

Steptoe

Supply Chain Capabilities



A Multifaceted Approach to Strengthen and Safeguard Global Supply Chains

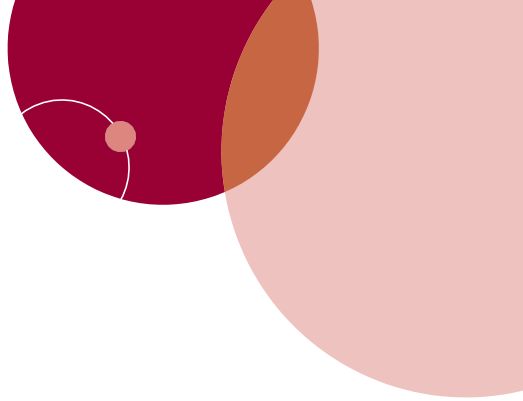
Step toe's cross-practice supply chain team helps clients build effective legal, policy, and advocacy strategies to manage the full range of supply chain issues that can arise in an increasingly complex and turbulent global business environment.

This includes working with companies, associations, and coalitions to ensure compliance with supply chain-related measures (e.g., Environmental, Social, and Governance (ESG) issues), develop and execute holistic supply chain legal strategies, as well as advocate with governments regarding legislation, regulations, and policies that could impact their supply chains.

Given the multifaceted and dynamic nature of supply chain issues, Step toe addresses client needs with a cross-practice and multijurisdictional team working across legal and policy areas, industries (e.g., food and agriculture, autos, textiles and apparel, batteries, chemicals, renewable energy, semiconductors, and critical minerals), and jurisdictions to holistically advise on the ever-changing business landscape.

Here are a few ways Step toe can assist clients with their supply chain needs:

- Conduct due diligence assessments of corporate supply chains, and provide advice on how to reduce risk, and improve security, sustainability, and resilience.
- Assist in accessing grants, loans, tax credits, and domestic content preferences that may be available at the US federal and state levels (e.g., CHIPS Act, Inflation Reduction Act, EDA Tech Hubs, DPA Title III) for constructing new, or expanding existing facilities.
- Counsel companies on compliance with the Uyghur Forced Labor Prevention Act (UFLPA) and other anti-forced labor measures, including providing legal analysis of relevant provisions; conducting "deep dive" supply chain due diligence; advising on sourcing strategies, supplier guidance, mandatory and voluntary disclosures, corporate communications, and meetings with regulators; and monitoring relevant global developments.
- Analyze corporate supply chains to minimize liability for customs duties and carbon border tariffs.
- Provide counsel and advocacy support for clients with an interest in supply chain-related legislation (e.g., ports and maritime, trucking), as well as regulations issued by the Federal Maritime Commission.
- Advocate with the US Administration and Congress regarding border measures, tax credits, changes to procurement policy, climate measures, and standards that impact corporate supply chains.



Cross-Practice Approach

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Antitrust and Competition

Our experienced US and EU antitrust and competition team can provide comprehensive supply chain support, guidance, and advice that is sensitive to the dynamic commercial and regulatory landscapes confronting clients.

Federal, state, national, and supra-national competition authorities in the US and EU have been increasingly active and intrusive with respect to supply chain issues. They have vigorously pursued and fined commercially rational business strategies designed to induce distributor investment on theories that such strategies shape routes to market in an anticompetitive manner.

Steptoe's antitrust team stands ready to address supply chain issues and craft arrangements that:

- Realize efficiencies.
- Are commercially and contractually fit for purpose during a period of trade shocks and logistical upheavals.
- Generate optimal channel utilization.
- Are safe from being struck down and subjected to fines and possible civil claims for violating competition law.
- Safeguard clients against risks to market penetration and maintain the bottom line.

Further, our team has significant experience with typical supply chain antitrust concerns, including:

- Intellectual property as a barrier to entry.
- Product life cycles and their renewal.
- Exhaustion of rights and parallel trade.
- Resale and advertised price recommendations.
- Exclusive supply or purchase obligations.
- Selective distribution and brand enhancement.
- Franchising models.
- Online sales.
- Dual distribution.
- Customer and territorial allocations.

Our lawyers are experienced in designing frictionless routes to market that secure competitive advantage, are appropriate to product market positions and customer profiles, and which minimize regulatory risk.

