



1120 E. PETERSON RD GRAYSLAKE ILLINOIS 60030 TOLL FREE: 866-457-5710 847-462-4258 FAX: 847-462-4259

May 12th, 2021

RE: OCM Price Increase Notice Effective June 14th, 2021

Dear Valued Customer,

As I stated in my February 2021 price increase letter, the construction industry has continued to experience a rapid and sustained escalation of major cost factors including raw materials and shipping. Global supply chain shows little sign of improving as shipping capacity has tightened even more over the past few weeks, sending shipping costs soaring to new record levels. This tightening capacity is exacerbating shortages in both raw materials and finished goods, especially in steel products. Both at home and abroad, rising scrap pricing is causing wire rod to spike to new highs once again. We have also experienced increases in resin which are driving up the cost of finished plastic products and in birch plywood which impacts our concrete handset forms. Overall, costs continue to climb into double digit percentages without near-term signs of relief.

Again, I am a staunch believer in the importance of transparency in our communication with customers to keep everyone informed of current and projected market conditions so that we can work together to navigate these incredibly volatile times. Given the steep cost trajectory over the past three months, OCM must act with a sense of urgency to keep pace with the scale of these increases. Therefore, effective Monday, June 14th, 2021, OCM will implement an average price increase on all products in the range of 7% to 10%. To be clear, "average range" means some products will increase less than 7% while some products will increase by more than 10%, resulting in an average of 7% to 10% overall. We will complete our full cost analysis soon and will share more specifics in the next couple of weeks. Your OCM regional sales manager or local OCM independent sales representative will be your primary contacts for questions and additional information.

As we move through the main start of the construction season and into the summer, OCM will continue to work hard to keep our customers competitive while enhancing our value at the same time. Again, thank you for your continued support of OCM in 2021 and beyond.

Regards,

Ray Sullivan

Ray Sullivan
Vice President of Sales and Marketing
OCM Inc.