



June 17<sup>th</sup>, 2021

Dear Valued Customer,

We have yet to see the peak of the inflationary impact of material shortages. Steel prices reach new all-time highs every week and the American Metals Market has shown increases for more than 40 consecutive weeks. Purchasing steel in this environment involves great uncertainty without knowing our cost until time of shipment. Getting the steel we need to meet the demand has been a constant concern, and to this point, our ability to supply connectors and truss plates has rested on two factors. First, we have been able to work through the substantial raw materials inventories that we started the year with, and second, we have long-standing partnerships with the mills that supply us.

This kind of price escalation is of course, not limited to coil steel. We are seeing similar movement in wire, wood, resins, and chemicals with no indication that we are near the top of the market. In addition to this, we are seeing the same upward pressure on labour and transportation, consistent across many industries and geographies. With regard to our selling prices, we have tried to take a very measured approach. Our price increases have been incremental of the raw materials increases (steel is now 2.5 times what it was in 2020) and in each case, they have lagged the market by several months.

With that said, we are once again forced to come to you with price increases. For orders placed on or after **September 16, 2021** our prices will be increased by the following percentages outlined in your new net pricing and pre-paid freight program that will be emailed on July 16<sup>th</sup>. Truss plate price increase information will be sent to our Component Solutions customers separately.

<b>Connectors, Steel Strong-Walls and Rod Systems</b>					14%
<b>Concrete Products</b>					
	Adhesives	5% - 15%	Direct Fastening		15%
	Mechanical Anchors	7%	RPS	Up to	15%
	CFS Clips, S/ & Ready Products	14%			
<b>Fastener Products</b>					
	QuikDrive & Stainless Steel Fasteners	10% - 35%			

**Please maintain reasonable product order quantities prior to this increase.**

We understand that this adds to an already difficult business environment and we look forward to more stability in the future.

We appreciate your business and ongoing support!

Sincerely,

Roger J. Dankel  
President, North American Sales  
Simpson Strong-Tie