Business and Human Rights

Multinational corporations face increasing expectations in their overseas treatment of workers, third parties, and other stakeholders. Those expectations are nowhere more visible than in the intersection of business and human rights.

Our lawyers advise companies on the scope and application of the human rights laws and expectations, and defend clients in some of the most prominent Alien Tort Statute (ATS) cases to date. Our practice is worldwide in scope, covering an expansive set of industries and offering clients a broad range of services that include assistance with Corporate Social Responsibility (CSR) programs, preventive advice and counseling, litigation and investigations, and legislative assistance and advice. In serving our clients' needs, Steptoe draws upon the resources of our lawyers in the United States, London, and Brussels who practice in a variety of disciplines, including international trade, compliance and investment, commercial litigation, crisis management, government affairs, and chemical and environmental.

Steptoe's business and human rights team:

- Assists clients with their CSR programs



- Conducts ATS and human rights risk assessments, audits, and internal investigations
- Develops and implements prevention and risk mitigation programs, including in relation to labor trafficking, conflict minerals, use of security forces, and other areas
- Advises clients with respect to the scope and extent of due diligence, risk mitigation, and audits on partners, consultants, representatives, and other third parties
- Counsels and represents buyers and sellers on human rights risks in M&A transactions
- Drafts press responses and public statements, and fields inquiries from and coordinates with foreign and domestic government personnel and NGOs regarding related matters
- Defends clients facing litigation in this area in state and federal courts, as well as in collateral proceedings involving the US Congress and other US agencies
- Represents clients dealing with complaints under the OECD Guidelines for Multinational Enterprises before National Contact Points (NCPs), and before human rights bodies
- Counsels clients participating in United Nations complaint dispute procedures
- Identifies and supervises counsel in foreign jurisdictions regarding parallel legal matters involving these issues

Climate

Steptoe can help clients develop and execute compliance and advocacy strategies with respect to emerging climate laws, regulations, and policies in Europe and the United States that impact global supply chains for manufactured goods, critical minerals, and food and agriculture.

Our compliance work includes:

- Ensuring compliance with regulations across jurisdictions.
- Assessing and acting upon the impact of developments in one jurisdiction across the supply chain, upstream or downstream.
- Advising on the extent of liability towards compliance or non-compliance of specific supplies, upstream or downstream.
- Advising on obligations to be imposed on downstream parties, which may affect the entire supply chain.

On the EU side specifically, we can assist clients when designing supply chain requirements to be consistent with Green Deal policies such as:

- Mandatory Green Public Procurement (GPP) criteria.
- A carbon border adjustment mechanism.
- Extension of the European Emissions Trading System.
- A chemicals strategy for sustainability.
- The Farm to Fork strategy.
- Due diligence requirements for businesses.
- Upcoming legislation on green claims.

With regard to advocacy, we can advise clients on upcoming regulations directly relevant to their products (including policy and strategic considerations) as well as on potential threats to supplies, and we can help advocate toward establishing potential essential supplies. We can also advocate for clients with the relevant governmental authorities as they are developing regulations and other policies, including through direct advocacy, coalition building, and strategic communications.

Wherever we operate, Steptoe has built a reputation for being a constructive and robust interlocutor with policy-makers and regulators at the international, regional, and national levels. This has been hard won through our thought leadership and experience with cutting edge developments in all of the fields in which we operate.

Commercial Agreements

Members of Steptoe's Corporate and Property group are able to assist clients with drafting and negotiating a wide array of commercial agreements needed throughout a national and international supply chain, including importation, manufacturing, supply, distribution and warehouse agreements. Our team prides itself on our ability to help identify and mitigate risk through creative and careful drafting, as well as our ability to find common ground with counterparties in order to successfully finalize agreements. For example, members of our group have assisted: a British retailer with a US warehousing agreement; a Spanish beer producer with a US importation and distribution agreement; the US subsidiary of a Japanese company with a license, manufacturing, and distribution agreement; and a US franchise company with a product supply and distribution agreement for the benefit of its franchisees.

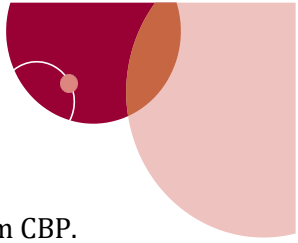
Customs and Logistics

Each time a shipment arrives in the United States, there can be multiple import compliance requirements that apply under US law. Most importantly, US import law requires that the importer of record use "reasonable care" in researching and documenting compliance with all the requirements that apply to the specific type(s) of goods in the shipment. This means, rather than leave the process in the hands of freight and logistics agents—even competent and attentive agents—US Customs and Border Protection (CBP) still expects companies to have research and supporting documents to prove the correctness of all the data elements in the import declarations filed for each shipment, taking into account all the facts of the transaction and the relevant standards in US law.

