

May 25, 2022

Dear Secretary,

On behalf of the roadway safety infrastructure industry, I wanted to update you about an ongoing issue that has been affecting our industry since 2020.

As communicated in April of 2021 and September of 2021, the availability of several key raw materials utilized to manufacture lifesaving devices on our nation's roadways has continued to tighten in the marketplace from several factors. The most recent war in Ukraine, shipping delays from overseas, port bottlenecks, as well as labor shortages in the trucking industry continue to interfere with getting the materials to the roadway safety industry.

As a result, ATSSA surveyed its manufacturer members to better understand the current scope of the issue. Unfortunately, the situation has worsened. In March of 2021, 75% of our members who responded to our survey were experiencing shortages of raw materials, and in June of 2021, 88% of our members who responded to a second survey were experiencing shortages. In our latest survey in April of 2022, 92% of our members are still reeling from this issue. Specifically, our members identified metals (steel and aluminum), resins and electronic components as the top three raw materials in short supply.

As a result, these shortages are affecting all areas represented by ATSSA members in the roadway safety industry including, but not limited to, guardrail, high friction surface treatments, pavement marking, signs, temporary traffic control, and traffic signals manufacturers.

Once again, I strongly urge you to provide flexibility on liquidated damages provisions within your contracts for all roadway safety products due to the lack of availability and excessive delays due to shipping products resulting from the current unforeseeable, extreme circumstances. In addition to flexibility on contract time, we also ask you to consider price supports on selected projects that have been affected by dramatic volatility in raw materials pricing as well as increased freight costs. This short-term radical increase was unanticipated.

It is our continued goal to assist you in saving lives and reducing injuries on our nation's roadways as we move toward zero deaths.

Please contact Eric Perry at <a href="mailto:eric.perry@atssa.com">eric.perry@atssa.com</a> on my staff if you have any questions.

Sincerely,

Stacy Tetschner
President & CEO

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