



Export Growth In a Tariff-Driven World

Managing Risk Without Losing Momentum

Wisconsin Agricultural Export Council Meeting
January 21, 2026

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Why Bother to Export?

- 85% of the World's Purchasing Power is outside the United States
- 80% of Global Economic Growth is outside the United States
- **95% of the World's Consumers live outside the United States**
- 197+ Countries on Globe – What are your top 10?



Short Term: What Can You Do?

- **Absorb the Cost** (short term)
 - Retain customers and market share
 - But hits your margins, and unsustainable long term
- **Share the Cost**
 - Negotiate 50-50 split with your buyers, but you may need to disclose your margins
- **Raise your Prices**
 - Add Value. Consider product bundling; to justify.
- **Shift to FOB or EXW**; transferring tariff risk to buyer.
- **Proactively communicate to your customers**
 - Clearly, factually, as early as possible. Present as a “shared challenge”.
 - Offer added value, trade financing, extended terms.



What If It's the New Normal?

- **Diversify Markets** – reduce dependency on high tariff markets
 - Know your top 10 best markets, be agile, adaptive, and pivot.
- **Produce In Market**
 - Contract assembly or manufacturing in the target market
 - Joint Ventures, License the brand
- **Bring unique value and differentiators**
 - Focus on products that justify higher landed costs
 - Being the lowest-cost producer won't survive. Local competition
 - Strong brands can better pass on the increased costs
 - Premium, differentiated products more resilient
- **Proactively communicate to your customers**



Today: Tariffs and Exports



- **Growth needs & unused capacity point to cautious export expansion**
 - Balance policy instability with strategic export targets
 - Export growth tightly ROI-justified by sector/target market
- **Early 2025 momentum, by Oct; up 6.3% YTD vs 2024. Ag showed resilience despite headwinds.**
- **Invest in sales/marketing vs Capex**
- **Double down on partner relationships**



Today - What are CEO's Doing?

Risk Mitigation Strategies

Market Diversification

“Know your top 10 markets; Shift to regions less affected by tariffs.”

Customer Partnerships / Relationships

“Work with distributors to share tariff burdens where possible”

Supply Chain Flexibility

“Continuously evaluate sourcing and assembly options to minimize risk”

Multiple Scenario Exposure Planning

“Build pricing models, landed costs, that factor in potential tariff swings”

“Pre-decisions matter – have weekly radar review

“Don't be reactive/accidental, learn best practices”



Potential Retaliations

Country	Risk Level	Potential Retaliation Focus	Potential US Products Targeted
China	High	Agriculture, Energy, Autos	Soybeans, Natural Gas, Machinery
European Union	High	Industrial & Consumer	Steel, Aluminum, Consumer durables
Canada	Med-High	Industrial & Consumer	Autos & parts, Steel/Aluminum, Bourbon, Food, Appliances, Apparel
Mexico	Med	Ag & Industrial	Pork, Cheese, Apples, Steel items
Brazil	Med	Energy, Ag	Ethanol, Metals
UK	Med-Low	Industrial	Steel, Aluminum
Japan	Low	Expect Negotiation	Minimal
South Korea	Low-Med	Industrial	Steel, Electronics
Taiwan	Low	Regulatory	Food-Sanitary/Phytosanitary rules/Market Access

US Dept Commerce searchable database:
<https://www.trade.gov/data-visualization/foreign-retaliations-database>

Country / Region	Status of Retaliatory Tariffs on US Exports	Key Details
European Union (EU)	Partially active / reduced tariffs	Select retaliatory tariffs on U.S. agricultural products (e.g., soybeans, poultry, rice, juices) are being implemented in phases; scope and timing remain subject to negotiation and escalation triggers.
United Kingdom (UK)	Suspended / paused	All UK retaliatory tariffs affecting U.S. agricultural products are currently suspended under bilateral arrangements.
China	Partially active / reduced tariffs	Broad retaliatory tariffs on major U.S. agricultural exports (e.g., soybeans, pork, corn, cotton) remain in place at reduced rates but continue to materially impact trade.
Canada	Partially active / reduced tariffs	Many agriculture-related retaliatory tariffs have been suspended (notably for USMCA-compliant goods); limited exposure may remain for specific products.
India	None or negligible in effect	Prior retaliatory tariffs on U.S. agricultural products have largely been removed following bilateral resolution; minimal current impact.
Russia	Unclear / limited evidence	Retaliatory measures have historically focused on metals and industrial goods; no clear, current evidence of agriculture-specific retaliation.