To meet this reasonable care requirement, importing companies must work proactively on due diligence efforts, together with knowledgeable advisors and agents, to ensure that import goods are declared in compliance with each of the US laws applicable to the goods in each shipment. In addition, as part of the Department of Homeland Security, CBP requires importing companies to closely monitor and/or report the identity and physical security of supply chains and import shipments—a compliance requirement which importing companies must fulfill, regardless of whether shipments are subject to import duties.

Steptoe's customs lawyers advise clients on the wide variety of US import compliance requirements, including managing and minimizing import duties. That advice also includes confirming and documenting the correctness of harmonized tariff codes, declared value, country of origin markings, and the use of duty reduction programs such as USMCA, GSP, FTZ's, Section 232 and 301 tariff exclusions, temporary importations under bond, and others. Our lawyers have substantial experience advising on how to coordinate overlapping requirements from CBP with those of EPA, FDA, DOT, IRS and other agencies, where they apply. We regularly advise clients on managing commercial relationships with suppliers, customers, freight and logistics providers, customs brokers, and sureties, in order to minimize costs and maximize compliance with US import laws. We also advise and





represent clients in claims for duty reductions and refunds using CBP rulings, protests, and court appeals and, when necessary, we defend our clients against penalties and liquidated damages from CBP.

In addition, Steptoe's Blockchain and Cryptocurrency team, which helps clients develop and implement strategies to navigate the complex legal and regulatory environment surrounding cryptocurrencies and crypto-assets in the United States and across the world, can help companies leverage blockchain technology to maintain and build the resiliency of their supply chain relationships.

Defense and Defense Industrial Base

Steptoe offers clients a multidimensional understanding of the procedural, regulatory, and policy issues associated with the supply chain for the US defense industrial base (DIB), including the appropriations process, the federal procurement of goods and services, major construction initiatives, cybersecurity, and public/private partnerships.

Government Affairs and Public Policy. With a balanced, bipartisan, and broadly-based government affairs practice, we are uniquely qualified to ensure that our supply chain clients receive the best substantive and political resources to address their public policy concerns. We routinely interact with various sectors of the government, including the Departments of Defense, Homeland Security, and State, and congressional defense and appropriations committees, and work with government contractors providing equipment and services for the military and the Coast Guard. The Steptoe team also has lawyers who focus on DIB-related legislative issues, including defense, international and homeland security, and foreign policy.

Government Contracts. Supply chain risk management is a key element of compliance programs for government contractors. They are facing increased demands to police their supply chains to address many risks, such as counterfeit parts, cyber threats, human trafficking, and business ethics. Their supply chains also must comply with domestic preferences and socio-economic goals, while at the same time, offer goods and services at competitive prices. The consequences of a failed risk management program could be severe, resulting in business disruptions, the incurrence of unanticipated costs for corrective actions, and even exclusions from government contracting. Steptoe works with clients to navigate supply chain-related regulatory requirements – including with respect to cybersecurity (see below) – and to develop risk management programs. Steptoe also assists companies in responding to allegations that they failed to effectively police their supply chains.

Cybersecurity. Steptoe lawyers have unique experience in understanding security standards (such as ISO/IEC 27001) and current or upcoming US or EU certification schemes that are critical for the DIB. Our multi-practice approach includes combining our Government Contracts and Cybersecurity practices to assist clients in navigating unique cybersecurity requirements that are imposed on defense contractors and subcontractors who have access to controlled unclassified information. This includes advising clients on the Defense Department's current implementation of the Cybersecurity Maturity Model Certification (CMMC) Framework that requires third-party assessments by approved CMMC assessment organizations (in lieu of self-certification).

Addressing regulatory and procurement requirements is not only an IT matter. It requires careful attention to sourcing, vendor management, internal and external auditing capabilities, and, perhaps most importantly, board level awareness and engagement. Lawyers from our Cybersecurity and Corporate practices assist clients all across the supply chain in their preparation and responses to cyber incidents, negotiation of security and privacy clauses in supply chain agreements, drafting of security requirements in RFQ or procurement, due diligence and vendor assessments.

