

Date 11/01/2021

Corrugated price increase.

Dear Customer,

We have been facing exceptional levels of orders for corrugated for a number of weeks now and at the moment it looks like it will continue through the first quarter of 2021.

This is driving demand on the paper companies for volumes that were not expected at a time when waste paper is in short supply across Europe as China absorbs much of the volume.

The combination of this is creating a supply situation for paper generally. The paper companies have already increased prices in October, December and January and are now looking for additional increases in March and potentially more in the second quarter of 2021.

They are insisting on increases or withdrawal of supply.

There are rumours in the market place about a lack of corrugated paper availability generally, but as long as we pay the increases, we have been assured that our supplies will continue.

Unfortunately, although these increases have been absorbed to date, this cannot be sustained, and we now have to recoup the additional costs through a price increase.

We are aware that some of our competitors have already moved prices on deliveries, with effect from 1st January. We have delayed the increase as long as possible.

However, we will have to increase our prices for any orders for deliveries on or after 15th February 2021

We have assessed the effect based on the specification of the products you purchase from us rather than a blanket increase that can unfairly penalise some specifications.

Consequently, the following are the increases we will need to apply for orders from you.

Sheet Board 10% - With effect on deliveries from 15th February 2021

Converted Products 7.5% - With effect on deliveries from 15th February 2021

Even with this news, that I am sure will not be well received, I would still like to take this opportunity to thank you for your continued support and wish you all the best for 2021.

Kind regards



Tony Johnson - UK Sales Director