

# Supply Chain Resilience & Trade Policy Updates



# Maine's leading source for international business assistance

We help Maine companies get the guidance, education, and funding to succeed in global markets and fuel Maine's economic growth.

A public-private partnership, MITC is supported by annual membership dues, corporate sponsors, and the Maine Department of Economic & Community Development (DECD).



# What Trade Means for Maine

Maine companies exported over **\$3 billion** in goods and services to 165 markets last year.

84% of Maine exporters are small- and medium-sized businesses.

International trade supports **1 in 5** (170,300) Maine jobs.

Among international employers, companies from the Netherlands, Canada, and the United Kingdom support the largest number of Maine jobs.

Foreign-owned companies are important customers for local goods and services and employ **37,300** Maine workers.

*Sources: US Census Bureau, "How Maine's Economy Benefits from International Trade & Investment" from Business Roundtable, and "Investing in America" from Global Business Alliance*



# Trade Policy Updates

## January 20, 2025

Memo requested federal agency reports assessing US trade policy due April 1, 2025

## February 1, 2025

Examples of proposed tariffs:

- **Canada – 25%** (Maine's #1 import and #1 export trade partner in 2024)
- **Mexico – 25%** (Maine's #8 import and #7 export trade partner in 2024)
- **China – 10%** (Maine's #2 import and #6 export trade partner in 2024)



# Trade Policy Updates

## Key Considerations:



# Resources for Importers & Exporters

## New Page on MITC Website

- Tariff mitigation strategies
- Recommended resources
- Button to request one-on-one trade assistance



The screenshot shows the MITC website header with the logo and navigation menu. The main content area features a blue-tinted image of a warehouse with the title 'Resources for Exporters and Importers'. Below the image is a paragraph of text about U.S. federal trade policy. To the right of this text is a photograph of two men in a meeting, one pointing at a tablet. Below the photograph is another paragraph of text explaining tariffs.

**mitc** Maine International Trade Center

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## Resources for Exporters and Importers

U.S. federal trade policy influences how Maine businesses are able to import, manufacture, and export goods and services. While tools such as Free Trade Agreements promote trade between countries, tariffs and non-tariff barriers often increase the cost of trade.

A tariff is a tax on imported goods and materials. Tariffs are intended to protect domestic industries by making foreign products more expensive or generate revenue for the federal government.

Typically, extra costs of tariffs get passed along to customers in the form of higher prices. When other countries retaliate with tariffs of their own on U.S. exports, the impact on prices is compounded. For small manufacturers that rely on imported products and materials, these tariffs could mean a significant increase in costs of production, reducing competitiveness domestically and internationally.

# Resources for Importers & Exporters

## New Page on MITC Website

### Common Strategies for Exporters and Importers

#### Diversify Supply Chain

During the pandemic many manufacturers realized they can no longer rely on just one location to source key goods. Diversifying the supply chain allows operations to become resilient to changes and can offer cost benefits as well. Maine companies have access to a national [Supplier Scouting](#) program through the Maine Manufacturing Extension Partnership (MEP). This free service provides domestic supply chain options for companies seeking additional suppliers. Maine MEP Contacts: [Mariah Cunningham-Knaus](#) and [Daniel Pavitt](#)

#### Duty Drawbacks

A duty drawback – or “drawback” as referred to by U.S. Customs and Border Protection (CBP) – is a refund process where certain duties, internal revenue taxes, and fees collected at the time of importation are reimbursed if the goods are exported or destroyed. Importers can file a claim jointly with an exporter to receive benefits. To apply for a drawback claim, you can choose one of the three options: self file, use a licensed customs broker, or use a service provider. All claims must be filed electronically through the Automated Broker Interface (ABI). See [Claim Filing FAQ](#) or contact [CBP for Questions](#).

#### Stockpiling

Stockpiling refers to buying and holding extra inventory as a strategic approach for businesses to buffer the impact of planned tariffs. By purchasing and storing inventory before tariffs take effect, companies may be able to mitigate the immediate impact of the tariffs. This buys time and can provide flexibility to adjust to changing market conditions, offer competitive advantages by keeping prices stable, and mitigate risks associated with supply chain disruptions and price volatility. While it comes with challenges like storage costs, effective management of stockpiling can help businesses navigate the financial and logistical impacts of tariffs. Stockpiling may not be viable for companies struggling with cash flow.

### Additional Strategies for Exporters

#### Duty Deferral: Free Trade Zone (FTZ)

Foreign Trade Zones are economically advantageous for importing and re-exporting goods. Under zone procedures, the usual formal U.S. Customs and Border Protection entry procedures and payments of duties are not required on the foreign merchandise unless and until it enters CBP territory for domestic consumption.

[Learn More](#)

#### Maine FTZs:

[Bangor #58](#) Counties served: Hancock, Penobscot, Piscataquis, Waldo and Washington

[Waterville #186](#) Counties served: Lincoln, Cumberland, Sagadahoc, Androscoggin, Kennebec, Waldo, Knox, York and Somerset (partial)

#### Duty Deferral: Customs Bonded Warehouse

A Customs Bonded Warehouse is a secured area within U.S. customs territory, where imported goods can be stored without duty payment for up to five years. The goods can be repackaged, sorted, or labeled under the supervision of U.S. customs officials. The duty would then be paid prior to releasing the goods, but at the rate in effect at the time of withdrawal.



