United States – China Trade Dispute

The United States and China have been involved in a trade dispute since January 22, 2018. This has resulted in significant incremental tariffs, in addition to normal Duty rates, on certain goods originating in China. This trade dispute has continued and is increasing in the scope of goods covered.

Impact:

- Many suppliers are passing along these tariff costs to their customers, and may appear as additional line items on their quotes and invoices.

- Goods purchased by the Princeton community, from a US or foreign supplier, that originate in China can cost as high as 25% more.

Mitigation Steps:

- **Plan Ahead** - By identifying alternative suppliers you can avoid disruption to your teaching and research activities. If you need assistance with identifying alternative suppliers, please contact Procurement Services.

- **Consult a Customs Broker** - If you are considering making a purchase from a supplier in China, contact American River (Princeton’s Customs Broker). They can assist you with determining whether the purchase could be subject to tariffs and what the tariff amount might be.

- **Ask The Supplier** - If you are buying goods from a US supplier that are not produced domestically, you should ask the supplier to confirm the country of origin. If they say China, advise them that you will not accept additional tariff fees on your quote. If you need assistance with this conversation, please contact Procurement Services.

- **Be Aware of Order Acknowledgement** – If a supplier’s order acknowledgement includes a revised quote that includes tariffs, you must reject this in writing. If you do not respond and accept the supplier’s goods, you will be legally obligated to pay according to the terms of the revised quote. For assistance with this conversation, please contact Procurement Services.

- **Compete The Business** – Requiring suppliers to compete for your business through a sourcing event will give you greater confidence that you are receiving the best value for the goods purchased. It will also allow us to include contract language which prohibits the addition of tariff line items to these goods. Contact Procurement Services to start a conversation about competing your business.

Resources:

- **American River**
  - Import: arbnj@americanrivergroup.com
  - (732)947-5488
  - Export: nyairexport@americanrivergroup.com, nyoceanexport@americanrivergroup.com
  - (631) 396-6800

- **Procurement Services**
  - Purchase@princeton.edu