoa, and other tropical products.[3] On July 30th, 2025, despite having a trade surplus with the country, President Trump raised tariffs to 50% on goods imported from Brazil[4], a major producer of these tropical products. Since last year, the price of coffee has increased over 20%,[5] the price of bananas has increased nearly 7%,[6] and the price of candy has increased more than 10% in large part due to cocoa input cost hikes.[7]

It was a necessary but late step to remove these tariffs. However, while eliminating these tariffs reduces costs for grocery importers, we are concerned that consumers may not see the full corresponding price decreases. Earlier this year, thirty-six members of Congress urged the Federal Trade Commission (FTC) to investigate how giant corporations could be using President Trump's reckless tariff fluctuations as cover to raise prices beyond their cost increases.[8] We are

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[1] Nia Law, et al., "A Pricier Plate: Thanksgiving Costs Climb Nearly 10% This Year," Groundwork Collaborative, November 21, 2025. https://groundworkcollaborative.org/work/a-pricier-plate-thanksgiving-costs-climb-nearly-10-this-year/.

[2] Dareh Gregorian, "Trump issues order rolling back some of his food tariffs," NBC News, November 14, 2025. https://www.nbcnews.com/politics/trump-administration/trump-issues-order-rolling-back-food-tariffs-rcna244045.

[3] Barath Harithas, et al., "Liberation Day" Tariffs Explained," Center for Strategic and International Studies, April 3, 2025. https://www.csis.org/analysis/liberation-day-tariffs-explained.

[4] "Addressing Threats to the United States by the Government of Brazil," The White House, July 30, 2025. https://www.whitehouse.gov/presidential-actions/2025/07/addressing-threats-to-the-us/.

[5] Sydney Ember, "Yes, Your Morning Coffee Has Gotten More Expensive," The New York Times, September 11, 2025. https://www.nytimes.com/2025/09/11/business/coffee-prices-tariffs.html.

[6] Max Zhan, "Will lower tariffs bring down prices of coffee, bananas? Experts weigh in," ABC News, November 14, 2025. https://abcnews.go.com/Business/lower-tariffs-bring-prices-coffee-bananas-experts-weigh/story?id=127519772.

[7] Nia Law, et al., "Tricks, Treats, and Tariffs: How Trump Is Making Halloween More Expensive," Groundwork Collaborative, October 27, 2025. https://groundworkcollaborative.org/work/tricks-treats-and-tariffs-how-trump-is-making-halloween-more-expensive/.

[8] "Gallego, Whitehouse, Warren, Booker, DeLauro, Colleagues Demand Action to Prevent Corporations from Using Trump's Reckless Tariffs as an Excuse to Price Gouge Hardworking Americans," Senator Ruben Gallego, May 14,

concerned that the highly concentrated grocery industry – combined with the Trump Administration's insufficient antitrust and consumer protection enforcement – creates a perfect storm that could enable giant grocery chains to engage in price gouging or other anti-competitive behavior.

Experts are already warning food prices may not come down significantly. Jason Miller, a professor of supply chain management at Michigan State University, noted in the wake of the recent announcement that the price of bananas may drop "only by a couple of cents, since grocers could try to hold onto profits if shoppers keep up demand."[9] While factors such as disease and drought may contribute to uncontrollable extended periods of elevated prices for some of these products, it is important to note that the grocery supply chain today is highly concentrated. For instance, four firms control 80% of the global banana market, while just four companies control two thirds of America's grocery market.[10] Many rural communities lack even a single grocery store option, creating limited incentives for firms to immediately and fully reduce retail costs for these goods even in light of cost reductions.

Your lack of enforcement to date on these issues raises red flags. In the past, the Federal Reserve Bank of New York found instances of companies operating in concentrated supply chains that leveraged this Administration's reckless tariff policy shifts to widen margins rather than pass savings on to families.[11] However, one of your first actions was to shut down the FTC's probe into the "surveillance pricing" market, with one former FTC official noting that "the message [of this action] that is coming out of this administration…is that the watchdog is gone and companies feel emboldened to rip people off."[12]

We again urge the FTC to use its authority to ensure President Trump's reckless trade policies are not a "green light" for price gouging for these products by:

1. Using your authority under Section 6(b) of the Federal Trade Commission Act to require large grocery stores and food importers to report their costs and retail and wholesale prices and the extent to which tariffs reductions have decreased their costs.
2. Using your authority under Section 5 of the Federal Trade Commission Act to investigate and prosecute companies engaging in "unfair or deceptive acts or practices in or affecting commerce."

2025. https://www.gallego.senate.gov/press-releases/gallego-whitehouse-warren-booker-delauro-colleagues-demand-action-to-prevent-corporations-from-using-trumps-reckless-tariffs-as-an-excuse-to-price-gouge-hardworking-americans/.

[9] Max Zhan, "Will lower tariffs bring down prices of coffee, bananas? Experts weigh in," ABC News, November 14, 2025. https://abcnews.go.com/Business/lower-tariffs-bring-prices-coffee-bananas-experts-weigh/story?id=127519772.

[10] "Grocery Retail: The Last Link in the Monopoly Chain," Farm Action, November 18, 2025. https://farmaction.us/grocery-retail-the-last-link-in-the-monopoly-chain/.

[11] Jaison R. Abel, "Are Businesses Absorbing the Tariffs or Passing Them On to Their Customers?," Liberty Street Economics, June 4, 2025. https://libertystreeteconomics.newyorkfed.org/2025/06/are-businesses-absorbing-the-tariffs-or-passing-them-on-to-their-customers/.

[12] Erin Cabrey, "New FTC chair shuts down public comment on retailers' surveillance pricing," Retail Brew, January 24, 2025. https://www.retailbrew.com/stories/2025/01/24/new-ftc-chair-shuts-down-public-comment-on-retailers-surveillance-pricing.

We additionally request responses to the following questions by January 22nd, 2026:

1. How will you ensure President Trump's recent tariff removals do not result in sustained elevated prices?
2. What steps will the FTC take to enforce competition and consumer protection laws against individuals and corporations in the grocery and food industry that attempt to price gouge consumers?
3. If consumers have paid excessive prices for these goods since the tariff removals due to price gouging, what steps will the FTC take to ensure that consumers are made whole?

This holiday season, we urge special attention to this matter.

Sincerely,

Ruben Gallego
United States Senator

Sheldon Whitehouse
United States Senator

Cory A. Booker
United States Senator