



Market Conditions

Q3 2025

HORIZONS

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About this report



Uncertain. Unpredictable. Unprecedented. However you choose to characterize 2025, the main factor remains consistent: tariffs.

In Q3 2025, that story continued to expand. While tariff pressures still loom large, our trade partners are also facing challenges around demand and craft labor. It's been a tough year to manage, and in some ways, it's getting tougher.

Even so, I'm seeing encouraging signs of forward momentum. Large-scale greenfield projects continue to energize the life science market, especially in small molecule and oral solid dosage manufacturing (inspiring a special feature you'll find in this report's final pages). Meanwhile, food and beverage manufacturers are expanding capacity, modernizing equipment and investing in automation to enhance operations and navigate global market fluctuations with greater agility.

As we enter this year's final quarter, let's take heart from these promising signals. With the right expertise and a commitment to flexible, well-designed and executed solutions, we can continue to adapt, recalibrate and do what we do best—build for the future.



Mike Barrett

Vice President, Global Project Delivery, CRB

CRB's procurement team works with our trusted strategic trade partners and suppliers to maintain a database of lead times for equipment and materials, particularly those specific to the life science and food + beverage industries. We frequently add new equipment and materials to our database to better support our clients with current information and options.

FIGURE 1

Database of lead times for equipment and materials

CRB Lead Time Database

● Improving ● Stable ● Increasing

CURRENT LEAD TIMES FOR EQUIPMENT AND MATERIAL: Q3 2025		
Equipment/Material	Lead Time (wks)	Trend
ANSI Switchgear (3000-4000A)	38	●
Busway (Any Ampacity)	16	●
Medium Voltage Fused Switchgear (15kV class, 1200A)	28	●
Medium Voltage Fused Switchgear (4160V class, 1200A)	28	●
Medium Voltage Transformer - 3Ph - 1501-3000kva	30	●
Medium Voltage Transformer - 3Ph - 3001-5000kva	40	●
Medium Voltage Transformer - 3Ph - 45-500kva	30	●
Medium Voltage Transformer - 3Ph - 501-1500kva	30	●
Medium Voltage Transformer - 3Ph -5001+ kva	40	●
Panelboards (208V, Any ampacity)	6	●
Smart MCC	39	●
Standard MCC	31	●
Switchboard (2000A-2500A)	24	●
Switchboard (3000A-4000A)	24	●
Panelboards (480V, Any ampacity)	16	●
Dry Type Transformers (112.5kVA and below)	2	●
Medium Voltage GIS Switchgear (35kV class, 1200A)	72	●
Sanitary Filters & Housings: 1 Rd Housings	21	●
Sanitary Filters & Housings: Multi Rd Housings	21	●
Sanitary Filters & Housings: Opti-clean	21	●
Buffer Prep & Hold Skids-316SS	52	●
Buffer Prep & Hold Skids-AL6XN	58	●
Media Prep & Hold Skids-316SS	52	●
Media Prep & Hold Skids-AL6XN	58	●

(continued)

Source: CRB



FIGURE 1 (CONT.)

Database of lead times for equipment and materials

● Improving ● Stable ● Increasing

CURRENT LEAD TIMES FOR EQUIPMENT AND MATERIAL: Q3 2025		
Equipment/Material	Lead Time (wks)	Trend
Diesel Generators 200kW and below	65	●
Diesel Generators 230kW -1 Megawatt	20	●
Diesel Generators Larger than 1 Megawatt	30	●
Stainless Steel Bioreactors - ID < 98"	48	●
Stainless Steel Bioreactors - ID > 98"	52	●
Stainless Steel Vessels - ID < 98"	30	●
Stainless Steel Vessels - ID > 98"	36	●
Custom AHUs (Large Outdoor Units)	30	●
Custom AHUs (Small Indoor Units)	30	●
DOAS AHUs (Dedicated Outdoor Air System)	24	●
HDPE Piping <4"	8	●
HDPE Piping >4"	8	●
Sanitary Heat Exchangers	12	●
Semi-Custom AHUs (Large Outdoor Units)	20	●
Semi-Custom AHUs (Small Indoor Units)	20	●
Block Body Valves	8	●
Large-diameter Control Valves-Modulating	4	●
Stainless Steel Zero-Static	8	●
RO Skids	30	●
Single Use Bioreactors	24	●
Purified Water Skids	32	●
USP Water Distribution Skid	30	●
WFI Distribution Skids	30	●
Pure Steam Generators	22	●
Chromatography Columns	52	●
Single Use Bioreactor Bags	20	●