Trade Law and Policy. The US Administration's more aggressive use of trade policy tools such as Section 232 and Section 301, the International Emergency Economic Powers Act, and executive orders relating to critical minerals, the US bulk power system, and the ICT supply chain all relate to securing the DIB supply chain and improving US resilience and autonomy. Steptoe lawyers and government affairs professionals work with clients to understand, navigate, and shape these actions and related policy changes and advocate for similar actions to secure existing supply chains or create the conditions to enable onshoring or reshoring of supply chains.

Environment: Chemicals and Raw Materials

Chemicals are among the world's most regulated products, with rules often diverging across jurisdictions, and challenges dependent on ever-changing policies or priorities. Companies operate globally; authorities impose national or regional requirements. With our teams in Washington DC, California, Brussels, and Beijing, we work with suppliers to bring to, and maintain their products on the market, with a combination of legal, technical, and policy knowledge.

Through our longstanding work for the chemical industry, we have built a reputation for comprehensive knowledge, creative solutions to assist clients in meeting business goals, and constructive dialogue with regulators, policy makers, legislators, and enforcement authorities. Our work often entails regulatory advocacy before the EPA, FDA, and other US federal agencies; state regulators; the European Commission and EU agencies; and national competent authorities.

Steptoe also provides exceptional regulatory litigation capability, concentrating on challenges to regulations, enforcement defense, and preemption before US appellate and trial courts as well as administrative agencies. We help clients integrate regulatory, litigation, and government relations strategies to optimize results.

Our EU team's work concerns chemicals regulation, mainly: REACH biocides, agrochemicals, food contact materials, classification, labelling, packaging, and nanomaterials, as well as the regulation of chemicals in a range of consumer products such as cosmetics, toys, disinfectants, medical devices, etc. We have been active in all these areas since the respective EU regimes were first proposed and worked at all stages of their implementation. The size and depth of experience of our EU team enables us to meet the requirements of our clients promptly.

Our practice has achieved success in proceedings related to EU chemical and environmental regulation before the European courts (Court of Justice of the EU and EU General Court); the Board of Appeal (BoA) of the ECHA; and preliminary references from national courts. Our litigation docket, the largest in Brussels, with an unparalleled track record of success, includes primarily REACH-related disputes (on substance and dossier evaluation, SVHC listings and restrictions, data sharing, etc.), biocides (data sharing), agrochemicals, and requests for access to confidential business information.

In the United States we similarly have been working in the chemical regulatory area for decades, and most recently have focused on activities under the amended TSCA as well as the pesticide statute FIFRA, and the regulation of medical devices, food contact substances, food and feed by FDA. We also assist clients with OSHA issues, including GHS and Safety Data Sheets, as well as DOT HazMat regulations. Our California team concentrates on that state's separate regulatory regimes, including Proposition 65 and products-related class action litigation. We have an active practice defending enforcement actions alleging violations of chemical or product regulatory programs, with a particular focus on port of entry enforcement involving both the substantive agency (e.g., EPA or FDA) and Customs and Border Protection.





Export Controls, Sanctions, CFIUS

Steptoe's large and experienced export controls team regularly advises clients around the world on the most complex aspects of often-changing export control laws and sanctions regimes, many of which directly affect our clients' global supply chains. Our clients represent companies of all sizes in a wide range of industries, from one of the world's largest global logistics and freight forwarding companies to manufacturers sourcing key parts and components from around the world. We closely monitor the frequent legal and policy developments in this area, including the evolving US-China relationship that has resulted in numerous regulatory changes, including expanded and more exotic US foreign investment reviews and other China-related national security economic restrictions, giving us the ability to see around corners for our clients and provide them with the nuanced and sophisticated advice they need to make key short-term and long-term decisions.

In addition to providing clients with the advice they need to understand and comply with the complex legal regimes that may be applicable to their supply chains, we have assisted numerous clients in ensuring they are able to effectively and efficiently collaborate and exchange technical information with colleagues and business partners around the world as they work to develop and produce their products. We also support clients in assessing and enhancing their compliance programs and practices, strengthening their contractual protections, determining the jurisdictions that control their products, obtaining government licenses, and conducting due diligence on counterparties. When necessary, and together with our experienced team that includes former US government officials, we also assist clients in conducting investigations into potential instances of non-compliance, guide them through the process of making voluntary or mandatory disclosures to US and EU regulatory authorities, and interface with government officials on their behalf to assist them in achieving the best possible outcomes, including vigorous defense of civil and criminal enforcement actions.

