



TARIFFS 2025: A RENEWED TRADE WAR AND HOW PRINT BUSINESSES CAN ADAPT

Global trade challenges: Managing market volatility and rising tariffs

Almost every industry feels the impact of changing global trade agreements and new tariffs, and the printing industry is no exception. Recent decisions under President Trump's second term to maintain and expand many of his first-term-era tariffs underscore that these remain a powerful political and economic tool.

The U.S. has imposed steep tariffs on imports of steel, aluminum, semiconductors, and critical electronics not only from China, but increasingly from European and Asian markets as well. While intended to protect domestic manufacturing, these measures raise operational costs across industries, including printing. The printing industry relies on a global supply chain, from hardware to software, for substrates, machinery parts, and consumables.

The printing supply chain is a complex network. For example, pulp may be sourced in Canada, processed into paper in China, printed in the United States, laminated with coatings manufactured in Germany, and then shipped back to the U.S. or Mexico for final packaging before landing on a supermarket shelf ready to impress the consumer. This global loop can see a single printed product or its components circle the world three times before reaching its destination. Each tariff imposed at any stage of this journey adds incremental costs, delays, and administrative burdens, ultimately impacting the final price and delivery timelines for the end customer.

Tariffs and their effects

Tariffs are designed to regulate trade and shield domestic markets from cheaper imports. In late July 2025, the United States and the European Union struck a framework trade deal imposing a 15% tariff on approximately 70% of EU exports to the U.S., covering major sectors such as automobiles, pharmaceuticals, and semiconductors.

This agreement helped avert a more damaging 30% tariff scenario but still delivered a significant blow to EU exporters. Steel and aluminum remain taxed at 50%, continuing to burden equipment-heavy sectors like industrial printing.

Q: How are (or do you expect) higher tariffs to affect your business?

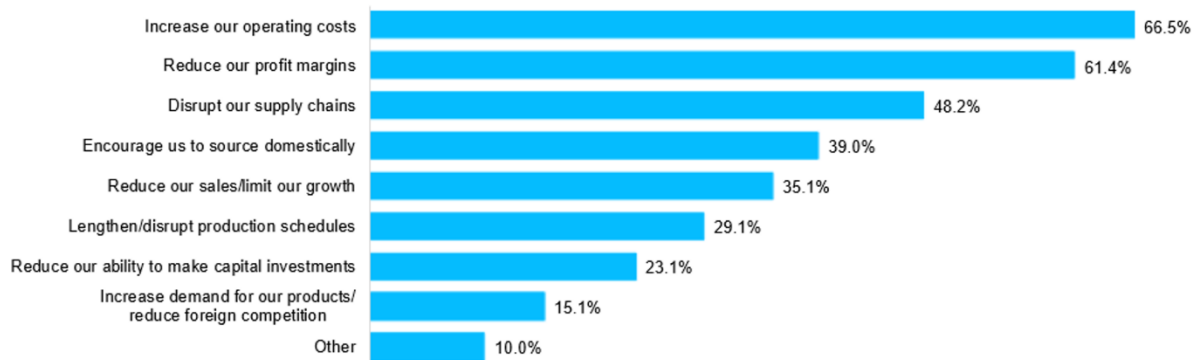


Figure 1: Expected Effects of Tariffs

Source: The Effects of Tariffs on the Printing Industry Survey, PRINTING United Alliance, March 2025

Simultaneously, President Trump issued new tariffs ranging from 10% to 41% on imports from 68 countries, including the EU (capped at 15%), Canada (35%), Brazil (50%), India (25%), Taiwan (20%), and Switzerland (39%). These tariffs took effect last week on August 7, 2025, and are already disrupting pricing structures and long-term planning across global supply chains. However, the introduction of higher tariffs reverses decades of liberalized trade and adds significant cost pressure. Businesses across the globe face a simple choice: absorb the cost, erode margins, or pass the cost on to customers, risking competitiveness.

