



Leading the Industry in Tire Repair Materials, Supplies & TPMS

May 1, 2017

Dear Customer Friends:

We try never to mess with prices, and “ride out” the peaks and valleys of raw material cost changes. However at this time it is impossible to absorb the “1-2-3 Punch” taken this year by Hamaton (our valve partner). Please allow me to explain...

Attached is an index showing copper prices. Copper is the primary raw material in brass. Brass is the raw material for a snap-in “insert”. Truck valves are almost all brass! As you can see in the attached chart, it’s increased in cost as much as 25% just during the past 4 months or so. That’s “Punch #1”.



“Punch #2” is shown in the second chart on the attachment. Rubber (think snap-in valves) has almost doubled in cost at its high point in recent days. While it has come down a little bit recently, it is still more than 25% more expensive than it was only a short time ago. And it looks like it will stay in the plus 25-30% range.

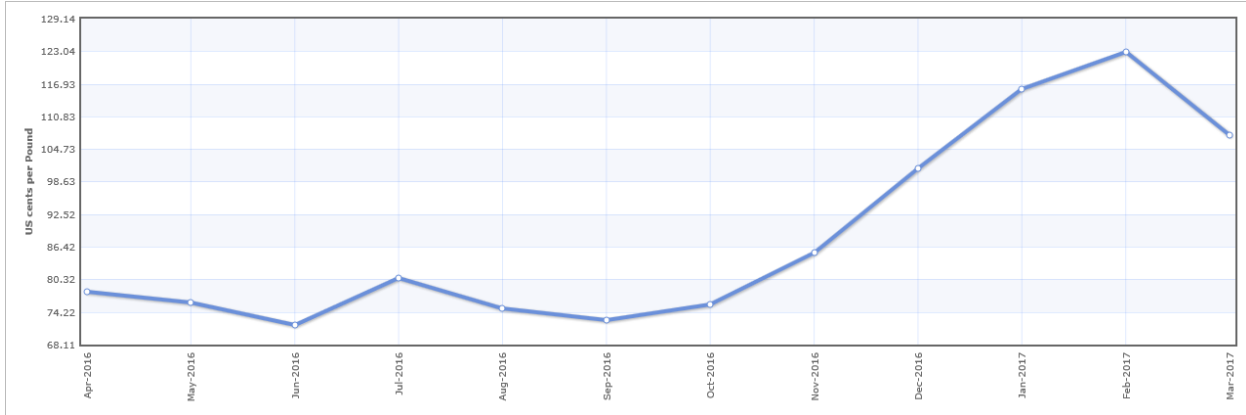


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Rubber Prices



“Punch #3” to Hamaton was cross currency depreciation. The Chinese RMB has declined from just a year ago, against the US Dollar, by about another 10% (6.25 to 6.88 or so).

Faced with all these factors, it is logical and necessary for valves to be increased. How much? In the range of not less than 5%

Specific individual item prices will be announced around May 15th. There will be differential raw material costs for truck to passenger valves and different levels of labor intensity to take into consideration.

There are also a small number of tool and accessory items which Hamaton and other vendors have passed along price increases to us in the recent months. These need to be addressed at the same time as well.

We are announcing this now so you can have adequate time to help yourself to our existing inventory at the lower current cost. Prices will change no later than June 30th.

Please let us know if you have any questions.

Respectfully,

Bobby Hendry



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