



Manufacturer of Storage Solutions

STEEL SURCHARGE ANNOUNCEMENT

May 20, 2008

To Our Valued Partners,

By now I'm sure that you have received multiple communications describing the unprecedented volatility in the steel industry. During the last six months steel vendors have passed along more than seven price increases and the escalation does not appear to be at an end.

In my last correspondence on February 22, 2008 we initiated a steel surcharge of \$0.06/lb for orders beginning March 21, 2008. Up to this point, we have been fortunate in our ability to provide stable pricing in the face of a steel market that is rivaling the spike in fuel costs. In the same letter of February 22, 2008 we also made a commitment to hold the \$0.06 surcharge through June 30, 2008 which was based on our historical sales.

Unfortunately, your demand has outpaced our steel allocation at the lower price. While we appreciate your business and your ability to secure orders, we now have no choice but to revise our steel surcharge to **\$0.19/ lb. on orders received after May 31, 2008.**

We do understand that you have commitments to your customers in the form of quotes, and those commitments are also important to us. By May 27, 2008 please register any quotes that are open with your factory representative that you request to hold \$0.06 steel surcharges on. We will endeavor to allocate some steel to honor those commitments. Those quotations that you have registered need to be closed out with a purchase order received at our factory no later than June 15, 2008 for soonest available shipment.

We appreciate your support and understanding in these difficult times. Please know that we continue to closely monitor the steel market to ensure availability, and would be happy to share industry news with you concerning either where it's been or providing speculation on its future.

Best Regards,

Bruce Meredith
Vice President Sales and Marketing