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To: XFMRs Valued Customers,

Since our last issued Statement on Cost Increases, XFMRs continues to see a steady upward trend in China Labor Wages as dictated by China Government's Minimum Wage Labor Laws, increases in raw material (cores, bobbins, bases, wire, resins, tapes, etc.), increases in transportation costs and overhead, just to name a few. In short, the global supply chain issues are expanding daily.

Cost increases are present across all raw material items, some of which are experiencing an increase on a weekly basis as well as increases in lead-times.

Shipping / handling / port fees continue to escalate as well as increase in transit times.

XFMRs will continue to monitor the situation, work with our customers and supply chain to keep cost increases to a minimum and lead-times in check.

XFMRs remains steadfast in our efforts of increasing capital expenditures to install automation to keep time to produce to as few hours as possible to not exasperate the raw material lead-time issues with long times to build once materials are received.

XFMRs continues to press forward providing customers unsurpassed service and performance. Our goal has and continues to be the success of our customers. As such, we plan to still position ourselves at the forefront of the marketplace in both cost and engineering design support.

Your Success is Our Goal!

Thank you,
XFMRs GROUP