

5/5/21

Business Partners,

We are reaching out to our customers regarding the current raw material shortage related to stainless steel fabrication. We have been speaking with our suppliers and have learned that most feel this shortage is a short-term situation however we are taking a very serious posture to address deliveries.

Currently in our industry we are seeing supply chain issues due to the following factors:

- Economic Rebound – the demand for stainless steel is outstripping supply as the economy recovers. Several large mills are facing labor shortages, limiting their ability to ramp up production to meet global demand
- Allegheny Technologies Incorporated has announced it will be exiting the 304/304L stainless steel sheet product market
- Workers at five mills owned by Allegheny Technologies have gone on strike
- Raw material surcharges for stainless steel have increased by 25% since the beginning of the year
- Lead time for raw materials have increased by 50%

During this period, Accu-Tube is working to boost our inventory levels for common strip and mother tube sizes. We would like to work more closely with you, *our* customer, to meet any immediate or future product needs. Through forecasting and better inventory controls, Accu-Tube is willing to help soften these impacts.

Please reach out to our [Customer Service](#) team to arrange a consultation on how we can assist you in minimizing impacts to your production schedule.



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