Wisconsin Remains Resilient

**NIMBLE, AGILE
STRATEGIC EXPORTER**



- **Export potential is the “release valve” for open capacity**
- **Next 12 months favor nimble, strategic firms that:**
 - **Quickly pivot, diversify beyond tariff-risk.**
 - **Keep exports tightly tied to ROI-justified sectors/markets**
 - **Re-activate export sales channel partnerships**
 - **Invest on customer-facing global strategies**



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Growth Expansion Strategy

Best Practices = Export Revenue \$\$

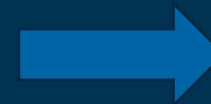
“Most companies don’t struggle internationally because their product isn’t competitive.

They struggle because exporting often begins reactively — without a strategy.”

“Early success creates confidence.

But without structure, that confidence eventually meets complexity.

Welcome to “The Dunning-Krueger Effect”



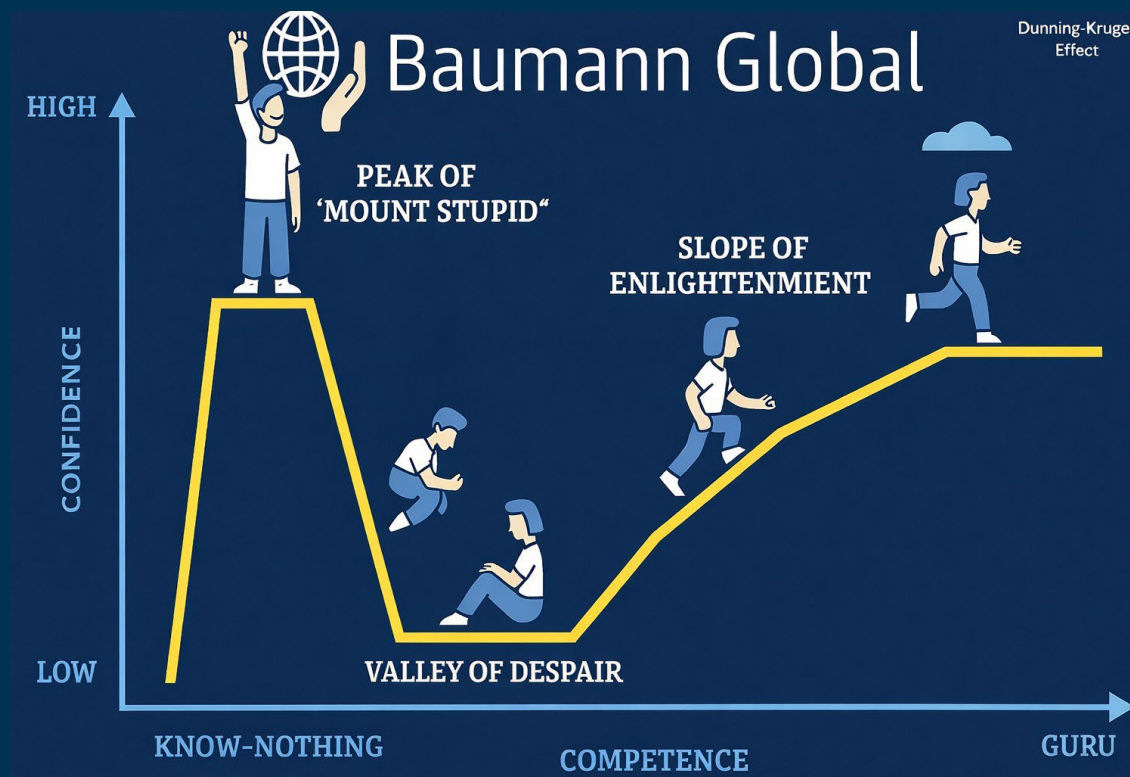
Dunning-Krueger Effect?

- Identified in 1999 at Cornell University by psychologists: David Dunning & Austin Kruger.
- Natural Learning Cognitive Bias – People with limited knowledge or experience in a subject tend to overestimate their competence.
 - People with lowest skills overrated their performance
 - High-performers more likely to underestimate themselves.