Although the long-term effects are not yet known, it is likely that prices will rise and also businesses will feel the impact on their finances. As tariffs are imposed on goods entering the country, businesses will either balance it by increasing their final prices paid by customers, or their profits will decrease. Manufacturing, distributing and selling goods internationally will become more expensive. This requires action from companies importing to or exporting from the United States, in compliance with the regulations.

While U.S. exporters will gain broader duty-free access to the EU, especially for cars and industrial goods, EU exporters now face a minimum 15% tariff, up from near zero for many non-agricultural goods. This significant shift will raise costs for European producers targeting the U.S. market. Countries like Canada and Brazil are also facing steep increases, triggering regional trade friction and supply chain pain points for multinational manufacturers.

Market sentiment has deteriorated sharply, particularly in the eurozone and Switzerland, with investors signaling reduced confidence and growing volatility.

Tariffs and their effects on printing

The print industry, heavily reliant on cross-border trade, is feeling the full weight of new tariffs. Steel and aluminium, essential for press frames and industrial machinery, remain taxed at 50% in the United States, which drives up capital expenditures. A survey by PRINTING United Alliance revealed that most printers expect tariffs to increase

operating costs or reduce profit margins. Nearly half anticipate supply chain disruptions. The materials most affected include uncoated paper for commercial printers, vinyl for wide-format printers, and soft goods for apparel decorators.

Coatings, laminates, and spare parts from European and Asian suppliers now carry a 15% duty, adding to operational costs. Globally sourced paper is hit at multiple stages, with duties layered at each cross-border checkpoint. Vinyl media and textile substrates face similar cost increases, while printer control boards, sensors, and chipsets from overseas are subject to reciprocal tariffs. Even services such as prepress-, scanning-, and imaging-solutions are becoming more expensive due to higher costs for imported hardware. Tracking and tracing technologies like barcode systems, RFID/NFC technology, and workflow automation software are also affected and required to map out the supply chain across all stages from the design of a product to its use.

This wave of tariffs creates significant uncertainty for investment decisions. With supply chains that often span multiple continents before a product reaches its final destination, the print industry is particularly exposed to compounding costs at every stage.

Short-term tariff escalations cannot be anticipated far in advance, they often spring with little warning. The result is rising input costs, squeezed margins, disrupted supplies, and a vicious cycle of uncertainty. Print businesses that respond with automation, digital workflows, localized finishing, nearshoring, and strategic traceability will be better positioned to ride out these cycles rather than fall victim to them.

How printers are responding

A recent PRINTING United Alliance survey, supported by discussions with global print service providers, shows that printers are swiftly responding to the impact of tariffs. Many are raising prices, absorbing costs, or improving productivity through automation. Others are shortening quote validity periods from the traditional 90 days to as little as 7–14 days to protect themselves from sudden price changes.

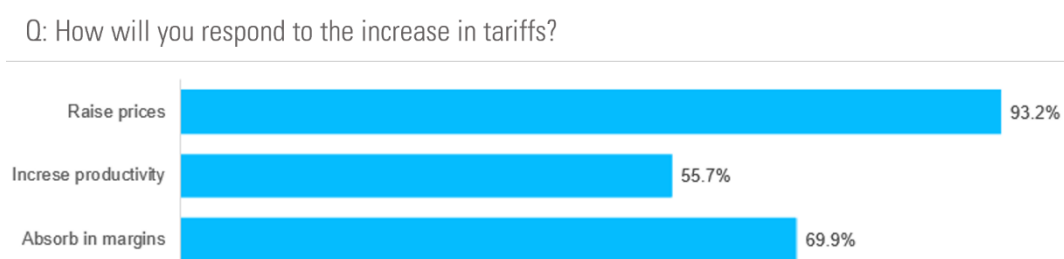


Figure 2: Expected Response to the Increase in Tariffs

Source: The Effects of Tariffs on the Printing Industry Survey, PRINTING United Alliance, March 2025

Supply chain strategies are shifting as well. Printers are turning to dual or near-sourcing to reduce their dependence on specific regions, opting for localized finishing and packaging to avoid duties on final goods, and moving production to countries with more favorable trade terms. Inventory buffering, just-in-time purchasing, and material substitutions are also becoming common. In some cases, companies are pausing investments in new equipment or staff and reshaping their product portfolios to limit exposure.

