

1 Economic Risk Comments

Economic risk is not top of mind.

Risk is expected to increase because of Trump policies.

There is a shortage of trained labor to fill increasing demand by onshoring.

Energy is lower and will remain that way. All other categories of risk are of no consequence at this time.

The economy seems to be more fragile.

Increases in input costs are continuing to strain margins.

We expect further market volatility in the first quarter of 2026.

Economic risk is expected to increase due to inflation, affordability, tariffs, etc.

Russia's war in Ukraine could cause significant disruption to global supply chains.

We expect similar risk to that in Q4 2025.

Enhanced border security could cause labor shortages. Commodity price volatility due to import taxes.

The divergent consumer on both the high end and low end will cause affordability issues.

We expect risk to increase due to the trend in energy costs.

We are worried about the electricity supply and about consumer demand.

Uncertainty will increase risk!

Europe is still not stable. The U.S. economy might be a bit overheated. Most businesses traded down in Q4 2025.

Yes, risk will increase; there are too many demand shocks.

We are uniquely positioned in the substantial increase in demand regarding cybersecurity services we focus on.

We just need to work harder and be aware of new technologies.

We continue to keep a close pulse on geopolitics and have designed our supply chains accordingly over the past decade. We seek out access to hard facts and do not rely on the slop being served up by 95% of our print, tv, and internet/social media. Gaining unbiased insights allows us to make better decisions and our financial performance illustrates this success.

We do worry about the value of USD compared to other currencies and value stores. Been seeing more asset trades that don't have to involve large amounts of volatile currency.

We expect risk to increase due to energy costs, specifically data center effects on both energy usage and investments.

Data centers are increasing energy costs. We've seen border delays at Laredo, Texas.

2 Cybersecurity and Data Risk Comments

We're experiencing increased cyberattack attempts. We're also undergoing system/software upgrades in Q1 which could potentially cause software issues.

Care must be taken, especially overseas.

Although there is an expression of a rise in global risk, for the firms we deal with, the feeling is that they are well-positioned to ward off any threats.

Risk is expected to increase because of Trump policies.

Risk will continue to increase in our era of total warfare. No data are secure.

This does not affect my business at all. The manufacturers would be at risk.

More blatant attacks by Russia and China will increase risk.

Risk has been high, and will remain high.

Read any source of information and you will see that it is obvious that risk is increasing.

All indicators show that Cybersecurity risk is on the rise and that there is no sector that is safe.

Botnets continue to increase in effectiveness and frequency (Mirai, Aisuru, etc.)

A commercial war might lead to cyber attacks sponsored by non-democratic governments.

Bad actors have become emboldened in the past year.

Geopolitics increases risk to communications and grid networks, and AI increases cyberattack risks.

Risk will be higher as bad actors use AI to increase the number and effectiveness of cyberattacks.

The digital age welcomes fraud.

There has been a recent spike in incidents, which will increase risk.

With AI being thrust into every aspect of life, including the workday, there must be a risk to the collection and misuse of data.

The use of AI tools and technologies are making cyber risk more significant.

The use of AI by attackers, as well as internal users, is a major concern.

There is an increased risk of cyberattacks in the defense industry supply chain.

Risk is increasing due to the overall climate of the world and increase of malicious AI.

We have an extensive program for risk abatement and control. Bad actors and AI-enabled crime will increase. This is a constant source of risk.

Bad actors are leveraging AI and scaling at an alarming rate. It's not if, but when.

This risk continues to increase, especially with the probing that China is doing.

LRMI 1st Quarter 2026

All Comments

An increase in risk is definite, especially with "AI" coming into the vernacular.

The cat and mouse game continues unabated. Bad guys are more sophisticated using AI tools.

Cyberattack patterns continue to increase in frequency and in complexity.

There is more access than ever; how does all of that align to privileged access to those systems that house competitive advantage?

As the digital age becomes more complex, the risk of data breeches increases.

We have implemented additional cybersecurity safeguards for extra protection.

3 Government Intervention Risk Comments

U.S. tariffs will stabilize at 20% - and the uncertainty around China will stabilize. I expect a resolution of Brazil and India trade challenges by year end.

Tariffs create supply/price uncertainty. Local government environmental policies create some risk.

Tariff risk is increasing.

