



April 30, 2021

To: Our Valued Customers

Subject: Price Increase – Bailey Metal Products Limited July 2021

Further to our previous communications, the steel industry continues to experience unprecedented demand that has grossly outpaced capacity. Domestic steel mills are in a sold-out position in addition to production back logs and are now limiting order intake for the next 3 to 5 months. Downstream, service centre inventory levels are at historic lows, spot buy availability is minimal, import opportunities are limited, and ocean freight costs, as well as availability, continue to be a challenge.

Simply stated, there is not enough steel supply to meet market demand.

Steel mills have reacted once again with successive price increases along with controlled distribution measures. Supply is expected to be tight and spot stockouts are expected for several months.

Bailey Metal Products Limited is forced to announce an additional price increase as follows:

The price of all Bailey steel products in all regions will increase 15 to 20% effective July 1, 2021.

This increase is in addition to the previously implemented price increases of 10% effective January 1, 2021, 15% February 1, 2021, 15% April 1, 2021 and 15% May 1, 2021. As mentioned in our previous communications, we recommend that you review your current commitments and requote at these higher rates with additional price escalation as we expect further increases in coming months.

Bailey is committed to supplying you with an uninterrupted supply of quality building products. However, current supply chain interruptions may result in lack of availability and delayed shipments. Please contact your local Bailey representative with any questions or concerns, or if we can be of service in any way.

We appreciate your business and thank you for your continued support!

Sincerely,



Derick Vinthers
Vice President, Sales

CC: Angelo Sarracini