

Raise your hand if you thought that 2015 was a whirlwind of a year. (I'm now typing with one hand!) Could anyone have predicted how tumultuous our Canadian dollar was going to be? Could anyone have predicted just how much impact crude oil prices would have on the Albertan economy, and consequently the Canadian economy? The only thing I know for certain is that after 34 years in this industry, every year is unique and has its own set of challenges and opportunities. Of that, I have zero doubt!

Back in January of 2015, the Debco price list was pegged to a US dollar exchange rate of \$1.15. As we begin to set our 2016 prices, today's exchange rate is at about \$1.35, which means that the extra 18% will have to be factored into 2016 pricing. Having elected not to raise prices in the middle of the year, I can confidently say that we partnered with our distributor network in an effort to maintain consistency. Though we managed to navigate the "sticker shock" of increased pricing on imported orders (particularly the repeat ones), we were well positioned to whether the storm on the domestic front because of our strong inventory levels and our commitment to you.

On that note, we have an idea that you may find rather interesting. We're offering you our 2015 pricing on anything that's pre-booked this month (December), for shipment in January. The allure of buying at 2015 pricing for delivery in late January may be extremely appealing to your price conscious end-buyers. Or it may be appealing to those of you that stock corporate program items. Regardless of the motivation, starting the year with momentum and healthy margin is good for any business – supplier, distributor, or end-user. So before our pricing increase comes into effect on January 4th, why not take us up on the offer to capitalize on prices that were set early in 2015? You'll look like a hero to your customers, you'll save money, and you'll have pre-booked the beginning of 2016, which will only help your monthly targets.

Oh – I am certain of one more thing: times like these require creativity and strategic thinking. There is a way to succeed when the economy is shaky. It requires the discipline to look beyond the events you can't control and seize the opportunities that you create. We're here to develop those opportunities with you. We're here to help you with your goals. Talk to us about an analytics consultation – we'll use our suite of data-mining tools and thirty-plus years of records to help predict your best course for 2016.

On behalf of our entire team, we wish you a safe and happy holiday. We look forward to being your trusted partner again in the New Year.
Sincerely,

Stan Gallen

