



Wood Adhesives  
Pressure Sensitive Adhesives  
Specialty Polymers

June 15<sup>th</sup>, 2021

Account Number: AJ Adhesives, Inc.

Dear Distributor:

Franklin International is continuing to absorb large increases in costs on intermediate chemicals. Intermediates are commonly known as additives such as surfactants, thickeners, solvents, dispersants, plasticizers and similar chemicals used in the formulations of vinyl acetate based glues. Although Franklin has already passed on a very moderate price increase on drum and tote sized packages, followed by a \$0.04 surcharge, we find ourselves having to increase water-based glues an additional \$0.03 - .05 effective August 1<sup>st</sup>, 2021. The impacted brands include but are not limited to: Advantage, Multibond, Titebond, Doorbond, Woodbond, Assembly and Lamination glues.

Specifically related to water based adhesives as of June 8<sup>th</sup> 2021:

- Strong adhesive demand continues to pressure available capacity of intermediary chemicals.
- Pricing for key feedstocks (methanol and ethylene) although currently falling, have been offset by supply constraints.
- The US region is now the highest priced region for spot prices of vinyl acetate.
- Force Majeure has been declared by Dover Chemical, tightening the supply of Chlorinated Olefins.
- Strong demand forecasted well into 2021 will continue to pressure all raw material costs and supply.

Franklin is currently at 6-8 weeks lead time due to industry wide raw material shortages and high demand. Orders received after June 21<sup>st</sup> are likely not to ship until after August 1<sup>st</sup> thus requiring the new pricing on orders. Franklin is asking our customers to work with their assigned customer service managers for additional clarifications if needed.

Sincerely,

A handwritten signature in black ink that reads "Jaye Schroeder".

Jaye Schroeder  
Vice President

NOTE TO USER: by ordering/receiving product you accept the Franklin Adhesives and Polymers General Terms and Conditions of Sale applicable in the region. Please request a copy if you have not received these. These Terms and Conditions contain disclaimers of implied warranties (including but not limited to disclaiming warranties of fitness for a particular purpose) and limits of liability. All other terms are rejected. In any event, the total aggregate liability of Franklin Adhesives and Polymers for any claim or series of related claims however arising, in contract, tort (including negligence), breach of statutory duty, misrepresentation, strict liability or otherwise, is limited to replacement of affected products or refund of the purchase price for affected products. Franklin Adhesives and Polymers shall not be liable for loss of profit, loss of margin, loss of contract, loss of business, loss of goodwill or any indirect or consequential losses arising out of or in connection with product supply.

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