LOGISTICSBC
(CMHDS) CANADIAN MATERIALS HANDLING & DISTRIBUTION SOCIETY

LOGISTICALLY SPEAKING

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INDUSTRY NEWS

WELCOME OUR NEWSLETTER FOR EVERYTHING LOGISTICS!

We're excited to bring you a blend of insightful articles, lighthearted content, and important updates from our community.

This issue features an engaging piece on the latest trends in logistics, a fun cartoon reel to brighten your day, and a motivational quote to inspire you as we continue to grow and innovate.

You'll also learn more about our dedicated Board and stay up-to-date with key events and developments in the logistics world. We hope you enjoy this diverse mix and find value in each section.

FEATURE ARTICLE

THE SHIFTING LANDSCAPE OF TARIFFS: STRATEGIES FOR SUPPLY CHAIN RESILIENCE

UNDERSTANDING THE IMPACT OF TARIFFS ON SUPPLY CHAINS AND HOW TO NAVIGATE THE NEW DYNAMIC

Jonathan Colehower · March 3, 2025 · Supply Chain Management Review

Tariffs and trade restrictions are introducing new complexities into global supply chains, requiring businesses to rethink sourcing, logistics, and cost management. As tariffs evolve, companies must proactively mitigate risks and optimize supply chain operations to maintain efficiency and profitability.

To navigate tariff uncertainty, businesses should adopt a multifaceted approach that integrates supply chain optimization, legal compliance, and financial strategies.

1. Supply chain optimization: Enhancing flexibility and resilience

Reshoring and nearshoring. Bringing production closer to key markets reduces tariff exposure and enhances supply chain resilience. While this transition requires upfront investment, it improves lead times, operational control, and long-term cost efficiency.

Diversification of suppliers. Overreliance on suppliers from a single region exposes businesses to sudden tariff changes. Diversifying sourcing across multiple countries helps mitigate risks and provides greater flexibility in shifting operations when needed.

Tariff engineering. Modifying product designs or sourcing alternative materials can lower tariff obligations. Collaborating with trade experts ensures compliance with classification regulations while optimizing cost structures.

2. Legal and regulatory strategies: Leveraging trade agreements

Utilizing Free Trade Agreements (FTAs). Many FTAs provide opportunities for reduced or eliminated tariffs. Businesses should closely track changes to agreements such as the United States-Mexico-Canada Agreement (USMCA) and other regional trade deals to optimize tariff benefits.

Foreign Trade Zones (FTZs). Companies can use FTZs to defer or reduce tariff payments by storing or assembling goods before they officially enter the domestic market. This approach enhances cash flow and reduces import costs.

Duty drawback programs. Manufacturers that import materials for products ultimately exported can recover duties through drawback programs, lowering overall tariff expenses. Proper documentation and compliance with program guidelines are critical for maximizing these benefits.

3. Financial strategies: Managing cost impact and supplier relationships

Pricing adjustments. When tariffs increase costs, businesses must carefully evaluate price adjustments to maintain profitability without alienating customers. Transparent communication about price changes helps retain customer trust.

Supplier negotiations. Strong supplier partnerships can help offset tariff-related cost increases. Exploring alternative suppliers, bulk purchasing, or renegotiating contracts can provide cost relief.

4. Future-proofing supply chains against tariff volatility

To stay ahead of potential tariff changes, businesses should implement long-term risk management strategies:

• Scenario planning: Regularly assess how different tariff scenarios could impact costs and supply chain operations.

• Stakeholder engagement: Collaborate with industry groups and policymakers to stay informed on regulatory shifts.

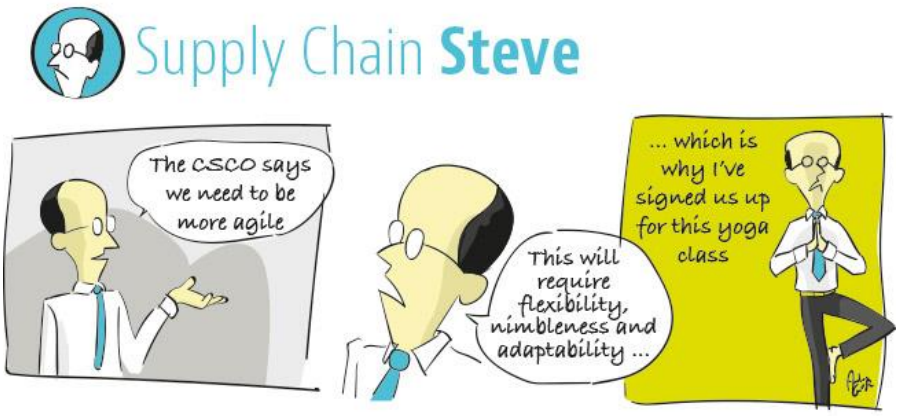
• Technology integration: Leverage supply chain analytics and automation to improve visibility and decision-making.

