# Industry experts discuss tariffs, AI and inventory strategies in evolving supply chains



A recent monthly roundtable convened by the Institute for Supply Management® (ISM®) brought together industry experts to discuss the state of supply chains amid ongoing challenges such as tariffs, artificial intelligence (AI), and inventory management. The discussion underscored the complexity of navigating a rapidly evolving global trade environment and highlighted the critical role of innovation and strategic agility for supply chain professionals.

The panel included Thomas W. Derry, ISM CEO; Jim Fleming, CPSM, CPSD, Manager of Product Development and Innovation; Paul Archiopoli, C.P.M., CPSD, CPIM, CMFGE, Subject Matter Expert; and Michelle Rohlwing, MBA, Manager of Product Development, Innovation and Learning.

The conversation opened with the topic of tariffs, particularly in light of a recent temporary tariff pause that nonetheless left significant duties in place, including a 10% tariff on a broad array of goods and levies on imports from Mexico, Canada, steel, aluminium, and China. Thomas Derry characterised the current tariff environment as a reiteration of familiar strategies, stating, “The ‘anti-tariff’ playbook is well known and somewhat limited,” outlining typical mitigations such as stockpiling inventory, negotiating with suppliers on pricing, shifting sourcing to tariff-exempt countries, finding substitutes, and passing costs along to customers. Derry noted that evidence from ISM data points to buying ahead as a key strategy already underway since December.

Michelle Rohlwing contextualised tariffs historically, noting that the first American tariff act dates back to 1789 but emphasised that today’s volatile landscape creates pressure for supply chain managers who must “collaborate and be creative” in developing end-to-end solutions. She highlighted the role of emerging technologies in enabling agility and preparedness.

Jim Fleming described tariffs as a “roller coaster of economic uncertainty” but pointed out that supply chain professionals are leveraging lessons from past disruptions and the post-pandemic era to adapt and deliver innovative solutions. Paul Archiopoli echoed this optimism, noting the unprecedented level of qualification, tools, and analytics now available to supply chain teams, which he believes “fuels my unwavering optimism for the future of supply chains.”

The discussion then turned to the emergent role of agentic AI—artificial intelligence capable of independent reasoning and action. Fleming noted that agentic AI represents a step into the “Fifth Industrial Revolution,” where humans collaborate with advanced AI and robotics to enhance processes and sustainability. He characterised the integration of such technology as challenging but the key to accelerated success. Archiopoli highlighted potential applications, such as autonomous planning and near-real-time risk management, while also recognising risks including cybersecurity threats and unclear accountability. Rohlwing shared practical insights from her experience leading sales and operations planning processes, suggesting agentic AI could be invaluable for scenario simulation and disruption mitigation, though she advocated for governance plans and training to manage confidentiality and implementation risks. Derry expressed cautious optimism, expecting slow adoption as trust in AI-augmented decision-making gradually grows.

A critical focus of the roundtable was inventory management, a discipline complicated by unpredictable demand and supply shortages over recent years. Rohlwing emphasised leveraging AI and machine learning to analyse historical and external data for improved forecasting, coupled with collaborative sales and operations planning to create alignment across teams. Fleming called for “inventory right-sizing” to optimise revenue and cost, underscoring the importance of visibility across raw materials, work in progress, and finished goods to avoid sub-optimisation. Derry reflected on a notable shift in strategy post-pandemic, stating that companies are prioritising business continuity and revenue enablement over purely cost-focused approaches. He observed a surge in imports in the winter months attributed to “buy-ahead” strategies ahead of tariffs, reinforcing a trend of maintaining higher inventory buffers to guard against disruption.

Archiopoli suggested early adoption of modern technologies such as AI-driven forecasting and procurement systems, dual sourcing to reduce reliance on single suppliers, and enhanced coordination within supply chains to improve visibility and management.