Risk is expected to increase, especially given the uncertainty and fear with respect to global understanding.

I'm only indicating that this risk will remain the same because it is so bad currently.

Those in leadership are back to supporting the regulation increases of the Democratic Party.

Governments are participating in a great power competition, so more changes are on the horizon. The environment will remain turbulent until power distributions are settled.

Risk is expected to decrease. Clarification and staying on top of all of the above-mentioned geopolitics with tariffs and such is already forecasted out. In fact, it has brought in more business than ever to the USA!

The ongoing volatile tariff situation is creating a lot of uncertainty and reconfiguration of supply chain at a significant cost.

Governments are running larger deficits, which increases the risks of higher taxes and the rise of protectionism.

Continued intervention via tariffs and other crazy behaviors will increase risk.

Whilst Europe attempts to raise quality standards, it is backpedaling as a result of the U.S. administrations' "light-touch" industrial policies and the Draghi Report.

Risk remains at very high levels due to extremely unpredictable Trump administration actions, often through executive orders to bypass Congress.

Import taxes. Trade wars. Governmental restrictions on source materials. This is what many U.S. importers and exporters are facing.

The White House is a wild card.

Some new taxes and compliance costs have been introduced.

Hopefully, tariffs will be decreased.

Tariffs continue to pose risk, from purchasing of components to shipment of product.

The uncertainty is a killer. Racial profiling in ICE enforcement is also a killer.

Risk will increase due to uncertainty!

Volatility as a result of tariffs remains.

Risk is stable at the moment. We're not expecting any more U.S. / Trump / tariff impact.

World-wide, governments are in flux.

New mandates are coming down all the time.

Unfortunately, government is getting too involved in the marketplace directly instead of being a conduit for growth.

The idiots who thought "climate change" and "racism" were the biggest threats to the country are starting to drown in their own ignorance. The U.S. government is currently investigating Small Business Administration (SBA) 8(a) Business Development program grifters who rely on passthroughs and kickbacks in the name of fake "equity" as a means to divert and embezzle resources from worthwhile programs that actually increase diversity and inclusion. Interrupting USAID is a loss for the grifters but a big win for real, honest businesses trying to add real value to the economy. Outside of a few stock market AI and tech bubbles, real performance is starting to be properly incentivized. The cream (those who actually understand the larger geopolitical landscape) is quickly rising to the top. Real stakeholder inclusion remains a top strategic strategy.

Price increases due to tariffs are becoming permanent.

Tariffs and domestic politics are volatile and uncertain.

Risk will increase - *Gestures at everything*

Just read the news to understand that risk is expected to increase.

4 Supplier Risk Comments

Tariffs will disrupt the supply chain. Reshoring will cause financial challenges for suppliers and they will shift production to private label, as is happening right now with China.

There is still a lot of uncertainty regarding tariffs and pricing.

Suppliers are established long term. There will be some financial risk from interference because of tariffs.

Supplier risk will definitely increase. The companies we work with are unsure as to how their suppliers are going to handle global disruptions.

