



PFD Packaging

Diverse solutions for every business.

May 23, 2019

Dear Valued Customer,

As you may have heard, the United States government has published three lists of Chinese imports that are impacted by the Section 301 tariffs. These were initially implemented on September 24, 2018.

PFD Packaging imports several product categories that appear on List #3. With the recent news that the United States government will be increasing the rate of additional duty from 10% to 25%, we have no choice but to implement an additional 12% price increase **effective as of June 30st, 2019** for all orders through our warehouse for the following product categories:

molded fiber table ware	handled shopping bags
PLA cold cups	CPLA cutlery
towel and tissue products	Portion cup lids
napkins	double wall hot cups
food cups	

We believe that this additional duty in question will be short lived. We remain hopeful that the trade negotiations between the USTR and China will show progress towards lifting these tariffs. Until that time comes, we will be adjusting all distribution prices AND any contract prices as of June 30st, 2019.

Thank you for your understanding and support of PFD Packaging. If you have any questions regarding price increases, please contact your sales representative.

Sincerely,

Brian Walker
PFD Packaging