



NAVIGATING GLOBAL TRADE

STRATEGIES FOR BUSINESS RESILIENCE

Navigating Global Trade: Strategies for Business Resilience

Guest Speaker

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Hosted By

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Manager



AGENDA



**TARIFF BASIC
KNOWLEDGE**



**IMPACT
ASSESSMENT**



**ALTERNATIVES
AND OFFSETS**



Q&A
(enter your
questions in
chat)



Tariff Basic knowledge



US Tariff(s))

are a tax or duty levied on imports










are administered at customs clearance by Customs Border Patrol (CBP) at the port of entry (airport, border, seaport, etc.)

are paid by the importer of record and are typically assessed based on the import value (commercial invoice) of shipment

amounts are determined by country of origin and Harmonized System (HS) code of commodity being imported

can, and often are, in addition to other existing tariffs and duties



STATUS*	COUNTRY	DESCRIPTION
In effect FEB 4	 China	10% on all imports
In effect MAR 4	 Mexico	25% on all imports
In effect MAR 4	 Canada	25% on most imports, lower rate for energy
In effect MAR 4	 China	Additional 10% on all imports
Partially Suspended Mar 6	 Canada  Mexico	Reprieve for goods that fall under the USMCA trade pact
In effect Mar 12	 Global	25% on aluminum and steel
Planned April 2	 Global	Unspecified tariff on all agricultural products
Planned April 2	 Global	Unspecified tariff on all foreign cars

*As of 3/12

Source: Peterson Institute for International Economics

US Import Tariff Status



* As of March 12,2025 Source: Peterson Institute for International Economics



Impact Assessment



Understanding Impact

- Country of origin of your high value supply chain (raw materials and equipment).
 - Tier 1 and tier 2 supply base.
- HS codes for your high value imports to understand cumulative effect of tariffs/duties
 - Link to research HS codes <https://www.trade.gov/customs-info-database-user-guide>
- Record the effect of supplier pass-through increases identified as tariff impact for future negotiation
 - Many of current proposed tariffs are expected to be temporary in nature
- Expect lead times to increase given the capacity of CBP administration to process imports