[Request One-on-One Trade Assistance](#)

### Additional Strategy for Importers

#### Exemption Process

Companies can apply through the Office of the U.S. Trade Representative (USTR) or the U.S. Department of Commerce for an exclusion for a specific tariff. The USTR established an exclusion process for each stage of tariff increases, allowing stakeholders to request exemptions for U.S. imports that would otherwise be subject to tariffs. It is important to note that most of the exclusion applications have been denied by the USTR.

[Learn More](#)



*Public/private partnership to provide business solutions to small to medium sized manufacturers.*

**Vision:** Primary point of contact to help manufacturing clients attain their business goals.

**Mission:** To help every Maine manufacturer be the most successful business it can be.



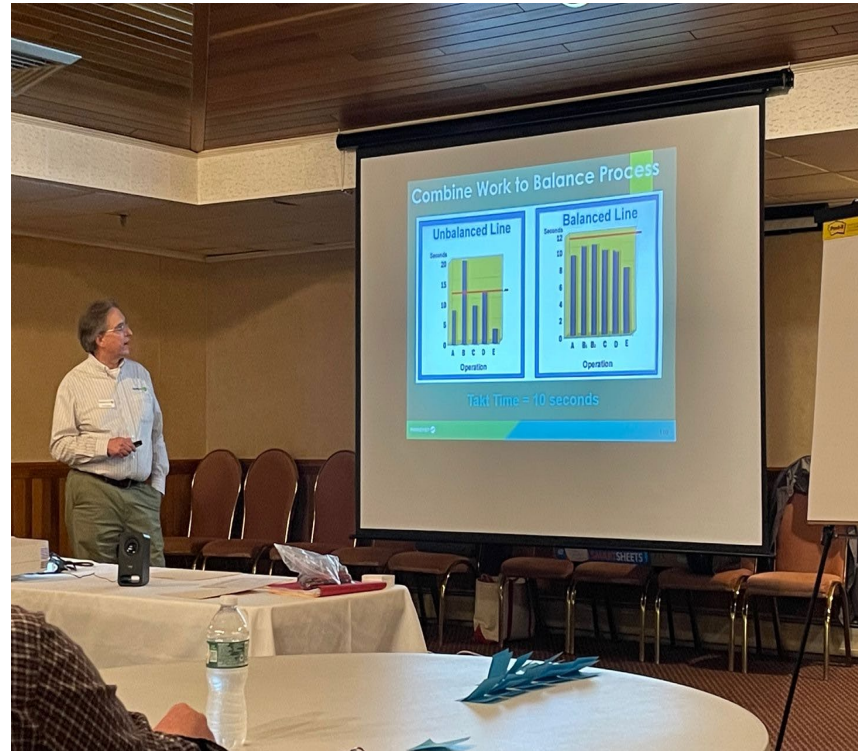
# Examples of Services

## Technical Services

- Quality Management Systems
- Food Safety Systems
- Plant Layout
- Cyber-Security
- Process Review
- Supplier Scouting

## Workforce

- Team Building
- Leadership Training
- Lean Training
- Kaizen Training



## Maine MEP – How We Deliver

- **Initial contact** – introduction, discovery, determine initial fit or redirect
  - **Assessment** – informal walk-through, detailed company analysis
  - **Identify** potential issues, define proposed project and collaborative approach for solving it
  - **Negotiate** with company and sign project/scope of work contract with fee paid to center
  - **Project management/execution** – MEP center staff, partner organization, and/or third party consultants
  - After completion, project follow-up by center to assure **customer satisfaction** & desired **results**
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- Project **impact** data collected by contractor for NIST approximately 6 to 12 months after project completion – follow on project potential