**“When you don’t know much,
you often don’t realize how much there is to know.”**

The Dunning-Kruger Effect in Exporting

Why “Accidental Exporting” stalls growth - and Strategic Exporters Win.

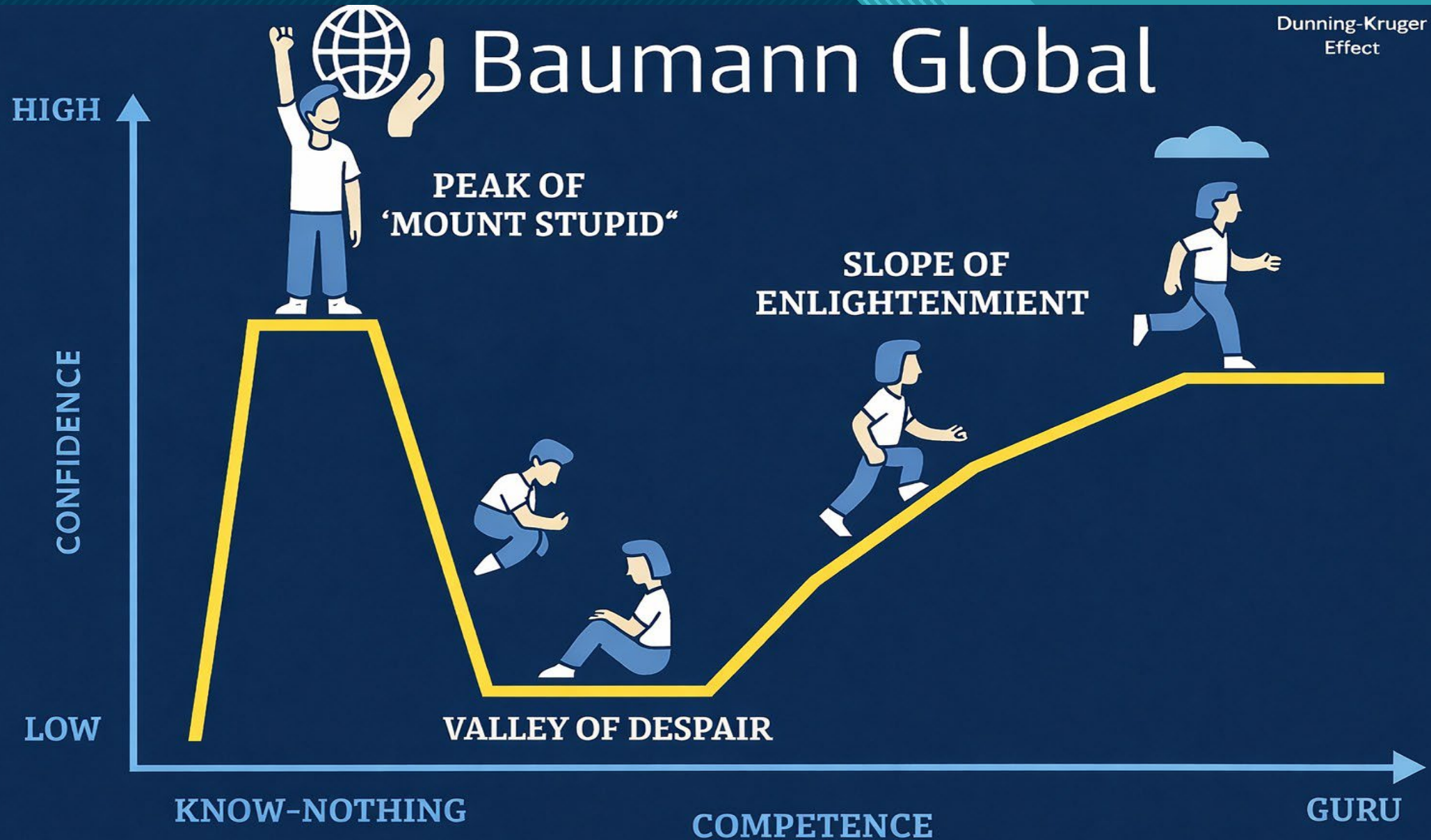


**“We didn’t know...
what we didn’t know.”**

**.....The most common phrase I hear from
exporters.**

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Dunning-Kruger
Effect





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Dunning-Kruger
Effect

HIGH

CONFIDENCE

LOW

PEAK OF
'MOUNT STUPID'