FCPA/Anti-corruption

Bribery and corruption risks arise not only in connection with a company's own activities, but also from the conduct of its agents, consultants, distributors and resellers, contractors, vendors, and others in the supply chain as well as joint venture and other business partners (third parties). Companies can be, and frequently are, held vicariously liable for third-party conduct under the US Foreign Corrupt Practices Act (FCPA), UK Bribery Act 2010 (UKBA), and many other anti-corruption laws around the world.

Steptoe's FCPA/Anti-Corruption team regularly advises and assists clients in effectively managing risks arising under the FCPA, UKBA, and other anti-corruption laws in their trade and investment activities. Our practice encompasses both preventive and remedial services as well as the representation of companies and individuals before key enforcement agencies. Our experience assisting clients to manage and address anti-bribery/anti-corruption risks arising in connection with their third-party relationships includes:

- **Compliance.** Assisting companies to develop and implement compliance programs, including policies and procedures for selecting, vetting, monitoring, and paying third parties; conducting due diligence and audits on third parties; advising on risk mitigation strategies; providing training; and advising on other steps to manage the central area of third-party risk.
- **Internal and Government Investigations.** Conducting investigations related to alleged misconduct by third parties, including internal investigations in response to whistleblower or other allegations on behalf of management or the board; responding to government investigations and inquiries, including voluntary requests for information, subpoenas, and the like; and dealing with stakeholders including external auditors, financiers, investors, and others.

- **International Financial Institutions.** Counseling and representation of contractors and consultants in projects financed by the World Bank and other international financial institutions, including mergers and acquisitions, supply chain liability issues, audits and investigations, sanctions proceedings, negotiated resolutions, cross-debarment matters and other collateral consequences, and voluntary disclosures.

In serving our clients' needs in the anti-corruption area, Steptoe fields a deep and broad team that includes resources from senior partners to junior associates, all of whom are focused on anti-corruption matters as the principal (and in some cases exclusive) emphasis of their practice. Our experience around the globe and before key anti-bribery/anti-corruption enforcement authorities allows us to make informed judgments about issues that arise in the preventive, remedial, and investigative sides of our work, and to handle matters with efficiency.

Food Contact Materials

Companies regulated by the Food and Drug Administration (FDA) and other relevant authorities across the globe are responsible for ensuring that their products are manufactured in a safe and consistent manner. In the United States, for example, food contact materials are subject to a number of specific regulatory requirements—each intended to prevent the adulteration and misbranding of products. These requirements apply throughout the entire supply chain, and are implemented by FDA's General Safety Clause and Good Manufacturing Practice (GMP) regulations.

Steptoe's integrated team of lawyers, scientists and technical advisors provides mission-critical support to our clients to ensure that products are manufactured in a way that protects the health and safety of the consumer, and promotes the integrity and reputation of the brand, including:

- Drafting and reviewing customer assurance and regulatory compliance statements
- Conducting independent, on-site auditing of manufacturing and distribution facilities
- Preparing and evaluating regulatory compliance policies and procedures
- Providing training and education regarding relevant regulatory requirements

Steptoe provides guidance and support throughout the entire manufacturing process—from raw chemical commodity manufacturers to producers of finished consumer materials and articles. Our team leverages its combined years of experience and diversity of backgrounds to assist companies with facility design and layout, process control, data reporting and analysis, and operations management, with a specific focus on maximizing quality and consistency across the food packaging supply chain.

Government Affairs and Public Policy

Supply chain issues emerge at the intersection of business, policy, transportation, regulation, and competition. Our Government Affairs and Public Policy group helps clients navigate these challenges.

With a balanced, bipartisan, and broadly-based government affairs practice, we are uniquely qualified to ensure that our supply chain clients receive the best substantive and political resources to address their public policy concerns. We have a nuanced understanding of the substantive technical issues pertaining to our clients' interests with intimate insight into complex legislative and regulatory processes. We have strong relationships with members of Congress and their staff, who often involve us at the outset when issues arise for our clients.

Our government affairs team leverages our experiences on all matters affecting our business and trade association clients that might come before a legislative or regulatory body. Our team spearheads our clients'

strategic planning, legislative, and communications efforts as an integrated approach designed to achieve their business goals.

