



December 21, 2021

**Aqua Products/Stainless Steel Surcharge Increasing to 13% Effective Jan. 17, 2022
Industrial Automation Products Surcharge 3% Effective Jan. 17, 2022**

Dear Valued Channel Partner:

First, we hope that each of you and your families are well and preparing for a busy and safe Holiday Season!

At Dorner, we are continually trying to react to changes in the supply chain situation – both in terms of availability and price. I am writing today to update you on two important pieces of information regarding the surcharge we apply on our Aqua Family of products as well as a planned surcharge introduction on our Industrial Automation products.

In September, Dorner introduced a 10% surcharge on all SS conveyors and conveyor accessories. Our hope was stainless steel pricing would level-off and possibly even reduce over time. Unfortunately, we continue to experience increases in stainless steel sheet and in nearly every commodity including aluminum, gearboxes, motors, belting and engineered plastics. Increases are extending to labor rates and logistics as well.

Understanding commodity and other prices continue to escalate requires Dorner to increase the surcharge on stainless steel Aqua products to 13%. The surcharge for Industrial Automation products, which includes the 1100, 2200, 3200 and FlexMove series of products will be 3%. A 3% surcharge will apply to all Aftermarket parts except stainless steel motors. Stainless motors will include a 13% surcharge.

As noted in my earlier email, Economic forecasts do not show an end in sight any time soon to this volatile market. In fact, we expect most commodity prices will likely continue to increase in the near-term.

No change is required by you other than to note that all orders received on or after January 17, 2022 will have a surcharge of 13% and/or 3% depending on the products you are quoting and then ordering. The surcharge will be noted in DPricer, but will not be reflected in the price generated via DPricer. Any change in the value of the surcharge will be communicated and can be found on the distributor portal as well as in the DTOOLS notes on a quote.

We greatly appreciate all you do for Dorner and your patience during these very trying times. We wish you all the best and happy selling! Have a very Happy Holiday Season!

**Terry Schadeberg
President & Chief Executive Officer
Dorner Mfg.**

Dorner

P.O. Box 20 • 975 Cottonwood Ave. • Hartland, WI 53029-0020 U.S.A.

PH: (262) 367-7600 • (800) 397-8664 • FX: (262) 367-3243 • www.dorner.com • info@dorner.com