

TRUMP TARIFFS

Chipotle CEO says company will absorb any cost increases from tariffs

The burrito purveyor is largely insulated from many of the costs stemming from the tariffs Trump has proposed.



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By Rob Wile

President Donald Trump's plan to [impose tariffs on America's largest trading partners](#) is sending ripples through the U.S. economy, as businesses and consumers alike prepare to pay

Yet for Chipotle customers, it appears, for now, that it will be smoother sailing at the check-out register.

In an exclusive interview with the Sunday edition of "NBC Nightly News," Chipotle CEO Scott Boatwright told anchor Hallie Jackson that, for now, the burrito purveyor intends to keep costs constant for consumers even as some of its cost of goods move higher.

"It is our intent as we sit here today to absorb those costs," he said, though he cautioned pricing changes could eventually come if elevated costs become a "significant headwind."

For the most part, Chipotle is insulated from many of the costs implied by the types of tariffs Trump has proposed, which, if followed through with next week, would set 25% duties on Canada and Mexico and an additional 10% on ones from China on top of a 10% levy imposed last month.

Boatwright has previously indicated Chipotle now gets about 50% of its avocados from Mexico, with the rest coming from Colombia, Peru and the Dominican Republic. All told, Boatwright has estimated cost of goods would increase 0.6%, or 60 basis points, on a rolling basis from the planned tariffs.

"We are fortunate to have such an extraordinary economic model at Chipotle that we can withstand those types of inflationary pressures and not have to pass those costs off to the consumer," Boatwright told Jackson.

"And that's our intent this year. Let's hold pricing constant, because we don't know if the tariffs are transitory, if they're going to be permanent, how sticky they'll be in the new administration.

He continued: "We don't think it's fair to the consumer to pass those costs off to the consumer, because pricing becomes permanent. And so again, back to the idea of delivering extraordinary value to the consumer. We're going to stay the course."

Chipotle finds itself in something of a transition period: In August, Starbucks poached longtime Chipotle CEO Brian Niccol to head the coffee giant. Since then, Chipotle shares have slumped, and in February it cautioned that the rest of 2025 would prove a volatile year. with slower sales growth than analysts had hoped for.

Yet Boatwright told Jackson he remained bullish on the company's fortunes, noting it planned to build out more than 300 new locations.

“If we can hold price constant, regardless of what’s happening in inflationary pressures, what’s happening with global economic uncertainty, and give the consumer abundance, [and] variety with wholesome, fresh ingredients that they can’t get anywhere else, that’s how we’ll deliver value for the consumer in 2025,” he said.

Boatwright also discussed the firm’s new AI tool, [Ava Cado](#), that is designed to help screen job applicants.

“Ava now takes all that work out of the hands of the manager,” he said. “The candidates respond directly to Ava and she qualifies them, gets the resume loaded or the application loaded, and schedules those interviews for the manager who simply shows up at a scheduled time slot, interviews the candidate and puts them into the workflow.”



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