

WHAT SHOULD YOU DO IN RESPONSE TO **NEW TARIFFS**



ADAPT WITH

TARIFF ENGINEERING



Evaluate changing assembly locations to qualify for a different origin.



Modify products to reduce tariffs; even small adjustments can make a difference.

ASSESS

PRICE AND COST SENSITIVITY



Analyze competitors' prices and their adjustment to tariffs.



Review previous price changes to understand consumer tolerance.



Renegotiate margins with retailers and channels, justifying adjustments due to tariffs.

REDUCE COST TO

OFFSET INCREASES



Determine how much margin you can absorb without impacting the business.



Identify optimization opportunities in:

- Fulfillment
- Parcel shipping
- Reducing operational complexities
- Workflow automation
- Streamlining portfolios and channels

WHAT YOU SHOULD **DO LATER**

RECONFIGURE

YOUR SUPPLY CHAIN

- ✓ Go beyond optimization and create strategic options.
- ✓ Diversify suppliers and reevaluate sourcing locations to reduce risks.
- ✓ Select new suppliers with a long-term vision, avoiding hasty decisions.
- ✓ Keep historical suppliers as a reference while incorporating alternatives.

BREAK DOWN SILOS FOR

EFFICIENT MANAGEMENT

- ✓ Integrate tariff compliance into cross-functional teams (Marketing, R&D, Supply Chain).
- ✓ Ensure all areas understand the broader impact of trade policy beyond the cost of goods.
- ✓ Strengthen product development and integrated planning to quickly respond to changes