

April 29, 2025

To Our Valued Customers:

As a result of tariffs recently implemented by the US government, we are writing to inform you of updates to our sales processes.

Although OTTO is a vertically integrated company and we manufacture the vast majority of the components we use, we are not immune to tariffs due primarily to the raw materials and specialty components (like ICs and connectors) we purchase.

Please note that we attempt to minimize tariffs wherever possible and are actively reviewing our supply chain to find efficiencies. In addition, we are studying onshoring components and developing new in-house capability where possible. However, we cannot avoid some tariffs and must unfortunately pass them along to our customers. You will soon see a separate line item for tariffs on our quotes, order acknowledgements and invoices.

We are passing thru only those tariffs that are being assessed to us by our suppliers and since we are a US company, we are only applying tariffs on the amount we pay our suppliers, not on the sale price of the end product.

If you have any questions or need additional information, please feel free to reach out to your Regional Sales Manager or Customer Service Representative.

Thank you for your understanding.

Best Regards,

David Ross

David Ross
VP & General Manager
OTTO Engineering, Inc.