



March 16th, 2022

To: Convoy Customers

Re: Industry Information

I am writing in response to all the recent industry correspondence we've been sending regarding product increases and numerous shortages from all areas of construction. We have already seen several increase notices – in some cases double and triple notices – from most of our vendors throughout 2021 and into early 2022. Several manufacturers have already announced long lead times, suspension of orders and allocation which may very well lead to force majeure.

As a result, the market will continue to see a significant shift with escalating prices and decreased product availability; also the cost of freight and fuel surcharges arriving into our distribution locations has increased dramatically and, in some cases, has doubled. We do not anticipate this changing until well into the 4th quarter of 2022.

Convoy has no choice but to pass all these increases on from our vendors and are forced to tighten our quote expiration to 30 days. We will make sure that you will be notified in a timely manner as we get any more increases from our vendors.

We ask every contractor to please make sure that if you have jobs secured to pass it on to your local Convoy Branch or appointed salesperson immediately. This will help us get orders secured and processed to meet your deadlines.

We always work hard to be transparent with our customers and pass on important information pertaining to the market and your business. These are unprecedented times and challenges we are all facing together.

We would like to take this opportunity to express our appreciation for your continued support and we look forward to servicing you and your product needs in the future.

If you have any questions or concerns, please reach out to your local Convoy representative or directly to me.

Thank you,

Jamie Mantle
Vice-President, Sales
Convoy Supply Ltd.