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All Comments

Risk is expected to increase because of Trump policies.
With the chaos create by tariffs, it is very difficult to create a strategy and move forward with confidence.
Moving suppliers from China will increase risk.
Sourcing internationally, and especially from or via adversarial nation-states, will increase risk for those not taking the geopolitical landscape into consideration.
Suppliers from geographic locations have been an issue, and most purchasing agents do not understand that this is not an option with some raw materials. Even some plants have closed in the USA, which would mean all have to be purchased offshore. You have to be able to adapt and have three sources available for fill in at all times.
Tariff disruptions/economic impacts have been a pain and appear will continue.
Raw material price volatility and delivery schedule inconsistency are big issues.
Continued complexities of tariffs and related changes will increase risk.
The supply chain environment faces additional geopolitical threats.
Supplier risk remains at a historically high level due to unpredictable, highly transactional USA trade/tariff actions and counter actions/tariffs.
Import taxes have, according to some shippers and freight forwarders I have talked with, created a chaotic situation. Freight forwarders have to spend a lot more time figuring out what the import taxes are. New and unexpected regulations are a disruption. Import taxes have forced some U.S. importers to change sourcing, perhaps to a different geographical location. All importers are facing potential increased geopolitical shocks and financial and regulatory risks.
Tariffs are causing somewhat of a global disruption.
Tariff impact, and geopolitical shocks, will increase risk.
Increasing prices on raw materials will cause an increase in bidding to alternative sources.
Volatility, due to tariffs and China's control of rare earth metal, will cause risk to increase.
This risk is minimal in our business.
Counterfeit is always a problem for a global product. Every supplier has a price increase for every new quote.
Tariff mitigation has forced our Sourcing Team to diversify our supply chain and supply base, resulting in less risk.
Here the risk is +/- . Suppliers will be affected by the same factors that affect the downstream businesses.
Legislation will kick in in 2026 and the economy will start to improve.
Cyberattacks ripple across many organizations; unfortunately, it is a continuous effort to maintain a posture of maturity that maps to internal tolerance on risk exposure. Frameworks update, and new backdoors need plugging.
Tariffs have an impact on suppliers staying solvent; resilient supply chains are at a premium.
I expect prices for parts and materials to increase due to U.S. tariffs and suppliers using different strategies to overcome these additional costs.
People who source from non-reputable or Chinese suppliers will continue to reap the losses presented by ignorant strategy.
Supplier pricing will continue to increase to compensate for tariffs.
The volatility of tariffs, etc. provides for increased risk and uncertainty, leaving us with the inability to adequately plan while trying to hit a moving target.
We are reducing our sourcing due to tariffs and global isolationist policies, which reduce our ability to source properly.
Tariff fluctuation impacting planning, supply and price volatility still exists.
5 Customer Risk Comments
Continued expansion of e-commerce and increase of major retailers will increase pressure on smaller retail chains.
The first quarter of the year is typically the busiest time, which increases risk of customer issues.
Currently, customers, both current and potential, felt that it was the responsibility of the firm to address customer risk issues and that they did not perceive additional threats.
Risk is expected to increase because of Trump policies.
Same as my Supplier Risk response - With the chaos create by tariffs, it is very difficult to create a strategy and move forward with confidence.
There is a lack of customer loyalty.
Technology will increase the changes that will be coming in 2026! You have to be on top of all of it daily. Customers are seeking assistance, and you do the best you can to inform them of their options.
We do expect more pressure on the consumer, but the nature of our business provides some insulation.
Given the increase in the above risks, minimizing them to maintain customer service standards is increasingly difficult.
A commercial war would eradicate access to some markets.
Poor economic conditions will increase risk.
Europe faces significant geopolitical risks from the Trump administration's hostility.
Shortened planning windows, due to uncertainty, require faster response times and increase volatility.
Risk remains at a high level due to a year-over-year (YOY) of 3% and rising inflation, with big increases forecast for most items as huge tariffs paid by U.S. companies are passed through more and more to consumers.

