

Bulletin: 4-23

TO: Greenheck Business Partners
FROM: Matt Spink
Sr. VP, Greenheck Mechanical Channel
DATE: January 30, 2023
SUBJECT: **Price Adjustment Effective April 3rd, 2023**



On June 22, 2022, we announced a temporary fuel surcharge on all shipments effective July 5, 2022. We had hoped that diesel fuel and line-haul freight charges would return to 2021 levels, and we would be able to rescind the fuel surcharge. While diesel fuel costs have declined some, they remain far higher than historical levels and our line-haul freight charges remain at or near peak levels with no slowdown in sight.

All that said, we have heard from many of you, our rep partners, that the fuel surcharge is an accounting challenge that is not making Greenheck easy to do business with. Rather, we heard from many reps, including Greenheck's Rep Advisory Board, that a traditional price increase would be welcomed over the cumbersome fuel surcharge.

As such, today we are making two announcements:

- 1) Effective with the April 3rd, 2023 CAPS[®] release, we are rescinding the fuel surcharge from all new orders entered on or after April 3rd. All orders entered with Greenheck prior to April 3rd will still have the fuel surcharge applied.
- 2) We will implement an across-the-board increase of 2.25% on all Greenheck products via our April 3rd, 2023 CAPS release. All orders entered on or after April 3rd will not have a fuel surcharge applied.

The need for a price increase more than the fuel surcharge is to help offset the ongoing purchased component price increases we continue to experience.

This price increase will be implemented in our April 3rd CAPS release via an upward multiplier adjustment. Orders entered before April 3rd must ship within published lead times.

If you anticipate orders being placed after the April 3rd effective date, we encourage you to begin immediately adding an additional 2.25% to all Greenheck product quotations.

We appreciate your understanding of the price adjustments and trust this will be a welcomed alternative to the fuel surcharge. Thank you for your partnership in these unprecedented times.

Matt