



To: Royal Brass Hydraulic Adapters Customers
From: Robin Smithson, Marketing Manager
Date: 9/28/2011
Re: Pricing – steel increase

As you know, prices have been increasing. Royal Brass & Hose will not compromise quality for cost even though we continually work the supply and demand game. Labor costs continue to increase in China and deliveries have not yet rebounded. Fortunately, we have managed to continue improving our efficiencies and work with vendor partners to manage these cost increases. We have held prices for approximately 2 1/2 years.

Royal Brass and Hose has negotiated with the steel mills to minimize increases, but are forced to have a 5% increase on our hydraulic adapters. As a valued customer you will be able to place orders at your current pricing until November 1, 2011.

We will continue our efforts to control costs wherever we can to keep your costs down without compromising quality. Thank you for your understanding and continued business. We look forward to the opportunity to continue servicing your hydraulic needs for many years in the future.