



November 1, 2007

Dear Valued Customer:

Suppliers of HDPE containers and closures have announced several increases since our last communication to you in July. So far this year, pricing has increased by approximately 16% through October and additional increases have already been scheduled for November and December. Price increases have primarily been driven by sharp increases in raw materials. Although we have not yet experienced a supply shortage, force majeure is already being mentioned in the marketplace. We urge you to closely follow the upcoming price increases and product availability and to consider prebuying your plastic requirements for the remainder of the year.

U.S. Container will be implementing the following price increase schedule:

November 19, 2007	Approximate 5% increase on all plastic drums, pails, bottles, jars & closures.
December 10th, 2007	Approximate 8% to 10% increase on all plastic drums, pails, bottles, jars & closures.
January 7, 2008	Approximate 9% increase on all plastic drums, pails, bottles, jars & closures.

Exact increase amounts will be published closer to the increase dates to allow us additional time to negotiate with our suppliers on your behalf. Price increases are effective on all shipments that take place on or after the increase date.

In addition to increases in raw material costs, suppliers are citing increases in freight, insurance, and operational costs as reasons for this newest round of increases. Overseas demand and the declining value in the dollar is also resulting in a tightened domestic supply.

U.S. Container is stocking our warehouses at all five locations in an effort to supply your requirements. We are pleased to inform you that we have both the resources and facilities to offer you larger than normal purchases over the next two months.

U.S. Container rarely sends a message of urgency to our customers. Today is one of those rare occasions and we are advising all users of HDPE containers and closures to immediately review your requirements for the next 60 to 90 days and place your purchase orders to arrive before the increase dates. Email updates will be sent as further information becomes available. Our sales team is available to answer your questions and assist you with your purchases. Please do not hesitate to ask for a report containing your purchasing history to assist with your pre-buy planning. Our customer service team can provide you with exact pricing as each increase approaches.

If you would like others within your organization to receive our pricing updates, please reply to this email with their contact information and we will include them in our database of valued customers.

Thank you for your business and continued support.

Gary Walker
VP Sales & Marketing
Phone: 323-589-1000 Ext. 1320
Fax: 323-214-0106