

# Newsletter September 2026

## Sourcing, Connected

Meet DSX, see what's driving market pressure, and explore better component alternatives.



# Lytica's Monthly Newsletter



“Eventually everything connects – people, ideas, objects. The quality of the connections is the key to quality per se.”

— Charles and Ray Eames

In this month's newsletter, we introduce the Direct Sourcing Experience, show how RIK AI helps explain shifting Market Pressure, and take a closer look at how we rank functional alternatives. You'll also find our August market update, where lead times are rising across electronics, and invitations to two October webinars.

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- Introducing the Direct Sourcing Experience (DSX)
- RIK AI: Understand What's Driving Market Pressure
- How Lytica Classifies Alternative Parts Against the Original
- Join Us for Two Upcoming Webinars
- Latest State of the Electronic Components Market: August 2026

## From Signal to Action

### See What's Changing

Market trends and risk

### Understand Why

RIK AI and alternative parts

### Decide What to Do Next

Guided sourcing workflows



# Introducing the Direct Sourcing Experience (DSX)

A new way to get sourcing work done in SupplyLens Pro, coming this October

Sourcing work often spans pricing, suppliers, and component risk. Connecting those steps today can depend on how well you know the platform.

The Direct Sourcing Experience (DSX) organizes SupplyLens Pro around the work you need to do. Choose a goal, and Lisa guides you through the steps, explains why they matter, and takes you to the right place in the platform.

## Starting with seven guided workflows, with more to come

### Strategic Sourcing Improve sourcing performance for what you buy today.

1

**Annual Cost Savings**  
Where are the best savings opportunities, and how do we capture them?

2

**Defend Against Price Increases**  
Is this supplier price increase justified, and how should we respond?

3

**React to a Supply Shortage**  
What is at risk, and what do we need to do to restore supply?

4

**Proactive Mitigation of Risk in Your AVL**  
Where is market pressure building, and which risks should we address before they disrupt supply?

### Product Sourcing & NPI Improve sourcing performance for what you design and build.

5

**Reduce Cost & Risk Before Release**  
Is this the right component to design in, and what will it cost us down the line?

6

**Product Should Costing**  
What should this product cost to build, and how far off is today's quote?

7

**Validate RFQs**  
Which supplier proposal should we move forward with, and what's the tradeoff?

## Guided first, more orchestrated over time

In the first release, Lisa guides you through each step and points you to the right capabilities in SupplyLens™ Pro. Over time, we plan to evolve Lisa into an agentic AI assistant that can assess information, recommend next steps, and help carry out sourcing work with you.

# RIK AI: Understand What's Driving Market Pressure

Available now in First Availability within Risk Intelligence

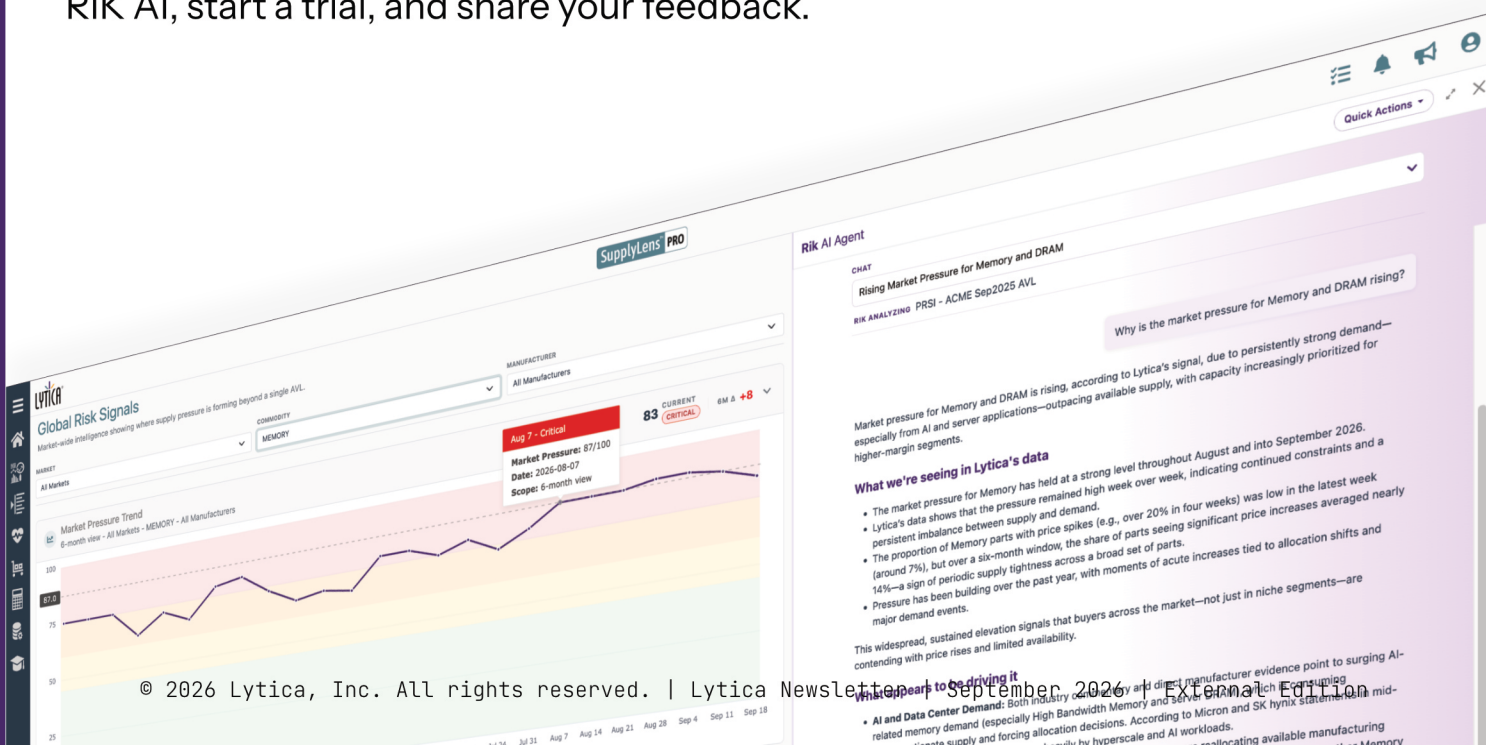
A Market Pressure signal within Risk Intelligence tells you conditions are changing. RIK AI helps you understand why. Lytica's newest embedded AI agent brings together our proprietary supply and pricing intelligence with relevant market developments, then explains the evidence in a conversation.

