

Tariffs to Tactics: Highlights, Notes & Takeaways

Thursday, May 15, 2025

Key Points:

1. Assess your business
2. Understand what you can change
3. Create a strategic plan: build a roadmap based on different scenarios
4. Have a continuous improvement mindset
 - o Start with a standard and document the process: without a standard, you cannot have improvement

How to survive and thrive during tariff uncertainty, sourcing difficulties, and complex supply chains?

- Scenario Planning - create a playbook
 - o Take a broad view of the options available - prioritize opportunities that require low effort, but have a high impact
 - o Build a 'road map': understanding exactly what you will do in each scenario.
 - Build in flexibility
 - Focus on short-term, tactical projects Sourcing Diversification
 - o Need multiple suppliers - cannot single-source your critical components
 - o What is the resiliency of your suppliers?
 - o Start thinking of this during product development
- Innovation (you are competing for a smaller piece of the pie)
 - o Product management: understand the marketplace
 - o Customers: how do we better meet the needs of our customers?
- Invest in Automation
 - o Multiplicated use: if I can't use this technology 'here', can I use it somewhere else?

What can you do right now to reduce costs/lower tariff rate?

FIRST STEP - Business assessment: understand what you can change and challenge existing 'norms'

- Have conversations with suppliers
 - o Volume buys
 - o Discounts
- Transfer Pricing
- HTS codes
- Duty Drawback + Foreign Trade Zones
- First Sale
- Chapter 98 (list of goods not subject to tariffs)
- Currency Hedging
- Does it make sense to localize
 - o Unbundle products (flat pack and assemble onshore)?
 - o Assemble in market, for market - components manufactured overseas and shipped to be assembled in low labor markets (potentially local): higher tariffs on 'finished goods' vs 'components'
- Tap into your network: your existing service providers work with other local manufacturers, use their connections/knowledge (example: ask your banker)
- MEP network - ['Supplier Scouting'](#) (national database of suppliers, manufacturers, creators)

Potential Resource Opportunity:

- Database of local manufacturers, creators & suppliers
 - o Centralized list of businesses **and** their capabilities (what they do)
 - o Connect "I need this" with "I can make, supply, create this"

Tariffs to Tactics: Summary of Resources

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Federal Level Programs & Incentives

1. Inflation Reduction Act (IRA)

The IRA offers tax credits and grants for clean energy and manufacturing initiatives, supporting domestic production and supply chain resilience.

Eligible Manufacturing Sectors:

- Clean energy technologies (e.g., solar panels, wind turbines)
- Electric vehicle (EV) manufacturing and components
- Battery production and recycling
- Critical minerals processing

For more information: [IRS - Inflation Reduction Act Credits and Deductions](#)

2. Foreign Trade Zones (FTZs)

Foreign Trade Zones (FTZs) are secure areas under U.S. Customs and Border Protection (CBP) supervision that are considered outside the CBP territory for tariff laws. Businesses operating in FTZs / with FTZ designation can import, manufacture, assemble, and export goods with significant customs and tax advantages.

Milwaukee FTZ:

Milwaukee is home to Foreign Trade Zone #41, managed by the Port of Milwaukee, which offers support to businesses across Southeast Wisconsin.

For more information: [Foreign Trade Zone #41 – Port of Milwaukee](#)

State Level Programs & Incentives

1. Wisconsin Economic Development Corporation (WEDC) - Business Development Tax Credits

WEDC offers refundable tax credits to businesses that create jobs, make capital investments, and provide training.

Eligible Manufacturing Sectors:

- Advanced manufacturing
- Food and beverage production
- Machinery and equipment manufacturing
- Plastics and rubber products manufacturing

For more information: [WEDC Business Development Tax Credit Program](#)

2. Wisconsin Fast Forward Grant Program

This program provides grants to employers for customized training to upskill workers, aiming to fill current job openings and meet ongoing skill requirements.

Eligible Manufacturing Sectors:

- Metal fabrication
- Wood product manufacturing
- Printing and related support activities
- Transportation equipment manufacturing

For more information: [Wisconsin Fast Forward Grants](#)

3. Wisconsin Manufacturing Extension Partnership (WMEP)

WMEP is a nonprofit consulting group supporting Wisconsin manufacturers with services in technology adoption, supply chain optimization, R&D, workforce development, and sustainability.