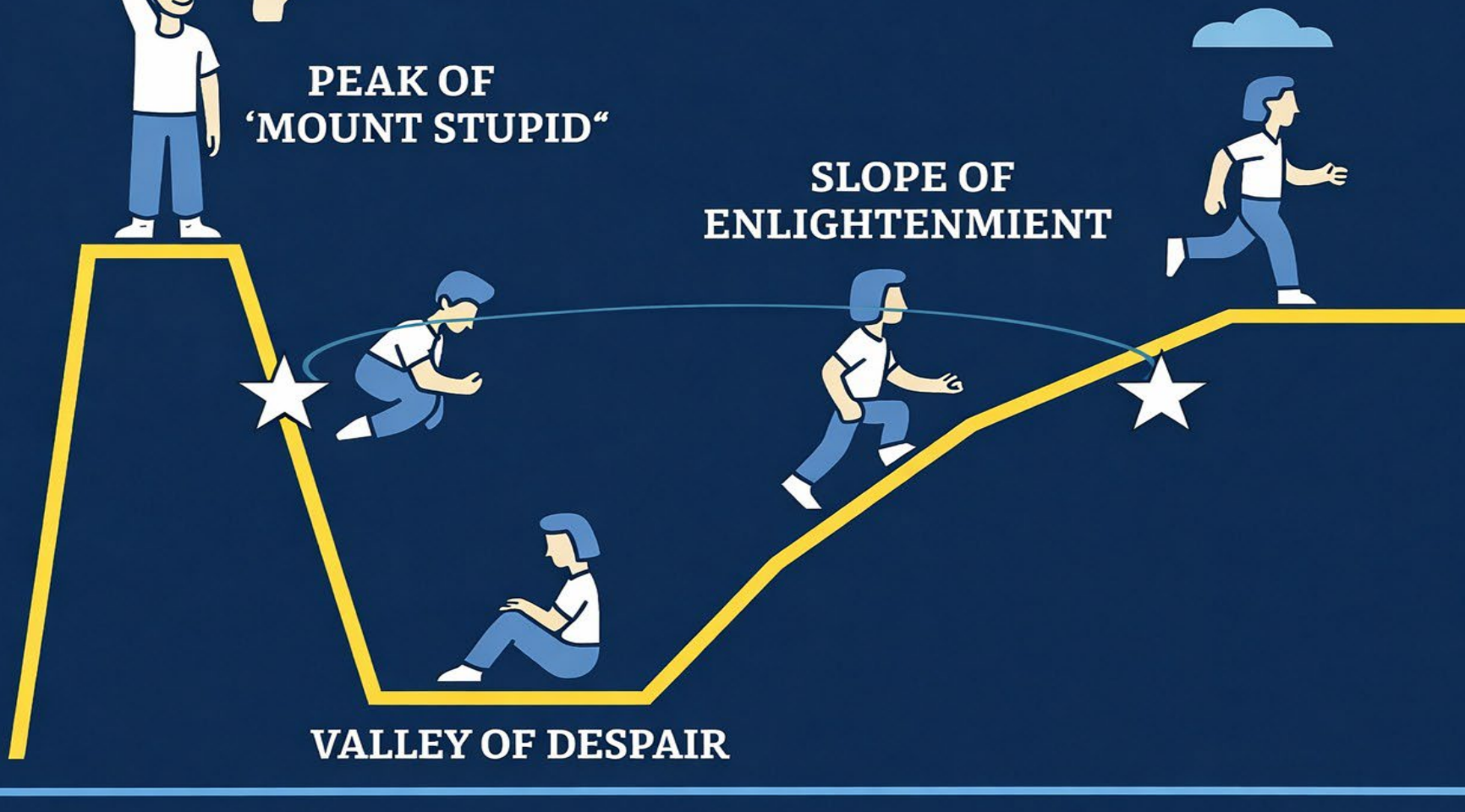
SLOPE OF
ENLIGHTENMENT

VALLEY OF DESPAIR

KNOW-NOTHING

COMPETENCE

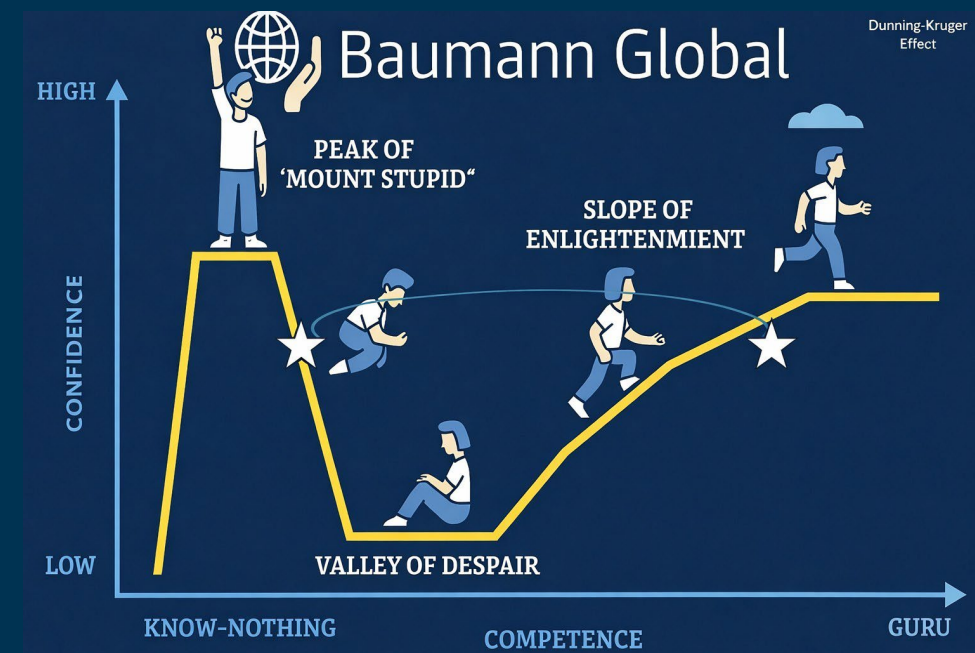
GURU



Know-Nothing Phase

“We got an inquiry from overseas....”

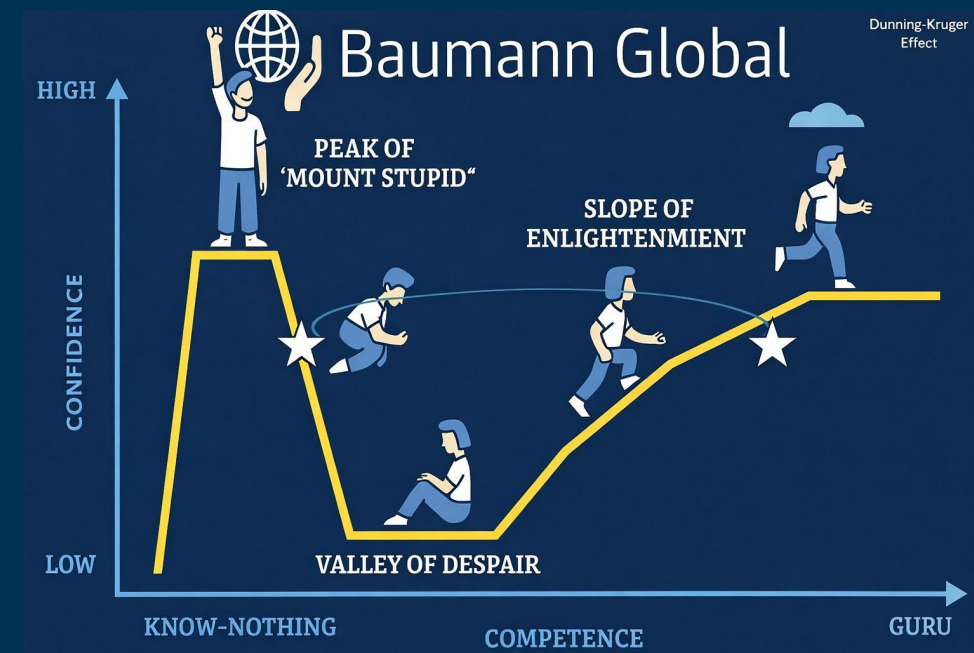
- Don't question why we got this order, don't investigate.
- Reactive order fulfillment
- No export strategy or market prioritization
- Minimal understanding of compliance, Incoterms, landed cost
- Overconfidence, driven by early wins



“Exporting isn't that hard

Peak of “Mount Stupid” “Accidental Exporter”

- Chasing inbound opportunities
- No distributor strategy or partner vetting
- Pricing inconsistencies
- Compliance gaps begin to surface
- Tariffs, logistics, and foreign exchange surprises
- Getting paid is either cash in advance or no sale.