LRMI 1st Quarter 2026

All Comments

Pricing is an issue; customer loyalty is at risk.
Tariffs have affected business in the commercial sector of our business. High end residential is unaffected.
Tariffs and pricing pressures are representing increased client risk.
The economy is causing people to spend less on high end pools.
Inflation continues to be a concern.
Reliance on international customers has been impacted by the U.S. administration's trade policy.
Increasing price competition in our field makes this a risk that we are concerned with more than ever.
Private label expansion is always a threat to our business. It is critical that we remain committed to being price conscious, focus on innovation, and adhere to our highest quality standards.
This is not really a problem for our customers.
Customer service is worsening. Consumer credit is at an all time high. All types of insurance and health care costs are out of control, negatively affecting consumers' disposable income. People are getting hosed, and politicians aren't doing anything except peeing on each others legs.
We're not anticipating a tremendous impact; we feel that our analytical ability puts us in a favorable position to solve existing market challenges, even in a down economy.
Suppliers need to constantly be adding capability in order to adapt to a changing landscape.
The idea of customer service is lost on companies owned by big capital. Consumers are tired of receiving poor service and are flocking to companies who treat them with basic dignity and respect.
We are losing customer loyalty due to layoffs.
6 Technological or Competitive Risk Comments
New competitors may create turbulence.
All firms face the same technological changes. However, the "newness" and "rapidity" of change is disconcerting; particularly as to its applicability for business.
Risk is expected to increase because of Trump policies.
The common strategy in manufacturing to combat reduced labor pools is to automate processes. Automation is expensive and requires people with a higher level of skill.
AI continues to reshape the environment. However, we are in a bubble.
Technology will be driving the market. This will increase in 2026 and, with AI being implemented, further in the future as well.
Risk will decrease as the U.S. becomes more self-sufficient and competitive.
AI continues to develop and be integrated into business operations, which is expected to increase risk.
The European chemicals industry faces heightened threats from Asian competitors.
Risk will be increased due to the impact of AI advances and unpredictable U.S. trade/regulatory policies.
We must be able to adapt to new technology based on the firm's capability.
AI is expected to increase risk in the first quarter of 2026.
AI is making everybody feel that they are slipping behind with respect to technology.
Risk increases with respect to transportation and supply chain management.
The industry will always innovate; discerning what technology is legit and will become adopted at scale is a never ending effort.
Companies need to adapt to and execute programs with artificial intelligence in a prudent way, which is consistent with their business needs and overall capability.
The U.S. government (especially from the impotent and brain-dead Biden admin) has purposefully not regulated the biggest bad actors and it is taking a toll in this area. These risks will not be allayed until our government is no longer owned by oligarchs.
AI is a disruptor and not used properly in all cases; it is sometimes deployed too fast.
AI investment is overloaded and many key resources needed to support it (e.g., the electric grid) are being stressed by the demand, which is negatively affecting the rest of the economy. In addition, we are seeing that consumer AI is generally ineffective and not helpful.
7 Transportation Disruption Risk Comments
Transportation is normal. We expect the level of risk to remain the same.
Firms are worried that fuel prices and employer wages will rise.
Risk is expected to increase because of Trump policies.
Ocean rates are currently low, but we expect an increase in Q1 of 2026.
Unstable fuel prices and driver shortages increase product costs.
Fuel prices are down in the U.S. and internationally for shipping. Wars, such as the Russia-Ukraine war, coming to an end will help with the logistics of containers. The lead times due to these wars were unbearable.
International routes' instability of flow will increase risk.
Maritime transportation of chemicals is tightening, making export difficult.

The import taxes and ship taxes could lead to demand volatility. The English language requirement could lead to driver shortages.
The decreasing labor supply due to immigration deportation policy will increase risk.
Weather conditions lead to driver shortages.
Fuel prices should remain constant. The driver shortage in the Less-than-Truckload (LTL) and Over-the-Road (OTR) sectors doesn't impact us much; the transport market is relatively soft. Labor disruption in transportation remains a constant threat.
There has been a reduction in force with nearly every shipping firm. Those employees are overworked and not happy.
Brazil tariffs are currently at 50%. Importers have paused as many shipments as possible, essentially 'hedging bets' that tariffs will be reduced/eliminated. If/when that happens (I expect it will), shipping capacity will be constrained.
Middle East shipping routes are still a concern, but are at least more stable now than in the past 12 months.
Here risks are noted vis-à-vis fuel prices and workforce shortages.
There are bottlenecks that will increase complexity. Some that we are concerned about are tied to nation-state level activity; a disrupted supply chain strains the economy.
Driver shortages may be an issue with immigrant deportations increasing.
Risk will increase, mainly due to driver shortages and demand volatility.
The peril of hiring illegal immigrant drivers is coming home to roost for the more unscrupulous companies in the transportation/3PL realm. Those who contract with reputable companies that hire safe drivers continue to succeed.
Fuel prices should decrease in 2026. Driver shortages will increase as we lose more immigrants and non-English speakers, or those in vulnerable populations who get tied up in the courts. Freight will decrease due to poor economic conditions.
Trucking companies are less reliable; there are many delays.
8 Operational Risk Comments
Risk will decrease as hurricane season is now over for the year.
Trade risk continues to be an issue.
We have not heard any company express a sense of uptick in this area.
Trump Always Chickens Out (TACO) behavior will lead to an increase in risk.
My chemical plant experience suggests that the winter months tend to have more unexpected issues thanks to freezing temperatures.
Aging equipment can pose a significant operational risk. Many companies such as ours did not invest in new equipment during the COVID-19 years, leaving older equipment in place.
35 years of experience sourcing raw materials internationally tells us that the level of operational risk will not change. Forces majeure happen all the time, and you adapt. More important factors are lead times, warehousing in the U.S., and lack of raw materials available for small to medium businesses.
Many simultaneous changes and a lot of tariff uncertainty, plus climate change disruptions, will increase risk.
The increase in supply chain disruption increases risk.
A key aspect of managing operational risk is in having the flexibility of mind to acknowledging that there are risks, some apparent and others unknown.
We may face a shortage of qualified labor, potentially due to both evolving technology and increasing deportations.
We are currently conducting some significant construction and expansion activities that are driving this additional risk consideration.
An upcoming capital project in manufacturing must meet the tight timeline or create significant inventory risks.
Labor shortages due to ICE raid fear among Hispanic workers in the United States will increase risk.
Really no changes noted.
Hurricane season has passed! All else is pretty quiet.
The threat landscape is increasing. More importantly, there are a substantially higher number of operational risks being reported, per our analysis. More risk means more control is needed.
Tariffs are taking a toll on margins and order entry.
Failure to adequately address aging infrastructure leads to increased risk with each passing year.
9 Environmental Risk Comments
We will potentially experience weather related issues in Q1 2026.
Being unable to assess the risk of climate change will increase risk.
Risk is expected to increase because of Trump policies.
Environmental risk is a constant-things happen and you adapt.
Climate change is already having a significant climactic influence.
There will be continued increased risk as global warming continues to drive major weather extremes.
The government is cutting back on investment in this area.
While we got through hurricane season without a hit, we had major fires in California. It seems like volatility is up.
We don't expect any fluctuation in risk in the short-term.

