

Successfully Navigating a Volatile Trade Landscape

Trade policy remains deeply in flux. There's been a range of court rulings. The US doubled tariffs on imports of steel and aluminum to 50%. And in just a few weeks, we'll reach the end of the US administration's 90-day pause on higher tariffs. CEOs find themselves in an unpredictable and unstable environment.

This ongoing tariff uncertainty makes it harder to plan capital investments or supply chain strategies. At the same time, pausing decisions in hope of clarity does not seem like a sustainable strategy.

A [BCG article explains an approach](#) that enables companies not only to steer effectively through the upheaval but gain competitive advantage (or minimized disadvantages) along the way. By setting up a tariff command center, leaders have a rapid-response, cross-functional nerve center that can simulate scenarios, monitor policy changes, and guide the business through trade uncertainty. Think of it as a corporate situation room with dashboards tracking developments in real time.

What does a best-in-class tariff command center do? The most effective have a clear mandate for five key missions:

- **Scenario Planning and Rapid Response.** Prepare the organization by developing tariff impact scenarios and identifying swift, data-driven actions as policies change.

- **Policy Engagement.** Help the C-suite engage with policymakers and regulators so the company can anticipate or even help shape new tariff rules. This includes leveraging trade associations and identifying potential partners with common interests.
- **Compliance Monitoring.** Ensure real-time compliance with ever-evolving trade regulations across all relevant markets.
- **Commercial Adjustment.** Refine pricing, product offerings, and inventory in response to rising costs.
- **Supply Chain Reconfiguration.** Identify and validate alternate suppliers or production locations to reconfigure the supply chain as needed.

These command centers operate on multiple time horizons at once, tackling the immediate issues, planning for the next quarter, and scanning the longer-term horizon. They bring together experts from procurement, finance, logistics, government affairs, legal, and strategy in a dedicated team that elevates trade issues to a strategic level.

Done right, a tariff command center gives leadership a 360° view of the company's exposure and options, so decisions can be made quickly and with confidence—and the early results are telling.

For example, a large retailer was able to protect \$350 million to \$500 million in profits by using a command center to engage in scenario planning across product categories and adjust its vendors and pricing ahead of tariff impacts. And a global medical device manufacturer mitigated 80% of the immediate tariff hit to its revenue (and 95% of its longer-term risk exposure) by mapping its financial exposure and swiftly executing a strategy aligned with its five-year investment plans.

In other words, a well-run command center can protect hundreds of millions of dollars and ensure that when the rules change, your company isn't caught flat-footed.

I'd encourage every executive team to consider their organization's

readiness for this complex environment. A few questions to consider:

- Do you have a team in place to monitor trade developments and coordinate your response—and is it empowered to act quickly?
- Where are you most exposed to tariffs, and do you have scenario models (and playbooks) for those high-risk areas?
- How agile are your supply chain, pricing, and go-to-market strategies?
- Are you engaging externally—with policymakers, industry coalitions, or other stakeholders—so you're not just reacting to policy changes but helping anticipate and potentially influence them?
- Are you treating trade uncertainty as a core strategic issue at the C-suite level, rather than a back-burner operational topic?

Companies need to anticipate and prepare for the unexpected. Setting up or upgrading a tariff command center is becoming a prerequisite. In a world where policy moves can swing entire industries, the ability to rapidly reorient and even find opportunity will make an enormous difference.

Until next time,

A handwritten signature in dark ink, appearing to read "Rich", with a stylized flourish at the end.

Rich Lesser
Global Chair

Further Insights



The CEO's Guide to Tariff Command Centers

Leaders who build and effectively harness a tariff command center will respond to shifting trade dynamics rapidly and gain a powerful competitive advantage.

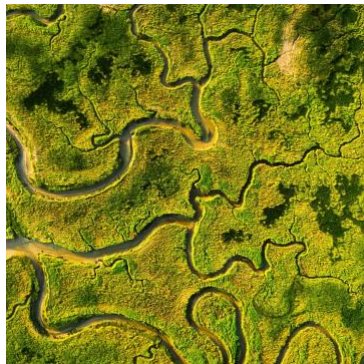
STAY READY FOR WHAT'S NEXT



How Long Can CEOs Play Wait and See with Tariffs?

CEOs will have to start making big decisions again soon, or risk future growth. Here's how they can stare down uncertainty and move forward.

STOP WAITING. START ACTING.



Tariffs Are Changing the Dealmaking Landscape. CEOs Need to Prepare.

While conditions are less than ideal for initiating deal discussions, companies need to be ready to move when the business environment finds its new footing.

ADAPT YOUR STRATEGY