Source: CRB

(continued)



FIGURE 1 (CONT.)

Database of lead times for equipment and materials

● Improving ● Stable ● Increasing

CURRENT LEAD TIMES FOR EQUIPMENT AND MATERIAL: Q3 2025		
Equipment/Material	Lead Time (wks)	Trend
Metal Decking	12	●
Roof Joists	17	●
Air-Cooled Chillers, < 250 Tons	12	●
Air-Cooled Chillers, > 250 Tons	20	●
Cooling Towers	18	●
Water-Cooled Centrifugal Chillers	30	●
Waste Neutralization Skids, < 25 GPM	18	●
Waste Neutralization Skids, 100 GPM	22	●
BioWaste Kill Skids	26	●
Boilers, 500 HP Water Tube	22	●
Boilers, 800 HP Fire Tube	18	●
Insulated Metal Panels (IMP)	10	●
Modular Cleanroom Panels	10	●
Stainless Steel Tubing 316L	0	●
Stainless Steel Tubing AL6XN SF4	0	●
Sterile Pass-Thrus	8	●

Source: CRB

LOOKING FOR SOMETHING ELSE?

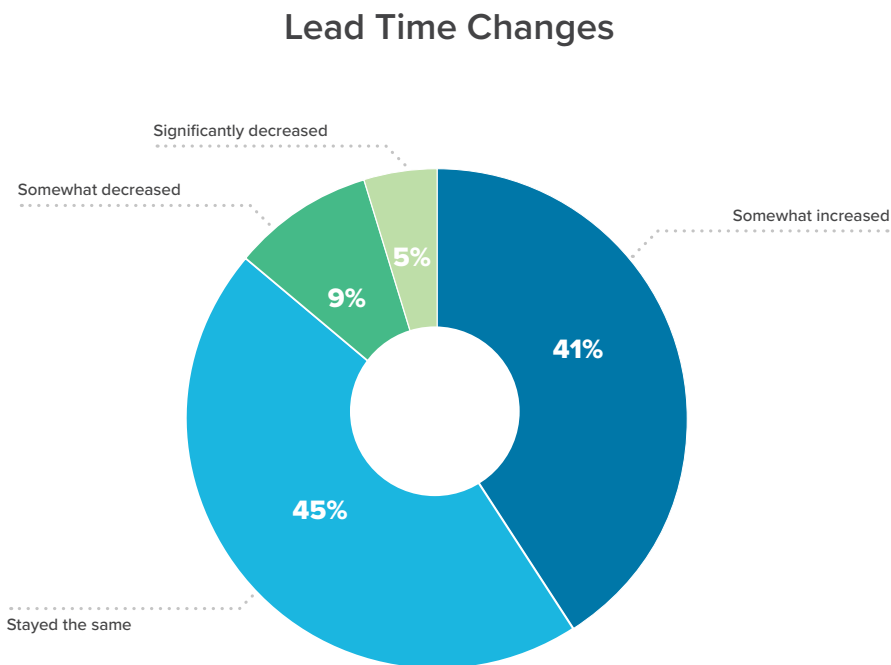
REQUEST LEAD TIME DETAILS



According to CRB’s procurement database, average lead times in Q3 2025 improved by 48% year-over-year. The story is playing out quarter-by-quarter, as well: since Q2 this year, lead times have improved by 52%, while 18% have remained consistent, marking a win for project schedules.

FIGURE 2

How would you describe the lead times for your products in the third quarter (Q3) of 2025 as compared to the second quarter (Q2) of 2025?



