

Bulletin: 06-19

TO:	Greenheck Business Partners
FROM:	Tim Kilgore President, Greenheck Fan Sales/Marketing - Americas
DATE:	February 20, 2019
SUBJECT:	CAPS [®] 4.29 and Price Adjustments Effective April 1, 2019

At 8 PM CST on April 1 Greenheck will release CAPS 4.29 to you, our sales partners. This release is <u>NOT</u> an across the board increase for Greenheck, but <u>DOES</u> contain individual specific product and/or model price increases or adjustments as described below. Greenheck multipliers (less DOAS) are NOT changing with these changes. Rather, specific products and or accessories are receiving list price changes. Note there are some <u>price decreases</u> included as well as we seek to re-align some product pricing.

Because of the magnitude of these price adjustments, we are offering you a 30 day grace period to place orders after the April 1 CAPS release using CAPS 4.28. After 30 days we will no longer accept orders using version 4.28. <u>Please note once you open a file in CAPS 4.29 you cannot go back.</u>

Please read the announcements below carefully, and <u>reprice</u> any open quotations you have if they will be placed after the 30 day grace period.

Business Unit Changes

Circulators, Inline, and Axial Business Unit

- We reduced list prices by an average of 24% on DS fans and accessories to ensure our competitive positioning.
- With the full offering of AER available, select sidewall propeller fans received an upward price increase. The model AER is a better value and should be specified as first choice.
- WD fan accessory, RSF, and L-series was impacted by paint price adjustments this will vary by size and ranges between an average increase of 14-25%.
- The WD damper accessory pricing was aligned to match CAPS for stand-alone dampers. This change resulted in +/- in price with the goal of having consistent pricing.
- Low volume inline accessories received a price adjustment of +/- in order to align with our material costs.

Centrifugal, Vane Axial, Industrial (CVI)

- USF-300 sizes 6-24: 5% list price increase on base fan price.
 - <u>Net will be about 2% increase</u> once motors, drives and accessories are added.
- USF-400 all sizes: 2% list price increase on base fan price.
 - <u>Net will be <1%</u> once motors, drives and accessories are added (adjustment is to align better with CSW).
- LSF, PLG and BI/AFDW: 10% list price increase on base fan price.
 - <u>Net will be about 5%</u> with motors, drives and accessories.



Laboratory and Fume Exhaust

- Vektor[®]-C Series has list price adjustments of 1%.
- FumeJets (FJC only) will be impacted by CVI motor price adjustments this will vary by size; 1-2% increase on average.

Power Roof Ventilators (PRV)

- The PRV business unit continues to see escalating raw material costs, specifically in the cost of conversion for flat/sheet aluminum material which is used heavily in our products. As a result, we will be increasing list prices by 2.9% for all PRV products including roof curbs.
- We have aligned our WD damper accessory pricing to match the pricing in CAPS for stand-alone dampers. This change resulted in some reductions and some increases in price with the goal of having consistent pricing.

Tempered Air Products (TAP)

Energy Recovery Ventilators:

• List price adjustments on <u>select</u> ERV/e-20, ERV-45, ERV-90, and ERV-120 models of up to 6.0% (average of 1.1%).

Make-up Air Products

• List price adjustments up to 2.0% on Make-up Air Products with hot water, chilled water, or steam coils.

Dedicated Outdoor Air Systems (DOAS)

The Greenheck DOAS group continues to work to provide competitive pricing with escalations in raw material costs and freight. To combat this, we are increasing ERCH, ERT, RV, and RVE pricing by a 3% multiplier increase (no list price adjustments).

To ensure our competitive positioning, we are reducing list prices by 5-10% on select RV-70 and RVE-120 tonnages and adjusting list prices on select accessories on all RV and RVE models.

Ceiling Exhaust - (Bath Fans)

- We are introducing pricing category FV6 for small SP A and B fans. These products currently sit in FV2, and are listed below. This will allow us to keep you competitive in major markets we play in (commercial and multifamily).
 - o SP-A50, 70, 90, and 110
 - o SP-B50, 70, 80, 90, and 110
 - o SP-A50-90-VG and SP-A90-130-VG

In order to align with the market we are decreasing the list price of our lighted grilles, decreasing the list price of our 4" to 3" reducer for our SP-L, and increasing the list price of our isolation kit.



Dampers

Quick Build Order Size Limits

In CAPS 4.29 we are putting in place order quantity limits for quick build orders to ensure we are able to meet our on time shipping commitments. These limits are being established for damper categories DA1 (includes curtain fire dampers and CRD's), DA2 (includes FSD's and SMD's), DA7 (includes VCD-40 and -43), and DA8 (includes galvanized VCD's). If your order exceeds the size limit for a given QB program a notification message will be displayed in CAPS at the time you print a pricing worksheet and again at the time you place the order.

Note that the order size limits built into CAPS are not hard-limits and CAPS will not prevent you from submitting the order. However, if you do submit the order it will be stopped at the factory for review prior to being scheduled. If our current production capacity allows us to meet the requested delivery date, we will build the entire order on the requested QB program. However, if this is not possible, we will contact you to discuss scheduling options. For example, instead of building a \$60,000 list order of VCD's on a 5-day, we may offer to build \$30,000 on a 5-day and \$30,000 on a 10-day.

Changes to Quick Build Premiums

In CAPS 4.29 we will be differentiating the price premiums for our 10-day, 15-day, and 25-day quick build programs to provide you with more flexibility (today they are all the same). We are also adding a 20-day option. The premium for a 15-day will remain unchanged. The price premiums for the 20 and 25-day options have been reduced. The price premium for a 10-day order has been increased. No changes are being made to the premiums for the 1, 3, and 5-day programs.

