

The ongoing and escalating tariff war between the US and current and former EU members is significantly affecting companies in the consumer goods and retail (CG&R) industry – from luxury brands, high street fashion stores, retailers, cosmetics and personal care brands to food and beverage companies – on both sides of the Atlantic. Regardless of the differing justifications for the current and proposed tariffs (responses to aircraft subsidies, national security protection of domestic industries, European digital service taxes (DSTs), or retaliation against any of these tariffs), the impact is identical - dramatic cost increases for businesses reliant on the importation of US or European goods. CG&R companies need to understand the best strategies to mitigate the effects of these tariffs on their businesses.

### What CG&R products are affected?



#### European products

- ✓ Fresh and processed dairy products
- ✓ Fruits and juices (fruit, vegetable)
- ✓ Seafood
- ✓ Olives and olive oil
- ✓ Pork and pork products
- ✓ Coffee
- ✓ Metal tools
- ✓ Microwaves
- ✓ Photographic equipment
- ✓ Alcohol (wines, liqueurs and cordials, Irish and Scotch whiskies)
- ✓ Apparel and other textiles
- ✓ Makeup and other beauty products
- ✓ Soaps
- ✓ Handbags
- ✓ Sweet biscuits



#### US products

- ✓ Rice
- ✓ Corn
- ✓ Peanut butter
- ✓ Orange and cranberry juices
- ✓ Bourbon whiskey and whiskey
- ✓ Tobacco and tobacco products
- ✓ Makeup
- ✓ Apparel
- ✓ Household appliances and articles

### Tariff mitigation strategies

There are options to mitigate the impact of these tariffs at points along the supply chain, including by targeted application of appropriate customs rules and procedures, such as:



**Product reclassification** – reviewing current product classifications and identifying legitimate and supportable possible reclassifications that are not subject to additional tariffs.



**Supply chain options** – qualifying suppliers outside of affected jurisdictions; changing the product origin by moving specific aspects of the supply chain/manufacturing process outside of affected jurisdictions.

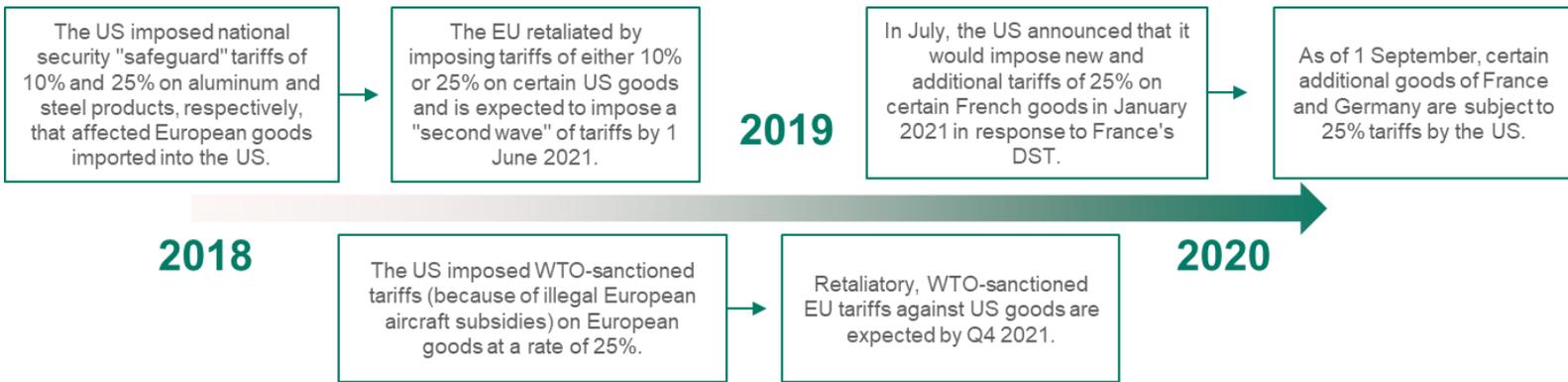


**Customs valuation** – identifying legitimate ways to lower the dutiable value of affected entries so that the tariffs, which are a percentage of value, are assessed on a lower custom value.



**Customs procedures** – appropriate use of free trade zones, bonded warehouses, duty drawback schemes, and special customs provisions.

## How did we get here?



## Contact us



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