LRMI 3rd Quarter 2025
All Comments

1 Supplier Risk Comments
Tariffs are providing a major constraint to global efficiency.
Uncertainty with pricing due to tariff and sourcing issues will likely impact suppliers, and manufacturers and distributors.
Tariff price increases are causing massive turmoil.
Tariffs will impact the supply chain sourcing.
Tariffs... more importantly: lack of tariff planning, port of entry impact, and consistency.
Risk will increase due to uncertainty with US tariffs being imposed on imported material.
Tariffs are likely to shift supplies to vendors with less capacity to fulfill in the short term, if not longer.
Tariffs will cause price volatility on all links of the supply chain.
Higher import taxes / trade wars will lead to problems for suppliers, especially from certain locations (depending on the import tax rate from those regions). Higher import taxes will lead to price volatility. As ocean carriers reconfigure their global networks and ship rotations based on tariffs and ship taxes, this will lead to delivery schedule inconsistency. Most international suppliers to Americans will be exposed to the geopolitical risk of trade wars. Suppliers (and US companies) will face greater legal, financial and regulatory risks.
A very large pistachio crop expected in California may drive grower prices down. Tariffs may disrupt sales to China and Europe.
I have never seen such an economic roller coaster as I have over the past two months. I do not expect it to get better.
Supplier risk remains the same, but is still high.
The uncertainty surrounding tariffs can cause uncertainty in the market.
Tariffs are causing a lot of consternation; they will take a bit to settle out.
Tariffs have increased volatility.
All of my component suppliers are single sources. Any supplier process problem stops my production. In chemicals, there is no way around this when making proprietary products.
Price volatility will cause supplier risk to increase, especially with these idiotic tariffs; delivery inconsistency (we buy in both Asia and Europe); supplier exposure to geopolitical shocks will increase; and did I mention idiotic tariffs?
Tariffs will impact our business.
We have been moving to US suppliers for the past five years, and change does not come without issues. The US steel industry and the casting industry are slim and not the quality we were receiving from China. It's sad to say, but true. We are working with new US partners to improve their quality for future use.
I will only be using USA suppliers as offshore is no longer worth the risk.
Supplier risk will increase due to the following: single/sole source supplier, suppliers from one geographic location (tariffs), price volatility (tariffs), and delivery schedule inconsistency (due to changing forecasts).
Full disruption of existing supply chains and an increase in prices will lead to increased risk.
The recent case of US and reciprocal tariffs and the potential disruption in offshore manufacturing, as well as the increased cost associated with the same, will increase risk. Additionally, risk will increase due to the impact of the ownership/control of the Panama Canal.
China specific supplies may appear to have a major increase in cost.
Chaos breeds volatility - volatility increases risk.
All of our essential suppliers are out of the country, and there are no suppliers in the country that can match the quality or quantity.
Single source is always a problem, and with tariffs the risk is increasing.
International trade and interactivity have been shredded by the incompetence of the current administration.
It will take some time to find other sources besides China to produce certain goods. In the short term, I think there will be some disruption and shortages.
Tariffs will increase risk.
The uncertainty of tariffs affecting prices will increase risk.
Suppliers are slow to ship. I waited three weeks to make a formulation over waiting to receive a $200 chemical.
Tariffs are a huge disruption! This is an example of terrible execution in solving a problem mainly caused by China. Volatility and uncertainty around trade create a lack of decision making.
Risk is increased because we are rushing through to find adequate alternates or not having the time to find them. We will, most likely, end up living with longer lead time from manufacturers.

Secure Components continues to experience elevated supplier risk due to several ongoing and emerging issues:

Single and sole-source dependencies remain a challenge in the legacy defense and aerospace sectors we support. Many OEM components are no longer in production, and approved alternates are limited or non-existent.

Geopolitical instability, particularly in key manufacturing regions like Taiwan and Eastern Europe, is impacting lead times and creating uncertainty around future availability.

We've also seen increased price volatility in key electronic components, driven by demand surges and constrained raw material supply.

The risk of counterfeit or substandard parts entering the supply chain remains high. To combat this, we continue to rely on our AS6081-certified sourcing and inspection protocols and are investing in tools for real-time traceability and authentication.

To address these risks, we are:
-Expanding our Assured Stock Program to build inventory buffers for high-risk items.
-Increasing supplier audits and compliance verification.
-Actively pursuing alternate sourcing strategies and qualifying second sources where feasible.
-Strengthening partnerships with U.S.-based suppliers to reduce reliance on foreign or high-risk regions.

