

New Research Shows Trade Software Failures Are Creating Financial Risk as Tariff Volatility Intensifies

Survey finds inadequate Foreign-Trade Zone software is contributing to financial loss, failed audits, and rising operational exposure

MIAMI, FL, UNITED STATES, June 23, 2026 /EINPresswire.com/ -- [QAD](#) |

[Redzone](#), provider of the leading Agentic AI-powered manufacturing platform including supply chain logistics and global trade compliance management solutions, today announced new research showing that tariff volatility is driving companies to expand Foreign-Trade Zone programs, while the software used to manage those programs is struggling to keep pace.

The survey of enterprise trade, supply chain, and compliance executives shows that tariff volatility has moved beyond sourcing and logistics to become a board-level financial risk. As companies seek to offset rising tariffs and protect margins, many are expanding Foreign-Trade Zone operations to defer, reduce, or eliminate duties.

But these programs require precise tracking of inventory, production, shipments, customs activity, and compliance documentation. The research found that 87% of companies using Foreign-Trade Zones say inadequate software, which lacks the necessary agility to keep up with the pace of tariff volatility, has caused financial loss, increasing exposure to failed audits, penalties, operational disruption, and, in severe cases, enforcement actions that can include facility shutdowns or criminal charges.

The problem is that many companies are managing that complexity with disconnected systems, spreadsheets, custom tools, and repurposed applications. The research found that most organizations are stitching together multiple software applications to manage FTZ operations, while many say their current systems are missing the capabilities needed to respond to today's tariff volatility.

In fact, the survey found that 97% of companies are using multiple software applications to manage FTZ operations, while 80% say their current software is missing key capabilities needed





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Joshua Guy, VP of Global Trade Management at QAD

to manage today’s tariff volatility. Only 20% report having software that automatically updates when tariffs change. This highlights the fact that new and old FTZ systems are falling behind; only the systems and teams that are agile and able to pivot to the changes quickly are able to keep up.

Companies are also turning to AI to help manage the growing complexity, with 99% using or planning to use AI for FTZ operations. But without integrated systems and reliable data foundations, AI may amplify the very gaps companies are trying to solve.

The technology gap is showing up in audits and financial performance. Survey data shows that 67% of respondents reported negative FTZ audit findings in the last 11 months, with most negative audit findings attributed to FTZ software issues, lacking adaptability for today’s market.

“Companies are turning to FTZs as a financial lever, but the operating model isn’t keeping up,” said Joshua Guy, VP of Global Trade Management at QAD. “When trade teams are forced to manage high-value compliance activity across fragmented systems or manual workarounds, the business risk moves quickly from operational inconvenience to measurable financial exposure.”

The study was sponsored by QAD, in conjunction with AWS, and conducted by Dimensional Research, surveying 301 qualified enterprise executives and senior professionals responsible for international trade, supply chain, and compliance operations.

The full report is available [here](#).

About QAD | Redzone

QAD | Redzone is redefining manufacturing and supply chains through its intelligent, adaptive platform that connects people, processes, and technology into a single System of Action. With its core pillars — Redzone (frontline empowerment), Adaptive ERP (the intelligent backbone), and Supply Chain (logistics and global trade compliance), all powered by ChampionAI (Agentic AI for manufacturing) — QAD | Redzone helps manufacturers, distributors, and logistics providers operate at [Champion Pace](#), achieving measurable productivity, resilience and growth. To learn more, visit www.qad.com or call +1 805-566-6100. Find us on LinkedIn, X, Facebook and Instagram.

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