Ask RIK what is driving pressure for a commodity, which factors are having the greatest impact, or what has changed over the past week or month. Instead of interpreting a chart on your own, you can investigate the pricing, availability, inventory, lead time, and supply conditions behind the signal.

RIK is available now in First Availability for enabled customers. This initial release focuses on Global Risk Signals and Market Pressure. We'll add capabilities as we move toward General Availability on November 5, with early customer feedback helping shape what comes next.

## Want to get started before General Availability?

Contact your Lytica Customer Success Manager to explore Risk Intelligence and RIK AI, start a trial, and share your feedback.





# Functional Alternatives Methodology

How Lytica Classifies Alternative Parts Against the Original

With the release of Risk Intelligence, we introduced Functional Alternatives to help sourcing and engineering teams identify and assess potential replacements for parts in their AVL.

Alternatives are ranked by Functional Distance: how their electrical, mechanical, environmental, and compliance attributes compare with the original part. Lytica weighs those differences by technical significance, then classifies each candidate from Form, Fit & Function (FFF) through Tier D. Parts with disqualifying mismatches are excluded.

|                                                    |                                                                                        |                 |
|----------------------------------------------------|----------------------------------------------------------------------------------------|-----------------|
| <div>FFF</div> <div>Form, Fit &amp; Function</div> | No identified loss or improvement. Same fit, same intent as the original part.         | EQUIVALENT      |
| <div>A</div> <div>Tier A</div>                     | No identified loss, plus at least one improvement over the original.                   | BETTER, NO LOSS |
| <div>B</div> <div>Tier B</div>                     | Minor functional differences - often acceptable for many applications.                 | MINOR GAP       |
| <div>C</div> <div>Tier C</div>                     | More meaningful differences. Recommend a closer, application-specific review.          | MODERATE GAP    |
| <div>D</div> <div>Tier D</div>                     | Broader set of manufacturers, but more significant functional differences than Tier C. | SIGNIFICANT GAP |
| <div>NF</div> <div>Non-Functional</div>            | Outside the accepted range, or a disqualifying mismatch. Excluded from results.        | EXCLUDED        |

**The result:** a consistent, ranked list of alternatives—from equivalent parts through to excluded mismatches, so sourcing and engineering teams can quickly focus on the strongest candidates first.

*This classification supports decision-making -- it is not automatic substitution approval. Final selection should still weigh application requirements, engineering validation, qualification status, availability, lifecycle and commercial factors.*

## Join Us for Two October Webinars

*Explore the future of AI and get ahead of supply chain volatility.*

**October 6 · 11:00 a.m. ET**

### The Adaptive Enterprise: Why Talent, Not Technology, Is the Real AI Advantage

AI is changing what gives organizations an edge. When knowledge is easier to access, the ability to interpret it, make sound decisions, and learn quickly matters more than ever. Join Ken Bradley, Lytica's Founder and Chief Strategy Officer, and Howard Nemiroff, Dean of Carleton University's Sprott School of Business, for a conversation about AI, business education, and the skills tomorrow's leaders will need.