Overall, supplier risk is expected to remain elevated or increase slightly through Q3 as global supply chain challenges persist.

2 Government Intervention Risk Comments
This risk has increased as a result of bullying on the part of the White House telling major companies, like automakers, to eat a 25% increase in tariffs to the detriment to their profits and shareholders.
Government is currently the number one thing impacting economic and investment markets.
No comment is needed on this mess.
Government intervention in the marketplace (tariffs) and public companies (Walmart pricing) creates extreme uncertainty , driving confusion for companies as to how to expand and invest.
Who knows what's around the corner with regard to tariffs.
Risk is increased with continued uncertainty around tariffs and trade deals.
This is tricky because tariffs increase risk, but government regulations should decrease; thus, a complicated wash.
The current US administration's tariffs are creating so much uncertainty that many business decisions are being held captive.
Tariffs are having tons of impact right now. Although the US and other countries are finding some common ground, it is not enough to level set this category.
We have observed a 360-degree increase in risk and uncertainty.
Considering how bad the past quarter was, I don't expect it to become worse with the ninety-day freeze.
Firms that understand the current geopolitical environment will greatly outperform those that don't. We're glad DEI is dead.
Risk is increased by the imposition of idiotic tariffs that hamper competition and global trade.
More idiotic tariffs will increase risk.
Who knows??? So the risk has increased.
There is more instability in US now, so risk is expected to increase.
Government intervention risk will fluctuate based on the current political landscape. However, I predict that it will stay the same or improve/decrease in Q3.
Regulation increases are the norm, especially in countries that are trying to protect their own industry - think Canada and Europe. They use regulation, and add tariffs, to stop competition.
The tariffs are hurting our entire network of customers and suppliers. This will directly impact our business, potentially catastrophically.
The answer to this one is blatantly obvious - this risk is expected to increase.
Change is never easy, and the unknown is not good for business. Too many unknowns and no transparency of what is coming makes decision making hard.
The tariffs are going to increase my sales in the USA! The cut to regulations will help my customers.
New regulations, tariffs and trade wars will increase risk in Q3.
The clear lack of cohesive policies at the US federal level to drive international response will increase risk.
The recent case of US and reciprocal tariffs and the potential disruption in offshore manufacturing, as well as the increased cost associated with same, will increase risk.

Trade wars are already causing major concern with non-US customers.
The mindset of fear of these items (new regulations, tariffs, etc.) will impede the impact of implementation.
Tariffs (will increase risk), need I say more?
Vendors are trying to increase cost artificially -- the tariffs are a nightmare.
There is an incompetent, self-serving moron in charge right now.
We have already seen tariffs occurring and then being rescinded. Continued tariffs will turn into trade wars, which will drag down the economy.
The massive change in governmental involvement has impacted bond prices and valuation of the dollar.
It's hard to plan through the chaos.
So many different countries are impacted that it's a given the changes will impact us in different ways, depending on the countries we negotiate with on favorable vs unfavorable terms.
Government regulation is just the cost of doing business.
Secure Components anticipates that government intervention risk will increase slightly in Q3 2025, particularly due to ongoing global and domestic factors that affect the defense supply chain: Heightened geopolitical tensions—including strained U.S.-China relations and instability in the Middle East—continue to trigger new sourcing restrictions and closer scrutiny of origin for certain components. We are seeing an increase in regulatory oversight, especially around cybersecurity compliance (e.g., CMMC 2.0), sourcing integrity, and foreign supplier participation. These developments require ongoing internal review and policy updates. The potential for new tariffs or restrictions on raw materials from specific countries also poses a risk to our lead times and pricing structures. We remain subject to strict government-mandated sourcing rules, including DFARS compliance, which limits flexibility in supplier selection and increases documentation requirements. To manage these risks, we are: -Maintaining up-to-date certifications and internal processes that align with current federal regulations (AS9120, AS6081, etc.). -Actively reviewing our supply chain for vulnerabilities tied to restricted regions or flagged suppliers.
3 Economic Risk Comments
This risk is expected to increase due to inflation and slowing economic growth.
Economic risk is higher now than in many years due to the disruptive policies related to trade.
Economic risk is expected to increase due to uncertainty being driven by the federal government.
Another mixed bag of several things increasing risks while others are offsetting them.
We expect risk to increase related to the unknown impact of tariffs on costs.
Commodity price volatility, demand shocks, and border delays will result from trade wars.
All farming costs are increasing substantially.
Poor administration policies will increase risk.
Tariffs cause indecision and inflation.
Everyone seems to be cutting discretionary spending.
All signs show the economy is ready to boom again.
Political changes have increased all related concerns.
Border delays, due to tariffs and excessive regulation under the guise of environmentalism, will increase risk.
We anticipate no major swings.
Energy pricing has gone down and there will be no price volatility for my products. Labor will remain the same (no difference) and demand only helps my company! There will be no border issues for my company since all goods are manufactured in the USA with USA raw materials.
We are already experiencing increasing energy costs, commodity price volatility, labor shortages and sudden demand shocks. We expect the level of economic risk to remain the same in Q3.
Currency fluctuation, increased risk of recession, global trade agreements... where to start?
The volatility of energy production and costs will lead to increased risk.
Labor shortages are real across all of the supply chain.
Economic risk is expected to increase due to the current total disaster in leadership.
There will be MASSIVE risk across the board, owing to decreased consumer confidence, loss of good trade relations, pricing, etc.

