Managing the Changing Tides of Global Tariffs

Extending NetSuite's Power through Excel

Tariffs have become a charged political talking point, functioning as a central piece to the U.S. trade policy in recent years. The reality beyond politics, however, is that tariffs have a direct impact on many industries, especially manufacturing. Which means they're not just in the headlines: Tariffs are on the balance sheets again, too.

Rising costs, supply chain disruptions, and uncertain trade policies all fuel the need for businesses to make some important decisions about their future. Neglecting these developments can mean risking a competitive edge as others turn challenges into opportunities.

Across industries, businesses are working to find alternative supply sources for various materials such as aluminum, steel, semiconductors, and electric vehicles, and they're looking both internationally and domestically in order to best balance the cost increases driven by tariffs. Using more local suppliers, for example, can help mitigate any impact from international trade policies, while different partnerships abroad could avoid tariffs altogether, or at least work within more favorable trade agreements.

Remember too that while the US tariffs only target imports, likely retaliation by other countries affected by US tariffs will then append tariffs to US exports as well.

It's a new environment of uncertainty, which means that businesses that are or anticipate being affected by the tariffs will need to make some rapid changes in order to maintain stability.

This is where ERP software like NetSuite comes in clutch to help organizations navigate the shifting sands. NetSuite will give visibility into real-time costs so organizations can make the data-driven decisions necessary to protect margins and stay competitive.

Managing Tariffs in NetSuite

If you're running your business on NetSuite, you already have a strong foundation. Still, there are steps you can take to ensure the tariffs are accurately reflected in NetSuite so you have an accurate assessment of inventory costs.

1. **Costing Method:** If you are using standard costing, you might need to adjust this to include tariff costs where appropriate. With average costing, your tariff costs will be spread across the inventory and reflected instead in the average cost of items.
2. **Make Tariff Costs an Expense Type:** Set up a new expense account in the Chart of Accounts that is designated for tariff costs. Define the tariff expense category and make sure it's associated with the appropriate expense account in the general ledger.
3. **Update Item Costs:** Reflect the impact of the tariff in inventory costs by either adjusting the item costs or adding a separate tariff cost as part of the overall cost. Running a Cost Rollup will help calculate the impact of tariffs on the final product. Any cost increase from tariffs should also be added into the cost of goods sold to ensure an accurate cost analysis and inventory valuation.
4. **Landed Cost Management (LCM):** LCM will let you capture all associated costs like tariffs and assign those costs to inventory. You can create new landed cost types for each tariff and associate them with suppliers, POs, and shipments.
5. **Configure Tariff Costing Rules:** If you're using LCM, configure costing rules to allocate tariff costs to the inventory. This way, the tariff can be applied either directly to the item cost or as an additional landed cost on top of the base cost. You'll also want to make sure it matches the tariff set up, whether a percentage or a fixed amount.
6. **Supplier and PO Configuration:** POs should reflect tariff costs and be associated with the right inventory items or suppliers. This way, your cost will flow accurately into the inventory valuation.
7. **Tax and Reporting:** Tariffs get specific tax treatments, which means you'll also want to check your tax configuration to see that it's set to handle the impact of the tariff cost. Set the system to track and report all tariff-related costs for your financial analysis and regulatory reporting.
8. **Validate and Reconcile Costs:** Once you confirm that the total cost of the items (with tariffs) is accurately reflected in your inventory valuation, you can run reconciliation reports to make sure the tariff costs are included in inventory balances and that the overall cost of goods sold is correct.
9. **Review and Update Pricelists:** A change in cost of goods sold means the customer pricing will also change to maintain profit margins. Make sure all your customer pricelists have been updated to show the correct pricing.
10. **Monitor Changes:** As we've already seen, the tariffs can change on a nearly daily basis, pending discussion and policy. Regularly review changes in tariff rates and update them in your system to make sure changes flow over to item costs and purchase orders.

Keep in mind that these are high-level recommendations to help ensure that tariffs are being accurately reflected in your NetSuite ERP and give a complete picture of inventory costs. Different businesses and industries will likely require a more tailored approach.