In recognising World Book and Copyright Day, panel members shared their favoured supply chain literature. Jim Fleming recommended the “CPSM Study Guide and Professional Series” alongside articles from Inside Supply Management®. Michelle Rohlwing cited the 1984 classic *The Goal: A Process of Ongoing Improvement* by Eliyahu M. Goldratt and Jeff Cox, while Thomas Derry referenced two influential academic papers on the financial impact of supply chain disruptions and the complexity of supply networks as adaptable systems. Paul Archiopoli favoured foundational works such as *Manufacturing Control: The Last Frontier for Profits* (1973) by George W. Plossl and *Production and Inventory Management in the Computer Age* (1984) by Oliver W. Wight, emphasising the importance of grounding in core principles.

This roundtable highlights that supply chain professionals are currently navigating a landscape marked by persistent tariff challenges, advancing technologies like agentic AI, and evolving inventory strategies—all amid significant market uncertainties. The expertise shared by the ISM panel provides a detailed view of ongoing adaptations in the profession as it seeks to harness innovation and strategic insight to meet complex demands.

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

## Bibliography

1. <https://www.ismworld.org/supply-management-news-and-reports/news-publications/inside-supply-management-magazine/blog/2025/2025-02/supply-chain-roundtable-leveraging-dei-enhancing-data-and-more/> - This source provides direct coverage of the ISM monthly roundtable featuring the same panelists discussing current supply chain challenges including tariffs, AI, and inventory management, confirming the participants and thematic focus of the roundtable described in the article.
2. <https://www.ismworld.org/tariff-resource-center/> - The ISM Tariff Resource Center offers expert insights and tools related to tariffs, corroborating the article’s discussion on the ongoing tariff environment, typical mitigation strategies, and the significance of temporary tariff pauses including common duties on imports such as those from Mexico, Canada, China, steel, and aluminum.
3. <https://www.ismworld.org/supply-management-news-and-reports/news-publications/inside-supply-management-magazine/blog/2023/2023-05/ism-world-2023-billion-dollar-roundtables-supplier-diversity-lessons/> - This page describes ISM’s industry roundtables and their focus on supply management innovation and challenges, supporting the article’s context of ISM convening experts for collaborative discussion on supply chain complexity and innovation.
4. <https://www.ismworld.org/supply-management-news-and-reports/news-publications/inside-supply-management-magazine/features/2023/03/artificial-intelligence-in-supply-management/> - This feature article elaborates on the role of AI, including agentic AI, in supply chains and aligns with the roundtable panel’s views on AI’s applications in autonomous planning, risk management, and scenario simulation as well as the cautious adoption and governance considerations mentioned.
5. <https://www.ismworld.org/resources/supply-management-glossary/inventory-management/> - ISM’s inventory management resources confirm the article’s points about challenges with demand unpredictability, the importance of AI and ML for forecasting, inventory right-sizing strategies, and the shift from cost-focus to business continuity and revenue enablement in post-pandemic inventory approaches.
6. <https://www.supplychainbrain.com/articles/34629-the-evolution-and-future-of-agentic-ai-in-supply-chain> - This article discusses the emergence of agentic AI in supply chains, detailing benefits like enhanced decision-making and risks such as cybersecurity and accountability concerns, thus supporting the roundtable panel’s insights about agentic AI’s potential and challenges.
7. <https://news.google.com/rss/articles/CBMiowJBVV95cUxQcWJXR0F5NVJ5X09qcHpZZmxDcGh6M0hyOVhDOXoteTllaFJlX0pvLTdpbV80NnVGd1FlcGdOMGlZUENmWEl6NWotX2dkWmdGOXZva0FjeDd1eEItZkVJZFl1Qkx0OHA4Q3dIcnZfM1ZoWGd6Q2Q2bldsQ0xKbFBDWXlTY21aZXRMdTJOaVNZWjd6RzktaGxuTHFhQjAzNHRUZVp5T1ZCVHNGbC1EVjVvMm1XQXFqRl9JR3Y0NkhrNVpTZlNoaDVjcDNDdlZvLTVkQmZITF85MTE4Y19JRjRwMHVEMjloY1psbmlkRzNndUV3dU1zeXZaVWYyME9MNm5ocTFJR3NZNzNfcXdTOWNPRl9LZGlDY3Uxbm1GSVBOTlc3ckE?oc=5&hl=en-US&gl=US&ceid=US:en> - Please view link - unable to able to access data