



We have some exciting news to share about the future of “Sudden Service”. This will be a journey and will evolve over several phases beginning this month. Our goals are to provide “Instant Availability” for our most common items and “Design Flexibility” for our differentiated products with industry leading lead-times.

Samtec’s current Sudden Service model utilizes build-to-order manufacturing for over 90% of our orders. This has been a successful model allowing us to offer the shortest lead times in the industry, high on-time delivery, expedite flexibility, and risk mitigation through redundant capabilities at multiple manufacturing sites across the globe. We will continue to utilize this model where it’s best applied with our differentiated products that aren’t typically made available by our competitors and for large scheduled orders.

Going forward, our most common items will have “Instant Availability,” next day starting lead times and will ship from an inventory location that best serves each customer/customer location. With these changes we believe that more than 50% of our order lines will ship “next day” from inventory. This evolution of Sudden Service will not only result in significant lead time reductions, but will allow more order consolidations, freight cost efficiencies, and reduced exposure to tariff surcharges.

There are a few trade-offs needed to allow us to evolve to this model:

- Products that are non-stocked as well as volume orders for stocked products that exceed next day availability will be built-to-order with lead times starting at 15 working days.
- Leader and Trailer tape will only be included with full tape and reel increments. This is a critical change that will enable us to provide that next-day availability.
- As we position inventory to support next-day deliveries we will remove MOQs on tape and reel orders. For our most common items, any orders in quantities less than a full reel and orders not placed in full reel increments will utilize “cut-tape,” which is standard in the industry and does not include a leader/trailer.

For a more information on packaging please refer to the [Samtec Packaging Efficiency Standards](#)

To further simplify the ordering process, we will be launching a new pricing structure at the beginning of October that aligns price breaks with standard package quantities in volume. The

new structure will align with the industry by including more price breaks in smaller quantities and will provide better visibility into more competitive pricing for production volumes.

As a reminder, we have incredible partnerships with our franchised distributors and as we position our “Instant Availability” inventory, that inventory will also be accessible through our channel partners. Orders placed with our distributors can be drop shipped so that our next day lead times can be utilized.

Sincerely,

Scott Lamb

Director of Global Sales Operations

[Samtec, Inc.](#)