



Hygiene + Healthcare Products

26th April 2018

Dear Customer,

Western Hygiene Supplies Ltd price Increase letter

Western Hygiene in its 30th year of trading wish to sincerely thank you our customers for your business and support over the years, it has been our honour and privilege to serve you over that time and we very much appreciate the loyalty you have afforded us.

Today Western Hygiene employs 33 people nationwide and are Strategic Partners for Essity Ireland Ltd formerly SCA Hygiene Products UK Ltd and distribute their Tork Brand of Hygiene and Tissue products which incidentally makes up 75% of our sales turnover.

Over the past two years in particular we have been in negotiations with Essity Ireland Ltd and indeed other suppliers due to continued volatility and ongoing price pressures in the hygiene market.

Market price pressure:

Over these two years and right up to this present day we have witnessed huge price pressure in Virgin Pulp and Recovered Fibre along with increases in Energy and Transportation costs. This led to a major EU tissue manufacturer having to make 8,000 employees redundant and the closure of 5 of their manufacturing facilities. Another EU tissue manufacturer reported that their raw material costs have increased 30% in the past year alone and it is because of all of this price pressure that I am writing to you today.

Managing price pressure:

2017 July 1st Western Hygiene were able to avoid passing Essity Ireland Ltd's proposed **4.4%** price increase in to the market by working in partnership with them where we found efficiencies in our supply chain, and by ordering more strategically in full container consignments from the EU & UK.
2018 June 1st Western Hygiene are able to avoid passing Essity Ireland Ltd's Full **6.5%** price increase in to the market, we did this again by working in partnership with them where we found further efficiencies in our supply chain, and by ordering strategically in full container consignments but direct from their Paper Mills in the EU & UK and this has helped us negotiate a reduction in Essity Ireland Ltd's proposed **6.5%** price increase.

Therefore we now need to give you prior notice that with effect from the 1st June 2018 Western Hygiene will increase its prices by 3.5%

For transparency we have posted all manufacturer price increase notifications on www.westernhygiene.ie

Should you have any queries on this please contact our sales representative for your area.

Warmest Regards,

A handwritten signature in black ink, appearing to read "Kevin Collins". The signature is fluid and cursive, written over a horizontal line.

Kevin Collins