There is not enough being done to remediate persistent chemicals such as PFAS (Per- and polyfluoroalkyl substances) in the aquifers. The microplastics damaging the ecosystems need attention.

I am anticipating a continuation in deregulation efforts that should map to areas that impact us; it's just hard to know what will happen. Global warming and plastic pollution will continue to cause problems.

We keep working towards sustainability. As I heard in a recent meeting, "If you are generating large amounts of pollution and try to justify it with purchasing carbon credits or the like, then you are part of the problem." We take environmental risk into consideration when making sourcing and site decisions and this has been a good strategy for us to allay these actual risks...and we don't have to pay into some grafting scheme to justify any bad deeds.

Weather patterns are more unpredictable and seem to have higher peaks and valleys.

Risk will increase due to declining efforts to mitigate.

10 Quality Risk Comments

Established blender, no worries or issues.

Trump the disrupter will increase uncertainty on all drivers of this risk for some time to come.

As boomers age out, getting new, younger associates of the same caliber and experience will be difficult. Additionally, the demographics of a small workforce pool will leave employers with fewer qualified candidates.

The ISO 9000 series is undergoing significant updates, which will increase risk.

The main issue is that quality standards are becoming better by all suppliers internationally, so this risk should decrease.

Increased sustainability expectations related to plastic will increase risk.

Customer quality expectations are increasing. This becomes compounded with more complex products that require skilled workers to fabricate.

Continuing improvements in automation should be reducing quality risk in the coming months.

Local suppliers have been improving quality standards.

Europe is increasingly raising the quality bar for the manufacturing sector.

Import taxes could affect quality. I'm not sure, but perhaps if U.S. buyers are forced to find new sources for their products, they could be of lower quality? They may have to pay more, or accept lower quality. This is to be determined. Our Port handles a lot of food, so this is an important matter.

PFAS (Per- and polyfluoroalkyl substances) Regulations allow the discontinuance of Teflon and other products with forever chemicals.

My products are affected and alternatives need to be qualified.

Workers are rushing and factories seem not to be quality checking as much as they used to.

There is a sustained focus on prevention and mitigation of supplier quality risks.

Our business is not much exposed to this type of risk.

No changes here either.

As Large Language Models (LLMs) refine ability there will be more and more heavily AI-leveraged outcomes, thereby increasing risk.

There may be some issue hiring qualified applicants to adapt to new technology.

Idiots that are still highly dependent on China, despite over a decade of warning, will continue to be affected. Others who have a basic clue about geopolitics and the real situation will continue to perform well.

Increasing layoffs in companies are decreasing quality standards and tribal knowledge. Shifting roles are really shaking up companies' Standard Operating Procedures (SOPs).