



To Our Business Colleagues,

05/15/2019

As the entire world knows there are tariffs looming on the business horizon. It is only natural that one wants to know, how the other will handle the impending trials.

You need to understand that our China factory, is in fact, a true partner in our business and has been for twenty-eight years. We work with them and speak with them every day of the week and every week of the year. Because of this incredible relationship we can assure you of things that many cannot.

Six months ago, we increased our headwear pricing per the ten percent tariff instituted. That will not be the case this time. Regardless of what the next increase is, we will absorb it. To be perfectly clear, HTT will NOT increase headwear pricing, period.

Regarding the apparel side of our business, including all FSP products, we are of the opinion that this tariff may not happen at all. However, we need to be prepared for the worst scenario because that is the prudent thing to do. So, our plan is quite simple. We do not intend to pass through the entire amount of whatever the actual increase becomes.

I can't give you a number because we don't know what the real number will be. But we can say that whatever the increase, HTT will NOT pass it through in its entirety.

Head to Toe has always prided itself on being the most competitive, innovative company in our category. We've been able to do that because our FACTORY PARTNER is also one of the most competitive manufacturers in their category.

We have no idea what the rest of the industry plans. What we do know is that we will remain an important partner with you, as well as our factory. We will be as competitive as ever and we will get through this successfully, TOGETHER.

Sincerely,

Gary Decker
C.E.O.