**October 27 · 11:00 a.m. ET**

### Before the Headlines: How Top CPOs Gain a 60-to-90-Day Advantage Over Supply Chain Volatility

By the time a supply shortage makes headlines, teams may already be facing longer lead times, limited alternatives, and costly spot buys. In this Procurement Leaders webinar, Lytica's Varun Narayanan will show how early signals across supply, demand, and capacity can reveal building market pressure before it becomes a disruption. Learn how procurement teams can use that lead time to assess exposure, prepare alternatives, and act while they still have options.





# State of the Electronics Components Market Report

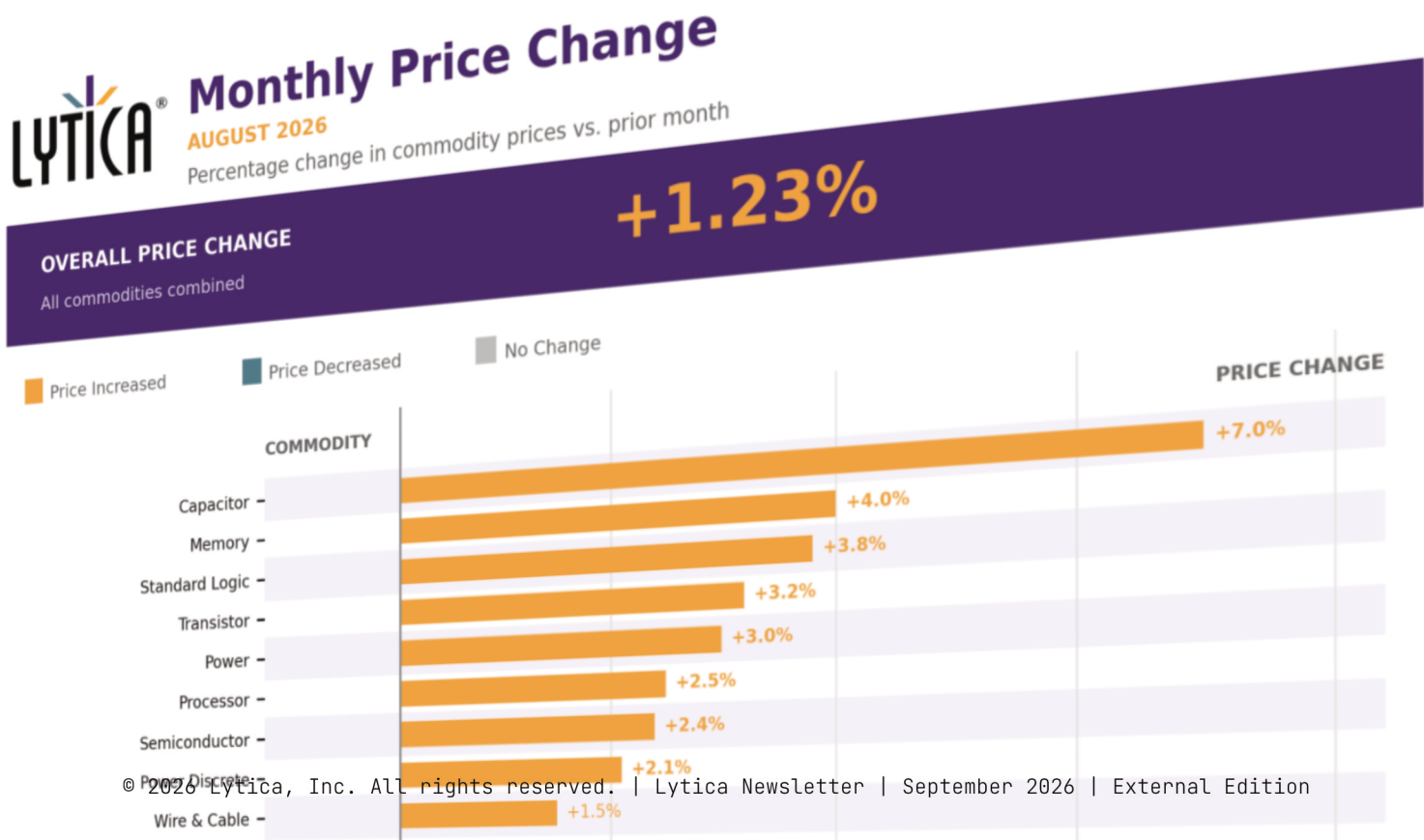
Lead Times are Rising - August 2026

Electronic component prices rose 1.23% in August, but the stronger signal was lead time. Lytica’s lead-time index jumped 12.4% month over month, with increases in 29 of the 31 categories tracked.

Current stock availability improved to 95%, which could make the market look healthy at first glance. Yet replenishment is taking longer. Capacitors showed the clearest combined pressure, with prices up 7% and lead times up 27%. Frequency Control and Processors also saw lead times rise by more than 20%.

For procurement teams planning Q4 supply, now is the time to recheck supplier commitments and review exposure in the most affected categories.

 [Read the report](#) →





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