



## Request for Contract Update

Pursuant to the terms of contract number R191802 for Allsteel Inc. Contractor must notify and receive approval from Region 4 ESC when there is an update in the contract. No request will be officially approved without the prior authorization of Region 4 ESC. Region 4 ESC reserves the right to accept or reject any request.

Allsteel Inc. hereby provides notice of the following update on  
(Contractor)

this date January 13, 2023.

**Instructions:** Contractor must check all that may apply and shall provide supporting documentation. Requests received without supporting documentation will be returned. This form is not intended for use if there is a material change in operations, such as assignment, bankruptcy, change of ownership, merger, etc. Material changes must be submitted on a "Notice of Material Change to Vendor Contract" form.

**Authorized Distributors/Dealers**  
\_\_\_\_ Addition  
\_\_\_\_ Deletion  
\_\_\_\_ Supporting Documentation

**Price Update**  
 Supporting Documentation

**Products/Services**  
\_\_\_\_ New Addition  
\_\_\_\_ Update Only  
\_\_\_\_ Supporting Documentation

**Discontinued Products/Services**  
\_\_\_\_ Supporting Documentation

**States/Territories**  
\_\_\_\_ Supporting Documentation

**Other** \_\_\_\_\_  
\_\_\_\_ Supporting Documentation

Notes: Contractor may include other notes regarding the contract update here: (attach another page if necessary).

Allsteel Inc. is requesting to update Contract R191802 pricing for HBF branded product effective January 29, 2023 and update pricing for Allsteel and Gunlocke branded products effective March 1, 2023.

Submitted By: Cindy Hermann

Title: Public Sector Contract Analyst

Email Address: allsteelgovcontracts@allsteeloffice.com

**Approved by Email: Date** 1/18/2023 | 8:18 AM CST

**Denied by Email: Date** \_\_\_\_\_

DocuSigned by:  
Robert Eichelmann  
Region 4 ESC: \_\_\_\_\_  
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January 13, 2023

ATTN: Robert Zingelmann  
Chief Financial Officer  
Region 4 – Education Service Center  
7145 West Tidwell Road  
Houston, TX 77092

RE: Contract Update for Allsteel Inc. OMNIA Region 4 Furniture, Installation and Related Services Contract R191802

Dear Mr. Zingelmann:

Please accept this letter as Allsteel's formal request to update the current OMNIA list prices for Allsteel, Gunlocke, and Hickory Business Furniture (HBF) brand products offered under their Region 4 Furniture, Installation and Related Services Contract R191802 as outlined below.

**Effective January 29, 2023**

HBF will implement a 5% commercial list price adjustment. Additionally, with this increase the current 5% surcharge to help offset external market factors impacting production and freight costs will be eliminated. HBF will now roll the 5% surcharge into our pricing, and we will add a flat 5% increase across the portfolio.

HBF is proud to be a domestically based manufacturer with a vertically integrated supply chain. We believe in the products we produce and the people who support us and build them. The January 29, 2023, price adjustment largely addresses the following:

- Increased wages to remain competitive
- Permanent increases for raw materials – steel, solid surfaces, and lumber with domestic suppliers

**Effective March 1, 2023**

Due to several economic pressures driving significant and broad-based cost increases across supplier networks globally. Allsteel and Gunlocke will incur a price adjustment. General inflation, rising diesel prices, and dynamic labor markets are key factors affecting our business. While we have taken actions to minimize the impact, the magnitude requires us to adjust prices accordingly.

Allsteel and Gunlocke will implement a net 3.5% price increase on furniture product lines. Plus, the Allsteel and Gunlocke current 4% surcharges will be removed and added into list price on furniture product lines.



Additionally, Allsteel will implement a 4.0% price increase on Architectural products. Plus, the Allsteel surcharge will be removed and added into updated freight terms on Architectural product lines. This will go into effect March 1, 2023.

Overall, we remain focused on assuring our pricing practices allow us to compete successfully in the market.

Thank you for your continued business and opportunity to provide Region 4 customers quality Allsteel, Gunlocke, and HBF products.

If you have any questions, please do not hesitate to contact me at [allsteelgovcontracts@allsteeloffice.com](mailto:allsteelgovcontracts@allsteeloffice.com).

Sincerely,

A handwritten signature in black ink that reads "Cindy Hermann". The signature is written in a cursive, flowing style.

Cindy Hermann  
Public Sector Analyst