

Nutri-Bon Distribution Company Inc.



510 MADRID AVE., TORRANCE CA 90501

TEL: (323) 278-5425 FAX:(323) 278-5431

October 14, 2021

Re: Price increase

Valued Customers

Please see the attached memorandum sent on September 28 in connection with production curtailment in China, and rising material and production cost.

- **The production cost increase in China - Material cost 24%, labor - shorter workweek affects 5% of total cost, and finally the local transportation to port 3.5% to total.**
- **Passing through the cost - It has become necessary for Nutri-Bon to reflect and passthrough these increases: \$.55 per case for medium weight cutlery, and 8% across the board for all other items including straw. The price increase (see attached list) will become effective for delivery beginning December, 2021 regardless of the order dates.**
- **Order Availability – Effective immediately for all new orders received may or not fully filled subject to available production capacity, shipping space availability, and local inventory. By the way, the peak season surcharge of ocean freight is original set to expire on October 31, 2021, it has been extended to January 31, 2022.**
- **Confirmation & contacts – Pricing – Anel, James will advise for container delivery, and Clansy for TL & LTL orders.**

Nutri-Bon appreciates you continuing supports and we will do our best to keep you supply and competitive pricing.

Very best,