High interest rates are stifling capital investment.
Secure Components expects economic risk to remain elevated but relatively stable in Q3 2025. Several persistent factors continue to impact our cost structure and operational flexibility: Labor shortages—especially in skilled logistics, compliance, and technical roles—remain a concern. Hiring continues to be competitive, and onboarding timelines are longer than ideal. Energy and shipping costs have not returned to pre-pandemic levels and continue to fluctuate, affecting both our overhead and supplier pricing. We are closely watching commodity price volatility, particularly in raw materials tied to electronic components. While prices have stabilized somewhat, any disruption in global supply could quickly change that. Border and customs delays, especially for shipments requiring ITAR screening or DFARS compliance checks, occasionally disrupt timelines despite proactive planning. Sudden shifts in customer demand—often driven by changing program funding or DoD priorities—can result in resource reallocation and inventory adjustments that carry cost implications.
4 Cybersecurity and Data Risk Comments
AI opens the door to more issues.
Uncertainty in foreign relationships may result in an increased number of cyber instances and attacks.
It seems these risks are always increasing.
The continued increase in digital technologies provides opportunity for more exposure to these risks.
We've witnessed an increase of foreign actor attacks in the past 90 days.
These risks just seem to always increase.
Advancements in AI and a continued reliance on digital technology is worrisome.
Cyberwars continue to rage.
AI-driven concerns are expected to increase risk.
AI attacks have increased.
AI is adding to this risk.
Cyber attacks are on the rise and they are going after the low hanging fruit despite the size of the company. No company is safe, especially in the manufacturing space, because they are still using legacy systems that are easily hackable. Supply chain cyber attacks are also on the rise, which could lead to major disruption as we've seen recently.
We expect risk to remain the same. Too big a deal is made of cybersecurity and data risk concerns. Fraud is the major problem, and physical shipment piracy including hijacking the shipment while out on the road is a problem even in proprietary shipments.
We have taken several steps to increase cybersecurity - every so often something does get through (if someone uses our email address protocol) but is quickly recognized.
We are working to make our internal platforms both more progressive and more secure, but are neither certain that what we are doing will be enough, nor that the grant help that has gotten us this far will be available for future plans.
We are working towards being CMMC Level 2 compliant based on customer requirements.
We have improved our levels of cybersecurity across the board and see higher levels of cyber protection from DHS and other government entities.
We expect a decrease in risk as we are the leaders in cybersecurity for the products we sell - solar inverters.
These risks have been increasing over last 5-10 years.
The impact of AI and associated targeted attacks will remain steady causing risk to remain the same.
The threat of attacks is real and increasing.
The gutting of security, and putting fools in charge of defense and homeland, only open the nation up to cyber infiltration, and the phishing has increased.
I think that China and Russia, in particular, will be doing all they can to infiltrate company information and personal information.
These risks will increase due to the pivot from Russia and disbanding of law enforcement efforts on the main source of cyber risk.
The risk remains high and daily exposure seems to compound the risk.
AI evolution will increase these risks.
The level of risk moving into Q3 is truly unknown and unpredictable. Cyberattacks are unplanned for and unforeseen events.
There is a lot of hype associated with these risks, unless you make yourself a target by saying dumb stuff on social media.

Secure Components anticipates a moderate increase in cybersecurity and data risk during Q3 2025 due to a few key factors:

Elevated threat landscape across the defense supply chain, including more frequent phishing and ransomware attempts targeting small-to-mid-size federal contractors.

