# Trump's tariffs threaten fashion industry across 180 countries



On Wednesday, Donald Trump announced a sweeping set of tariffs affecting over 180 countries, aiming to impose significant levies on several key manufacturing regions crucial to the fashion industry. Among the impositions are a standard 10% duty on all imports to the United States, but countries that have larger trade deficits with the US will face steeper tariffs. Notably, China, a major hub for brands such as Prada and Zara, will see a remarkable 54% duty, while Vietnam, where more than half of Nike's footwear is produced, will incur a 46% tariff. Other affected countries include Pakistan, facing a 29% levy, and Bangladesh, which heavily relies on garment manufacturing for 80% of its exports, set to endure a 37% duty. The European Union, which holds a substantial share of the global luxury goods market, is hit with a 20% tariff.

Stefano Martinetto, the CEO of Tomorrow, a fashion brand development platform, described the landscape as highly complicated. “Products are not made in one place,” he elaborated, indicating that various components of a finished product might originate from different countries. The lack of clarity regarding which specific categories of goods will be subject to tariffs adds to the uncertainty for brands operating within these complex supply chains.

The US represents one of the largest consumer markets for clothing and footwear, with over 98% of clothing items imported. The timing of this announcement is particularly challenging for the fashion industry, which is already grappling with hurdles brought on by Brexit and the COVID-19 pandemic. Following the announcement, shares in notable fashion stocks suffered noticeable declines, including a 10% drop for British brand Burberry and similar downturns for Kering and LVMH, parent companies for various luxury labels.

Moreover, sports brands like Nike, Lululemon, Adidas, and Puma also experienced financial repercussions, reflecting concerns over the impact of these tariffs on their production and supply chains. The day after the announcement, Nike shares alone fell 14%. The firm relies heavily on overseas manufacturing in Asia, specifically in countries like Vietnam and China. Analysts estimate that the cost of goods sourced from these countries could increase by 10% to 12%, which, according to David Swartz of Morningstar, could significantly impact demand due to the competitive nature of the industry.

In conversations with various stakeholders, concerns were raised about how these tariffs might affect consumers. Helen Brocklebank, CEO of Walpole, which represents the British luxury market, explained that the UK government is currently taking a cautious approach to the developments while awaiting more detailed guidance on how tariffs will be structured. The overall sentiment within the market suggests that the pricing of fashion items will inevitably rise as brands attempt to navigate these tariffs, further straining consumer budgets amidst existing price increases that have seen luxury goods rise by an average of 52% since 2019.

Martinetto highlighted the potential long-term consequences of the tariffs, suggesting they could revert the industry to a more insular market structure, where European designers primarily sell within Europe and American brands focus on the domestic market. He emphasised the prospect that independent designers may struggle to survive amid these changes.

As uncertainty looms over the fashion supply chain, individual brands must now address how they will adjust to these new tariffs and the potential rise in consumer prices. With industry giants like LVMH already closely aligned with the current US administration, the immediate future remains unclear for smaller brands and consumers who may ultimately bear the brunt of these trade policies.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.whitehouse.gov/fact-sheets/2025/04/fact-sheet-president-donald-j-trump-declares-national-emergency-to-increase-our-competitive-edge-protect-our-sovereignty-and-strengthen-our-national-and-economic-security/> - This URL corroborates the announcement by President Trump to impose tariffs on several countries to address trade deficits. It explains the tariffs and their implications for the US economy and trade relations.
* <https://www.bbc.com/news/business> - This URL, though not specific, can provide general coverage of global economic news. In the context of this article, it might cover the recent tariffs imposed by the US and their impact on global trade, including the fashion industry.
* <https://www.reuters.com/news/fashion> - Similar to the BBC, Reuters often reports on global economic and industry news, including the fashion sector. This URL might provide updates on how tariffs affect fashion brands and their supply chains.
* <https://www.statista.com/topics/fashion-industry> - Statista provides data and insights into various industries, including fashion. This URL could corroborate statistics related to the fashion industry, such as the reliance on imports and the impact of tariffs on consumer prices.
* <https://www.forbes.com/news/topic/fashion> - Forbes frequently covers news and trends in the fashion industry, including how major brands respond to economic changes like tariffs. This URL might discuss financial implications for fashion companies like Nike and LVMH.
* <https://www.bloomberg.com/news/topic/fashion> - Bloomberg offers detailed financial news and analysis. In the context of tariffs and the fashion industry, this URL could provide insights into market reactions, trade policy impacts, and company responses.