

5 WAYS TARIFFS CAN IMPACT YOUR OPERATIONS

AND HOW TO PREPARE

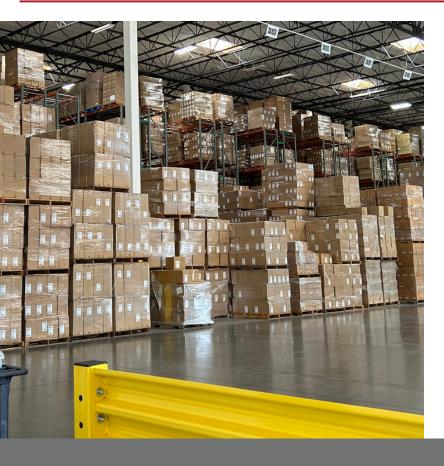


Presented by

Motivational Fulfillment & Logistics Services

Table of Contents

3	Introduction	7	Fluctuations in Demand
4	Increased Shipping Costs	8	Competitive Pressure
5	Supply Chain Disruptions	9	Closing Thoughts
6	Compliance Complexities	12	About Us



Introduction

Tariff headlines continue to dominate the news cycle, creating uncertainty for global trade and supply chains.

For consumer brands and manufacturers, these shifts bring new challenges and opportunities in managing logistics.

To stay ahead, it's critical to understand how these tariffs could impact your supply chain and what steps you can take to mitigate their effects.

Here are the top five ways tariffs could impact your logistics in 2025, and how to prepare your business for what's ahead.



Increased Shipping Costs

One of the most immediate impacts of tariffs is the increase in costs for imported goods. These additional expenses ripple through the supply chain, often resulting in higher transportation and logistics costs. For example, freight rates may rise due to shifts in demand and changing trade routes.

What This Means for Your Logistics

Higher costs can squeeze profit margins, forcing tough decisions on whether to absorb the expenses or pass them on to customers.

Businesses may see narrower profit margins or be forced to pass costs on to customers.

How to Prepare

We recommend that manufacturers optimize shipping strategies by consolidating shipments and exploring dynamic parcel solutions.

It is also worthwhile to work with a logistics partner that benefits from volume discounts with carriers and can pass those savings along to you.



Supply Chain Disruptions

New tariffs are causing shifts in sourcing and manufacturing locations. Many companies are working to move some of their operations to countries with friendlier tariff agreements, a strategy known as "friend-shoring."

With an urgency to make these types of moves happen, businesses are seeing bottlenecks and extended lead times across their supply chain.

What This Means for Your Logistics

Adjusting to new suppliers may cause temporary disruptions—risking stockouts, overstock situations, or the need for rework of defective manufacturing—if not carefully managed.

How to Prepare

We recommend partnering with a 3PL that is skilled in inventory management to maintain continuity and avoid unnecessary delays as your supply chain adapts.

Compliance Complexities

Adhering to new tariff regulations requires meticulous documentation and adherence to complex requirements. Even minor mistakes in tariff classifications or shipment paperwork can result in delays, fines, or seized goods.

What This Means for Your Logistics

Navigating these complexities adds time and risk to your shipping process, especially if your systems aren't equipped to handle the increase in volume.

How to Prepare

You need flexible tech that works seamlessly with your systems, has secure EDI integrations, along with a 3PL team that knows how to streamline documentation, ensure data accuracy, and thus reduce the risk of errors. Make sure to partner with a 3PL that has the experience and technology to simplify compliance.

Staying on top of compliance requirements will keep your supply chain moving smoothly.

Fluctuations in Demand

Tariffs don't just affect costs—they also influence consumer behavior. Any costs that trickle down to consumers are likely to shift buying patterns, leading to unpredictable or uneven demand.

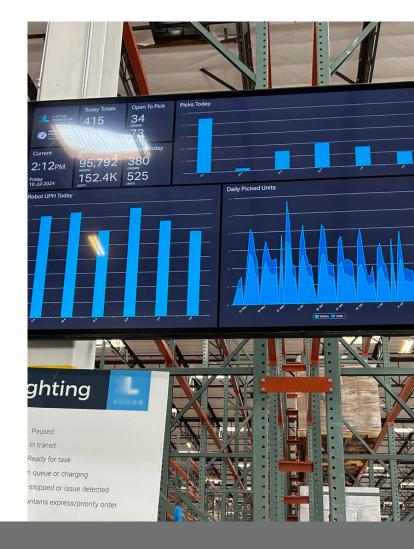
What This Means for Your Logistics

Supply chain planning will become more complicated. There will be a higher risk of overstocking or understocking depending on how demand fluctuates.

How to Prepare

Use demand forecasting tools and partner with a 3PL that has flexible warehousing solutions to adapt quickly to changing market conditions.

A logistics partner with robust analytic capabilities can help you anticipate trends and adjust inventory levels accordingly.



Competitive Pressure

New tariffs will create a divide between companies that adapt strategically and those that don't. Brands that implement smart logistics strategies will have a clear advantage, while others may struggle to keep up.

What This Means for Your Logistics

Failing to adjust could mean losing market share to competitors who are better prepared.

How to Prepare

Work with a proactive logistics partner who understands your unique challenges and offers tailored solutions. The right partner will not only help you overcome tariff-related obstacles but also position your brand as a leader in a changing market.



Turn Challenges into Opportunities

While new tariff policies present clear challenges, they also offer an opportunity for all of us to innovate and strengthen our logistics processes together.

At Motivational, we are dedicated to helping brands sustain growth even amid disruptions like these. We work to be more than just a service provider. We serve as a true partner, standing behind you as reliable allies in your journey.





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ABOUT MOTIVATIONAL FULFILLMENT & LOGISTICS SERVICES

At Motivational, our top priority has always been to deliver stellar service to our clients. Your business is our business, which is why we'll always go the extra mile to find solutions that accomplish your objectives while delivering the greatest value to you.

Motivational started as a family business, founded in 1977 by Hal Altman. Today, his son, Tony Altman, leads the company as President. But "family business" extends beyond the company's origins – it's at the core of what we do. At Motivational, you're not just a number to us. You're a valued part of the Motivational family, and one of the unique things about working with us is the access you'll have to our team. In addition to having a dedicated Account Executive, you'll be supported across the organization, from IT integration to the warehouse floor.

Many of our staff have been here 25, 30, or even 40+ years. This means we know our business inside and out and will work extremely hard to know your business just as well. Our team, from the top down, is easily accessible and available for you. We care about getting it right and always doing the right thing for our clients, and if we need to work around the clock to meet a deadline for you, we'll do it!