



### **A look back at the last few weeks**

On Sept 29, 2025, President Donald Trump posted on his social platform (Truth Social) that he will impose “substantial tariffs” on countries that do not manufacture furniture in the U.S., specifically mentioning North Carolina’s lost furniture industry – Reuters. The post is linked to the August 22, 2025, President Donald Trump update he sent out on his social platform (Truth Social) that the U.S. would launch a “major Tariff Investigation on Furniture coming into the United States,” to be completed within 50 days (mid-October) under the national security framework of Section 232. Last week The White House released a Fact Sheet and proclamation invoking Section 232 for timber, lumber, and derivative products, claiming that the current levels and circumstances of imports impair national security. [The White House](#). The White House will soon provide framework that will address the following:

- Revive domestic furniture manufacturing, especially in North Carolina.
- Frame tariffs as a national security measure, which legally supports Section 232 actions.
- Signal broad coverage: “any country that does not make its furniture in the United States” suggests global scope, not just China/Vietnam.



### **What you need to know now**

- In addition, a 10 % tariff on timber and lumber imports (and derivative untreated wood products) set to take effect October 14, 2025 – Reuters.
- For furniture, wood cabinets, bathroom vanities, and upholstered furniture, steeper tariffs were announced (or threatened) for example, 25 % on these imports initially, with the possibility of further increases (e.g., 50 % for cabinets, 30 % for upholstered furniture) as of January 1, 2026.
- The legal mechanics under Section 232 allow the President to “adjust imports” in quantities or circumstances that threaten national security, including by imposing tariffs, quotas, or negotiating agreements. [The White House+1](#)
- Freight volumes across majority of commodities reporting downturn for Q3 and 2025 – Reuters.
- “Wait and see” is the new norm. Importers are limiting inbound volumes to the bare minimum required to sustain operations while they wait for greater policy clarity.

## SECTION 232 TARIFFS ON FURNITURE WHAT TO KNOW NOW

### NEW TARIFFS UNDER SECTION 232

**25%** Upholstered  
wooden furniture

**10%** Softwood timber  
lumber

**25%** Kitchen cabinets  
& vanities

**10%** Softwood timber  
lumber



Beyond MFN & Other  
Country-Specific Caps

### IMPACTS BY STAKEHOLDER



#### Retailers

Plan for price incs,  
Adjust holiday/Q1  
assortments

- Expedite clearances 10/14
- Update HTS/COO codes
- Shift to non-wood alternatives



#### Consumers

Expect higher  
prices on wood-  
frame furniture

- Non-wood  
promotions

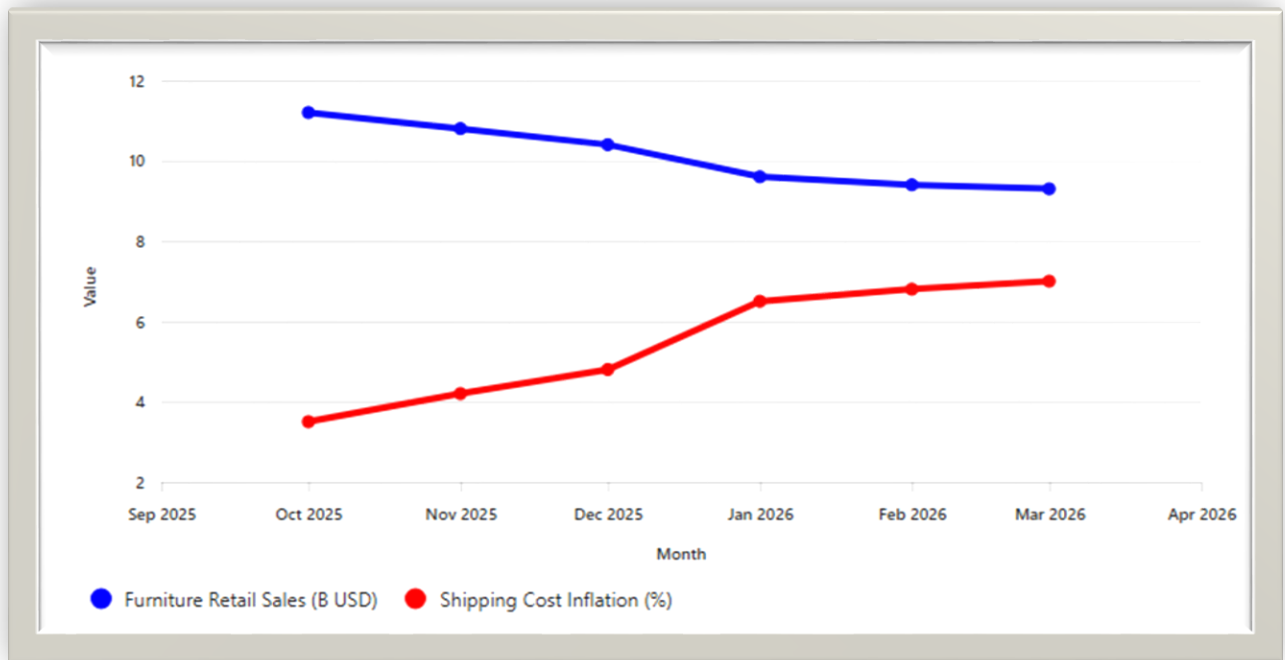


#### International Shipping Container Community

- Anticipate pre-10/14 surge
- Emphasis on proper  
customs coding
- Manage container dwell  
times

### Forecasting what's ahead & recommended action

- Retail Sales continue to decline: Furniture retail sales are projected to fall from **\$11.2B in October 2025 to \$9.3B by March 2026**, driven by escalating tariffs (25% in October, up to 50% in January). - Reuters
- Inflationary Pressures: Shipping cost inflation is expected to rise from **3.5% in October to 7% by March**, reflecting rerouting costs and capacity constraints. This will increase landed costs and reduce promotional flexibility during the holiday season.
- Consumer Behavior: Expect fewer discounts and higher prices for home furnishings during Q4 holiday shopping, reducing discretionary spending and slowing retail growth.
- Lock in pre-tariff inventory before January escalation.
- Explore nearshoring options (Mexico, Latin America) to mitigate tariff exposure.
- Reassess allocations and space commitments with flexibility in mind for when the tide turns.



### **The Tradewinds: Highlights of Gulfstream and Bluewater**

This week we dive a bit deeper into the Gnosis system.

**DID YOU KNOW** – You can customize your grid view by reordering columns, hiding, or showing specific columns, and pinning key columns for easier access. These changes are user-specific and will not impact how other users see the data. For additional details, click the action buttons within each row to explore more granular data. Watch the tutorial [here!](#)

If you are not currently set up to receive a weekly report and/or not able to see your shipments in real time, please reach out to Gulfstream Operations team ([jonathan@shipgulfstream.com](mailto:jonathan@shipgulfstream.com) [mike@shipgulfstream.com](mailto:mike@shipgulfstream.com)) or use the links below to get started!

Gnosis Intro Video: <https://www.joc.com/video/bringing-a-holistic-approach-to-technology-5659206>

Access the portal here: <https://app.gnosisfreight.com>

Brief Demo - <https://guides.gnosisfreight.com/demo/cm6fi0v1o0005xo0hjk2rhvuc>