

Important Supply Chain Update – 2026 Lead Times and Pricing Outlook

Dear Valued Distribution Partner,

We are writing to proactively share an important update regarding global supply-chain conditions that will impact hardware availability and pricing across the technology industry in 2026, including portions of the ISAAC product portfolio.

Global Market Context

The rapid acceleration of AI infrastructure deployment worldwide has created unprecedented demand for several core hardware components, including memory, storage, GPUs, and server-grade systems. This demand surge has resulted in well-documented supply constraints and significant cost increases across multiple categories of enterprise hardware.

Industry analysts and media outlets have reported sustained upward pressure on component pricing and growing lead times as manufacturers reallocate capacity toward large-scale AI deployments. These dynamics are affecting the entire ecosystem and are largely outside the control of individual manufacturers or integrators.

Impact on ISAAC Product Line

Based on guidance received from our primary supply-chain partners, we have been advised to expect:

- **Substantially longer lead times** for most hardware-based products
- **Rising component costs**, compounded by ongoing tariff and trade-policy uncertainty

Thanks to forward planning and renewed inventory, we anticipate that the impact on our **Embedded Platform (ISAAC Foundation)** will remain **manageable for part of 2026**. However, for the **remainder of our product line**, constraints are expected to take effect almost immediately.

At this time, partners and clients should plan for **typical lead times in the range of 12 to 16 weeks** for most new hardware orders, with the possibility of further extension as market conditions evolve.

Pricing Outlook

In addition to lead-time impacts, we expect **pricing adjustments before the end of Q1 2026**. These increases are driven by a combination of:

- Rising component and manufacturing costs
- Increased logistics and procurement pressure
- Ongoing uncertainty around tariffs and international trade conditions

While we are actively working to mitigate these effects, some cost increases will be unavoidable.

Our Commitment

We want to emphasize that Smart Monkeys, Inc. is taking every reasonable step to **limit the impact on our partners and customers**, including:

- Strategic inventory planning where feasible
- Close coordination with multiple supply-chain stakeholders
- Continuous review of configurations and sourcing options
- Transparent, early communication to support your planning efforts

Our goal remains to provide clarity, predictability, and continuity wherever possible, even in a volatile global environment.

What We Recommend

We strongly encourage partners to:

- Engage early with our sales and operations teams on upcoming projects
- Factor extended lead times into project schedules and procurement planning
- Anticipate pricing changes when quoting projects extending into late Q1 2026 and beyond

Our team is available to assist with forecasting, alternatives, and project-specific guidance.

We appreciate your continued partnership and trust. While the current market conditions present real challenges, we remain fully committed to supporting you and your customers with transparency, reliability, and long-term focus.

Should you have any questions or require clarification, please do not hesitate to reach out to your ISAAC representative.

Sincerely,

The ISAAC Team

Wednesday, January 21, 2026