Source: CRB

While CRB’s procurement database shows average lead times improving in Q3, our trade partners offer a slightly different perspective. Forty-five percent report seeing no change—that’s a 10% drop from last quarter. That shift is reflected in the number of respondents reporting an increase in lead times, which has grown from 31% in Q2 to 41% in Q3.

WHAT WE’RE HEARING:

“Lead times on some equipment have gone from 14 to 30 days, but some popular equipment remains in stock at our distributors.”

– A CRB Trade Partner

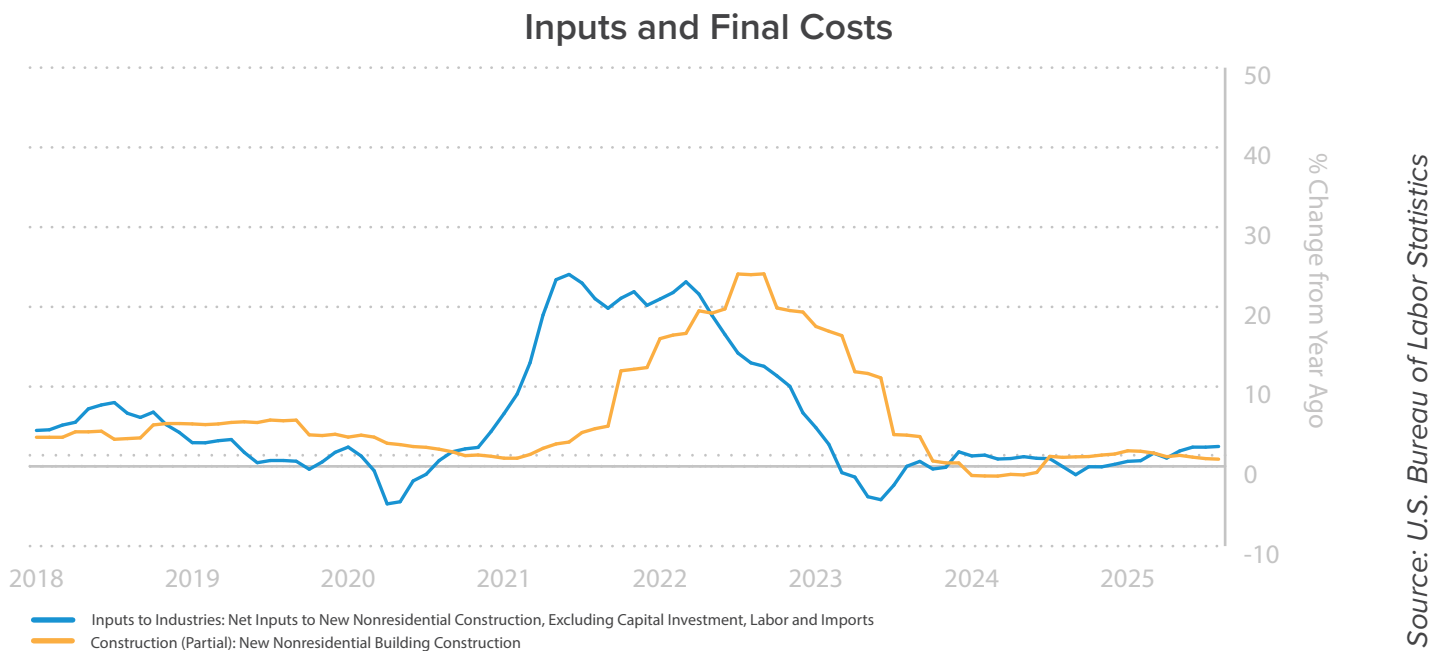


[Producer price indexes](#) (PPI) are a family of indexes that measure the average change over time in selling prices received by domestic producers of goods and services. The price information is provided to the U.S. Bureau of Labor Statistics by over 16,000 establishments, providing approximately 64,000 price quotations per month. CRB uses data from PPIs to measure price movement specific to the construction industry and the products we purchase for our projects.

