May 15, 2019

Subject: Pricing and Terms of Condition Changes

To our valued customers:

In September 2018, the Office of the United States Trade Representative (USTR) imposed a 10% tariff on many imported goods from China. Section 301 (within the Trade Act of 1974) allows for additional tariffs and on Friday May 10, 2019 the USTR increased that rate to 25%. Besides having a direct impact on many imported supply chain materials it continues to have a ripple effect throughout other sources including domestic manufacturers due to supply and demand issues.

In response to these dramatic market changes, effective June 3, 2019 we will implement a two (2) point discount change on all Smith-Blair products; except for 111 and 120 Restraints which will be one (1) discount point. The price change will be enacted by reducing the current discount quotes as noted; you will be receiving updated quotes over the next few weeks. We will honor any current in-house annual pricing until the expiration date.

In addition to the discount change we will also be modifying our full freight allowed policy from its current $2,500 net to $3,000 net per order. All current terms and conditions will be applied to this change effective June 3, 2019

We appreciate your continued support through these unprecedented market conditions. If you have any questions please contact your Smith-Blair Territory Sales Representative.

Best regards,

Tom Houston
Sales Manager
Smith-Blair