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Saturday, February 1, 2025

President Trump has signed executive orders officially imposing tariffs on goods from Mexico, Canada, and China, beginning shortly after midnight this Tuesday.

The details:

- All goods from Mexico and Canada will be subject to a 25% tariff except for Canadian energy and oil exports, which will face a 10% tariff.
- All Chinese goods will be subject to a 10% tariff.
- The White House has stated that, unlike in the President's first term, American companies that import goods cannot seek exemptions to the tariffs.
- President Trump said that the tariffs are being imposed to stem the flow of migrants and fentanyl coming into the United States.

How does this impact our industry? There are at least two potential impacts we will be watching closely:

- The cost of food and restaurant equipment (plus energy and components that factor into the cost of restaurant items) could increase as importers pass their increased costs down the supply chain. Our partners at the National Restaurant Association created this [brief](#) back in November to highlight some of the common restaurant imports that come from Mexico, Canada, and China.
- Consumers may tighten their spending at restaurants as they feel the impacts of higher costs. [Economists are estimating the tariffs could cost the average American household over \\$800 per year.](#)

What's next? President Trump is relying on a national security exception to apply these tariffs, and it's possible he will be challenged in court. We will of course keep you posted if this happens, or if there are any other developments in this quickly evolving situation. Some of the targeted countries are already promising retaliatory tariffs of their own.

What can you do?

- While not a silver bullet, the best thing you can do right now is over communicate with your suppliers and consider alternatives for any imports that may be impacted.
- We also continue to emphasize the importance of providing a valuable experience to your guests who have many food choices and, in many instances, are feeling cash strapped.
- Also, we have a webinar scheduled on February 6 with two policy experts from National to talk about tariffs and other major policy changes we can expect from the Trump