Figure 3 illustrates two different types of indexes. The blue line is an input index that represents the most common composition of materials used in non-residential building construction projects. The yellow line is considered a selling-price index, or, in other words, an index that measures the change to final construction costs for consumers, inclusive of labor, material, overhead and profit costs. For this figure, each data point shows the percentage of change in the index value over the preceding twelve months.

FIGURE 3

Construction inputs and bid price producer price indexes



After a stable Q2, we’re seeing a modest but notable gap emerging between construction input costs and selling prices. Since January 2025, the price of inputs has risen nearly 2%, while the overall cost to nonresidential construction consumers has fallen by more than 1% to a level last seen in the spring of 2024.

Overall nonresidential starts are down 5.4%, while manufacturing construction in particular [fell 24.4% in August after a plunge of nearly 84.8% in July](#). This drop may put contractors under pressure to absorb the rising cost of construction inputs as they compete for a limited number of bids.

To manage this risk of margin compression, we advise project teams to emphasize precision and transparency around cost assumptions. Adopt a “shared risk, shared reward” approach, with flexible agreements in place for handling escalations or decreases in material costs. In a volatile pricing environment, this strategy may protect both contractors and project owners.



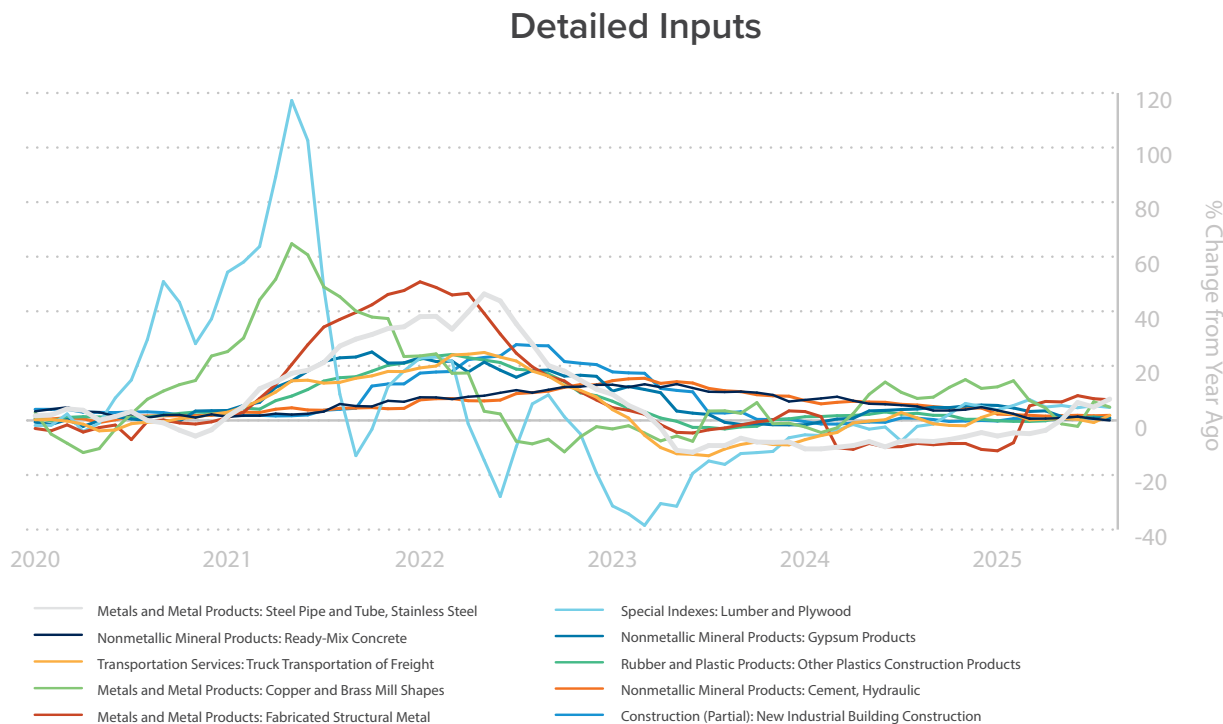
Figure 4 overlays individual input indexes for common materials with the selling price index for new industrial building construction, presented as a percentage of change over the last year.

