



Tariffs Are Here.

These 5 Moves Will Keep You Growing.

Tariffs are no longer a footnote in your supply chain spreadsheet. They're rewriting the rules of brand strategy. Tariffs used to be background noise. Now they're front and center, eating into margins, tangling up supply chains, and rewriting your playbook whether you're ready or not.

For brands, this isn't just a policy issue. It's a profit issue. The brands winning in this new tariff climate? *They're not reacting. They're rewiring.*

Here's how.

The Implications: Tariffs Are Touching Everything

You can't outrun them but you can potentially outsmart them.

COST & MARGIN PRESSURES

Tariffs are driving up landed costs and brands are feeling it quickly. Wholesale partners want to renegotiate. Retailers want to maintain price points. And suddenly, your most profitable products are barely breaking even. The margin math just changed.

SUPPLY CHAIN DISRUPTIONS

Customs is slower. Ports are bottlenecked. Delays are stacking up.

Shipments are sitting at ports like L.A. for days longer than expected, and getting flagged more frequently for documentation issues. Compliance requirements, especially accurate HTS classification, are stricter than ever with little room for error.

FULFILLMENT & CHANNEL SHIFTS

Global fulfillment has become a liability. Cross-border shipping is becoming riskier and slower. To maintain service levels, many brands are having to rethink where—and how—they hold inventory, even if that means retooling long-standing logistics setups.

BUDGET REALLOCATION

Tariffs are a cost line and they're a strategy reset. With costs rising elsewhere, cuts are landing on areas like advertising and product development. High-exposure SKUs are being flagged for review, and marketing teams are being asked to do more with less, all while staying revenue accountable.

The 5 Strategies That Work

Tariffs are the reality. Strategy is the advantage.

1. SOURCING SHIFTS

Goal: Reduce risk. Diversify supply.

Decreasing your dependence on China is key. Try nearshoring to bring production closer, recalibrate your country of origin strategy, or tap into India as a fallback. These actions can protect your margins and give your brand more stability.

2. TARIFF ENGINEERING

Goal: Legally minimize duty exposure.

To reduce your duty exposure, consider reclassifying your products, redesigning certain components, or adjusting how you assemble them. With these changes, you can potentially lower the tariffs you're paying. A little strategic engineering could go a long way in preserving margins.

3. TRADE ZONES & DUTY DEFERRAL

Goal: Push payment further down the line.

Bonded warehouses and Foreign Trade Zones (FTZs) give brands breathing room. The ability to delay or avoid duty payments until goods enter the market? That's a strategic cash flow edge.

4. DE MINIMIS STOPGAP

Goal: Prepare for shifts.

To mitigate the loss of the de minimis advantage in 2025, consider preloading U.S.-based warehouses. This can help you sidestep higher tariffs and keep your supply chain running smoothly when the new regulations hit.

5. PRICING & CONTRACT ADJUSTMENTS

Goal: Lock in margin. Clarify responsibility.

Think about rolling out price changes in stages, running elasticity analysis, and renegotiating contracts to clarify who's on the hook for tariff costs. These small adjustments can make a big difference in preserving profitability.

Tariffs Are a Challenge. Not a Roadblock.

With the right plan, your margins, your supply chain, and your growth don't have to suffer.

At Pattern, we help brands turn trade turbulence into competitive advantage. If you're staring down tariff trouble, let's talk.

Because even in a tariff world, growth is still on the table, you just have to know how to get it.



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