



Whitepaper

Surviving the 2025 Supply Chain Tariff Turmoil



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Unpredictability and sweeping shifting economic policies have left businesses struggling to plan effectively. The return of sweeping Presidential tariffs under the new administration has sent ripples through global supply chains, creating a landscape of uncertainty that businesses must navigate carefully. Unlike the administration's 2018's tariffs, primarily targeting China, these most recent measures cast a much wider net, impacting key trade partners including Mexico, Canada, and the European nations. **The expansion of tariffs means that supply chain professionals must rethink sourcing, pricing, and operational strategies to mitigate financial and logistical risks.**

With the lack of clarity on how long tariffs or if, potential trade policies will remain in place **supply chain professionals must rethink traditional strategies.** The added layer of volatility in the already tumultuous economic landscape has rendered **traditional methods of coping with tariffs obsolete as they can't keep pace with the rate of change.**

Proactive Vs Reactive

Staying ahead of geopolitical shifts and evolving policies is nothing new for supply chain veterans, but the pace of change has never been more extreme. Proposed Economic policies have introduced unprecedented uncertainty—not just from the policies themselves, but from the confusion surrounding them. Tariffs are just another factor among many contributing to a complex era of volatility marked by natural disasters, political conflict, and economic downturn. **Businesses that fail to adapt quickly will struggle.**

S&OP has barely evolved in the last 30+ years, technology has made S&OP faster but not more effective. According to recent Gartner Maturity Assessments, **44% of companies are below Level 3 Maturity and have been for the last 10 years.** Supply chain leaders must move beyond a reactive crisis management mode and embrace a proactive, strategic framework designed for agility, adaptability, and operational continuity.

Agility and resilience are imperative to your survival. A reactionary strategy is a losing game. Every time the market shifts, companies stuck in a reactionary cycle fall further behind, while their proactive competitors thrive with supply chains designed for long-term success.

Reactive Management

- **Cutting budgets and delaying critical investments** in process improvement “until things settle.”
- **Treating supply chain disruptions as isolated events** not part of a larger trend of increasing uncertainty.
- **Performing supply chain network reviews every 3-5 years.**
- **Relying on static supply chain models**, hoping for market conditions to stabilize before making decisions.

5 things you can do right now to reduce tariff turmoil

1. Proactively engage with vendors to understand their sourcing risk mitigation plan.
2. Identify additional alternate material sources to reduce risk.
3. Evaluate and execute forward-buy opportunities to delay impacts.
4. Shift spend away from non-strategic suppliers where possible.
5. Prepare to leverage volume in price negotiations.

Proactive Management

Proactive supply chain leaders use data-driven decision-making to:

- **Anticipate** disruptions before they impact operations.
- **Simulate scenarios** to make better strategic and tactical decisions.
- **Integrate supply chain network design with execution** for real-time adaptability.

Waiting for the market to stabilize is not a strategy—it's a risk. The companies that thrive in uncertainty are those that **invest in technology, optimize processes, and continuously adapt** rather than hoping for stability.



The Time to Act is Now

Don't let 2025's tariffs and economic volatility dictate your supply chain strategy. Businesses that wait for clarity in the face of uncertainty will fall behind. Those that take decisive action—by building resilience, leveraging advanced analytics, and adopting agile strategies—will emerge as leaders in their industry.

Combat Uncertainty with GAINS Decision Engineering Optimization

More than software—GAINS is a proven framework for building resilient supply chains that survive disruption and thrive in uncertainty. GAINS empowers supply chain leaders to proactively mitigate risks, optimize resources, and drive efficiency through our proven methodologies and advanced technology. **Instead of rigid supply chains that crack under pressure, GAINS creates – a flexible solution ecosystem where sourcing, production, and distribution dynamically adjust to external shocks.** While many platforms focus only on planning or design, GAINS provides an AI-powered, composable solution that seamlessly integrates the two.

Companies that continue to keep their supply chain planning and design separate will struggle with inefficiencies, costly reactions, and missed opportunities. Traditional inventory management operates on outdated assumptions, leaving businesses vulnerable to fluctuations, disruptions, and sudden costs. GAINS is uniquely positioned to help businesses **embrace a proactive, integrated approach that aligns design, planning, and execution**—ensuring your business stays ahead of disruptions, reduces costs, and builds long-term resilience.

With GAINS, companies don't just react to change—they shape the future of their supply chain.

The old playbook is no longer enough

The time is here to build A Resilient High-Performing Supply Chain. Put simply, companies that leverage data-driven decision-making and composable solutions stay ahead of uncertainty and help their customers keep their promises, giving them a competitive edge in service and dependability.