Alternatives and Offsets

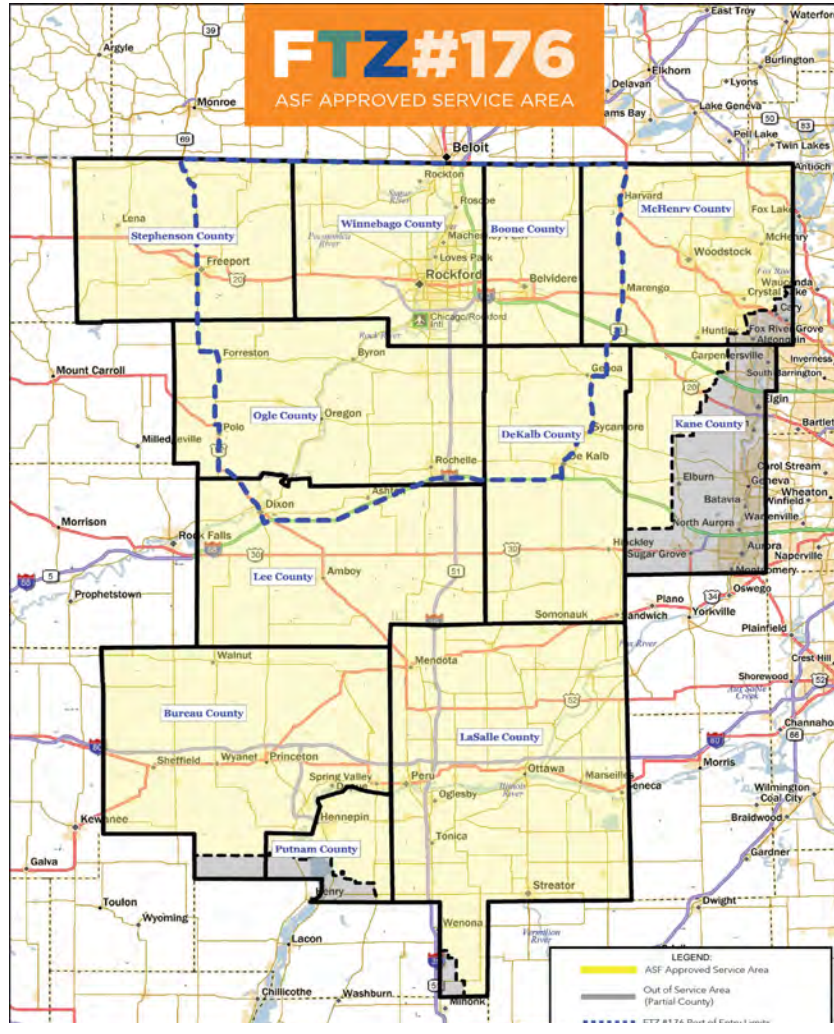


Alternatives to Avoid or Offset

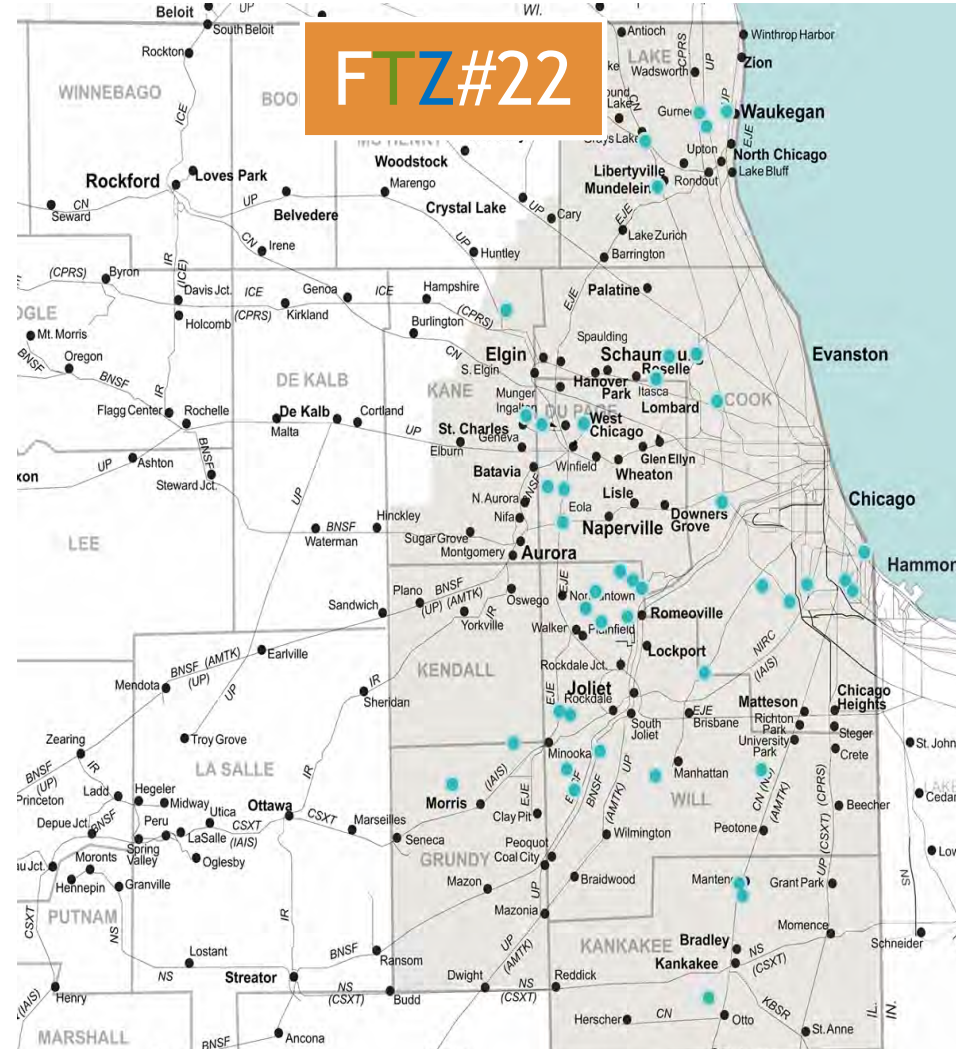
- **Pricing strategies to offset**
 - Portfolio price adjustment, spread the impact
 - Specific impacted product price adjustments
- **Use of a Free Trade Zone (FTZ) through a partner/third party (logistics or customs broker). Applies to goods imported for re-export.**
- **Realign your supply base**
 - Assess new suppliers based on location and landed cost
 - Identify alternate sourcing locations with existing suppliers
- **Evaluate exclusions. USTR has processed many exclusions for various products that you may be able apply.**



Free Trade Zones Covering McHenry County



- Contact: **Carrie Zethmayr**
- Phone: **+1 312-221-1115**
- Email: **carrie@zethmayr.com**
- Website: **<https://ftzrockford.com>**



- Contact: **Illinois International Port District**
- Phone: **+1 773-646-4400**
- Website: **<https://www.iipd.com>**



Key Takeaways

- ▶ Tariffs will be dynamic, both in imports and exports
- ▶ Develop and track reporting on affected imports and exports including your inventory
- ▶ Gain knowledge of your supply base and impacts
- ▶ Expect increased lead times
- ▶ Stay up to date on developments

Tariff Alerts and Updates

- ▶ **U.S. International Trade Commission (USITC) - HTS Updates**
 - Subscribe for tariff classification updates and changes.
 - Sign up here: <https://www.usitc.gov/>
- ▶ **U.S. Customs and Border Protection (CBP) - Cargo Systems Messaging Service (CSMS)**
 - Provides alerts on trade regulations, duties, and tariff changes.
 - Sign up here: <https://www.cbp.gov/trade/automated/csms>
- ▶ **Office of the U.S. Trade Representative (USTR) - Email Updates**
 - Get notified about new tariffs and trade negotiations.
 - Sign up here: <https://ustr.gov/about-us/contact-us>



Q&A

The Illinois SBDC at MCC is here to support your business



No-cost, confidential advising:

For-profit business in McHenry
County

Under 500 employees

Business Planning

Financial analysis

Buying/Selling a Business

Leadership Transition

Education Training

<https://ilsbdc.ecenterdirect.com/signup>

The background features abstract, overlapping green geometric shapes, primarily triangles and polygons, in various shades of green, creating a modern and dynamic visual effect.

THANK YOU