We counsel clients in connection with the full spectrum of legal and public policy matters, including public relations and other strategic campaigns, regulatory efforts, overall legislative affairs management, and advising on specific initiatives.

Government Contracts

Supply chain risk management is a key element of compliance programs for government contractors. They are facing increased demands to police their supply chains to address many risks, such as counterfeit parts, cyber threats, human trafficking, and business ethics. Their supply chains also must comply with domestic preferences and socio-economic goals, while at the same time, offer goods and services at competitive prices.

The consequences of a failed risk management program could be severe. Supply chain risks could result in business disruptions, the incurrence of unanticipated costs for corrective actions, and even exclusions from government contracting.

Step toe works with clients to navigate regulatory requirements on supply chain and to develop risk management programs. Step toe also assists companies in responding to allegations that they failed to effectively police their supply chain. Step toe also has prepared two toolkits to assist clients in evaluating key supply chain risks, the [Government Contractor Supply Chain Toolkit](#) and a [Teaming Agreement Toolkit for Government Contractors](#).

Labor and Employment

In any supply chain, labor serves as the driving force of an organization's operations. Whether employers are dealing with the ebbs and flows of their industry's business cycle or major upheavals in the global economy, our labor and employment lawyers provide effective counsel on how to adapt to an ever-changing marketplace.

Working closely with in-house counsel and executive management teams, Step toe provides counsel to clients on their global supply chain's labor issues. We work with large manufacturing clients in the United States and globally on issues ranging from the formation or dissolution of contractual agreements, reductions in force, hiring and separations, wage and hour issues, and non-compete restrictions. We defend employers with respect to administrative complaints filed with the Department of Labor, Equal Employment Opportunity Commission, Office of Federal Contract Compliance Programs and state agencies, and individual and class-based employment law and employment tort claims before federal and state courts.

Step toe has counseled clients as they seek operational efficiencies in their organization which can include restructuring their supply chain internally and/or with multiple outside parties, forming outsourcing strategies, dealing with the difficulties that may arise out of corporate acquisitions and divestitures, and solving other logistical challenges. Our focus is on employer-side solutions along the entire supply chain, and our experience ranges from labor reorganization strategies and compliant incorporation of temporary workers and contractors into the workforce, to immigration and visa issues for foreign workers. Our lawyers have significant experience conducting sensitive internal investigations of discrimination, harassment, retaliation, whistleblower, wage and hour and related claims involving employees in all levels of business organizations.

When global supply chains face major disruptions, we guide employers through short and long-term challenges. Step toe works with clients if there is a force majeure event like COVID-19 or a global economic downturn.



Manufacturing and Process Control

Companies with well-defined legal and regulatory strategies for implementing and maintaining their supply chain management programs benefit from more frequent commercial opportunities, access to higher-caliber resources and talent, and more consistent gains in quality and efficiency. Effective supply chain management takes planning, and requires a careful balance between lean manufacturing principles and supply chain adaptability.

Steptoe's lawyers bring a wealth of practical experience and technical knowledge to the table with backgrounds in life sciences, engineering, manufacturing, auditing, and standards development.

We use this unique range of experiences to help our clients develop, establish, and maintain a robust internal and external auditing strategy, consistent with regulatory requirements and corporate culture, including:

- Education, training, and compliance with global standards and certifications.
- Independent evaluation of Good Manufacturing Practice (GMP) requirements and procedures.
- Preparing and submitting comments in support of new trade association or government-developed standards and conformity initiatives.
- Proactively identifying and addressing changes in national and international manufacturing practices and to the benefit of our clients.

Privacy and Cybersecurity

Supply chains are an integral part of how businesses operate. In a global economy, supply chains ecosystem are complex, relying on third party technology partnership across cloud, data management, hardware, software, multiple vendors and many more. Not only are those interconnections potential points of entry for cyber threat actors, they are also subject to ever increasing regulatory (security) frameworks across the globe. In the European Union, the Directive 2016/1148 on security and information systems (NIS Directive) introduced a set of rules for operators of essential services and digital services providers requiring these entities to adopt adequate security measures to prevent cybersecurity incidents, and an obligation to notify competent authorities when incidents are taking place. Further, each supply chain is bringing its own challenges around personal and non-personal data ownership, flows and governance.