List Price Changes

In CAPS 4.29 we are implementing list price changes to the following models:

- List prices of multi-blade fire damper models DFD-210 and DFDAF-310 have gone up approximately 15%.
- List prices of out-of-wall fire smoke dampers models OFSD-211, -212, -311, -312 and GFSD-211, -212 have gone up approximately 15%.
- Round control damper models VCDR-50 and -53 with diameters 16" and greater have gone up approximately 20%.
- Electric duct heater list pricing has changed. Depending on the size and configuration, list prices may have increased or decreased. Most configurations have changed by +/- 8%.
- All curtain style fire dampers increases vary significantly by size, model, and selected accessories (please check your CAPS file)



Architectural Products (Louvers)

The following changes are being implemented:

Louver Model	Base List Price Increase
ESD-635D	4.0%
EVH-501	6.0%
EACA-601	2.0%
ECD-401	2.0%
AFL-501	
Flush/Rear Mount	4.0%
Flange Mount	25.0%
AFJ-801	5.0%
ESD-635X	4.0%
EACA-601D	4.0%
AFJ-601	4.0%

Option/Accessory	List Price Increase
All Paint On Wind Driven Rain Or Sightproof Louvers	
(EHH, EVH, EHV, AFL, FSG, SES, SEH, SED)	10%
2-Coat 70% Kynar Paint (Standard Color) On Operable Blade Louvers	10%
Glazing Adapters	Average 15%
Blankoff Panels Without Silicone Seal Option	5%
Blankoff Panels With Silicone Seal Option	Average 10%

<u>Curbs</u>

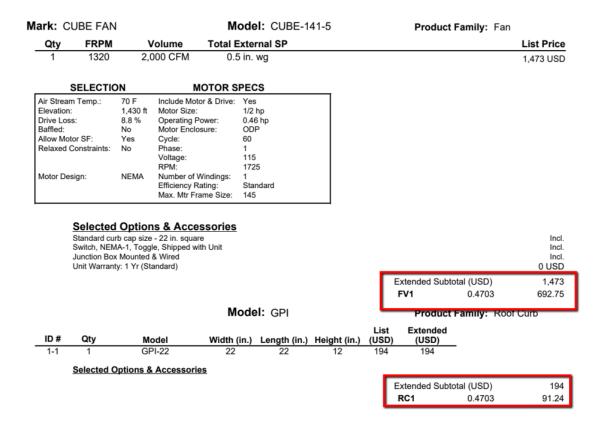
Addressing your suggestions from the annual Rep Survey we are now making it easier for you to order curbs earlier or ship curbs to an alternate address with this release of CAPS. This will result in the "marks" screen breaking out the curb product on a separate line allowing you to order the product and the curb on two separate orders with different lead times if necessary.



🖪 Order Options

Output	Marks	Genera	al Billing	Shipping	End User	Compliance	Ordering	Delivery	N	otes Pricing		
Order Program Type: Standard V Order as Fast Pass: No V												
	\checkmark	Pro	duct Famil	y Sort Id	Mark		Model	Q	ty	Ext List (USD)	Best Available	Fast Pass 3
		📒 Fa	n	10	CUBE F/	AN	CUBE-14	41-5	1	1,473	1 Day	Yes
		Ro	of Curb	20	CUBE F/	AN, Roof Curb	GPI		1	194	1 Day	-
		📒 Fa	n	30	CUE FA	N	CUE-200)-В	1	2,650	10 Day	No
		Ro	of Curb	40	CUE FAI	N, Roof Curb	GPI		1	263	1 Day	-

The individual marks will break the pricing out for the curb accessory with its appropriate roof curb category and multiplier from the product, along with the best available program type. This will result in a different multiplier for the product and the roof curb accessory. This change could result in a higher or lower net price on current jobs.



Please note, with this CAPS release you will still be allowed to select the prior ship curbs check box which will have the same functionality as today which does not provide configuration logic (you must review the Notes section) and will not provide appropriate pricing for program selected on your CAPS order transmittal.





Informational Price Change Webinars Announced

Because of the magnitude of this very important CAPS release, we are conducting an informational webinar at various dates and times to make attendance convenient for you. The purpose of the webinar is to clarify the content in this correspondence and answer any questions you may have.

Day	Date	Time	Meeting #
Monday	March 11	9:00 AM CST	803 472 429 <u>Save meeting to Calendar</u>
Monday	March 11	1:00 PM CST	807 971 673 <u>Save meeting to Calendar</u>
Monday	March 18	9:00 AM CST	800 586 511 <u>Save meeting to Calendar</u>
Monday	March 18	1:00 PM CST	809 265 105 <u>Save meeting to Calendar</u>

It's simple to participate

- Select the date and time of the webinar that you would like to attend
- Log on by clicking on the link https://greenhecktraining.webex.com
- Enter the meeting number for the desired webinar and the password (password pvqm7kRD)
- To participate in the telephone conference for the webinar, dial 1.855.749.4750
- Enter the meeting # and the attendee ID number assigned to you when logging in

We appreciate your understanding with the price adjustments and realize this may cause some additional work on your end. Again, we encourage you to review all existing open quotations and unreleased orders. If you anticipate orders being released or placed after April 30, 2019 please contact Greenheck for repricing at <u>discount.request@greenheck.com</u>.

As always, we value your partnership, and thank you for your sales effort!

Tim Kilgore

President, Greenheck Fan Sales/Marketing - Americas