

Newsletter January 2026

The Market Is Shifting. Negotiation is Changing.

SupplyLens PRO

Negotiation Savings

471.6k

Commodity Savings Opportunity: 283.05k, 188.51k

Manufacturer Savings Opportunity: 471.56k

Supplier Savings Opportunity: 214.03k, 112.73k, 87.05k, 57.74k

Neo AI Agent

MPN	Commodity	Spend (\$)	Alternatives
PHE450PB5470JR17T0	CAPACITOR	93,784	None
RT0603DRE072K2L	RESISTOR	40,287	1 Off-AVL
HHV3SSJR-73-120K	RESISTOR	67,644	None
PHE850EB5220MB06R17	CAPACITOR	29,376	None
PHE840EB6330MB14R17	CAPACITOR	37,878	None

Guidance

- Focus negotiations on the top MPNs above, as they represent the largest savings and strongest leverage.
- For PHE450PB5470JR17T0 (Capacitor), your leverage is at the highest tier—use assertive, data-driven negotiation to enforce benchmark alignment.
- For RT0603DRE072K2L (Resistor), highlight the presence of a qualified Off-AVL alternative to create competitive tension.
- Across all top parts, your leverage is strong or commanding—set clear expectations for price alignment and tie any flexibility to measurable commercial improvements.

Would you like to:

- Create an opening statement for negotiations with YAGEO CORPORATION,

Ask Neo...

Ask Neo — your AI agent to focus, prepare, and negotiate. (v1.2.1)

The Market Is Shifting. Negotiation Is Changing.

As we closed out 2025, we shared the progress we made strengthening the foundation of SupplyLens™ - from analyzing billions in electronic component spend to surfacing clearer, more actionable leverage signals across sourcing and negotiation workflows.

That foundation matters. As we enter 2026, the challenge isn't access to data—it's turning insight into confident, timely action in a market where volatility shows no signs of slowing.

Procurement teams are being asked to do more with less while navigating this shifting landscape. In this newsletter, we're introducing what's next at Lytica, sharing recent customer momentum, and highlighting how procurement leaders are preparing for 2026.

State of the Market Report - December 2025

As we closed out 2025, December's data signalled a clear shift in market direction. After earlier softness across much of the year, pricing moved higher for several consecutive months, with December extending that upward trend.

What stood out in December:

- Memory prices increased sharply, driven by sustained AI and data center demand
- Battery, wire, and cable components rose on higher raw material costs
- Select semiconductor categories (power, discrete, RF) posted moderate increases
- Availability remained strong across most categories, pointing to balance - not broad disruption

The takeaway: the market is firming but not fragmenting - creating a more nuanced negotiation environment as we enter 2026.

👉 Read the full report:

[State of the Electronic Components Market: December 2025 - Lytica](#)

Customer Momentum: Trusted by Global Industry Leaders

Leading electronics and manufacturing organizations continue to choose Lytica to power more informed, data-driven sourcing and negotiation strategies.

BorgWarner selected Lytica to support its PowerDrive Systems business unit, bringing verified market intelligence on electronic component pricing and supply base risk into its procurement operations. By adopting Lytica's platform, BorgWarner aims to uncover cost-saving opportunities, improve purchasing decisions, and identify negotiation leverage that is often difficult to see using traditional approaches.

Cicor Group, the fastest-growing design and manufacturing partner for advanced electronics in Europe, has expanded its relationship with Lytica - rolling out the platform across its operating EMS sites. As Cicor scales its global manufacturing footprint, Lytica will provide a unified, enterprise-wide view of pricing, supplier dynamics, and risk, enabling Cicor to maximize cost-savings opportunities for its customers through a consistent, data-driven approach.

Together, these customer wins reflect a broader shift across the industry: procurement leaders are moving beyond static benchmarks and fragmented data toward verified market intelligence that reveals real negotiation leverage and drives measurable results at scale.

Meet Neo: AI Built for Modern Negotiation

Negotiation in electronic components has changed. Volatile markets, shifting supplier behaviour, and growing complexity have outpaced spreadsheets, static benchmarks, and rules-based approaches. Too often, teams only realize leverage was missed after the negotiation is already over.

Negotiation in electronics has evolved - and the old ways can't keep up anymore.

[Meet Neo →](#)

RT0603DRE072K2L	RESISTOR	40,287	1	18,121	Strong Position	Use alternatives as leverage, enforce deadlines
HHV3SSJR-73-120K	RESISTOR	67,644	2			

Opening Statement

As we review our sourcing strategy for the upcoming cycle, our focus is on aligning supplier pricing with current market benchmarks and maximizing commercial value. Independent analysis indicates an average reduction potential of 77% across key categories. We expect proactive engagement to achieve these targets and ensure continued partnership growth.

What would you like to do next?

1. Create a tailored negotiation email or script for your supplier.
 2. Review likely supplier pushbacks and recommended responses.
 3. Get a step-by-step negotiation playbook for your top savings parts.
- Let me know your preferred next step.

Ask Neo — your AI agent to focus, prepare, and negotiate. (v1.1.0)

Neo is Lytica’s AI built specifically for electronic component negotiation - designed to make procurement teams better, not replace them.

Neo helps teams:

- 1 **Focus on the negotiations that matter most**
- 2 **Prepare with true market context**
- 3 **Negotiate with greater confidence and control**
- 4 **Elevate negotiation skills through guided, real-world execution**

Powered by Lytica’s proprietary buyer’s view of the market, Neo ensures teams are prepared before negotiations begin and use all available leverage during the conversation - not after the fact. By incorporating buyer and market data that is difficult to analyze manually, Neo enables better-informed, data-backed negotiation decisions, even in volatile conditions.

Built on billions of real electronics component transactions, Neo reflects both sides of the market - how suppliers behave and how buyers negotiate - turning market intelligence into leverage, not theory.

Neo is currently in beta with select customers, already uncovering negotiation opportunities that were previously hidden, with MVP general availability planned for mid-2026. Built with trust by design, Neo operates exclusively within your environment and never uses customer data, prompts, or conversations to train AI models - your data remains fully under your control.

Interested in learning more or seeing Neo in action? Reach out to your Customer Success Manager.

How Procurement Needs to Evolve for 2026

As market volatility accelerates, many procurement teams are entering 2026 with leaner resources, tighter budgets, and more uncertainty than ever. Yet one thing has become clear: better negotiation outcomes don't come from negotiating harder - they come from being prepared with real market context.

In a recent blog, **Varun Narayanan, VP of Business Transformation** at Lytica, explores what 2025 revealed about procurement, why traditional negotiation approaches are falling short, and how leading teams are adapting. From the myth of volume discounts to why suppliers see the market while buyers often fly blind, the post outlines what it will take to negotiate effectively in a volatile world.

👉 Read the full blog:

[How Procurement Needs to Evolve in 2026 as Market Volatility Accelerates - Lytica](#)

Why This Matters

As volatility accelerates, the advantage in procurement won't come from negotiating harder—it will come from negotiating with clarity. The teams that win in 2026 will be those that act early on real leverage and bring true market context into every negotiation.

At Lytica, we're focused on helping teams do exactly that - today and as the market continues to change.

There, We're excited about how these new features will enhance your experience and bring additional value. Thank you for your continued partnership; we greatly appreciate it.

Best regards,
The Lytica Team 😊

