



Reciprocal Tariff Pause: The 90 Day Countdown



President Trump implemented the Reciprocal Tariff Pause on April 9th, 2025. This 90-day suspension of country-specific tariffs applies to most countries, excluding China, and is set to expire July 8th, 2025. A baseline tariff of 10% remains in place for most imports.¹

This is a significant event that marks a 90-day countdown, providing companies with a unique opportunity to reassess their trade strategies and compliance programs. During this time, businesses can take a step back to evaluate their current practices, identify areas for improvement, and implement necessary changes to enhance trade operations.

Introduction

Companies have been hit with tariff whiplash in the last few months. This 90-day pause is a transformational opportunity to prepare, restructure, and rebuild your trade compliance program. Companies are now in a race against time to go from reactive to readiness.

In recent months, businesses have experienced significant fluctuations in tariffs, causing uncertainty and disruption in their trade operations. The pause on country-specific tariffs offers a crucial window for businesses to transform their approach to trade compliance. It is a chance to prepare for future changes, restructure existing processes, and rebuild a robust trade compliance program that can withstand the challenges ahead. Companies must act swiftly to transition from a reactive stance to a state of readiness, ensuring they are well-equipped to navigate the evolving trade landscape.

Developing a Robust Tariff Strategy

A comprehensive tariff strategy is an integral part of the core business strategy - encompassing various key elements to ensure effective management of trade operations. This strategy should include:

Step 1 – Mapping Exposure/Impact Analysis

If your company is not doing this based on real-time data you are flying blind – you can't manage what you can't measure. The first step in developing a robust tariff strategy is to map exposure and conduct an impact analysis. This involves utilizing real-time data to identify and assess the potential risks and impacts of tariffs on your business. Without accurate and up-to-date information, companies are essentially operating in the dark, unable to effectively manage trade operations. By measuring and analyzing the exposure to tariffs, businesses can make informed decisions and implement strategies to mitigate risks.

¹ Executive Order "Modifying Reciprocal Tariff Rates to Reflect Trading Partner Retaliation and Alignment" (April 9, 2025).

Tariff Scenario Planning



Step 5 – Prioritize compliance

It is critical to ensure strategies are implemented properly and consider all relevant laws and regulations. Focusing on compliance is paramount in developing a robust tariff strategy. It is essential to avoid implementing concepts that may be challenged by U.S. Customs and Border Protection or other regulatory authorities. By prioritizing compliance, businesses can mitigate risks and maintain smooth trade operations.

Keys to Success

In sum, trade strategy can be a competitive edge. To achieve success, companies need to focus on several key elements:

- **Appointing a Chief Trade Officer** – Appointing a Chief Trade Officer is crucial for overseeing and managing trade operations. This role involves developing and implementing trade strategies, ensuring compliance, and driving continuous improvement in trade practices.
- **Developing a Trade Strategy** – Developing a comprehensive trade strategy is essential for effective tariff management. This strategy should encompass exposure mapping, scenario modeling, trade profile optimization, team alignment, and compliance.
- **Leveraging Data and Technology** – Leveraging data and technology is vital for successful trade management. By utilizing advanced tools and technologies, companies can gain insights, automate processes, and enhance decision-making capabilities.

Conclusion

The Reciprocal Tariff Pause presents a unique and transformative opportunity for companies to reassess and enhance their trade compliance programs. By leveraging this 90-day window, businesses can transition from a reactive stance to a state of readiness, ensuring they are well-prepared to navigate the evolving trade landscape. Developing a multipronged tariff strategy that includes exposure mapping, scenario modeling, trade profile optimization, team alignment, and prioritizing adherence to regulations is essential for effective management of trade operations. Appointing a Chief Trade Officer, leveraging data and technology, and recognizing the strategic importance of customs operations are key elements that can provide a competitive edge. By focusing on these aspects, companies can build a robust trade compliance program that not only mitigates risks but also drives continuous improvement and success in their trade practices.



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