



November 1st, 2018

To: Our Valued Customers

Subject: Price Increase – January 2019 Bailey Metal Products

The Canadian Border Services Agency (CBSA) has conducted an investigation into Canadian import practices of corrosive resistant steel products. The review was prompted by a complaint filed by the domestic mill ArcelorMittal Dofasco citing unfair import practices. On October 24th, 2018 the CBSA announced a preliminary determination of dumping regarding certain corrosion-resistant steel sheet products from China, Taiwan, India and South Korea. As a result, provisional duties, surcharges, along with immediate maximum import quotas have been set for all corrosive resistant steel products (including galvanized and painted products) imported from these countries. A final CBSA determination announcement is expected on or before December 31st, 2018.

In addition to these government imposed safeguards, domestic steel mills ArcelorMittal Dofasco and Stelco have announced immediate and substantial price increases. We expect more to follow as demand shifts to limited domestic supply.

Be advised that effective January 2nd, 2019 all Bailey products in all regions will increase 8 to 10%.

As this volatility continues, we suggest that you review all project commitments and plan accordingly as there will be interruptions in raw material supply from the steel mills.

Bailey Metal Products is committed to provide a reliable and uninterrupted supply of quality, code compliant products to meet your needs. Please contact your Bailey representative with any questions regarding current project quotes or if we can be of service in any way.

We appreciate your business and thank you for your continued support.

Sincerely,



Derick Vinthers
Vice President, Sales

CC: Angelo Sarracini