

TRAFFIX

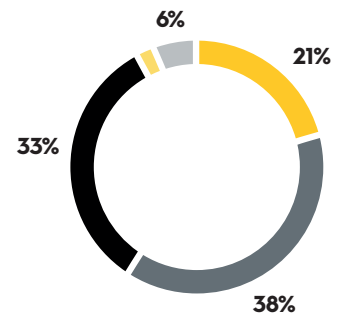
IMPACT OF TARIFFS ON SUPPLY CHAINS

TRAFFIX surveyed over 300 customers to understand the impact of the new import/export tariffs on their supply chains. This report highlights the key findings.



The extent to which the tariffs impacted our client's supply chains:

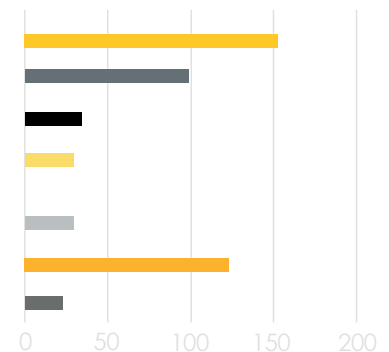
Significantly disrupted	72
Somewhat disrupted	129
No impact	113
Beneficial impact	8
Not sure	19



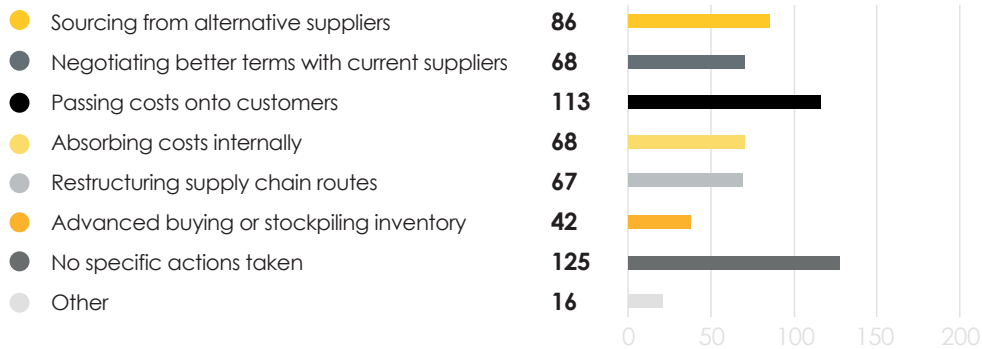
The recent tariffs have had varied effects on companies' supply chain operations. Some businesses are seeing increased costs, particularly for raw materials like steel, aluminum, and LED components, leading to price increases. Others are proactively shifting production, stockpiling inventory, or seeking alternative suppliers outside of affected regions. Cross-border trade has been disrupted for some, with delayed shipments, halted operations, or increased domestic focus. While some companies report minimal impact, many are adopting a "wait and see" approach as they assess potential long-term consequences.

The challenges our clients are facing due to the tariffs:

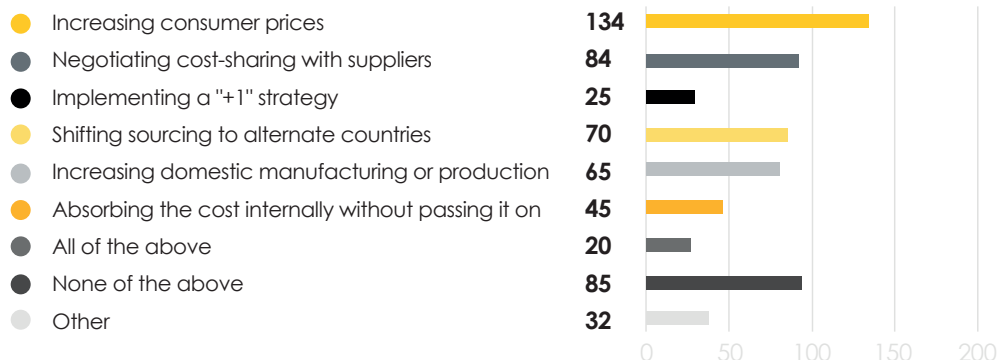
Increased costs of imported goods	151
Shipping delays or rerouting challenges	99
Supplier disruptions or shortages	39
Increased customs paperwork and compliance hurdles	37
Higher inventory holding costs	37
No significant challenges	123
Other	22



How our clients are adjusting their supply chains to react to the impacts of the tariffs:



Potential strategies our clients are considering to mitigate the potential long term impact of tariffs:



Companies navigating the impact of tariffs are primarily seeking **clarity, market insights, and strategic guidance**. Many are requesting **real-time updates** on tariff policies, supply chain shifts, and capacity changes. Others want **benchmarking data** on how similar businesses are adapting. Some are exploring **alternative sourcing options**, including shifting suppliers from the U.S. to Canada, Mexico, or overseas, while a few are considering **moving production facilities** to avoid long-term risks. **Capacity and competitive pricing** remain top concerns, with companies looking for **stable transportation rates** and reliable cross-border solutions. Overall, businesses are adopting a **wait-and-see approach**, adjusting strategies as more information becomes available.