

Annual Renewal Price Adjustment Letter Template

[Your Company Letterhead]

[Date]

[Supplier's Name]

[Supplier's Company Name]

[Supplier's Address]

[City, State, ZIP Code]

Dear [Supplier's Contact Name],

We appreciate our ongoing partnership and the high-quality products/services your company delivers. As we approach the annual contract renewal period, we are committed to transparent and timely communication regarding any changes impacting our business relationship.

Due to recent market developments, including [market fluctuations/increased material costs/inflation/higher operational expenses], we have reviewed our pricing structure for the upcoming contract year. After careful consideration, we must implement an adjustment to our pricing effective [effective date], as outlined below:

- **Previous Price:** [Insert old price, e.g., \$XX.XX per unit/service]
- **New Price:** [Insert new price, e.g., \$YY.YY per unit/service]
- **Percentage Change:** [Insert % change, e.g., 4.5% increase]

Please be assured that this adjustment reflects our commitment to maintaining the quality and reliability of our offerings while managing rising costs. We value your continued trust and partnership and remain available to discuss these changes in greater detail. If you have any questions or would like to negotiate terms, please contact us at [contact information].

Thank you for your understanding and ongoing collaboration. We look forward to another successful year working together.

Sincerely,

[Your Name]

[Your Title/Position]

[Your Company Name]

[Your Contact Email and Phone]