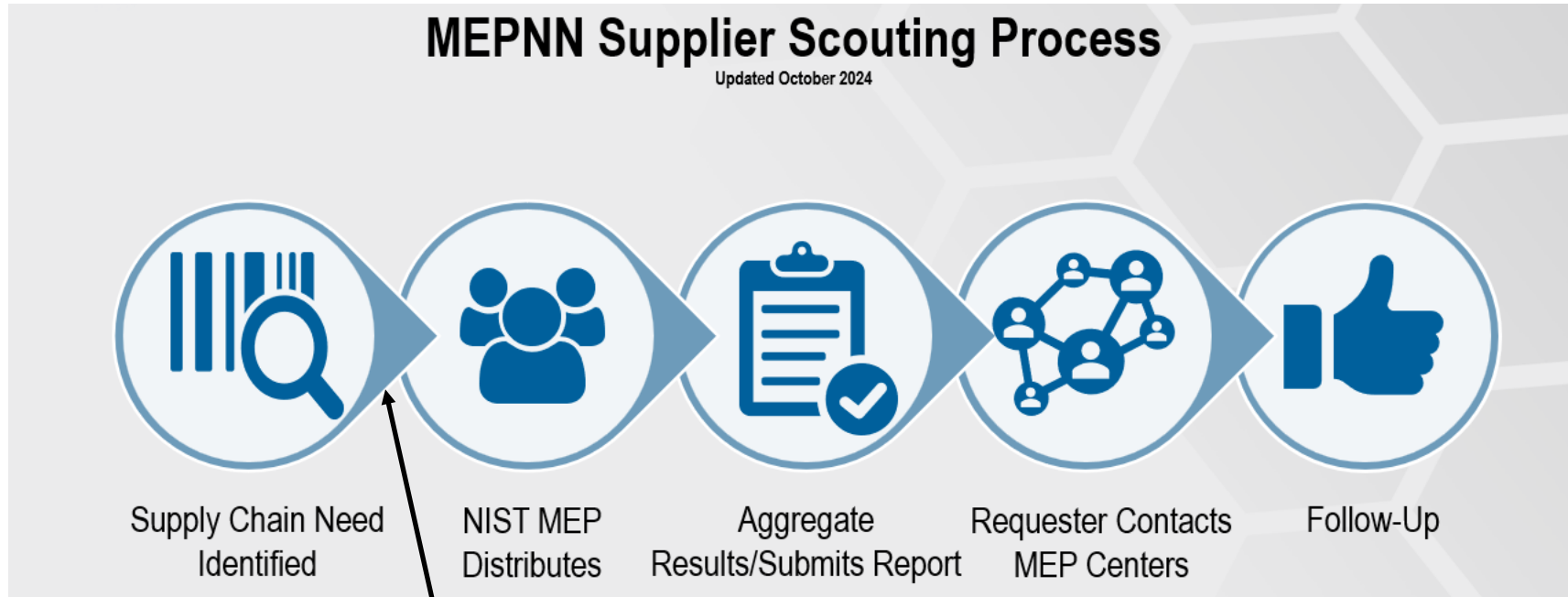
# Supplier Scouting

## Supplier Scouting can help you source domestic suppliers or find new business opportunities

- Opportunity 2025-023 Lumber closes February 15, 2025.
- Opportunity 2025-022 Cut and Sew Services closes February 15, 2025.
- Opportunity 2025-021 Whole Body Plethysmography Equipment for Mice closes February 14, 2025.
- Opportunity 2025-020 Enclosed Controllers closes January 30, 2025.
- Opportunity 2025-019 Liquid Adhesive closes March 16, 2025.
- Opportunity 2025-018 Precision Film Imprinter closes March 16, 2025.
- Opportunity 2025-017 Precision Imprinting Mold Supplier closes March 16, 2025.
- Opportunity 2025-016 Tri-layer Heavy Gauge Co-Extrusion Machine Time closes February 14, 2025.
- Opportunity 2025-015 Chromatography-Mass Spec Benchtops (IonBench) closes February 07, 2025.
- Opportunity 2025-014 Large Power Transformer closes February 07, 2025.
- Opportunity 2025-013 Reusable Totes closes February 07, 2025.

This page updates weekly with new opportunities: <https://www.nist.gov/mep/mep-national-network-open-supplier-scouting-opportunities>

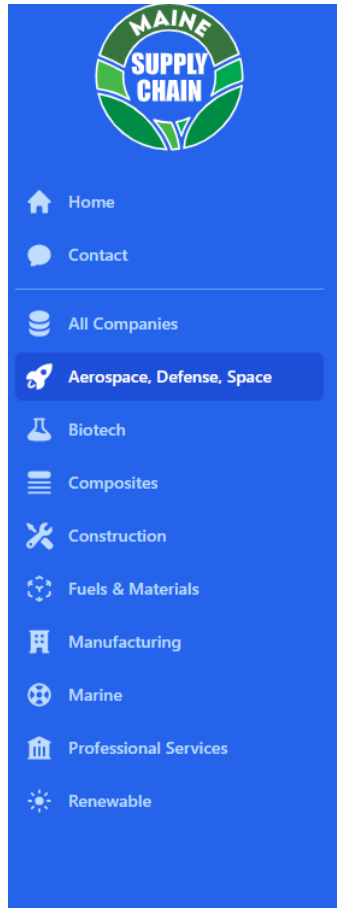
# Supplier Scouting



<https://meis.nist.gov/SupplierScouting/Submit>



# Maine Supply Chain Database



## Aerospace, Defense, Space

### AJ Nonwovens

AJ Nonwovens has been developing and producing premium quality needlepunch textiles since 1952. V in record time and with incredible innovation.

### Albany International

Albany International is a leading developer and manufacturer of engineered components, using advanc

### Albany Safran Composites

Albany Safran Composites (ASC) operations is a joint venture between Albany Engineered Composites :

### Albion Manufacturing

Albion Manufacturing Co. is a full service machine shop working with many service companies such as I whether it is long or short term, from 1 item prototypes to production work. Some of the materials we :



### Align Precision

Align Precision manufactures a large variety of parts for a number of different industries, including aero

<https://mainesupplychain.com/>

# How Can We Help You?



## **Maine International Trade Center**

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## **Maine Manufacturing Extension Partnership**

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