



Arrowhead Brass & Plumbing LLC



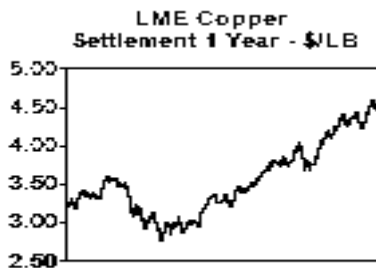
CHAMPION
IRRIGATION

Proud Manufacturers of Arrowhead Brass and Champion Irrigation Products

Reliable – Proven – Trusted – Since 1936

To: Our Valued Customers
Date: February 15, 2011
Subject: Arrowhead Brass Price Increase

Consistent volatility in the copper markets, the weak dollar, reduced supply and speculation have all combined to push commodity prices to record levels and, as a result, we have seen our material and component costs jump significantly - well over 20% since mid last year. We have been and continue to work extremely hard to buffer our customers from this volatility by constantly reviewing our manufacturing processes and procedures to reduce costs where possible. Arrowhead's last price change was over a year ago - in February 2010; however, the increases are so significant that we can no longer avoid passing some of these increases on to our customers. Therefore, we have decided to announce a 9% price increase on all Arrowhead products effective March 1, 2011. We are offering price protection for our customers through March 31, 2011.



Copper is now trading slightly more than 50% higher than the 12 month historical mark. We have not seen this type of volatility, and would not be surprised if we see higher copper in the second half of the year. Unless we get some relief from these high copper prices, it may be necessary to review these prices again in later in the year.

Arrowhead Brass & Plumbing is proud to be one of only a small contingent of US Brass manufacturers. Copper and brass are the main raw material components of our product lines. We take price increases very seriously, knowing that foreign competition

creates significant challenges to domestically manufactured products, however we strongly believe that our customers expect us to maintain the high quality, high reliability and innovation of our U.S. manufactured products.

We have decided to offer price protection until March 31, 2011 so that you have the ability to deliver seasonal orders at current pricing prior to then. Service wise, we are stocked here in LA and the 10 regional Arrowhead warehouses across the country are also fully stocked. Our operations team is staged for one of the best production years ever and our Customer Service team are ready to take your orders and help in any other way possible. If you have any questions, please feel free to discuss this with your Rep group or give Chris Davey or myself a call. We continue to be optimistic about the coming year and the offering and the plans we have to support you and your market.

Frederick H Schneider, Jr.
Chief Executive Officer
Arrowhead Brass & Plumbing, LLC

Cc: All Arrowhead Manufacturer Reps
All Arrowhead Staff