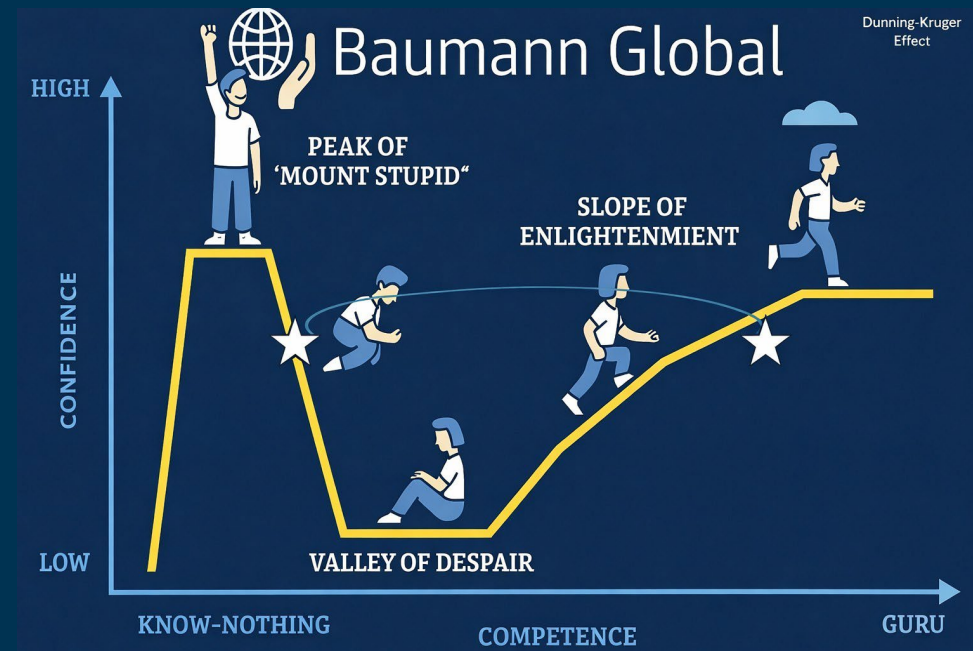


“We’ve been exporting for years....we’re fine.”

Reality Check Moment

“Star on the downward slope”

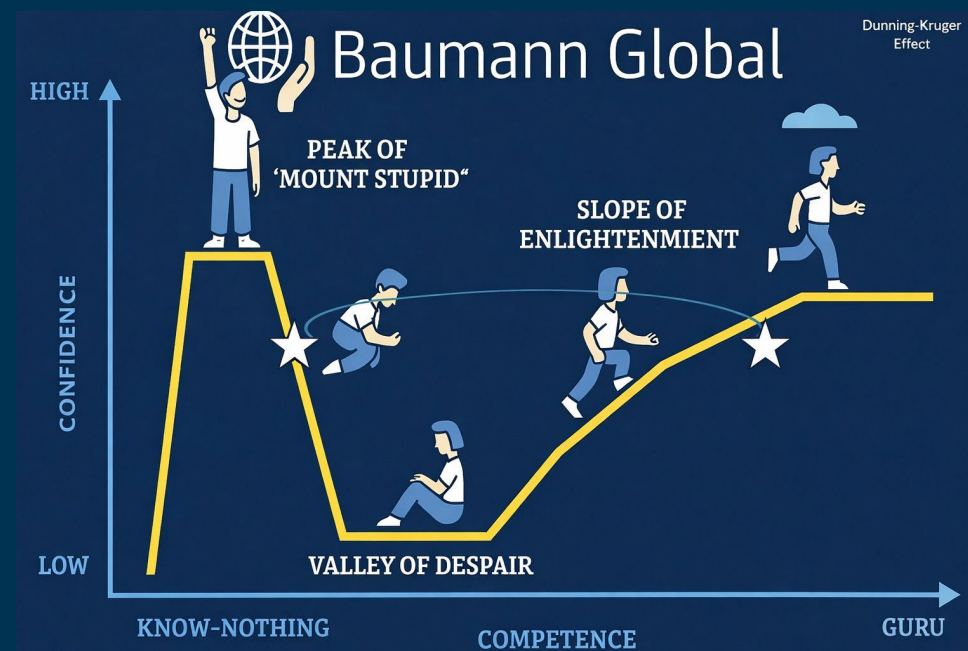
- Lost deals and wasted time
- Margin erosion
- Distributor conflict
- Regulatory or customs issues
- Missed quotes, or disqualified bids
- Need to offer terms to gain market.
- Competitors gaining ground



