

How to be prepared for potential US Tariffs (and why it is best to be proactive)

With the looming threat of US tariffs on Canadian goods, Canadian companies must consider what to do in advance of March 5th (30 days from February 4th delay) to limit the potential risks of a trade war. The 30-day delay provides an opportunity for Canadian businesses to take proactive action to limit their exposure.

The following worksheet is designed to help you:

- a) Quickly identify risks and opportunities that would result from US tariffs.
- b) Prioritize what needs to be done to limit the impact of risks and maximize opportunities.

Important questions to ask yourself when considering the potential impact of US tariffs:

Question	Impact	Yes/No
Do you export your products to the US?	Direct impact from Trump tariffs on the cost of your products to US buyers.	
Does your business import raw materials or finished goods from the US?	Retaliatory tariffs on goods from the US will affect your costs.	
Do you have existing contracts with US suppliers or customers?	Contracts may need to be renegotiated.	
Do your competitors rely on imports?	A potential shift in the competitive landscape.	

Based on your responses to the above questions, the following actions should be considered with priorities dependent on your specific business:

Action	Description	Priority (high / med / low)
Contract review	Review your existing contracts to identify potential risk and opportunities related to tariffs.	
Contract negotiation or re-negotiation	Renegotiate contracts where potential risks or	

	opportunities for your business exist.	
Trade and supply chain analysis	Analyze your supply chain and develop strategies to mitigate the impact of tariffs, including exploring alternative sourcing options.	
Strategic planning	Develop a comprehensive strategy to navigate the changing trade landscape to position your business for success.	
Tax optimized reorganizations	Work with your existing tax advisors to help reorganize your business and minimize taxes.	
Corporate finance support	Support with structuring private financing, public crowdfunding, or loans.	
Merger, acquisition, sale, or other transaction support	Help your business with any transactions, including acquisitions, mergers, or sale. Consider possible partnerships, JVs, or other possible transactions.	

If you have any questions or would like a free consultation to walk through this worksheet in detail, please contact our Founder, Steve Monk, at steve@ceolawcanada.com.