

TO: All Canadian Greenheck Representatives
FROM: Tim Kilgore
President, Greenheck Fan Sales/Marketing - Americas
DATE: June 20, 2018
SUBJECT: Canadian Tariffs



This letter is in response to the recent announcement of Canada's retaliation tariffs upon products imported into Canada from the United States. Greenheck has reviewed this action and determined all aluminum louvers, aluminum curbs and aluminum fabra hoods imported to Canada from the U.S. are subject to a 10% tariff which will be collected at the border by Canadian customs. The effective date of this tariff is July 1, 2018.

Please be advised the 10% duty tariff will be your responsibility and cannot be paid by Greenheck.

It is unfortunate Greenheck, you, and many other industries are caught up in these trade disagreements and subsequent retaliations. At this point these actions are out of our mutual control and we must take appropriate actions in response. These actions also impact the escalating raw material costs we are experiencing. Steel costs are up as much as 25% this year which is having significant impact on our business. Additionally, aluminum, crate lumber, and freight costs have all risen between 10-15% this year.

Please work with our sales department to identify any orders that may be impacted by the tariffs. I suggest you communicate the impact to your customer as soon as possible.

Rest assured Greenheck is doing all we can to minimize these factors and cost increases. These issues seem to be very fluid at the moment and we continue to hope things settle down and return to a sense of normalcy soon.

Thank you for your understanding.

Very truly yours,

Tim Kilgore
President
Greenheck Fan Sales & Marketing, Americas