Key Services for Manufacturers

- Reshoring Assistance: Tools and guidance for moving production and sourcing back to the U.S. Reshoring Support.
- Technology & Automation: Integration of Industry 4.0 tools like robotics, IoT, and data analytics.
- Supply Chain Optimization: [Supplier scouting](#) (including reshoring), risk assessments, and lean strategies.
- R&D & Innovation Support: Help with prototyping, product design, and commercialization—often in collaboration with local universities.
- Workforce Development: Training in lean, Six Sigma, and leadership; support for apprenticeship pipelines.
- Sustainability: Energy audits, waste reduction, and ESG planning.

Eligible Manufacturing Sectors:

- Metal fabricators
- OEMs
- Plastics firms
- Electronics producers
- Food processors, and more...

For more information: [Wisconsin Manufacturing Extension Partnership](#)

Milwaukee & Regional Resources

1. Milwaukee 7 Regional Partnership (M7)

M7 offers support for local businesses ready to grow within the seven-county region, including assistance with expansion, relocation, and workforce development.

Eligible Manufacturing Sectors:

- Energy, power, and controls
- Water technology
- Food and beverage manufacturing
- Industrial automation

For more information: [Milwaukee 7 Regional Partnership](#)

2. University of Wisconsin–Milwaukee (UWM) – Prototyping Center

The Prototyping Center provides comprehensive product development and fabrication services to businesses, researchers, and entrepreneurs in the Greater Milwaukee Area.

Key Services:

- Product development and prototype creation
- CNC machining and 3D printing
- Reverse engineering and 3D scanning
- Fabrication services including welding, painting, and detailing

Eligible Manufacturing Sectors:

- Medical devices
- Consumer products
- Scientific instrumentation
- Industrial equipment

For more information: [UWM Prototyping Center](#) and [UWM Prototyping Center Contact Page](#)

3. Milwaukee School of Engineering (MSOE) – Rapid Prototyping Center (RPC)

MSOE's Rapid Prototyping Center is an applied research center that assists businesses in accelerating product development and bringing products to market more efficiently.

Key Services:

- Additive manufacturing with over 15 material choices
- Access to all five commercially available rapid prototyping systems
- Collaboration with industry partners through the RPC Consortium

Eligible Manufacturing Sectors:

- Automotive
- Consumer products
- Medical devices
- Industrial manufacturing

RPC Consortium:

Membership in the RPC Consortium offers companies access to cutting-edge prototyping technologies and collaborative opportunities with MSOE's faculty and students.

For more information: [MSOE Rapid Prototyping Center](#)

4. Milwaukee Area Technical College (MATC) – Advanced Manufacturing Programs

MATC offers several programs that equip students with skills relevant to manufacturing, R&D, and prototyping.

Key Programs:

- **Advanced Manufacturing Technology:** Focuses on engineering design processes, including 3D modeling and analysis of mechanical components.
- **Machine Tool Operations:** Provides hands-on experience in CNC machine setup and operation, essential for prototype fabrication.

Industries Served:

- Metal fabrication
- Machinery manufacturing
- Tool and die making

For more information:

[MATC Advanced Manufacturing Technology](#) and [MATC Machine Tool Operations](#)

Supply Chain Management Programs

Several educational institutions in Milwaukee offer programs to develop supply chain talent:

- **Milwaukee Area Technical College (MATC):** Offers a Supply Chain Management program with a blended format of online and classroom learning.
- **Marquette University:** Home to the Center for Supply Chain Management, a national leader in developing supply chain talent.
- **University of Wisconsin-Milwaukee:** Hosts the Supply Chain Management Institute, focusing on examining supply chain challenges and practices.

Eligible Manufacturing Sectors:

- All manufacturing sectors looking to enhance their supply chain efficiency and resilience.

For more information:

- [MATC Supply Chain Management](#)
- [Marquette University Supply Chain Center](#)
- [UW-Milwaukee Supply Chain Management Institute](#)