From a broad perspective, the volatility that defined the early 2020s continues to recede, with a relatively stable pricing environment carrying through this quarter. A closer look, though, reveals several distinct fluctuations across key material categories.

Since the start of 2025, prices for steel (pipe/tube and stainless) have increased nearly 15%, and the price of fabricated structural metal has climbed by almost 20%. Copper prices, in contrast, have decreased slightly, though this commodity remains unpredictable; we saw a price jump of nearly 10% between June and July, for example, followed by a modest decrease in August. This lingering volatility signals the ongoing impact of the US administration’s 50% tariff on key construction materials.

FIGURE 4

Construction inputs and bid price producer price indexes



Source: U.S. Bureau of Labor Statistics

DID YOU KNOW?

58% of life science companies say they’re not changing course despite tariff pressures. That insight comes from the *new Horizons: Life Sciences report*, drawing on survey responses from 400 front-line professionals and providing a close examination of how companies are setting and recalibrating product strategies.



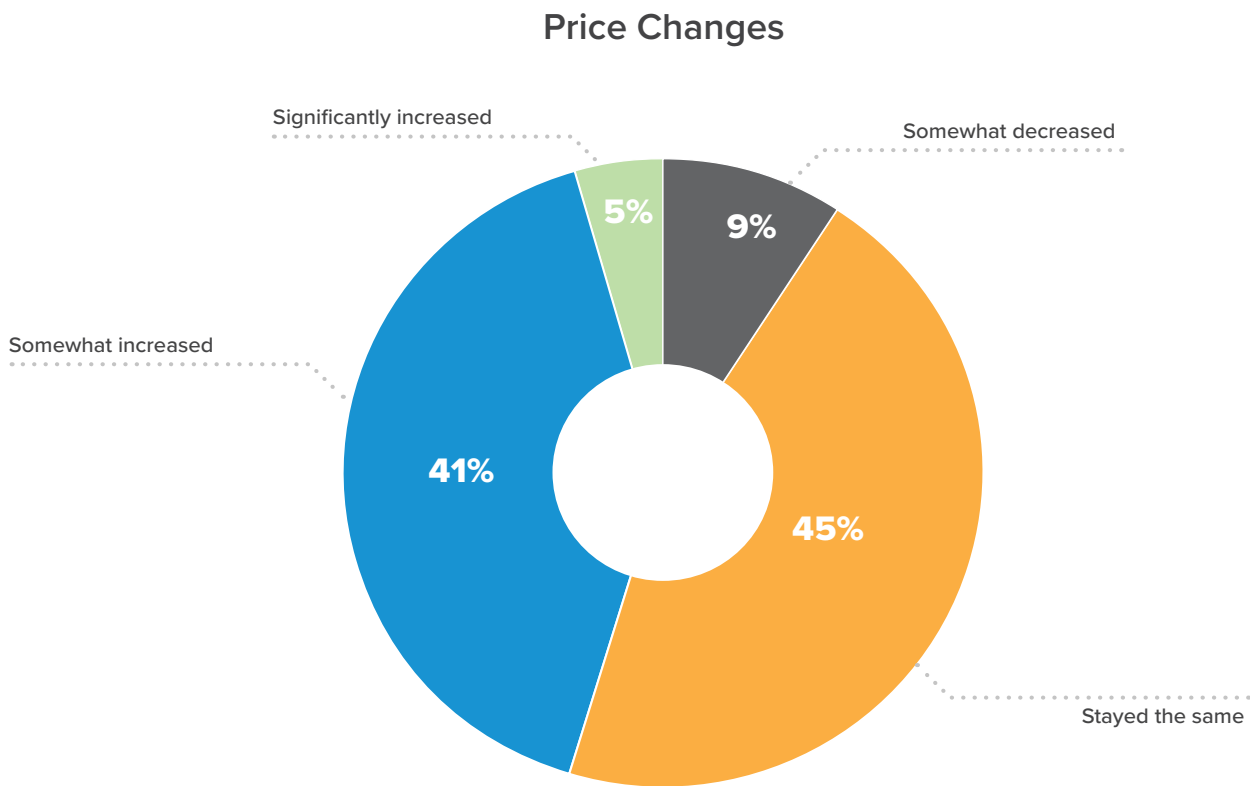
Despite short-term stability, trade partners are bracing for more volatility. After seeing a large majority of trade partners report significant or moderate price increases in Q1 (83%) and Q2 (70%), conditions have softened in Q3. As Figure 5 shows, just 46% of respondents report an increase this quarter. Roughly the same proportion (45%) now describes quarter-to-quarter pricing as stable, up from just 29% last quarter.