“We didn’t know what we didn’t know.”

Valley of Despair *Export Awareness Sets In*

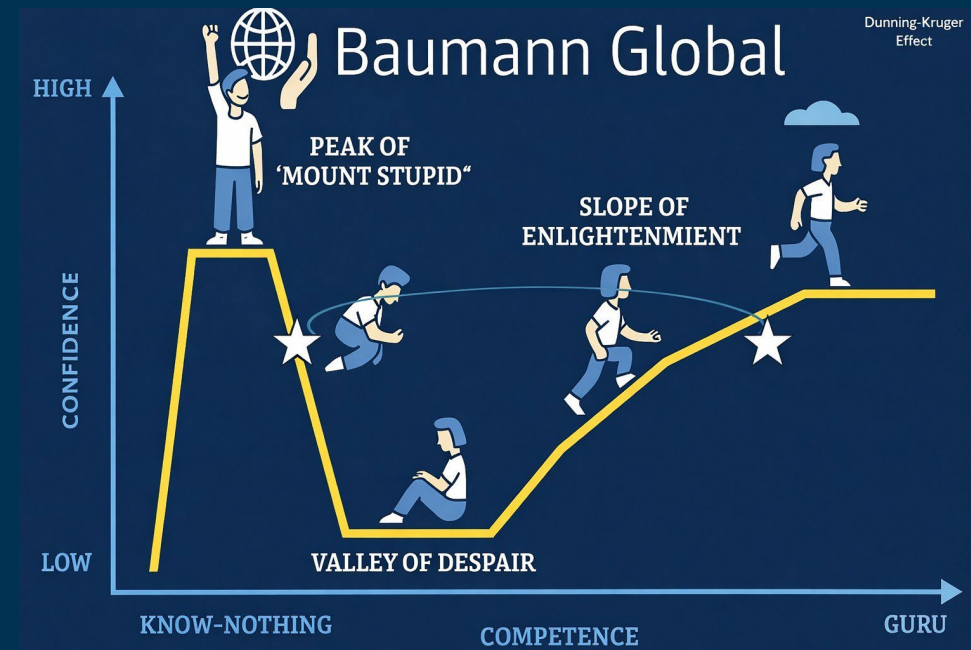
- Realization that exporting is complex
- Confusion around regulations, partners, pricing, logistics, banking
- Internal frustration
- Growth stalls or retreats.



This is where many companies STOP EXPORTING ... or stay stuck.

Slope of Enlightenment *Intentional Exporter*

- Market prioritization
- Defined go-to-market strategy
- Sales channel partner selection & onboarding
- Pricing discipline and landed-cost clarity
- Compliance embedded into processes
- Processes defined, internal globalization begins.

