



August 21, 2008

Dear Valued Customer,

Thank you for your continued business and support of White Labs.

Effective September 1, 2008, White Labs Inc will charge a 6.5% surcharge on all orders. As you know, prices for raw materials (such as malt and packaging materials) as well as shipping have skyrocketed this year. White Labs imposed a modest price increase at the beginning of the year, but we have absorbed additional cost increases since then. Unfortunately, in order to stay a healthy, viable company, we must pass on a portion of these costs to our customers.

Below is an example of just one cost increase that White Labs has already absorbed this year:

Date: 08/20/2008	SHIPPING:	33.45
Wgt: 29.4 LBS	SPECIAL:	11.54 ←
	HANDLING:	0.00
DV: 0.00	TOTAL:	44.99

As you can see, this shipping bill shows an additional 34% special fee charged by FedEx, which they added as a surcharge for fuel. 34% is extremely high, and we hope that this is a temporary situation. Raw ingredients and packaging materials have also increased during the year. We hope that our nominal surcharge is temporary which is why we are billing it as a surcharge and not just a price increase.

Thank you for your understanding and business. Please contact either myself or any of the staff if you have any questions. Again, thank you for you continued support.

Regards,

Christopher White, PhD
President, White Labs Inc.
858-693-3441 x102
cwhite@whitelabs.com

White Labs, Inc Pure Yeast & Fermentation
7564 Trade Street © San Diego, CA 92121
888-5-YEAST-5 -phone
888-693-1026 - fax
www.whitelabs.com