

25th August, 2021

Dear Valued Customer,

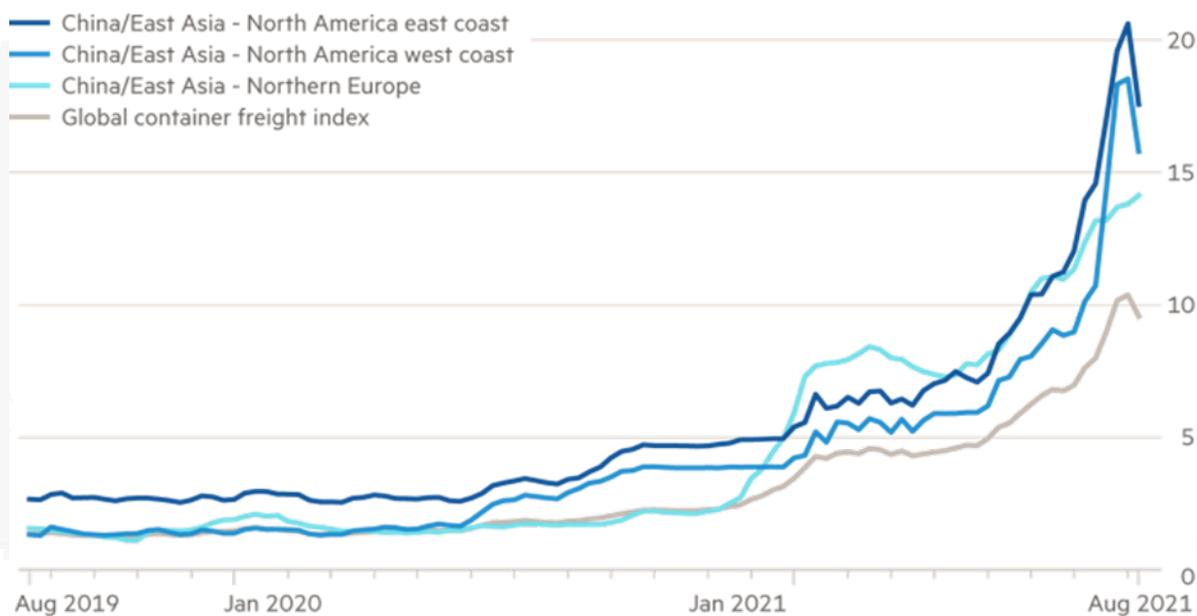
Over the past 18 months the way that we interact, manufacture and trade has affected our day-to-day business in many ways within Europe. Although the pandemic is seemingly under control, there remain a few pressing points of concern, escalating material costs and the biggest ongoing concern: the costs associated with the transportation of goods.

There is no single industry that has not felt the direct impact of these costs. At TydenBrooks, the same underlining pressures apply, although we are working hard to try and find ways of reducing the impact to our customers, now and moving forward.

Container freight rates from Asia have increased almost fourfold since November to reach astonishing \$18,000 for a 40ft unit for the first time in living memory. Amid a global rebound in demand for consumer goods and materials, which has led to [congestion across UK/ European ports](#). Where many empty containers have been left stranded.

Freight rates surge to highest levels in history of container shipping

\$'000 per 40-foot container



Source: Freightos
© FT

The cost of shipping between China and Europe has increased by over 350% in the past year, severely impacting companies that rely on being able to move goods and manufactured parts between the two markets.

The cost increase can be attributed to numerous factors, but none more so than the impact of Covid-19 on the shipping industry and a mismatch between the timing of lockdowns around the world. In both the US and the EU, lockdown resulted in higher demand for consumer goods manufactured in China.

While these incentivised Chinese manufacturers freed from lockdown to pack their production into shipping containers for export, it has been difficult for US and European companies still affected by lockdowns to refill these containers for a return journey to China, leaving them effectively stranded.

Other low-cost manufacturing hubs, hoping to ship more goods to the locked-down US and EU, are reportedly now muscling in on the established China-Northern Europe route, meaning that any available ships and containers are being diverted to parts of Africa and South Asia.

All the above has added to the increases in costs and consequently from 1st September 2021 a freight surcharge will be added to new orders placed on or after the above date.

Goods that are manufactured in either of our Tyden facilities (USA/ Asia) will have a freight surcharge of 10% added to your order invoice.

The range of products that will be affected by the surcharge will be as follows –

- EZ Locs
- FlexSecure
- SnapTracker Bolt Seals
- InterModal II Bolt Seals
- GuardLock
- TydenBall Seal
- TydenBall Seals Rolled Edge
- Re Usable TydenPaks
- Ultra Strap
- Secure Hasp Padlock Seal
- Tug tight Seal
- Roto Seal (Tooless)
- Spring Lok
- HL8 HandiLok
- X Strap
- Truck Seal
- Mini Flys
- Grip Locs
- Pull Tite
- PP Padlock Range
- Mini Locs
- Secure Tite XL
- All Seal
- Equilok

Note ALL UK produced parts will remain unaffected at this time, although will be closely monitored.

If you currently trade EX Works China / USA again the above increases will not affect your current terms with TydenBrooks and will remain unchanged.

We have absorbed these additional freight costs for as long as possible, but as many of you can appreciate, this will no longer be possible, nor sustainable.

Note this is only a surcharge, so as the freight levels start to return to a sustainable level, the surcharge will be removed. Of course, we will be closely monitoring the situation and we will be reviewing the surcharges on a quarterly basis. The first review will be 1st December 2021.

If you have any questions on the above, please contact your account manager, or any one of our customer service team and we will only be too happy to help and support you with any concerns that arise.

May I take the opportunity to thank all out our customers in this extremely difficult time, but rest assured we will be doing everything we can to minimise these affects moving forward.

Kind regards,

Spencer Davis
TydenBrooks EMEA – General Manager