

Fortune 100 Retailer Avoids Price Hikes **With Rapid Tariff Impact Intelligence for Supplier Negotiations**





A Fortune 100 retailer with a significant China-based supply base has partnered with GEP to tackle the flood of price increase requests from its suppliers due to tariffs. To validate these requests, GEP is helping the company build a centralized repository and dashboard for tracking and analyzing requests with near-real-time visibility into tariff impacts. The retailer's sourcing teams are now equipped with accurate, SKU-level insight, allowing them to respond faster, push back with confidence, and avoid unjustified cost increases.

OBJECTIVES

- Validate over 1,800 supplier price increase requests attributed to tariffs
- Build a centralized, SKU-level tariff cost repository and analytics dashboard
- Improve the speed and accuracy of sourcing decisions
- Prevent unsupported cost pass-throughs from suppliers
- Establish a scalable and repeatable tariff management capability

APPROACH

- Collected, cleaned, and standardized supplier SKU + HTS extracts weekly for tool use
- Mapped HTS codes to U.S. and global duty schedules; flag and fix issues
- Linked codes to origin and duties by supplier and product type
- Recalculated tariff cost and updated models to get new unit prices
- Compared original vs. requested prices, computed price increases and tariff impact
- Automated workflows to process price requests accurately



RESULTS

- Accurately processed over 2,000 supplier cost increase requests
- Reduced validation cycle time by 50% to accelerate sourcing response
- Enabled fact-based negotiations through validated tariff-impact ranges
- Avoided significant cost increases by rejecting inflated supplier claims
- Institutionalized a flexible, data-driven tariff management solution

Turning a Flood of Requests Into Negotiation Power

When a top retailer in the U.S. started receiving more than 200 price increase requests per week from international suppliers, it signaled more than a temporary problem. It meant a sustained pressure on margins triggered by increased tariffs.

Given its China-heavy supply base and over 1,800 requests affecting 1,200+ SKUs, the company's procurement team needed a better way to separate legitimate price increases from inflated ones.

However, there was no centralized method to validate if the price hikes were warranted. The sourcing team lacked visibility into tariff breakdowns, and without hard data they were unable to respond to suppliers with confidence.

To regain control, the company partnered with GEP to build a structured and scalable solution.



Developing a Centralized, Real-Time Validation Engine

GEP launched a weekly process to clean, validate, and process the growing volume of supplier data. Hundreds of SKU-level and harmonized tariff schedule (HTS) code extracts were collected and standardized, and then fed into a centralized engine.

This tool maps every item to its country of origin, validates its HTS classification, and links it to the most current duty schedules — including general tariffs, Section 232, IEEPA, reciprocal rates, and applicable exclusions. Discrepancies are flagged through automated QA workflows.

A master rate table was created to calculate the updated tariff component for each SKU. It replaced outdated tariffs in the cost model to estimate new unit costs for negotiations and compare original vs. proposed prices. The tool also flags unsupported claims, calculates maximum allowable uplifts, and delivers clean, per-SKU outputs for sourcing teams.

Gaining Confidence in Negotiations and Capability To Scale

The rollout of the tool is already transforming how the company handles tariff-driven cost increases. The validation cycle time has dropped by 50%, and sourcing teams are responding faster with fact-based negotiations. The ability to challenge unjustified price increases, backed by data, prevents margin leakage and strengthens supplier discussions.

This rapid intervention has helped the retailer avoid significant cost increases and gain tighter control over tariff-related spend.

Importantly, GEP's solution is built to last. The system is adaptable to future tariff changes, and multiple dashboards now give stakeholders visibility into tariff exposure, spend impact, and supplier compliance in real time.

The client has moved from a reactive, manual process to a streamlined, real-time operation. It is now well on the way to institutionalizing a smarter, more agile way to manage tariffs.



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100 Walnut Avenue, Clark, NJ 07066 | P 732.382.6565 | info@gep.com | www.gep.com

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