Mastering Tariff Mitigation: Strategic Moves in a Fluid Environment

Global tariffs are shifting faster than ever, creating hidden costs that can erode profits and disrupt supply chains. Every operational decision – from sourcing locations and product design to routing choices – influences duty exposure, yet many levers remain untapped. Companies that act proactively can turn these challenges into measurable competitive advantage.

FTI Consulting helps clients anticipate tariff risks and implement tailored mitigation strategies that reduce costs, increase supply chain agility, and protect the bottom line. Our multifaceted approach – combining classification optimization, origin planning, and strategic sourcing adjustments – delivers sustainable savings and operational resilience. These solutions not only address immediate challenges but also position clients to stay ahead of evolving trade dynamics, turning complex compliance obligations into strategic opportunity.

Common Mitigation Strategies Delivered by FTI's Trade and Customs Team

- U.S. Foreign Trade Zones
- Partnership Programs
- Chapter 98, Temporary Importation Under Bond
- Duty Drawback
- Advocacy Programs
- Global Risk Assessments and Contract Reviews
- Supply Chain Restructuring
- Free Trade Agreement, Non-Preferential Country of Origin Reviews
- Tariff Classification Reviews, Tariff Engineering
- Optimizing Customs Value

HOW FTI CONSULTING CAN HELP

Our multi-disciplinary team of seasoned consultants, legal professionals and licensed customs brokers delivers end-to-end support, helping clients:

- **Identify potential tariff exposure** to prevent unexpected costs
- **Evaluate strategic options** through comprehensive tariff readiness assessments
- **Implement tailored strategies** that address specific tariff challenges
- **Align stakeholders** across supply chain, trade, tax, government relations, customers and vendors for seamless integration

CUSTOMS PROGRAMS AND PARTNERSHIPS

The **U.S. Foreign Trade Zone (FTZ) program** is one of the most powerful tools for reducing duty exposure and optimizing trade operations. By treating designated areas as outside U.S. territory for Customs purposes, FTZs unlock benefits such as duty deferral, fee reductions, and meaningful tax savings – all while encouraging investment, job creation, and U.S. exports. FTI Consulting partners with clients to design and implement FTZ strategies that maximize these advantages.

Partnership programs, including trusted trader initiatives, allow companies to strengthen relationships with customs authorities, enhance supply chain security, and unlock operational and financial efficiencies. FTI Consulting helps clients establish these programs to accelerate compliance and gain a competitive edge.

Chapter 98 provisions enable goods to enter the U.S. temporarily under duty suspension for specific uses. With proper management, companies can defer costs while ensuring goods are exported, destroyed, or otherwise accounted for within a defined period. FTI Consulting guides clients through these provisions to reduce duty exposure and optimize working capital.

Duty Drawback provides a pathway to recover duties paid on imported goods that are later exported or destroyed, improving cash flow and supporting export-driven competitiveness. FTI Consulting helps clients capture these recoveries efficiently, turning regulatory compliance into measurable financial benefit.

RISK MANAGEMENT AND ADVOCACY

True resilience requires looking beyond today’s rules to shape tomorrow’s trade landscape. Through **Risk Management and Advocacy** programs, FTI Consulting partners with clients to engage government authorities and leading industry associations. By pairing deep technical expertise with strategic advocacy, we help businesses influence tariff policies, reduce exposure, and achieve measurable regulatory and financial outcomes –turning engagement into tangible competitive advantage.

STRATEGIC PLANNING AND SUPPLY CHAIN OPTIMIZATION

Tariff costs aren’t determined at the border – they’re shaped by every decision along the supply chain. FTI Consulting turns operational complexity into strategic advantage, aligning origin planning, tariff engineering, and cross-functional collaboration to uncover savings competitors often miss.

The result: lower landed costs, greater agility, and a supply chain built to outperform in a shifting global trade environment. Companies that act now can convert operational insight into lasting financial and competitive benefits.

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