Conclusion

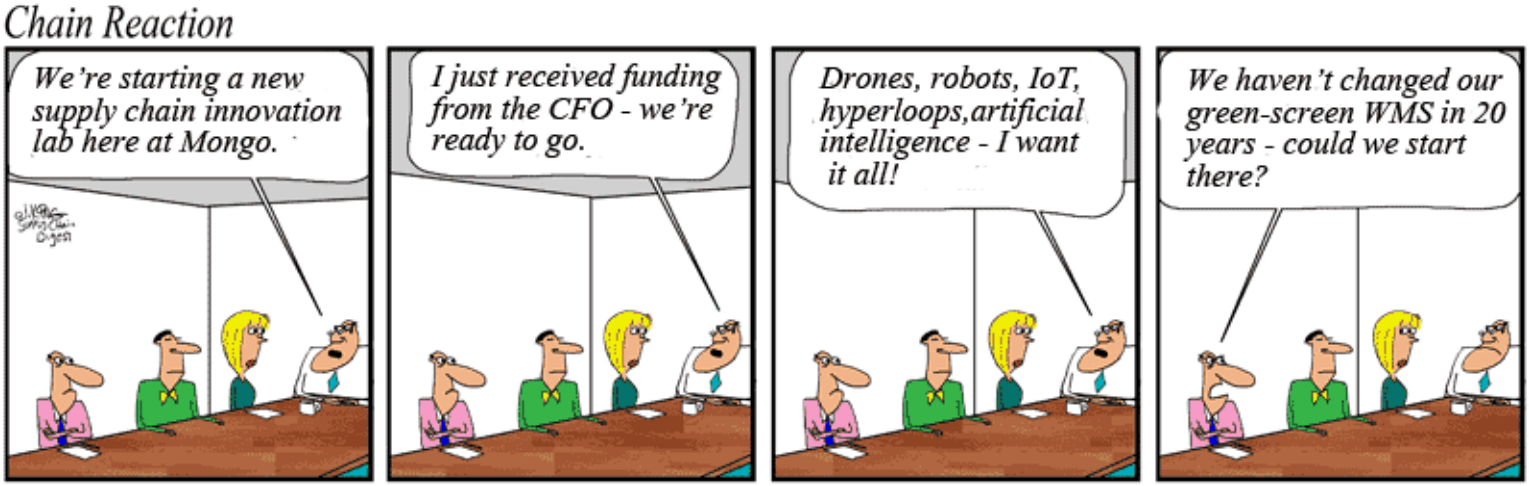
Tariff volatility is now a permanent factor in supply chain strategy. By taking proactive steps to optimize sourcing, leverage regulatory frameworks, and manage financial impacts, businesses can build resilience and maintain competitiveness in an uncertain trade environment. The key to success is agility—companies that adapt swiftly to changing tariff policies will position themselves for long-term success.

LOGISTICS QUOTE

CARTOON REELS



"I warned you not to make fun of the technology."



ASK DAN!

ASK DAN! March 2025

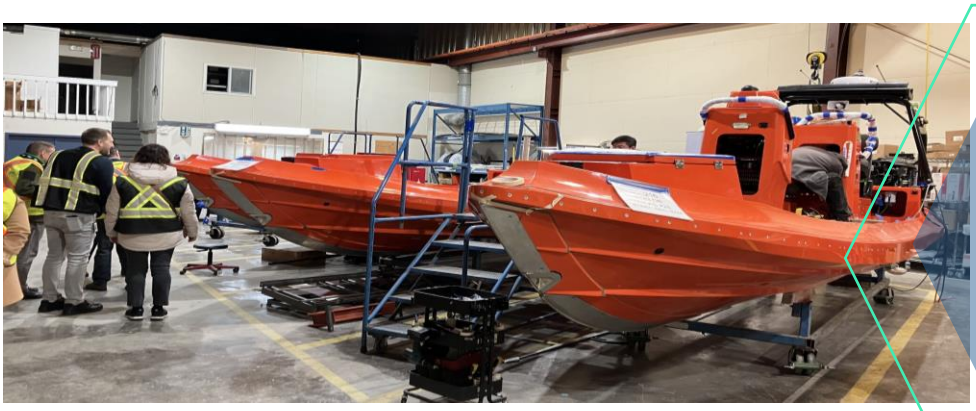
On February 21. 2025 a 4.8 Earthquake centered in Sechelt, BC shook our warehouses. Some described it sounding/feeling like a big transport truck hitting the building. WorksafeBC now requires your racking to be engineered to withstand seismic action. Have you had your racking Engineered? And do you have an EarthQuake Preparedness program in place? Do you have a question you want answered? ASK DAN!

Do you have a question you want answered? ASK DAN

BOARD MEMBERS LIST

Meet our board members!

- **Dan Beer - President**
  Account Manager, West Coast Installations (WCI)
- **Matt Scheer - Vice-President**
  Manager, Lower Mainland Distribution - Provincial Health Services Authority
- **Roy Ellis - Secretary/Treasurer**
  Transportation Equipment Consulting
- **Edmund Soong - Director of Safety**
  Health, Safety & Environment Manager - Gescan
- **Erin Hart - Director - Communications & Website**
  Automation Consultant - Automha Americas Inc.
- **Ronald Trainor - Director of Education**
  President - Vidsta Storage Solutions Inc
- **Troy Spreeuw - Director at Large**
  President/Owner - Vancouverforklift.ca
- **Tim Miller - Director at Large**
  General Manager - DHL Supply Chain
- **Holly Speers - Director at Large**
  Director of Client Relations - Motive Energy Systems
- **Dave Kubilius - Director at Large**
  General Manager, Warehousing & Distribution - London Drugs
- **Robin MacDonald - Director at Large**
  Business Manager - IS2 Workforce Solutions



PREVIOUS EVENT RECAPS

Stay informed about previous and upcoming events, news, updates, and recent achievements.

Recapping On Previous Events:

- **Zodiac Hurricane Tour**

A big thank you to all the members who participated in the Zodiac Hurricane Technologies, Inc. on February 21! We had an incredible host, Natalie Lisik, CPHR Candidate, who shared her extensive knowledge about the company and the boat manufacturing process.

It was fascinating to learn that these amazing boats are made entirely by hand, piece by piece, and are trusted by the military, coast guard, and police. We truly gained valuable insight into the craftsmanship and dedication behind each vessel.

Thank you again to everyone who joined us!

WHAT'S COMING UP?

Upcoming Events:

- March 27, 2025- London Drugs Tour
- May 15, 2025- Women in Logistics Social/networking event

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