



Sourcing Your Tools Since 1994

March 11, 2025

Dear Valued Customer,

On February 11, 2025, it was announced by the President that Section 232 Tariffs would be modified to end all country exemptions and expanded to include additional tariffs on additional product types. The expanded tariffs and the end to previous exemptions will take effect on March 12, 2025.

Expansion of 232 Tariff Increases (Steel Derivatives and Aluminum Products)

It has been modified to end all countries' exemptions and to be expanded to include a 25% tariff on additional product types as well as increasing aluminum tariffs from 10% to 25%.

In addition, Chinese made products have an additional 20% tariff which includes (2) announcements by the USA government over the past couple of months, with 10% going into effect Feb 4, 2025, and another 10% on Mar 4, 2025.

How this affects TSW Pricing

As you know, TSW has (3) very large strategically located warehouses and source our products from hundreds of vendors with products manufactured all over the world. While we will aggressively continue to negotiate with these vendors on your behalf, we will not be able to eliminate the impact of these new government mandated tariffs on incoming products. As new products arrive at the higher tariffed pricing, we will be forced to raise our pricing accordingly.

Some products will receive price increases faster than others as replenishment inventory arrives. Products that have been purchased in direct containers will receive the new tariffs when they land at USA customs starting March 12, 2025. We will have new pricing on direct containers out shortly, once we have finalized our negotiations with vendors and manufacturers.

Potential Full Tariff Impact

- 20%-45% tariffs on products imported from China (232 tariffs + 20% China Specific)
- 25% tariffs on products imported from Canada and Mexico
- 25% Section 232 Tariffs on steel derivatives and aluminum products imported inclusive of all countries scheduled to go into effect March 12, 2025

Effective immediately, TSW will begin raising our pricing as the tariff affected inventory arrives. For Out of Warehouse Fasteners (USG Sheetrock and DuraFast) all pricing will change to Post Tariff on April 7, 2025.

We will monitor Out of Warehouse purchases on current products affected by the new tariffs and these products may be allocated using historical volume of purchase data.

Your TSW sales representative will work closely with you, and we will do our very best to keep you informed during this very fluid and evolving environment.

Thank you for your continued business and partnership with TSW!

Sincerely,

Harvey Barker

Director of Sales and Marketing

TSW