



**January 2, 2019**

**To: All Bertch Dealers**  
**From Denny McLaughlin, Executive Sales Manager**  
**RE: 2019 Price Adjustment**

*To those of you with an email on file with us you will have already received this correspondence electronically.*

The dynamics of a rapidly changing economy and increased employee expenses in wages and benefits, particularly health care benefits, has had a major impact on all business over the past years. Unemployment in our home area is at an all time low, and it has led to increased wages in virtually all sectors to attract good workers. A shortage of drivers has led to increased freight costs on both inbound and outbound shipments. Some of the largest companies providing kitchen and bath cabinets have announced multiple price increases in the past year.

These factors, along with general inflationary pressures have led to the need to increase prices in all divisions by 4.25%, effective March 2nd, 2019.

List Prices will not change; the only change will be in the cost factor. To calculate your new price factor, take your current factor x 1.0425.

For example, if your current delivered factor is .355:  $.355 \times 1.0425 = .370$

Delivered costs vary by geographic location, so your current cost may be higher or lower than the example above. If you need confirmation of your factor beginning March 2nd, please contact Bertch Dealer Services or your Bertch sales representative.

As you are aware, style trends in kitchen and bath change rapidly, and it's important to be sure to have displays and samples in the latest door styles and finishes. The beginning of the year is a great time to update and refresh your showroom. As a reminder, Bertch's Flex Fund program is refreshed at the beginning of the year. So, effective January 1, every dealer with 2018 purchases in excess of \$20,000 has a current Flex Fund balance equal to 1% of your 2018 purchases. (Dealers with purchases under \$20,000 are not eligible for Flex Funds.) Those dealers purchasing over \$125,000 have a Flex Fund balance equal to 1.5% of purchases. These funds can be used for traditional advertising, paid at 100% of the portion of the ad featuring Bertch, or can be used for purchasing samples, displays, literature or any other marketing tools from Bertch.

In an effort to go paperless by the end of 2019 we ask that you update your e-mail records with us. Contact Megan in our sales department, ([megan.gross@bertch.com](mailto:megan.gross@bertch.com)) with the email address you would like to use to receive updates from Bertch. Also please specify if you have a separate accounting e-mail you would like to use to receive your invoices.

We genuinely appreciate our dealers' continued support of Bertch products and programs. We look forward to a strong 2019, and wish you all a happy and prosperous New Year.