



Sales Bulletin

TO: All Kutol Sales Representatives
FROM: The Kutol Sales Team
DATE: December 10, 2018
SUBJECT: Private Label Bag-in-Box Carton Transition – New Policy

Valued Kutol Customer,

One of Kutol's five promises to its customers is sustainability. In the spirit of that promise, Kutol is making an effort to transition all bag-in-box business to our boxless bag packaging. Removal of the inner carton produces less waste in landfills, and does not impact performance of the dispenser or refill.

Many years ago, Bag-in-Box dispensers began being produced with rails on the inside to support the refills. With the rails in place, these dispensers no longer require the refills to have inner cartons. In many applications, end users have readily adopted more sustainable hand hygiene solutions through a transition to our foam dispensers and products. However, there continues to be a need for boxless bag refills due to the number of legacy bag-in-box dispensers remaining. Kutol boxless bag products are similar to our foam refills in that each individual bag is labeled to meet all regulatory requirements. Additionally, in wet or damp environments, end users will no longer have to worry about saturated cardboard deteriorating or harboring mold inside their dispensers.

As Bag-in-Box volumes have steadily decreased from their peak, Kutol is having increasing difficulty sourcing private branded BnB inner cartons. Significant order minimums, long lead times from our suppliers and continuously shrinking volumes have made our private label Bag-in-Box program unsustainable. Recognizing the need for private branded products to support the many BnB dispensers in the market place, Kutol has made the decision to move away from private branded inner cartons to a private branded boxless bag SKUs. Kutol will NOT make any transitions to the new boxless bag refill until the appropriate private branded inner carton inventory is exhausted.

You will be notified shortly with the private branded Bag-in-Box SKUs your organization is currently purchasing as well as the inner carton inventory Kutol currently has on hand. We will also request artwork so we can begin work on the new private label refill bag label.

Thank you in advance for your cooperation to this transition. We look forward to working with your team to make it as seamless as possible.

Sincerely,

The Kutol Sales Team