



January 1, 2019

Greetings from PoolCo USA,

We are pleased to announce the 17th year anniversary of our distribution warehouses serving the Midwest. Our large selection, well stocked year-round inventory and in-field experience has positioned us to enter market areas throughout the Midwest. Our cash & carry program is providing a huge savings to our dealers. With my 45 years of experience in sales, service, construction, and wholesale swimming pool marketing, we are in a unique position to assist all dealers, especially new business startups. Many sales representatives and even distribution managers have never installed a pool or may have no prior experience within our industry. However, all of our sales staff and even our warehouse workers have expertise in both service and installation of swimming pools. You will find that we are able to help you in whatever growth stage you are in. We hope that we will be able to make your business transactions with us more profitable, efficient and enjoyable. If there are any questions, please contact the customer service department or feel free to call me personally on my cell (**574-536-5681**) for additional information or after hour emergencies.

As you look through our catalog you will find some new additions. We are stocking products formerly known as the *Jacuzzi* product line manufactured for many years by *Carvin Pool Products*. Last year this line was a huge success especially the $\frac{3}{4}$ HP **Magnum 56 frame pump** which uses **ONLY 4.4 amps on 240V!** Dealers are using this pump on 18'x36' pools with very good flow and excellent suction! This old well recognized line of dependable pumps; filters and lights are available and stocked including the extremely dependable and easy to service *Magnum* and *Full Moon* series. We also have **3,800** of **206+** cartridge types **in stock**, probably the largest ever Midwest inventory.

Unfortunately with new tariffs, demand and supply issues we have experienced hefty price increases, especially anything related to the metals market. Also the cost of freight has escalated rapidly due to CDL driver shortages from the implementation of new DOT regulations. *Hayward Pool Products* for example increased pricing on August 1 as high as 10%. July steel costs skyrocketed 20%. We always try to keep our prices the same throughout the year except when we experience such unusual in season price increases which cannot be absorbed. However, we believe that during the first quarter of 2019 raw material costs will continue to stabilize.

As we prepare for what we anticipate to be a successful upcoming pool season we are committed to providing our services and the highest quality products at very competitive pricing. Also reported to us, 2019 early pool sales contracts are much higher than the recent past and some dealers are already booked up to a year in advance for new installs. The summer was hot and the economy is doing very well with good optimism. We are wishing you all a successful and profitable 2019 and look forward serving your company throughout the upcoming season.

Sincerely,

A handwritten signature in cursive script that reads "Gary Rogel".

Gary L. Rogel
General Manager