Across all these adjustments, traceability and automation have emerged as critical enablers. The future of tracking and tracing, like the GS1 barcodes and the EU Digital Product Passport, which will be enabled in 2027, are now central tools for maintaining compliance, ensuring visibility, and preserving efficiency in increasingly volatile market conditions.

Localized vs. globalized production strategies

The print supply chain's globalized loops, sometimes cross continents multiple times before final assembly, make it vulnerable to incremental cost stacking with each new tariff. To survive and thrive, printers must accelerate their investments in automation. One effective way to reduce the impact of tariffs is to shift toward localized or nearshored assembly and finishing to avoid duties on fully finished goods. This can be paired with strategic measures such as dual sourcing, partial insourcing, and just-in-time inventory buffering. Combined with advanced automation tools, these approaches help maintain productivity and protect margins in a challenging trade environment.

Because tariffs are often used as leverage in geopolitical negotiations, their scope can expand unpredictably. As a result, companies are rethinking their supply chains. One popular approach is to import semi-finished products and complete them domestically to avoid high tariffs on finished goods. This requires meticulous planning to ensure uninterrupted production and legal compliance, with traceability measures, such as barcodes or QR codes verifying product origin.

During previous industry discussions, GS1 barcodes were identified as an essential tool to ensure traceability, prevent counterfeiting, and comply with emerging regulatory frameworks like the EU Digital Product Passport. Coupled with eco-friendly sourcing and carbon quota assessments, they enable brands to provide consumers with transparency about where and how their products are produced, fostering accountability and informed purchasing decisions.

Another emerging strategy is nearshoring, partnering with regional suppliers to minimize exposure to trade restrictions and shipping delays. Some companies adopt dual sourcing, which involves diversifying suppliers across different countries to reduce dependency on any single region.

The opportunity within the crisis

Although there is a lot of uncertainty in the market, many vendors are responding strategically rather than simply reacting by raising prices. Some continue to invest in purchases because they believe that short-term disadvantages will be corrected by market forces in the long run. These decisions are grounded in stable business plans that aim for long-term optimization, efficiency gains, growth, and diversification into new business areas.

Suppliers that continuously innovate provide critical support, offering greater flexibility, a broader range of choices, and solutions that allow businesses to expand into finishing, pre-press, or other value-added print-related services. Now is a good time to interact with suppliers to discover new options and possibilities that could better serve businesses under these new market conditions.

The role of automation and OneVision: Enabling insourcing, outsourcing, and operational resilience

Automation has become essential. As workforce investments stall due to cost pressures, automation allows companies to maintain and even improve productivity without increasing headcount. By automating repetitive tasks, printers can use existing teams to handle more complex, higher-value work, compensating for rising material and import costs with improved workflow speed and consistent quality.

One underlying factor hindering the reshoring of manufacturing back to the U.S. or Europe is the lack of a sufficiently skilled workforce. Even when companies want to localize production to avoid tariffs, recruiting trained operators and technicians remains a bottleneck. Automation helps bridge this gap by minimizing dependency on manual expertise for routine tasks while empowering staff to focus on high-value or strategic work.