Our trade partners anticipate more stability in the near future. Nearly three quarters expect prices to hold steady through the end of the year (Figure 6), compared to less than half who anticipated stability when polled last quarter. That optimism fades, however, as trade partners look further into the future. Sixty-eight percent of respondents are preparing for moderate or significant price increases in 2026, reflecting an ongoing culture of caution and uncertainty (Figure 7).

This uncertainty continues to have a measurable, though softening, impact. This quarter, 63% of respondents said they have not increased prices due to tariffs (Figure 8). Last quarter, that number was 56%. Where respondents did increase prices, only 5% reported increases of more than 10% and none reported increases of more than 20%.

FIGURE 5

How would you describe the prices of your products in the third quarter of 2025 (Q3), as compared to the second quarter of 2025 (Q2)?





For construction projects starting in 2026, we recommend carrying an extra 6–10% (inclusive of 3–5% for tariffs) to cover anticipated escalations in total direct costs including labor, materials and equipment.

FIGURE 6

Are you preparing for any price changes to your products in Q4 of 2025?

Preparing for Price Changes

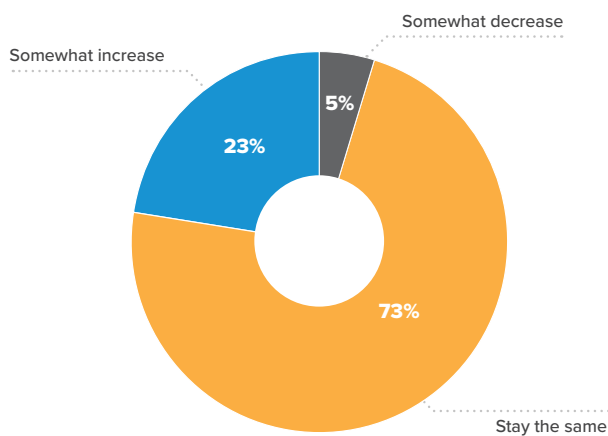
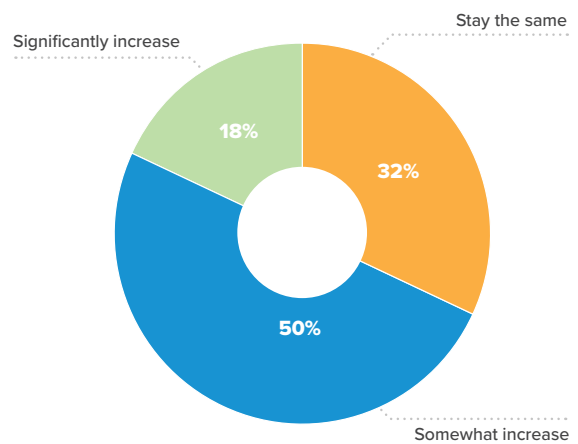


FIGURE 7

Are you preparing for any price changes to your products in 2026?

Preparing for Price Changes



Source: CRB

FIGURE 8

Have you increased your prices related to tariffs? If yes, by how much?

Tariff-Related Price Changes



Source: CRB



Though tariffs continue to test the market’s resilience, they’re not the top challenge.

