



Subject: Important Update: New Tariff Impacts on Spice Pricing

Dear Valued Customer,

As part of our continued commitment to transparency, we want to inform you of important tariff developments affecting imported spices—and how they may impact your pricing going forward.

What's Changing:

Global Tariff Increases:

Since April 2025, a 10% base tariff has applied to most imported spices from non-U.S. origins (excluding Mexico and Canada). However, as bilateral trade agreements with various countries have been renegotiated by the current administration, tariff rates have increased significantly over the past several months. With many new rates now finalized and effective, we are seeing tariff levels as high as 50%, depending on the country of origin.

- **Tariffs now range from 15% to 50%**, depending on country of origin.
- **India**, one of the largest spice suppliers globally, is now subject to the **highest rate of 50%** (as of October 5).
- Tariff increases have also affected spices from **China, Vietnam, Turkey, Indonesia**, and other key origins.

We've already begun **paying these new tariffs** on our imports.

Why This Matters:

Many spice products are sourced from **single-origin regions**, meaning there's **limited flexibility** in shifting supply chains to avoid tariff impact. Where possible, we've **diversified sourcing** and **averaged costs** across inventory, but for single-origin products, especially those from India and Turkey, **price adjustments are now unavoidable**.

Our Approach:

Rather than preemptively raise prices in anticipation of tariff changes, we waited until increases were fully in effect and confirmed. This delay allowed us to protect you from



volatility as long as possible. However, with rates now at historic highs, we must adjust pricing to reflect the **actual costs now incurred**.

✔ **What You Can Expect:**

- **Revised pricing** will go into effect shortly. Your account manager will provide a detailed breakdown for affected items.
- We will continue to monitor ongoing tariff negotiations and will adjust pricing again **only as necessary**.
- We remain committed to working with you to navigate this evolving landscape.

If you have any questions or would like to review how these changes may impact your product planning or cost forecasts, please don't hesitate to reach out to your account manager.

Thank you for your continued trust and partnership.