Transition activities, such as internal system upgrades and integration of new vendor platforms, which temporarily increase exposure if not tightly controlled.

Ongoing resource constraints, particularly in staffing and budget, which make it more challenging to implement and monitor robust security controls at scale.

To mitigate these risks, we are taking several steps:
-Conducting a third-party audit of our cybersecurity posture in July.
-Reviewing access and privilege settings across our ERP and vendor systems.
-Continuing training for all team members on secure handling of controlled unclassified information (CUI) and phishing awareness.

We are not currently seeing signs of direct compromise, but we are proactively adjusting controls to reflect the evolving risk environment.

5 Customer Risk Comments
Increased pricing, driving negative consumer sentiment, will increase risk.
Slowing economic conditions result in customer disruptions.
Customers are unsure about spending due to economic risks.
As tariffs force suppliers to adjust rates, or keep them firm, it will cause a growth or dip in sales.
Customer risk will increase thanks to trade wars.
Federal funding is causing concerns.
Customers are not understanding and are not forecasting demand. They just expect immediate Amazon effect shipments for proprietary produced products.
All of those factors (i.e., fast changing customer demand, changing customer base, hard to predict behavior) have been the case since COVID, except we've maintained a good level of customer loyalty.
The tariffs may help in some ways but our customers are marine and genset - around the world. We already fight counterfeiting, and fear this will drive them to non-USA made products. Our quality is renowned, but that will only go so far.
I expect a decrease in risk due to more consistent sources of supply, better quality of products made in the USA, fewer regulations regarding sustainability, and better return on ROI for my customers.
We expect fast changing customer demand and inaccurate forecast information to continue to be the case.
Overall volatility to translate in customer's demand, thereby increasing risk.
The costs associated with tariffs and imported goods will increase customer risk.
We are worried about the European and Asian customers.
The rising debt funding of performance shortfalls from consumer-caused business failures will suddenly impact. When consumers have lost hope in a financial recovery, a recession will hit quickly and businesses will hasten the decline with layoffs and negative forecasts.
We expect customer risk to increase as quality of service and product has been impacted.
I think a lot of customers will be cautious about their buying habits and will wait to see how prices are affected.
The loss of customers and customer base, particularly with Canada and Mexico, will lead to increased risk.
Baby boomers who know us will continue to retire.
The customer base in oil and gas is changing due to the change in administration. Overseas it is very dependent upon a secure political situation in the importing country, especially with regard to countries in Africa and South America. There is lots of turnover in traditional industries.
We continually struggle with receiving forecasts from customers who expect the products on the shelf and are giving shorter lead-times when placing orders.

Secure Components expects customer risk to remain relatively stable in Q3 2025, though a few factors are worth monitoring:

Our core customer base—primarily U.S. Department of Defense agencies and major defense contractors—remains consistent, with long-term programs and structured procurement cycles. This stability helps limit volatility in demand and loyalty.

However, forecasting challenges persist due to shifting program priorities, budget uncertainties, and timeline adjustments on the government side. These fluctuations can result in uneven order volume or sudden schedule changes.

Newer customers in adjacent markets (e.g., energy and transportation) tend to have less predictable behavior, often requiring more support and education around our sourcing process and compliance standards.

We've also noted that expectations for speed and service level continue to rise, driven by broader industry trends—even in highly regulated sectors. Balancing responsiveness with compliance and traceability requirements can be a challenge.

To manage these risks, we are:
-Deepening account management engagement with key customers to improve visibility into upcoming needs.
-Expanding internal SOPs and customer service training to better address ad hoc or urgent requests.
-Leveraging our CRM and ERP systems to monitor quote-to-order trends and adjust proactively.

In summary, while we do not anticipate a significant increase in customer risk, we remain alert to subtle shifts that could impact demand predictability and service expectations.

