



To: All Direct Mop Sales Customers

Re: Updated Pricing

Effective 11/15/19 Direct Mop Sales, Inc. will be implementing an updated price list from our current published price list dated 8/01/17. For a .pdf copy of our updated catalog, please follow the link below.

<http://directmopsales.com/v/Catalog-11-15-19.pdf>

**An overview of the average increase for our 3-Tier volume-based pricing is as follows:**

Tier 1: Broken Case or Individual Unit Purchases- average increase of 1.69%

Tier 2: Bulk Case Unit Purchases- average increase of 1.22%

Tier 3: Wholesale/36 Bulk Unit Purchases- average increase of 3.47%

(Tier 2 pricing is an average of 8.96% lower than tier 1 pricing, and Tier 3 pricing is an average of 17.31% lower than Tier 2)

**The two most significant situations creating these changes are Transportation Cost Increases and Material Cost Increases.**

**Transportation Cost Increases:** Over the last two years, transportation costs have consistently risen due to multiple factors, including transportation rates, fuel surcharges, residential delivery surcharges, package length surcharges, and peak season surcharges. These accumulated increases over the last two years are the primary reason for our need to update pricing. Our Free Shipping Over \$75 program is still in place; however, as of 11/15/19 will have an \$11.00 shipping and handling charge for any order that does not meet this \$75 minimum, up from the \$9.50 current cost.

**Material Cost Increases:** Over the last two years, all material cost have risen slightly. However, aluminum and steel have seen more drastic increases. Due to these increases, it has become necessary for more substantial changes in pricing for products containing aluminum and steel.

**Tariffs:** A significant item not currently addressed in our revised pricing is the tariffs currently in place on items shipping from China. Throughout the year, we have increased our inventories to help mitigate the effects of tariffs. Currently, we plan to use growth, exchange rate reductions, country of origin changes, and all other available options to minimize the impact of tariffs without reducing the quality of our products or service to our customers.

**Tariffs currently affect most of the products we import. If the trade dispute with China is not resolved by the first of the year, or additional tariffs are implemented, it will be our intention to add a tariff surcharge system in lieu of price increases to offset the excess cost brought on by tariffs. A surcharge system will eliminate the need to adjust for unknown factors, allow for a faster system of adjusting prices up and down, and limit the increased cost to our customers. We will not implement any surcharges without first providing our customers with a minimum of 30 days notice. If we need to implement a tariff surcharge system, the tariff surcharge amount will be posted directly on all of our purchasing sites, and an email notification will be sent to our customers.**

Our company has always strived to provide the highest quality products at the best possible value. We very much value the relationships we have built with our customers and look forward to providing the same great products and customer service. **Please take the time to stop by our booth at the ISSA show in Las Vegas. Booth #1904.**

***Use the following link to get your FREE trade show badge:***

<https://registration.experientevent.com/Showssa191/flow/invgst#/registrant//Member/>

Sincerely,

*Mike Julo*  
*President*