

3 STEP RESCUE PLAN

How U.S. E-commerce
brands can tackle
looming tariffs



1 Optimize
cash flow

2 Plan for
Duty Increases



3 Mitigate
Risk

Optimize cash flow by setting up ACH payments with U.S. Customs & Border Protection (CBP)

WHAT

Set up Automated Clearing House (ACH) payments with U.S. Customs & Border Protection (CBP) to gain approval for 30 days of free credit on customs duties. This strategic move helps brands conserve cash by deferring the impact on duty outlay by 30 days.



WHY

The setup process for ACH payments with CBP can take anywhere from 24 hours to two weeks. **To minimize the impact to your business and optimize cash flow**, securing your U.S. bond and a credit facility with CBP early is crucial.

HOW

- If you already have a U.S.-based customs broker, contact them to set up ACH payments—typically at little to no cost.
- Alternatively, reach out to **Silq**. Mention this note, and we will onboard you and set up your ACH account with CBP at zero cost.



Plan for duty increases by assessing your inventory and Cost of Goods Sold (COGS)

WHAT



- Consult your U.S. customs broker to get accurate duty estimates
- Update COGS expense accounting for additional duty outlay
- Secure an updated stock report from all your 3PL's
- Build an inventory depletion plan for high-risk international locations.

WHY

- Update COGS to ensure your Initial Markups (IMUs) are not impacted and forcing you to decide on the percentage of this cost increase to pass to your customer.
- Assess the total impact of customs duties on orders destined for all your DC's around the world.



HOW

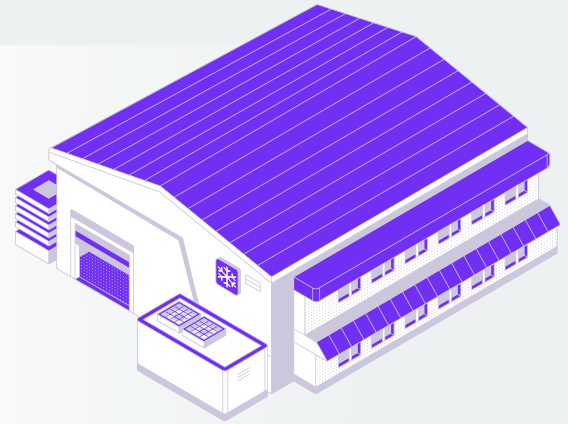


- Consult your U.S. Customs Broker with a complete inventory report, product descriptions, associated HTS codes, FOB Price per unit, shipment weight, and volumes if the inventory were to be transferred to the U.S.
- If you don't have one, contact **Silq**, and we'll help set you up to clear customs and take advantage of the facilities that are available to entrepreneurs.

Mitigate risk by securing a U.S. B2B warehouse partner & a 3PL e-commerce fulfillment partner

WHAT

Identify a new U.S. B2B warehouse partner and a 3PL e-commerce fulfillment partner that meets your desired service quality, network coverage, and pricing. It is prudent to set up a separate B2B warehouse that serves as your primary distribution point and a specialized 3PL to manage your e-commerce orders and specialize in them.



WHY



Trade policies and tariffs on imports continue to shift, impacting supply chains for U.S. e-commerce brands. Geopolitical tensions and trade negotiations frequently lead to new duties or retaliatory tariffs, affecting the cost of goods stored or shipped from certain regions. Strategically relocating inventory to the U.S. can help reduce financial risks and enhance fulfillment efficiency.

HOW

We recommend the following 3PL partners and are happy to facilitate introductions to their leadership teams:

- **ShipBob:** A market leader in e-commerce fulfillment with a strong presence across North America, Europe, and the rest of the world. With significant funding and expansion plans, ShipBob is positioned as a dominant player in the space. Contact Aaron Rubin or Maggie Barnett.
- **DCL Logistics:** A trusted name in fulfillment for over 20 years. Founders Dave and Bryan Tu bring extensive industry experience and can support your scaling needs.
- **ShipHero / LVK Fulfillment:** A tech-driven 3PL with a standalone software and fulfillment solution, offering centralized inventory management across multiple sites.





TAKE ACTION NOW!

With tariffs looming, the time to act is now. Setting up ACH payments, reassessing your inventory strategy, and securing reliable fulfillment partners will position your business to weather supply chain challenges while maintaining cash flow and profitability.

For assistance in navigating these changes, reach out to **Silq**—we're here to help you stay ahead of market shifts.