



To: All Valued Steel King Customers

From: Jay Anderson, President

Date: September 10, 2004

Re: October Steel Surcharge Notification

The October Steel surcharges have been announced. The surcharge on coil steel has decreased from \$0.1125 to \$0.105 per pound.

The surcharge on structural steel decreased by two cents per pound, however the base price increased by the same amount (see the latest vendor notice). Rather than confuse the issue by increasing prices and decreasing the surcharge, for no net change, we will hold both the price and surcharge of structural rack at the same level for the October-November period.

The two-tier steel cost surcharge pass-through will be:

For orders shipping August 16 – September 19:

- a. SK3000 structural pallet rack, excluding step beams: \$0.0615/# net cost
- b. All other products \$0.0900/# net cost

For orders shipping September 20 – October 17:

- a. SK3000 structural pallet rack, excluding step beams: \$0.0615/# net cost
- b. All other products \$0.1125/# net cost

For orders shipping October 18 – November 15:

- a. SK3000 structural pallet rack, excluding step beams: \$0.0615/# net cost
- b. All other products \$0.105/# net cost

We will continue to post the latest news and actual surcharge announcements from our suppliers on our website at <http://www.steelking.com/steel/index.cfm>

We appreciate your continued support and understanding during this situation.