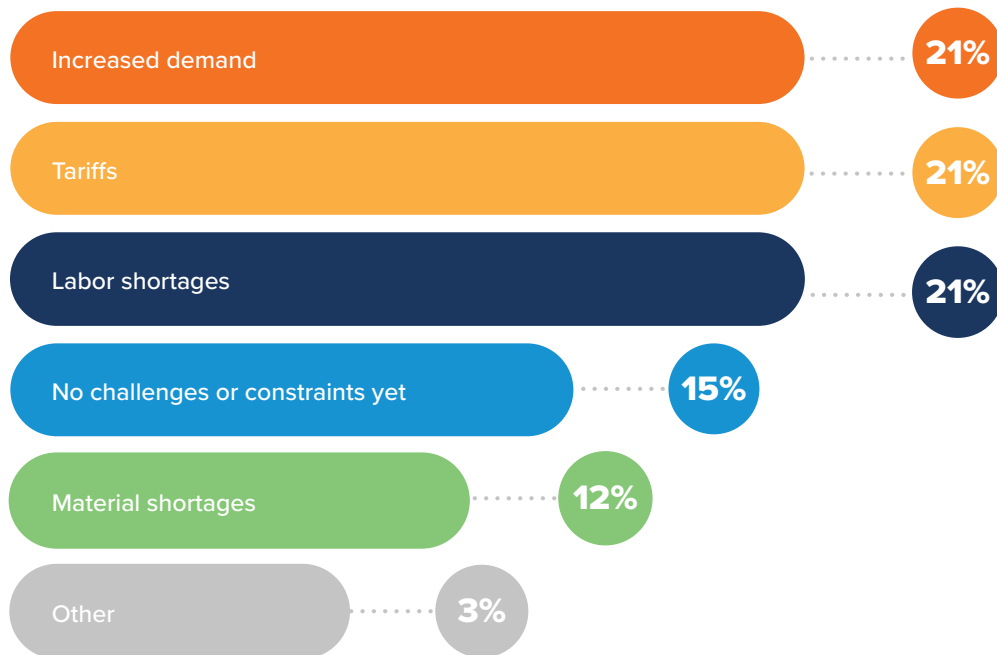
Tariffs no longer dominate our trade partners’ ranked list of ongoing challenges (Figure 9). However, analysts estimate that [40% of key construction inputs in the US come from exporters](#), with many of these exporters passing added tariff costs to construction buyers.

Despite [ongoing tariff-related challenges](#), two other pressures have risen to equal prominence for the first time this year: Labor shortages and Increased demand.

FIGURE 9

In your opinion, what factors have contributed to any challenges or constraints in the third quarter (Q3)?

Current Market Challenges



Source: CRB



Featured trend: Oral solid dosage

Despite the overall decline in manufacturing construction starts, the [oral solid dosage \(OSD\)](#) market is attracting significant capital investment.

Eli Lilly's planned [\\$6.5 billion facility in Houston](#) is a headline-grabbing example, and they're not alone. Driven by strong demand for patient-friendly formats, accelerated adoption of continuous manufacturing and reformulations tied to looming patent cliffs, major players such as Novartis, Sanofi and GSK are expanding their OSD capacity. At the same time, consolidation among contract development and manufacturing organizations is strengthening global capacity and widening access to advanced technologies.

Today's market dynamics reflect this surge in activity. According to a [recent report from Mordor Intelligence](#), the OSD pharmaceutical formulation market is currently valued at USD \$635.77 billion and is projected to reach USD \$795.35 billion by 2030, advancing at a 4.58% CAGR.

The Mordor Intelligence report also found:

- Tablets dominate, representing 68.24% of the OSD market, while orally disintegrating films are the fastest-growing segment at 7.36% CAGR.
- Immediate release products make up 61.23% of the OSD market, though targeted and advanced delivery systems are expanding rapidly at 8.85% CAGR.
- Asia-Pacific is the fastest-growing market at 6.74% CAGR, while North America remains the largest market at 34.74% of global revenue.

