

Re: Price Increase Notification– 1st July 2022

Dear Customer

Further to previous communications, I am writing to inform you of the ongoing raw material increases and availability challenges that are impacting steel lintels, along with the well-publicised increases in energy and labour costs. The war in Ukraine and the sanctions applied against Russia and Belarus have removed the supply of raw material and steel production normally available across Western Europe. These sanctions are expected to remain for some time and the outlook on energy costs also remains high, not to mention inflation continuing to increase.

With this in mind, I wish to formally notify you of an **18%** average price increase on our Feb 2022 published price list, effective 1st July 2022. All orders delivered from Friday 1st July will be invoiced at the new July 2022 published price list.

In line with the above change in pricing, we will also be raising the minimum order for carriage paid deliveries accordingly.

Market Impact

Whilst we have worked hard to absorb the increases and keep them to an absolute minimum, the price of steel lintels has risen by an incredible 70% over the last two years. As with most manufacturers in the building industry we are getting intensely squeezed with rising costs of raw materials. Similarly the end-users, builders and developers, are also now facing serious cost pressures and must be close to reducing activity.

We must both be aware that material costs may become too expensive and force a slow-down in our industry. In-line with our collaborative and loyal merchant partnerships we wish to discuss this topic further and explore how we can work together to protect our industry.

Allocation Process

We will be continuing with the allocation process, implemented in May 2021, and remain committed to supporting our stocking customers.

Please be assured, we have endeavored to mitigate this price increase and allocation process as much as possible, so that your excellent competitive positions in our market will remain. We will continually monitor the volatility trends in price and material availability through the next few months and if steel prices soften we will pass this on to you.

Finally, I would like to take this opportunity to thank you for your valued custom and support.

Chris Hemmington-Green

Sales Director
IG Lintels