Tariffs Are Fluid—Planning Tools Should Be, Too

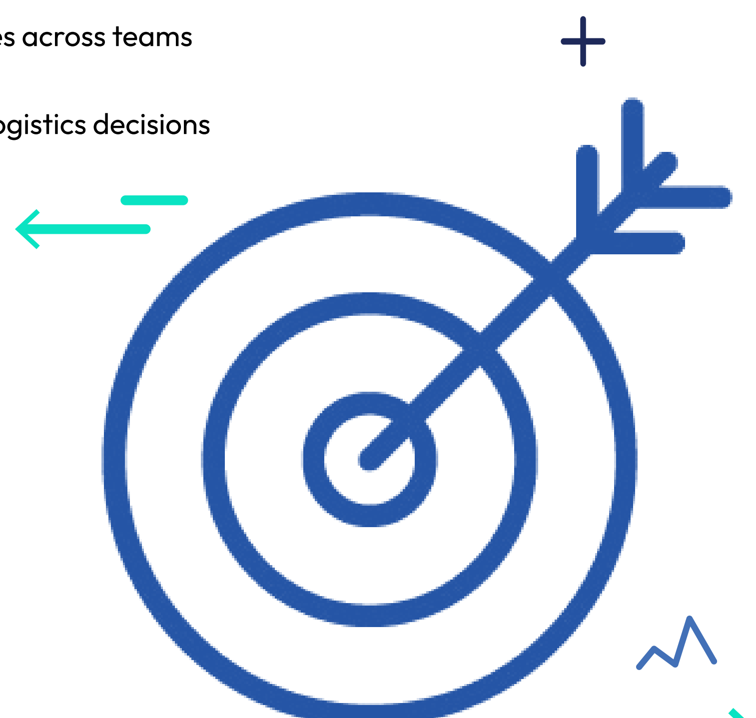
Recently, tariff changes have come both rapidly and somewhat unpredictably. As this continuous fluctuation happens, you need even more than a static report or a scheduled saved search. You need flexible, up-to-the-minute analysis tools and technology-driven strategies that let you pivot quickly when navigating disruptions. That's where integration between Excel and NetSuite comes in.

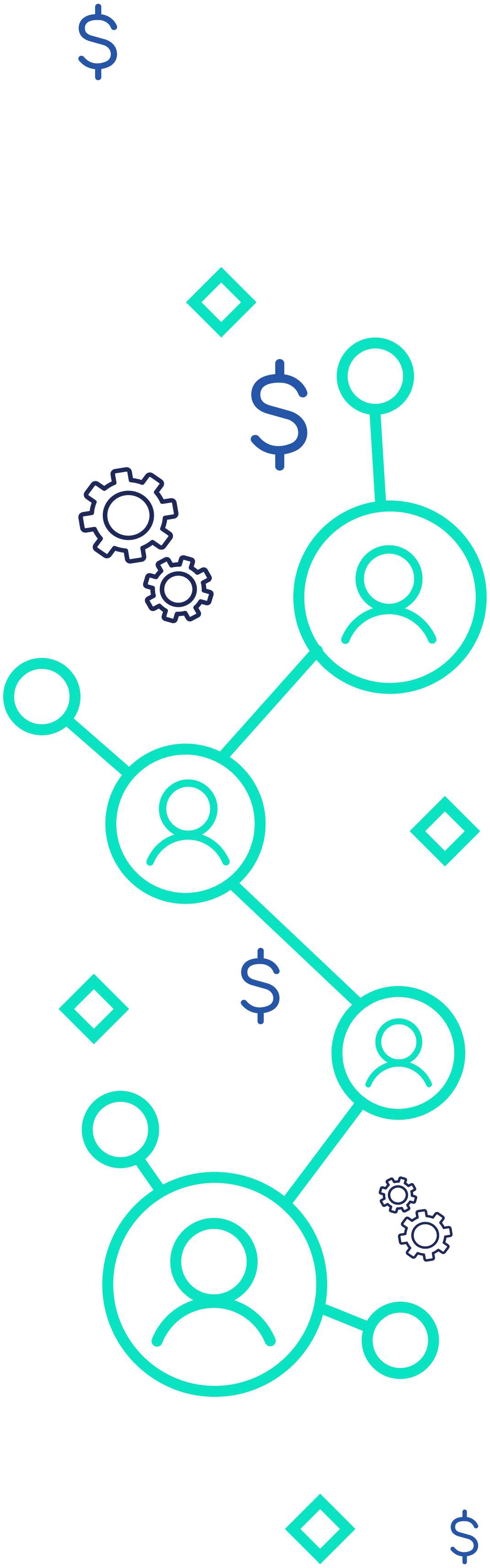
Whether you're calculating landed costs for imported goods or trying to model the financial impact of shifting suppliers, tariffs create a moving target. And reacting slowly can lead to missed opportunities—or worse, margin erosion. Because when it comes to navigating tariffs, it's not just about cutting costs. It's about the long-term strategy: thinking ahead, diversifying supply chains, and of course, investing in technology that makes you more efficient.

