



March 1st, 2022

To Our Valued Customers

With the effects of all the global issues, critical shortages in the Supply Chain and the rising costs of gas and material costs, we have no alternative but to move forward with price increases. These increases effect Delivery Charges, Welding Gas and Consumable products as well as Service Costs. We are diligently monitoring the changing conditions but neither Suppliers or Market trends indicate we will see any stabilization of these rising costs.

Unfortunately, the terms 'shortages', 'uncertainty', 'volatile' and 'unpredictable' continue to be a part of the supply chain situation in all industries. Many Suppliers continue to supplement the volatility of these costs with 'surcharges', which change without notice, and with no visibility on when it will be eliminated. Unlike other distributors, Barry Hamel Equipment Ltd. only passes this surcharge amount on, without any further mark up to our customers. The chart below shows escalating costs, with 12 month double digit increases to a large percentage of the composition materials used in welding equipment and supplies.

Commodity Cost Index		
MATERIAL	MONTH	YTD
	Dec 21,2021 - Jan 21, 2022	Jan 21, 2021 - Jan 21, 2022
Lead	1.73%	0.70%
Nickel	22.14%	15.30%
Aluminum	7.13%	51.66%
Steel	1.59%	12.64%
Copper	2.68%	24.35%

\* Data from TradeEconomics.com \*

Our entire Operation, Services and Stores have remained opened throughout this entire Pandemic, in delivering essential supplies to your facilities. I thank you for your business and continued loyalty through these difficult and unusual times. We look forward to the opportunity to continue growing with your company through 2022.

Sincerely and Respectfully

Steve Curr

General Manager

**Barry Hamel Equipment Ltd.**