

Most Certainly Uncertain

By Rob Cackowski

Navigating Today's Unknowns

Everyone reading this is probably aware of what's going on in the world right now. Sure, it changes monthly, weekly, daily, and even hourly, but one thing is certain: Nothing is certain. That's why navigating today's unknowns requires consistent communication and a willingness to adapt. Without delving into political rhetoric or personal beliefs, let's talk about how we can best navigate the business climate that has become a daily pain point for all of us.

It might be tough to say, but most of our current challenges revolve around the "T" word: tariff. Before diving into that, let's give credit to everyone in this industry. COVID dealt us a once-in-a-lifetime set of circumstances—price increases, supply chain issues, inventory bullwhip, EPA changes, legislative threats, and more. Despite it all, we showed that even though we're small and often overlooked, we can be mighty and resilient. Given that, let's look at how we can stay united and move forward together.

The most certain thing we know right now is that nothing is certain. By the time you read this, many of you may have sent or received a letter to a manufacturer, distributor, or dealer that says something like, "Although we don't know for certain right now, we will keep you informed." That message—or some version of it—has likely shown up in countless email blasts lately, if only because communication and transparency will be critical in the coming days.

Unlike the COVID price increases, these tariffs can come and go at any time, for any reason—which means we must stay vigilant and responsive. In the face of so much economic uncertainty, consistent communication is essential. Let's peel it back to see why that matters at every level of our industry and, at the same time, try to understand where other stakeholders are coming from.

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Manufacturers

Manufacturers are the first group to feel the impact. Right now, a steel and aluminum tariff is in effect, with more reciprocal tariffs and blanket tariffs looming on the horizon. How do they handle taking a large hit on resources that are critical to producing what consumers ultimately buy? The cost must be passed along in some way, shape, or form.

Of course, each vendor has its own approach—whether it's a price increase, a line-item charge, or something more creative. Because there's no single way to handle it, confusion downstream is almost guaranteed. The only certainty is that part or all of these costs will be passed on to consumers, so it's crucial that manufacturers communicate how and when they plan to implement those changes.

Distributors

Distributors find themselves squarely in the mid-

dle. They purchase large amounts of inventory, only to face tariffs that might be imposed or lifted at a moment's notice. So, how should they navigate this? First and foremost, they should communicate each vendor's strategy to every dealer and keep them informed of any changes as transparently as possible. That's step one.

But here's where things get really tricky: When do distributors pass along tariff-driven price changes? If they have inventory that wasn't subject to tariffs, it might seem unfair to charge more. But if they reorder at a higher price and the tariff is then removed, should they maintain those inflated costs until that inventory is gone? Some distributors opt to absorb the tariff on the back end, which lets them pivot quickly and rescind increases if the tariff is lifted. Because consumers and dealers closely follow tariff news, having the flexibility to shift prices right away fosters greater flexibility, transparency, and confidence across the entire chain.

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Dealers and Consumers

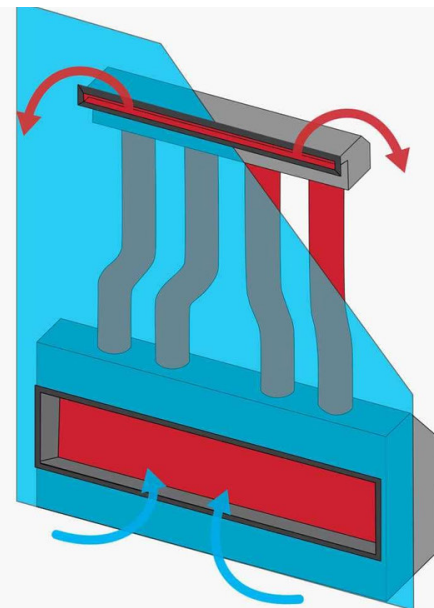
This is where the rubber meets the road. Dealers are the consumer-facing side of the industry, hearing concerns directly from final purchasers—whether it’s a homeowner or a builder planning months ahead. The only real solution is transparency: Product X costs Y right now, but it could be more or less in six months. Dealers must be able to back their pricing decisions and quickly pivot as global conditions shift.

Of course, honesty won’t eliminate every question, but it can ease uncertainty. A builder who understands how a project is tracking can decide whether to buy now or wait, as long as dealers remain flexible and communicative. By clearly explaining changes in real-time, dealers help customers feel informed—even in an unpredictable market.

Overcoming the Odds Together

In short, there are so many moving pieces that this article may already be outdated by the time you read it. Yet one principle remains constant: Every level of our industry benefits from transparency and communication. If we commit to working together, we can stay nimble and responsive to whatever comes our way. In doing so, we can create calm in a sea of economic turbulence.

We’ve overcome countless challenges in the past, and we’ll overcome the odds together this time too. That much is certain.



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