OneVision's middleware solutions address these challenges directly:

- The software processes, optimizes and corrects production files automatically based on more than 130 check criteria and identified errors.
- The middleware's modular structure enables individual configuration, tailored to specific requirements, such as sustainable print form creation for different print materials, numerous hardware and software integrations and real time job tracking for a smooth production workflow.
- Batch management software combines jobs to reduce substrate waste and minimize machine changeover times.
- Automated workflows generate traceability elements (barcodes, watermarks, enriching data, matching interconnectivity) for semi-finished product shipments, ensuring compliance with import rules.
- Computer vision modules enable automated quality checks, ensuring defect detection, identifying products and consistency without manual intervention.
- Experience with intra-logistics solutions, as demonstrated by implementations similar to Canon and Witt Weiden's automated warehouse sorting, allows OneVision to streamline production traceability, inventory management, and material flow using AI-based vision systems and integration with ERP and print production control systems.
- The software solutions enable both insourcing and outsourcing strategies. Companies can automate internal workflows to retain production value in-house or seamlessly integrate with external partners to outsource specific steps while ensuring data consistency and process quality.
- OneVision streamlines the essential workflows for personalized products and labels, including variable data printing, file preparation, and finishing. These workflows align with the EU Digital Product Passport and GS1 barcode compliance requirements.
- With expertise in prepress automation expertise, manual touchpoints are reduced from incoming file reception to output preparation, minimizing errors and accelerating turnaround times.

- Integration capability connects disparate hardware, software, and MIS systems into one streamlined workflow, creating end-to-end visibility for planning, monitoring, and execution.
- Through real-time tracking and automated reporting, OneVision supports accountability and transparency, empowering businesses to meet increasing consumer and regulatory demands for traceability, carbon footprint reduction, and sustainable production.

In summary, OneVision does not just automate single tasks but transforms the entire print and production ecosystem. This enables companies to adapt to market volatility, leverage local or global production strategies, and remain competitive in a rapidly consolidating industry landscape.

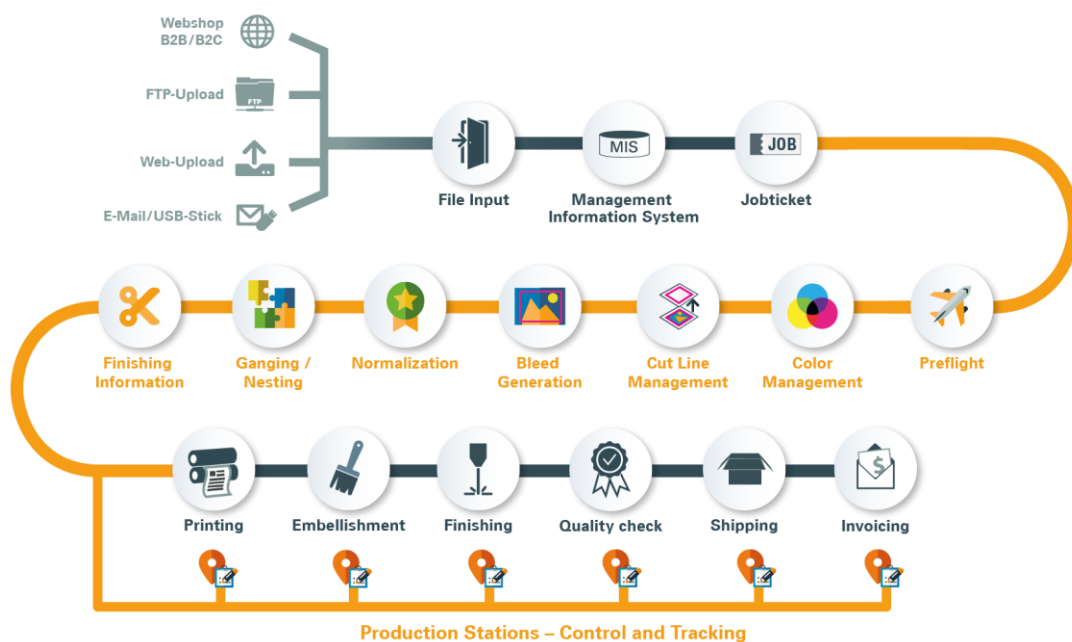


Figure 3: Workflow Automation with OneVision
Source: OneVision

In recent years, consolidation trends in the printing industry have accelerated, with larger conglomerates acquiring smaller shops to build scale efficiencies and eliminate competitors. These acquisitions have reduced the number of independent print service providers and limited market diversity. However, leveraging automation, digital printing, and interconnected workflows enables smaller and mid-sized players to resist these consolidation pressures.

