



KEEPING YOU ORGANIZED

600 SMEAD BOULEVARD
HASTINGS, MN 55033-2219
p. 651 437 4111
f. 800 959 9134
www.smead.com

February 25, 2021

Dear Valued Customer:

On July 1, 2021, The Smead Manufacturing Company will be implementing a price increase on many of the products we produce. This increase will include both Smead branded and private label products. The need for an increase is primarily due to recent cost increases from our major paper mill that will be effective March 22, 2021. In addition we have recently received increases in pressboard, steel, packaging and transportation costs.

As in the past, Smead continues to aggressively manage our costs and drive efficiencies in supply chain, manufacturing and all other aspects of our organization. Smead will be absorbing the price increases until July 1st. Unfortunately, we are not able to absorb these costs after June 30 2021 due to our existing competitive pricing structure. The impact of these increases will require Smead to pass along price increases in the 5%-10% range, based on the product category. We will follow up with further information as it becomes available.

We appreciate your continued support of Smead and look forward to our continued partnership through 2021 and beyond.

Sincerely,

THE SMEAD MANUFACTURING COMPANY

A handwritten signature in black ink that reads "Dan Wagner".

Dan Wagner
Vice President of Sales