6 Transportation Disruption Risk Comments
The uncertainty of tariffs, and resultant shifting of sourcing and manufacturing decisions, have had a negative impact on supply chains and will increase risk.
Transportation disruption risk will increase, driven primarily on "mid-tech" level component manufacturing sourced from Asia without alternative sources.
Overseas shipments will be delayed, as China and other countries will slow with production due to tariff implications.
Trade wars will lead to demand volatility, both for imports and exports. The average age of the American truck driver is getting older, and younger people are not as likely to want to be truck drivers. This will probably lead to driver shortages.
Fuel and wages are factors which will increase risk.
Transportation disruption risk has increased, but I do not expect a further increase.
There may be fewer drivers available due to new rules.
With fuel prices going down, and employment and demand going up, all signs are good that the risk will decrease.
Tariffs have increased uncertainty in the transportation market.
Risk is expected to increase due to a major breakdown in preparing paperwork for shipping out the order.
We see lowered transportation costs due to lower oil prices, and less risk due to less international transportation costs and risk.
Fuel prices and freight have been astronomical, and I will only be selling USA-made goods from now on! The price of fuel in the USA will stay consistent.
Based on the current price of oil and the significant decrease in the last two weeks, we see gasoline and diesel continuing to fall during the balance of this year.
This risk will increase because of global demand volatility, mainly due to operational risks.
We expect overall volatility both on the demand and supply side.
The recent case of US and reciprocal tariffs and the potential disruption in offshore manufacturing, as well as the increased cost associated with the same, will increase risk.
Another transportation disruption risk is weather. Logistics companies are consistently talking about it.
Established routes will keep the level of risk steady.
Tariffs are an incredibly stupid tool on which to base a restructuring of the economy. It is already hard to find workers, and immigrants who work for us are now afraid, making it harder to fill slots.
I think there will be more capacity as fewer goods are imported from China.
A chaotic environment will lead to increased risk in this area.
We could be at the whip's end with regard to the tariff situations.
We expect customers to find alternate avenues wherever possible over time; thus, we anticipate the loss of some business when customers succeed in finding equivalent non-tariff products on the market.
Fuel prices for shipping and shipping in general are going up. Even the post office is hustling for ground shipping business. Overnight business is not really guaranteed overnight anymore - at least 2-3 days.

7 Technological or Competitive Risk Comments
The impact on US companies of retaliation for tariff and other trade restrictions is yet unknown.
The ability to assimilate artificial intelligence will be critical for firms going forward.
It remains to be seen what AI will do to change legacy processes.
Higher tariffs overseas for American exporters will lead, inevitably, to the introduction of new competitor firms. We're not sure about replacement technologies.
AI continues to disrupt, thereby increasing the level of risk.
Things are moving around; adjusting the location / sources of supply will create a bit of upheaval in the supply chains.
AI is adding to this risk, even as we find ways to benefit from it.
AI alone is currently changing the landscape and the unknown creates higher levels of risk.
I expect this risk to decrease as I currently have high technology products that my competitors do not have.
None of our competitors can compete with our technology; therefore, we expect a decrease in risk.
Risk will increase due to the introduction of new competitor products, and emerging technologies.
Overall supply chain disruptions are seen to affect all market players, whether they are domestic or foreign manufacturers.
The risk of international suppliers controlling both information and materials - who gets what when - will be a political tool used worldwide in the new "Trade Wars."
Again, incompetency at Homeland and the laying off of so many federal workers has removed a layer of safety from the process. We expect an increase in risk.
Environmental restrictions are causing our entire industry to reformulate its products.
We anticipate an increase in risk as more automation is coming.
We expect technological and competitive risk to remain steady in Q3 2025, with no major shifts anticipated in the short term. However, there are a few areas we're actively monitoring: The entry of niche technology startups into the defense sustainment space continues, especially those leveraging AI, blockchain, and digital thread platforms. While many are still in early stages, some are gaining traction with agencies seeking faster procurement or more automated traceability. We do not currently view these firms as direct competitors, as Secure Components differentiates through deep domain knowledge, compliance expertise, and certified sourcing capabilities that are difficult to replicate quickly. Regulatory inconsistencies remain a concern. Some newer or offshore suppliers operate with limited oversight, potentially undercutting pricing without meeting required AS9120, AS6081, or DFARS standards. This creates uneven competitive conditions.
8 Operational Risk Comments
Uncertainty over tariffs and cross-border trade disrupt the planning and execution of strategy.
With the new administration, the risks are that local municipal resources become un-funded, or that targeted disruption attacks will be higher than they were in 2024. This is, in part, due to our company being located in DC.
Disrupted supply chains from tariff starts/stops will effect the ability to get parts/equipment.
Cost cutting will likely increase risks during the initial transition period, after which things should stabilize.
Hurricane season is an added risk at this time of year.
Companies' business processes in the office have been damaged by COVID, and the absence of people handling the business in manufacturing companies. Companies are losing control of manual payment and shipping processes. Questionable delivery of goods results as communications in the operation break down.
Supply chain and economic challenges might make equipment replacement prohibitively expensive.
Even PM can't keep some of our older machines from breakdowns - by necessity, not growth, they are being replaced in 2025. All else remains the same.
Although we do not anticipate site disasters, we are worried about obtaining repair parts to machinery.
Most of the larger equipment on site was built outside the US and, if we have any breakdowns, procuring repair components or maintenance items may be difficult given this most recent round of tariffs and foreign trade disruptions.
We see consolidation of the supply chain into the US, which is improving our options in terms of suppliers and delivery metrics.
The tariffs will reshore manufacturing, and I have waited 25 years for this. All offshoring has cost me tens of thousands of dollars.
Increasing pricing based on current tariffs could have a significant impact on our sales in the third and fourth quarters.
Tariff unknowns, meaning the need to move to different suppliers and re-allocate amounts spent on dual-sourced items, will increase operational risk.
Overall uncertainties due to the disruption of supply chains will lead to increased operational risk.