Uniquely Positioned to Deliver Integrated Supply Chain Planning & Design

- **Prescriptive AI for Smarter Decision-Making** – GAINS doesn't just predict disruptions—it prescribes the best course of action by evaluating multiple scenarios and recommending the optimal solution.
- **Continuous, Adaptive Planning** – GAINS ensures network design decisions dynamically influence planning and execution, providing an ever-evolving strategy.
- **Holistic View of the Supply Chain** – GAINS breaks down silos between strategic, tactical, and operational decision-making, helping companies align long-term network strategy with daily execution.
- **Fast, Configurable Implementation** – Many supply chain solutions take years to deploy and update. GAINS' composable technology ensures fast integration, flexibility, and continuous innovation to keep pace with uncertainty.
- **Optimized Trade-Off Analysis** – GAINS helps companies balance service levels, costs, and risk mitigation by continuously assessing and adjusting supply chain strategies—ensuring companies don't overreact or underprepare.

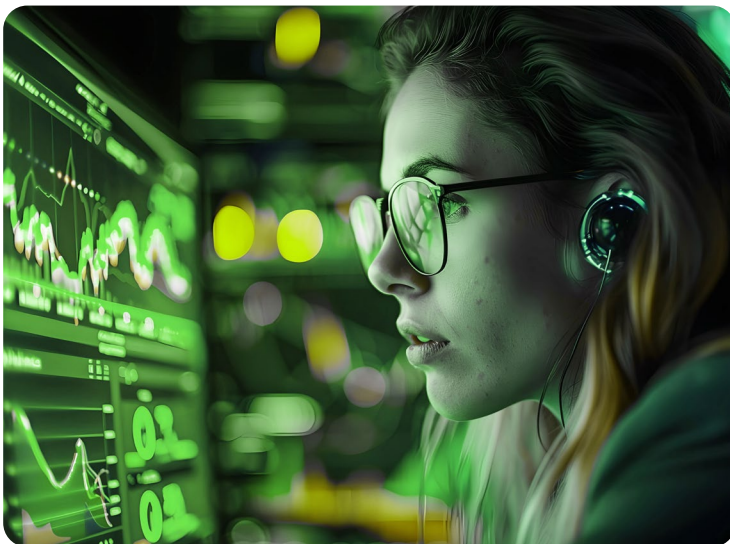
Grow Stronger Through Disruptions

- **Dynamic Feedback Loops:** By continuously analyzing supply chain performance, every unexpected challenge refines decision-making models, making future responses faster and more effective.
- **Adaptive Inventory Positioning:** Dynamically redistribute inventory in response to demand shifts, transportation bottlenecks, and supplier delays—ensuring optimal stock availability.

Become Data-Driven

GAINS' heuristic-driven algorithms enable supply chain teams to automate up to 80% of decisions—freeing up resources for more strategic initiatives balancing automation with your expert oversight.

- **Automated, AI-Powered Adjustments**
 - Advanced analytics predict disruptions and automate course corrections, keeping operations ahead of risk.
- **Real-Time Scenario Modeling** – Run simulations to evaluate the impact of tariff changes, supplier shortages, or transportation bottlenecks—before they happen.



Build Supply Chain Resilience

Organizations that invest in resilience protect their bottom line, strengthen supplier relationships, and maintain a competitive edge. More than reacting to disruptions; resiliency is about building the capability to anticipate, adapt, and recover with speed and efficiency.

- **Recover quickly from unexpected** disruptions without compromising efficiency.
- **Create agile contingency plans**, and pivot swiftly in response to market fluctuations.

Break Down Silos

GAINS ensures all stakeholders operate from a single source of truth, creating seamless collaboration and rapid response capabilities. Fostering true collaboration, GAINS breaks down silos and creates a more connected, agile, and resilient supply chain.

- **Multi-Objective Optimization** – GAINS balances agility and profitability, ensuring businesses can react quickly to uncertainty without sacrificing efficiency or financial stability. Adjust replenishment, sourcing, and fulfillment strategies on demand.
- **Real-Time Supply Chain Visibility** – Ensure every department is aligned with dynamic, real-time insights. A centralized, single source of truth gives teams full transparency into inventory, procurement, logistics, and sales, allowing for coordinated, data-driven actions.

Flexible & Scalable

Today's supply chains must be built for adaptability and the ability to flex, not break. GAINS uses a composable API Network to integrate seamlessly with existing systems, providing a dynamic **decision-making framework**. Our modular approach to management **allows for incremental improvements** without the need for a full-scale transformation.