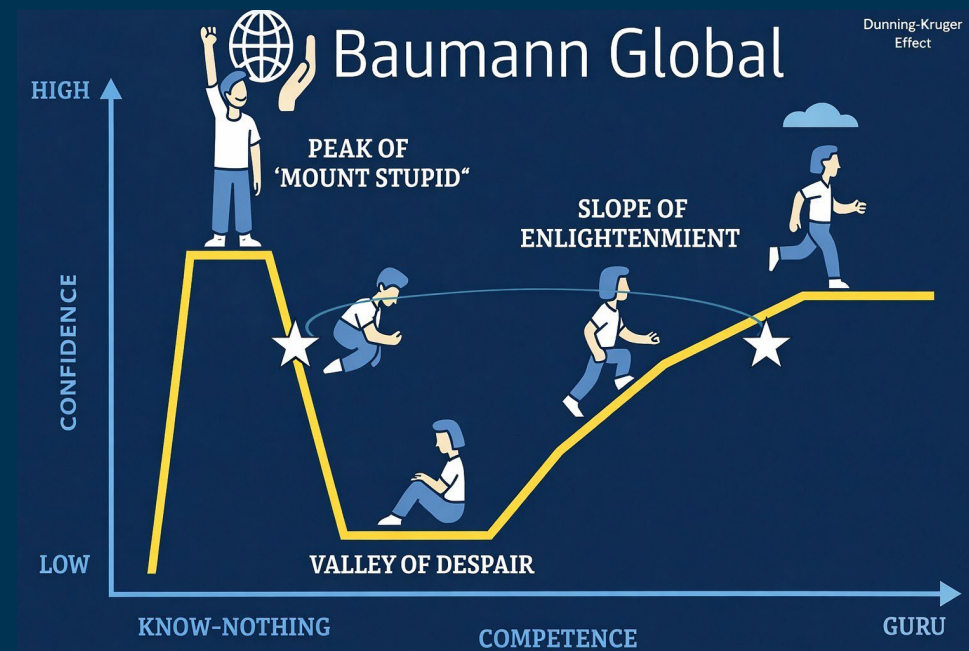


Exporting is a SYSTEM...not a transaction.

Strategic Inflection Point

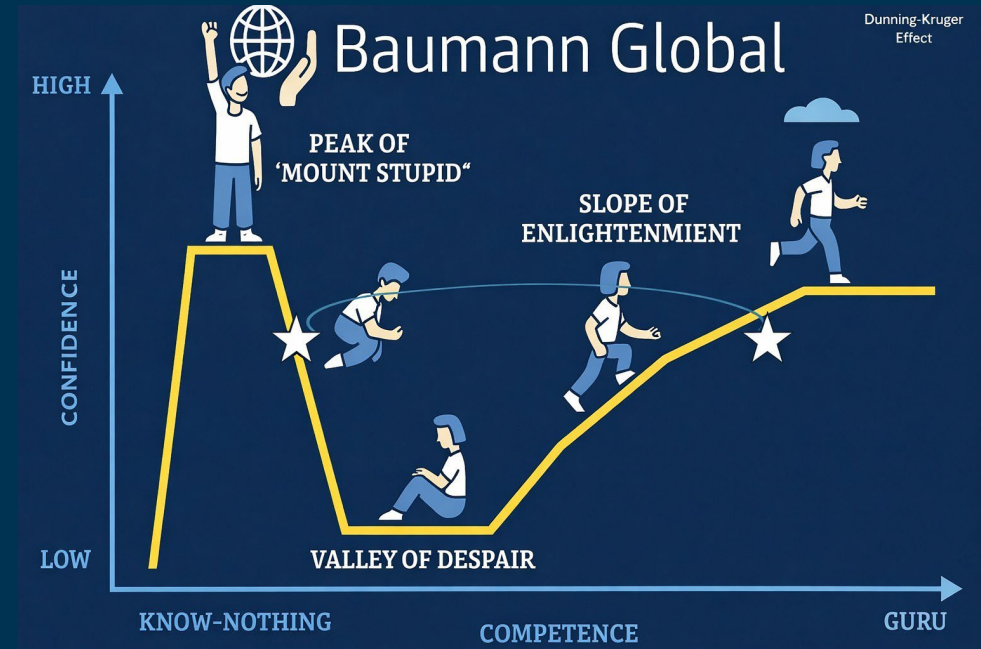
Star on upward slope

- Shift from reactive to proactive.
- Decisions based on data, not urgency
- Develop best practices playbook
- Leadership alignment around export growth



Guru / Sustainable Exporter *Strategic Intentional Exporter*

- Predictable global revenue
- Scalable partner networks
- Risk-managed compliance
- Get paid and offer terms
- Resilient to tariffs disruptions, and policy shifts
- Exporting is part of corporate strategy ...not a side activity



***Don't be a reactive or accidental exporter.
Learn best practices. Build a system.
Export with Intention. Make \$\$\$\$***

In conclusion.....

Reactive exporters survive

Strategic exporters scale

Sustainable global growth is never accidental.

Question.....

Are you going to bet your business on the 5% of available consumers that are in the US?

OR....GO EXPORTS!! 95% consumers need your products!

Thank you



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