We examine how trade policy affects firms’ organizational choices. We embed a model of firms’ vertical integration decision into a standard perfectly-competitive international trade framework in which product prices – and thus tariffs – are key determinants of ownership structure. We use a unique data set of approximately 24 million firms in 2004 to construct industry-level indexes of vertical integration for a large set of WTO countries. We show that trade barriers have a crucial impact on organizational choices. In particular, differences in ownership structure, measured as the distance in vertical integration indexes, are smaller for members of regional trade agreements. We also exploit sectoral variation in tariffs and find that organizational structures are more alike across countries in sectors characterized by similar levels of protection.