- **Diversified Sourcing & Supplier Integration**
 - Reduce reliance on single-source suppliers and quickly onboard alternative vendors when disruptions occur.
- **Rapid Deployment for Real-Time Response**
 - When policies shift, suppliers fail, or logistics networks collapse, GAINS helps pivot sourcing strategies and reroute shipments—immediately.

Seamless Systems Integration

GAINS supports **seamless integration across core supply chain functions**, ensuring data-driven decisions are executed efficiently. Businesses can **orchestrate inventory optimization, replenishment planning, demand forecasting, and transportation strategy** through a unified platform. By **eliminating inefficiencies and aligning supply chain functions**, GAINS creates a system that operates **with maximum agility and resilience**.

- Adjust processes on demand—without disruption.
- Deploy new solutions in days, not months.
- Maintain operational continuity—no matter what challenges arise.

2025 Key Policy Timeline

February 1: The White House [announced plans](#) to impose a 25% tariff on imports from Canada and Mexico, a 10% tariff on imports from China and a 10% tariff on energy sources from Canada.

February 3: Canada and Mexico negotiated a [30-day](#) pause on the tariffs.

February 4: China responded with [retaliatory tariffs](#) that take effect Monday, February 10.

February 8: The White House told reporters of plans to announce [25% tariffs on all steel and aluminum imports](#) to the U.S. on February 10.

February 10: The White House announced they will impose [25% tariffs on all steel and aluminum imports](#) under Section 232 of the Trade Expansion Act. February 13:

A White House [memo](#) to the cabinet titled the "[Fair and Reciprocal Plan](#)," directing the Office of Management and Budget director to conduct a [country-by-country assessment](#) within 180 days to evaluate and adjust trade relations.

February 25: The White House [ordered an investigation](#) into potential tariffs on copper imports under Section 232 of the Trade Expansion Act of 1962. Potential tariff rates will be determined by the investigation.

March 4: 25% tariffs on imports from Canada and Mexico, along with an additional 10% tariff on imports from China, [took effect at midnight](#). Mexico announced retaliatory tariffs on March 9, and China announced retaliatory tariffs of up to 15% starting, March 10. Canada also [announced](#) 25% retaliatory tariffs.

The Problem with Traditional Tariff Mitigation Strategies

Nearshoring

While **nearshoring** had gained traction as a strategy to mitigate global supply chain risk, many companies quickly realized that nearshoring was not the silver bullet they had hoped. A solution requiring **substantial investment, tremendous strategic planning, and long-term commitment** with no guarantee of success.

High Initial Investment & Labor Costs

Requires substantial upfront investment in infrastructure, equipment, and workforce development. Typically, there are increased costs for higher wages and benefits for health, safety, and environmental compliance in more regulated economies.

Where to go?

Post-2018, electronics manufacturers increasingly shifted production to Mexico to avoid hefty tariffs on China. However, with a 25% tariff on Mexican imports, manufacturers now find themselves in the same situation less than a decade later.

Seeking Trade Exemptions

At the time of publication, alternative relief measures are still available for certain goods and industries. **Exemptions can sometimes be granted for specific goods** that meet certain criteria.

Free Trade Zones (FTZs)

These offer a way to defer or **eliminate tariffs on certain goods** before they enter the U.S. market. These facilities allow businesses to **store, process, or assemble goods without incurring immediate duty costs.**

Securing trade exemptions is a complex process. Applying for exemptions requires navigating a complicated legal and regulatory framework, often involving extensive documentation and justification, made harder due to recent labor cuts in the Federal Government. Exemptions are only available for certain goods that meet very specific requirements, making it difficult for many businesses to qualify.

Limited and Temporary Relief

Exemptions are not guaranteed, and if granted, may only provide short-term relief before policies shift again.

Delays and Uncertainty

The approval process can be slow, leaving businesses in limbo while waiting for decisions to be made. Trade policy changes frequently, and exemptions granted today could be revoked or countered by new tariffs or restrictions in the future.



Take Control of Uncertainty with GAINS

The landscape of global trade and supply chain management is shifting faster than ever. Relying on outdated, reactionary strategies is no longer sustainable—companies must take control of their supply chains with data-driven, proactive decision-making.

The future belongs to businesses that embrace resilience, agility, and technology-driven optimization. GAINS provides the decision intelligence, AI-powered analytics, and composable solutions needed to anticipate risks, mitigate disruptions, and turn volatility into a competitive advantage.

Don't wait for clarity—create it. Companies that act now will secure their future while others scramble to catch up. Reach out today to discover how GAINS can help you navigate uncertainty, build a high-performing supply chain, and thrive—no matter what challenges lie ahead.



EXPERIENCE THE DIFFERENCE YOURSELF

Get Started Today

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