

Filmquest

April 15, 2012

To: Our Valued Customers

From: John Felinski

Re: PET Film Price Increase

Filmquest has been recognized, and complimented, for outstanding leadership in the PET film market for many years. One way we have demonstrated true leadership is through our price increase announcements. In the course of most any normal business; it becomes necessary to adjust prices from time to time. In some cases, the reasons are quite obvious. In other cases, there may be multiple events or triggers that, if they continue, can have a major impact on the market and on your business. We feel it important, as a key supplier/partner, to provide some insight and guidance, to help you make better and more informed business decisions. A one paragraph announcement is easy; the reason(s) behind it are sometimes quite complex, which is why you do not see others giving the detailed explanations and insight that we do. We feel it critical for our customers to know what has happened and what to expect going forward.

As I began drafting this announcement, it became clear that there was too much critical information to share in one document. We decided to split the two documents, one an announcement and one a Market Update. This allows us to publish market updates as necessary without a price change announcement as a catalyst.

If you would like to receive a copy of the Film IQ Market Update, please email a request to sales@petfilm.com.

As you are probably aware, there have been recent price increases by most of the major global film producers. Since we purchase a percentage of production capacity, and do not buy in the spot market, we have already absorbed increases over the last two months. Because of this, we will increase our prices by \$0.10/lb effective May 1st, 2012, which is consistent with the market.

Please feel free to contact me anytime if you would like to discuss the market in more detail. I would enjoy the opportunity to share our observations and thoughts.

We appreciate your business and continued partnership. Our commitment is to support your strategic needs by providing the highest quality Questar Polyester film, the best customer service, and the highest level of technical assistance all at the best possible price.

Sincerely,



John Felinski
President

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