Local vs. global approaches are becoming critical: depending on customer location, companies may produce the same product in different parts of the world. Applying labels and packaging in the destination country transforms semi-finished goods into final, sellable products that comply with local regulations. Digital printing plays a key role here by enabling variable data production and full workflow automation. Interconnectivity between printers worldwide allows businesses to survive and thrive, countering current consolidation trends and fostering cooperation from a local level to a global level. This model allows printers to operate as interconnected nodes within a global network, producing goods locally while maintaining the standards, capabilities,

and consistency of a global brand. In doing so, they build resilience against supply chain shocks and align with customer demands for fast, sustainable, and customized solutions.

Additionally, strategic adaptations include:

- Localized labeling and packaging strategies to legally minimize tariff exposure in U.S., Canadian, EU, and UK markets.
- HS code optimization and leveraging Free Trade Agreements (FTAs) to adapt supply chains in real time to evolving tariffs.
- Implementation of smart factory Industry 5.0 principles enables dynamic re-routing of production steps and localized fulfillment models.
- Traceability enhancements (e.g., GS1 barcode systems and EU Digital Product Passport readiness) to future-proof supply chain compliance and resilience.
- Benchmarking against industry best practices from companies active in both print and packaging sectors.

With these experiences, OneVision offers a practical perspective on how companies across various industries are actively redesigning their supply chains to adapt to tariff shifts while maintaining operational efficiency and regulatory compliance.

Final thoughts

Tariffs are here to stay, at least in the short to medium term. While they present immediate challenges, they also drive companies to reinvent their workflows and explore new business models. Automation, localized production, and smart supply chain restructuring transform tariffs from a threat into an opportunity for efficiency and growth.

Due to market uncertainty and rising costs, the printing industry is reevaluating traditional models of holding large inventories, producing on a mass scale, and forecasting in advance. Companies are increasingly shifting toward **produce-to-order strategies and digital production models**, which enables short-run print production in all sectors. This reduces the need to store finished, ready-to-use products as well as excess raw materials storage, enhancing operational reactivity and agility. By implementing OneVision Software solutions, printers can automate and streamline their workflows to produce only what is needed when and where it is needed. This supports localized manufacturing and minimizes both inventory risks and waste. This crisis presents an opportunity to reimagine print production with greater agility, transparency, and sustainability.

Sources:

- *World Trade Organization (WTO): World Trade Statistical Review 2025 – Analysis of tariff trends and trade policy shifts*
- *International Trade Centre (ITC): Trade Map Data on Printing and Packaging Sectors – Detailed HS code analysis for print-related goods*
- *Financial Times: Global Tariff Battles and Supply Chain Realignment in Manufacturing – July 2025 coverage*
- *The Economist: The Rise of Nearshoring in Global Manufacturing – Impact on logistics and tariff mitigation strategies – July 2025 coverage*
- *Reuters: Trump Tariff Expansion Hits EU, Canada, Brazil – Early August 2025 reporting*
- *McKinsey & Company: Resilience in Global Supply Chains – Strategic approaches for adapting to trade volatility*
- *International Chamber of Commerce (ICC): Incoterms and Tariff Implications for Global Printing Markets*
- *Keypoint Intelligence: How the Tariff Roller Coaster Will Continue to Affect the Print Industry - Being educated helps you prepare for each market rise and fall – April 2025*
- *Printing Impressions: The Effects of Tariffs on the Printing Industry: Results of a PRINTING United Alliance Survey – March 2025*
- *WhatTheyThink: Tariffs Are Impacting the Printing Industry—But Automation Can Help – May 2025*