

## THE NEW REALITY FOR US MANUFACTURERS

# The Challenge: Tariffs and Rising Costs

US manufacturers face unprecedented challenges in 2025. Tariffs have driven up costs dramatically, disrupted supply chains, and squeezed profit margins. A recent industry survey reveals that over 80% of manufacturers anticipate direct negative impacts on their business due to these tariffs.



## **Immediate Industry Impact:**

- Higher raw material and operational costs.
- Increased pressure to hire domestically, inflating labor costs.
- Potential loss in gross revenue and shrinking margins.
- Significant disruptions to global and local supply chains, causing unpredictability and delays.
- Increased complexity and costs in managing inventories and logistics.

# Offset Tariff Costs with Frontline Efficiency

Tariffs are forcing manufacturers to rethink their approach to profitability. In the face of shrinking margins and higher operational costs, maintaining profitability becomes increasingly challenging.

The key to offsetting these pressures lies in enhancing efficiency, which directly improves profitability by reducing costs. Enhancing frontline efficiency through technology has the same impact on your bottom line as increasing your output revenue, without needing additional capital investment.



**EFFICIENCY** 



COSTS

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#### YOUR SOLUTION TO SURVIVE AND THRIVE

## How Agentic Al is the Bridge in a Tariff Economy

To stay profitable despite rising tariffs, manufacturers must quickly boost efficiency. Datch's Agentic AI, like the Diagnostic Agent, delivers immediate, actionable insights that cut downtime and maintenance costs. This directly offsets the financial impact of tariffs.

#### **Precise Troubleshooting:**

Provides actionable insights in real-time that would typically take an SME hours to distill from disparate data sources, allowing technicians of all experience levels to get more first-time-right fixes.

#### **Knowledge Transfer and** Workforce Upskilling

Knowledge Transfer and Workforce Upskilling: Reveals and disseminates expert knowledge efficiently, enabling faster onboarding and higher productivity from new employees.

#### Reduction in **Maintenance Costs:**

Reduction in Maintenance Costs: Lowers the mean time to repair (MTTR) for failures by an average of 10% and reduces waste across parts, materials and labor, translating to substantial savings quarter after quarter.

## US Manufacturers Tariff Survival Guide

To navigate this challenging tariff environment, manufacturers need a clear, actionable strategy:



#### Assess and Understand the Impact:

Quantify how tariffs specifically affect your costs, revenues, and operational capabilities.



#### Invest in Efficiency-**Boosting Technologies:**

Leverage agentic AI to streamline operations, enhance workforce productivity, and significantly reduce costs.



#### Monitor and Adapt:

Continuously monitor your operational efficiency using real-time data and insights provided by AI solutions.



### Case Study:

A leading manufacturer implemented Datch's Diagnostic Agent and reduced MTTR by 10%, resulting in over \$2 million annual savings through improved efficiency and reduced downtime.

Read the Case Study



Watch our short demo to see Datch's Diagnostic Agent in action and learn firsthand how it can protect your margins and enhance your productivity.