While NetSuite's native ERP reporting capabilities are powerful, they're not built for ad hoc analysis at scale. If you're exporting CSVs, cleaning data, and manually updating Excel models every time a new headline drops, you're wasting valuable time and introducing risk.

Integration apps like ExtendInsights by CloudExtend will empower you to bring live NetSuite data directly into Excel—no exports, no rework. That means your team can:

- **Model tariff scenarios instantly:** Pull product, vendor, and landed cost data into Excel and run what-if analyses in minutes.
- **Track and flag vulnerable SKUs:** Filter and highlight items that are most affected by new duties or supplier changes.
- **Collaborate in real time:** Share updated Excel files across teams without losing sync with the source system.
- **React faster:** Inform procurement, pricing, and logistics decisions without waiting for IT or custom reports.





How to Respond to Changing Tariffs Using Excel Integration

Fluctuations in tariffs, supply chain disruptions, and rising operations expenses all demand real-time decision-making. Any organization relying on fragmented systems is on a back foot and will face more risk. Integrating systems such as your ERP and Excel for better reporting will position you to better adapt, control costs, and drive sustainable growth. In fact, integrating core business data into a single platform will provide visibility and a foundation for running risk assessments and identifying potential supply chain bottlenecks. All together, this could help reduce disruption-related costs by as much as 30%.

Here's how it can work. Let's say a new 15% tariff is announced on imported components from a specific region. A procurement manager using Excel and NetSuite integration through ExtendInsights could take the following steps:

1. Open an Excel workbook connected to NetSuite to pull the latest item records, including vendor details, product categories, landed cost, and volume of purchases.
2. Apply filters and calculations to isolate SKUs sourced from the affected region and calculate the projected impact on unit cost.
3. Run a what-if analysis by adding the new tariff percentage to see how gross margins would be affected across product lines.
4. Highlight critical products where profitability drops below target thresholds.
5. Collaborate with finance and supply chain leads by sharing the live workbook, enabling a data-driven discussion about supplier diversification, price adjustments, or volume renegotiations.

All of this can happen in a matter of hours, not days, because the data is live, the analysis is flexible, and the results are easy to share. The organization has instant visibility and can thus manage risk and maintain its competitive edge in a shifting economic landscape.

Stay Ahead of Tariff Turbulence

If your organization has maintained reasonable digital transformation and investment over the past several years, it's likely that you have one or more technology assets—such as NetSuite ERP integrated with Excel via ExtendInsights—that can make responding to tariffs far easier and more accurate than doing so manually. Your tech stack can mean the difference between knowing where you can absorb costs and where you need to pass them on to customers—and how to do so in a way that best protects the business' bottom line and maintains customer loyalty.

Tariffs have already changed multiple times this year and will continue to do so. Your ability to respond shouldn't depend on manual exports or hours of report-building, time you don't have when tariffs seem to change on a nearly daily basis. With ExtendInsights Excel integration, you give your finance and operations teams the power to move, change, and adapt as fast as the market does.

Try ExtendInsights with no obligation for two weeks.

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