The recent case of US and reciprocal tariffs and the potential disruption in offshore manufacturing, as well as the increased cost associated with the same, will increase risk.
First: The question assumes my ability to define the future risk and compare it to a current vision of risk. Second: The question assumes my vision of current risk is valid. My clients are small and medium-sized business owners, and they continually show me that they do not understand the causal agents of their current risks. They usually understand how certain risks might impact their operations, and to an even greater degree understand how to "manage" the impact of that risk, but very few focus on avoiding the risk entirely.
Uncertainty, supply chain gaps, and our country's self-inflicted recessionary trends will increase risk.
Tariffs. Incoherent implementation of economic strategy. On again. Off again. We change prices one time per year. We print catalogs. We have customers update systems. This environment is, quite honestly, toxic for business.
Risk will remain the same as the increased cyber threats will continue.
It's tornado season, so there's always some risk.
Disruption in the supply chain between top markets can also affect transport costs and lead time to buyers located in small markets due to a reduction in trip frequency.
Operational risk will remain the same unless tariffs increase dramatically. If this comes to pass, the level of risk would increase severely, creating an environment of severe uncertainty in the manufacturing sector, as we would not know which tariffs would remain and which would go up or down, week to week.
Business, especially the retail hardware store business, is extremely slow. Consumers are not spending any money.
9 Environmental Risk Comments
More rain really hurts our construction industry.
Water scarcity and climate warming will lead to an increase in environmental risk.
Hurricane season is upon us in the Southeast, which increases risk.
Hurricane season increases environmental risk.
We expect the level of environmental risk to remain the same. We have an excellent safety program. Additionally, you can't control the weather.
We expect risk to decrease as we are installing a generator to provide backup power.
No one can predict an environmental force majeure event!
Regulations for environmental reporting, and corrective actions to remain compliant, are needed.
We continue to expect extreme weather, with risk amplified by lack of federal response and support.
Too little attention is focused on potable water worldwide.
Weather seems to be playing a bigger role in the problem than in the past.
Stripped EPA, FDA, and other regulatory checks will allow bad actors to kill people, the environment and, possibly, each other.
Climate change will continue to cause more extreme weather and natural disasters.
Much will depend on hurricane season. There is a lot of volcanic activity around the globe. We expect widespread devastation in places with volcanoes erupting.
10 Quality Risk Comments
Companies are changing suppliers due to tariffs and having quality issues with the new parts.
Cost cutting will likely increase risks during the initial transition period, after which things should stabilize.
Higher import taxes could make the best, safest parts unaffordable. Lesser products might then be substituted. This could lead to lower safety standards.
We expect quality risk to increase due to a USDA shortage of personnel and funding.
Quality risk will decrease, as we will soon see the fruits of our labor in preparation for tariffs and the like.
We are anticipating additional issues with suppliers as we continue to change from long partnerships overseas to local distributors for materials and metal castings. New suppliers mean new issues.
We expect a decrease in risk; we spend a lot of time with our engineering team, ensuring that our defect rate is less than 3%.
The risks will be the same, but more work will be required due to changes from operational risks.
The pricing risk that suppliers are facing will force them to compromise the quality of what they supply to their customers. The users may not be aware of the hidden risks within the new supplies and materials.
Quality risk will remain the same; the same suppliers will continue to create the same problems.
Lack of sufficient quality testing and changing quality standards will lead to an increase in risk.
A chaotic environment will lead to increased risk in this area.
Risk will increase with limited staff for incoming inspections; alternates will not be fully tested as viable replacements.