Dealing and complying with those competing requirements is not only an IT matter. It requires careful attention to sourcing, vendor management, internal and external auditing capabilities, board level awareness and engagement. Lawyers of our privacy and cybersecurity practice are used to assist clients all across the supply chain in their preparation and responses to cyber incidents, negotiation of security and privacy clauses in supply chain agreements, drafting of security requirements in RFQ or procurement, due diligence and vendor assessments. Steptoe lawyers also have unique expertise in understanding security standards (such as ISO/IEC 27001) and current or upcoming certification schemes, such as those developed following the adoption of the EU Cybersecurity Act.

Retail

Steptoe's Retail and E-Commerce Group is composed of a collaborative, international team of lawyers from a multitude of practice areas and jurisdictions, offering a complete package of legal solutions to retailers' most pressing business matters, including global supply chain issues. Our group has decades of experience advising retailers on their business operations and defending them in high-stakes litigation, acting as industry thought



leaders on current "hot issues" and forecasting emerging trends. Our deep understanding of the business of the industry allows us to partner with our retail clients to help them succeed in the fast-paced, highly competitive, and increasingly global retail sector. Recently, we've helped retailers with supply chain matters by counseling on product distribution and supplier and customer contracts.

Standards and Conformity Assessment

Standards and conformity assessment (including auditing, testing, certification, verification, inspection, and other controls) are critical to ensuring product quality, safety, sustainability, and security in a supply chain and otherwise meeting legal and market requirements across jurisdictions. Using their regulatory, product and process engineering, standards, and trade expertise, Steptoe lawyers:

- Help clients understand and comply with standards, certification, and other applicable requirements for a variety of products and services around the globe.
- Advise and represent clients on their engagement in standard setting bodies and on the creation and structuring of new standards-related activities.
- Advise and represent clients on standards and conformance-related market access issues, which are likely to proliferate as global supply chains continue to be disrupted by tariffs, procurement measures, and national onshoring/reshoring initiatives.
- Assist clients to proactively shape national and global business and regulatory environments by developing and implementing strategies for engagement on standards and conformance issues in trade agreement negotiations and intergovernmental fora.

Tax

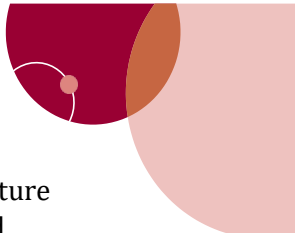
We regularly advise both US and foreign-headquartered companies on tax-related supply chain issues. For foreign companies with supply chains in the United States, we advise on permanent establishment and state tax presence considerations, federal and multistate income tax planning, sales and use tax minimization, transfer pricing, withholding taxes, and other tax issues. For US companies, we similarly advise on US federal or state tax issues or tax planning opportunities with respect to their US supply chain. We also advise US companies on the US tax issues raised by their foreign supply chains, including transfer pricing, outbound transfer rules, and issues arising under the "subpart F" regime for controlled foreign corporations.

Telecommunications

The advent of the Internet of Things and the deployment of 5G wireless telecommunications networks has made telecommunications an increasingly critical link of the global supply chain for a growing number of products, especially those deploying advanced technology. Steptoe is well-versed in the substantive legal and policy issues that can affect the supply chain, including cybersecurity, economic competitiveness, international standards, equipment certification, and export requirements.

We help wireless telecommunications networks and Internet service providers address these issues as they deploy networks, develop and use infrastructure, and manufacture products. We also work with large manufacturing clients in the United States and globally on issues related to radio equipment certification and export compliance that can often delay or deny the entry of such products into various foreign and domestic markets. We advocate for our clients before the Federal Communications Commission, the Department of Commerce, international organizations, and standards-setting bodies to see that international and domestic





requirements do not undermine effective deployment of advanced telecommunications infrastructure and equipment. We work with our clients to ensure their efficient compliance with these rules and standards.

When telecommunications legal issues pose a challenge for the efficient functioning of a global supply chain, we can guide firms through both the short and long-term challenges.

Trade Developments in the European Union

In the context of a challenging international environment, EU trade policy is developing quickly. Our Brussels office closely monitors the current EU efforts to strengthen its trade toolbox. Some EU Member States are actively calling for tougher enforcement of environmental and labor standards of EU trade deals. The European Commission has recently adopted a strategy targeting foreign subsidies active in the EU single market which could have direct impact on the global supply chain. The EU has also endorsed ambitious digital and green agendas. Related initiatives include proposals such as an important reduction in the use of pesticide in products sell in the EU, a carbon border tax, and an EU digital tax. In this fast-changing environment, Steptoe advises European and international companies on EU regulation, trade, and political issues.