The booming market for spray dryers: a signal of OSD activity

Because OSD production relies on mature, well-understood processing platforms, manufacturers can scale efficiently from R&D to commercial volumes—a key advantage as the market accelerates.

For a sense of that acceleration, consider a technology that's increasingly central to modern OSD manufacturing: [spray drying](#). Precise, flexible and automation-friendly, this technology's market value is expected to [nearly double](#) by 2034, a trajectory primarily driven by the rapid expansion of OSD manufacturing capacity.

OSD market
projected
to reach nearly
**\$800
billion**
by 2030.



“Oral solid dose forms such as tablets and capsules are the oldest and most popular therapeutic modalities, with a long history of success. Processing platforms, unit operations and manufacturing strategies are well defined. This is a dose form and facility type that will continue to be with us for many decades to come.”

— Dave DiProspero, Senior Fellow, Pharmaceutical Process and OSD



Headwinds ahead: long equipment lead times

However, as demand for spray dryers increases, so does the risk that suppliers may struggle to keep pace.

This supply-and-demand challenge could hamper OSD manufacturers as they try to scale. Core equipment such as tablet presses, tablet coaters, fluid bed dryers and powder material handling systems is often on backorder, causing potential bottlenecks at a time when manufacturers are racing to reach the market. Delivery teams should initiate procurement strategies early and engage suppliers proactively to keep projects moving forward even when lead times escalate.

Optimizing your OSD raw material supply chain

Access to raw materials—like APIs, which are often imported—is at risk during periods of supply chain turbulence. Here are five strategies that can help OSD manufacturers regain control of their supply chain, according to CRB’s expert, Niranjan Kulkarni:

1. Reassess your on-shore versus off-shore strategy.

Evaluate which materials truly need to be on-shored or regionally accessible and which can remain where they are.

2. Build a digitally enabled supply chain.

Develop real-time visibility into inventory, forecasts and on-the-fly “what if” scenarios. A strong digital supply chain will capture and connect supplier information, geographical variance and other factors that enable smart decision-making during periods of supply uncertainty.

3. Qualify additional suppliers.

Don’t stop at first- or second-tier supply partners. By pre-qualifying third-tier suppliers as well, you gain the flexibility you need to pivot quickly when primary sources face disruption. Also, evaluate the need for local suppliers to reduce your material receipt lead times and on-hand inventory.

4. Rationalize SKUs.

Streamlining your product portfolio can improve control and reduce supply complexity.

5. Leverage expert support.

Partnering with third-party logistics providers or exploring make-to-stock practices for select products in your portfolio can further strengthen your resilience.

Tracking momentum in the OSD marketplace

Today’s surge in OSD investment demonstrates how certain submarkets are outperforming the broader life science construction trends outlined in this report. At CRB, we’re staying on top of this submarket and advising project owners on capacity planning, equipment procurement and flexible facility design approaches that sustain long-term growth in OSD manufacturing.



Valerie Silva is the Director of Procurement and has more than 15 years of experience with global cost optimization, project management and supply chain issues. She leads a team of procurement experts to offer our clients end-to-end sourcing and managing of equipment and construction services for capital projects.



Wade Shelden is the Vice President of Design & Construction Operations at CRB, with more than 31 years of experience in project delivery. Wade is responsible for driving operational excellence through teamwork, integrated project delivery and lean design and construction best practices.



Dave DiProspero is a Senior Fellow of Pharmaceutical Process and OSD. Dave has deep expertise in projects that include dispensing/formulating, blending/mixing, granulation/particle coating, drying, compression/encapsulation, tablet coating/printing, packaging and other typical and non-typical OSD processes.



Niranjani Kulkarni, PhD, is the Senior Director of Consulting Services, specializing in data modeling operations and process simulations, layout optimizations, and supply chain management. He has worked with pharmaceutical, biotech, food, chemical, semiconductor, electronics assembly and packaging industries.

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Reference data

Much of the economic information in this report is compiled from third-party resources that are available to the public and not owned by CRB. All references are included in the body of the report.

