



**SPARTECH COLOR & COMPOUNDS
KEARNY OPERATIONS**

August 10, 2009

Mr.

Dear

Effective September 1, 2009 Spartech Color & Compounds will increase the prices of all its Flexible PVC compounds produced and shipped from Kearny New Jersey by \$ 0.03 / lb to recover increases in the prices of resin and plasticizer that have been put in place by our raw material suppliers during the months of June & July.

PVC producers continue to push their prices higher quoting poor margins, increased prices of chlorine, and imbalances in the chlorine/caustic equation as the demand for caustic is weak.

Plasticizers are being pushed by increases in energy costs as crude oil and motor gasoline remain at elevated levels. These high energy costs have a direct impact on the costs of propylene, ethylene and orthoxylene, the key petrochemical feedstocks for plasticizers. There has also been some tightness in the availability of propylene which has helped firm up the increases put forth in the past few months.

Future months are uncertain but our goal remains the same – provide you, our customer, with a continued high quality source of colored and specially formulated Vinyl compound to support your business at a competitive price.

This re-positioning of our prices is a very necessary step to ensure that our goal is met.

We thank you for being our customer.

Sincerely,

Peter M. Byra
Business Manager
Spartech Color & Compounds
113 Passaic Avenue Kearny NJ 07032
Tel: 973-522-2814