



Negwer Materials, Inc.  
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To: All Markets

November 16, 2020

**RE: Price Guidance**

As we move through the Fourth Quarter 2020, we wanted to give you some guidance on what we see from the manufacturers on material pricing.

The steel manufacturers announced price increases in October and have another increase announced for late November. Foreign trade policies are cited for the increases in raw steel pricing.

From our gypsum vendors, we had an increase in October, and we have seen announcements of a January 2021 price increase as well. The strength in the residential sector has push capacity rates at or above 90%. That is essentially full capacity and the reason why controlled distribution has been implemented nationwide. Other factors that add to this move are the shutdown of some older plants, the significant increases in gypsum ingredients (i.e., Vermiculite), and the burden all vendors have currently with trucking costs.

We have summarized the expected January 2021 increases below:  
(copies of manufacturers letters can be viewed at [www.negwer.com/resources/news](http://www.negwer.com/resources/news))

**Gypsum Products & Accessories**

Increase 20% announced (expect 8-10% or \$20-\$30 per MSF) Effective Jan. 4, 2021  
Accessories 3-5 % Effective Jan. 4, 2021

**Cold Formed Steel Framing Products**

Increase 15-20% Effective Jan. 4, 2021

**Acoustical Products**

Increase 5-8% on Grid & Specialty Ceilings Effective Jan. 4, 2021

**Insulation Products**

Increase 8-12% Across all insulation products Effective Jan. 4, 2021

**Accessory Products**

Firestopping Product Increase 3% Effective Jan. 4, 2021  
Screws Increase 7% Effective Dec. 14, 2020

We will have new price sheets out to you in December.

While lead times continue to lengthen, especially for non-stock items, Negwer Materials is committed to meeting your construction product needs. We will do so with increased planning and communication between developers, G.C.'s, sub-contractors, and vendors. From the manpower perspective, we remain committed to providing productivity-enhancing products, knowledgeable delivery personnel, and an extensive fleet of equipment to deliver your products on time and within budget.

We appreciate the confidence you have shown in Negwer Materials through the years and thank you for your business. Please feel free to contact either of us should you have any questions.

Sincerely,

Peter G. Wilhelms  
Vice President, Marketing & Product Development

Seth A. Joy  
Vice President, Sales