Trade Law and Policy

Trade policy is becoming an ever more essential component of business strategy, especially given the likely evolution of the global trading system in a more turbulent direction that creates both risk and opportunity. Whether this means opening new markets, protecting existing supply chains or creating new ones, promoting onshoring or reshoring, establishing favorable rules of trade, or using these rules to protect against unfair competition or blunt the impact of adverse trade measures, companies are increasingly needing to advocate for, or against, the use of a growing set of trade policy tools as a means of advancing or protecting their interests. In addition to the Administration's more aggressive use of trade policy tools such as Section 232, Section 301, and rules of origin (e.g., USMCA auto ROOs)—all of which have major supply chain implications—the administration has issued several supply chain-related executive orders (e.g., Securing the US Bulk-Power System; Securing the ICT and Services Supply Chain; Federal Strategy to Ensure Secure and Reliable Supplies of Critical Minerals; and Ensuring Essential Medicines, Medical Countermeasures, and Critical Inputs are Made in the United States), and has even declared national emergencies under the International Emergency Economic Powers Act (IEEPA) as authority for two of them. The Biden campaign's plan to rebuild US supply chains suggests that a potential Biden administration would place as much, if not greater, emphasis on supply chain issues.

Steptoe has built a well-earned reputation as a leading firm for assisting companies in developing and executing sophisticated and multifaceted trade policy strategies to improve their competitive position and market access and to minimize supply chain and other risks arising from international trade developments. The Steptoe trade team possesses a wealth of experience in international trade and investment policy and politics, as well as an understanding of how to leverage trade developments and operate at the intersection of trade and other relevant policy areas (e.g., tax, energy, environment, standards, digital), in order to advance clients' interests. Steptoe distinguishes itself by combining this trade policy and political experience with technical legal knowledge in a broad range of trade laws and litigation, international trade agreements (including WTO and free trade agreements), and negotiating contexts. By integrating our political and trade policy knowledge with our deep trade law and litigation experience, we have achieved positive results for our clients in some of the most challenging trade disputes, trade negotiations, market access, and government relations efforts.

Transportation

Transportation is obviously indispensable to the function of any supply chain. Our transportation lawyers represent clients in a broad range of complex commercial and regulatory matters pertaining to rail, motor, and air carriage and are known for the depth of our experience in transportation litigation and appellate matters. We have participated in major cases involving rail rates, competition and commercial disputes, rail, aviation, and motor carrier rule-making proceedings, state taxation of railroads, preemption proceedings, regulation of global distribution systems, rail and motor passenger matters, class action antitrust litigation, test flights of unmanned aircraft, and various other cases of industry-wide significance.

Steptoe represents a variety of transportation companies, trade associations, and other entities in public policy related and regulatory issues before Congress, the Executive Branch, including the Department of Transportation (DOT) and its constituent agencies, and independent agencies including the Surface Transportation Board (STB). We are recognized as a leading firm in virtually every major area of rail regulatory activity, and our experience in high-profile cases has given us a thorough understanding of the complex and evolving issues in rail transportation law. In our motor carrier practice, we represent users of motor carrier services and operators of motor carrier fleets in contract, commercial, regulatory, and legislative matters. Our aviation practice focuses on representing foreign and US air carriers, unmanned aircraft operators and other aviation interests in regulatory settings and commercial transactions including aircraft acquisition and aircraft financing and leasing.

Steptoe's lawyers also advise clients on a variety of issues facing the maritime sector relating to transactional, regulatory, and compliance matters. We have extensive experience counseling foreign and US interests regarding the Jones Act and the Passenger Vessel Services Act. We also assist clients in navigating US and EU sanctions targeting companies, vessels, territories, and port facilities, in addition to export controls compliance related to the movement of dual-use goods. Our lawyers have experience representing clients in transactional matters in the maritime industry, from negotiating offshore infrastructure agreements to complex asset acquisitions and pre-transactional due diligence and compliance counseling. Our clients include a variety of companies involved in global transportation, shipping logistics, and port operations, including port authorities, a major US dredging company, a US territory, an Asian construction company, and a major US transportation conglomerate, as well as their counterparties in the financial sector.



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