



August 8, 2022

Dear Valued Customer,

Please accept this communication as formal notice that Dayco North America will be exiting the hydraulics category effective August 31, 2022. This includes the following products:

- Hydraulic hoses
- Couplings and adapters
- Crimpers and equipment

Over the next month, Dayco branded hydraulics inventory will be transferred to [Kurt Hydraulics](#), a United States based manufacturer of hydraulic hoses, couplings, and systems for more than 35 years and long-time hydraulics partner to Dayco. Kurt has a robust customer support team ready to help with the transition and we're working closely with them to ensure this process has minimal to no impact on our current customers.

This decision, while difficult, will enable Dayco to focus on its core competencies; specifically, aggressive new product development in the automotive, heavy-duty, powersports, industrial and off-highway markets while streamlining our supply chain, and improving fill rates. Dayco will continue to produce and offer its full line of premium industrial products.

Please feel free to contact me directly with any questions or concerns regarding this transition. I can be reached at 204-979-7211 or email tyler.samagalski@dayco.com.

Sincerely,

Tyler Samagalski
Director of Industrial, Fluid Power & Performance
Dayco North America



Questions and Answers

- **How will this impact my business as a customer (i.e., costs, timing, shipping)?**
The Dayco team is working diligently to ensure that this transition is as smooth and seamless as possible for both our customers and suppliers. We will continue to share timely updates re: the status of this process and ensure you receive answers to all of your questions, including a succinct transition plan if you choose to purchase hydraulics in the future from Kurt Hydraulics.
- **Will there be any disruption in order fulfillment during this transition?**
There will be no change in our process and there will be no change in delivery.
- **What will happen to any hydraulic backorders or open orders with Dayco?**
All hydraulic backorders and open orders will be canceled end of day Wednesday, August 31. Customers should place new orders directly with Kurt for any products still needed that have been on backorder or included in an open order.
- **Will the products being supplied by Kurt be 'Kurt' branded? If so, will the parts also be branded with Kurt part #'s or previous Dayco part #'s?**
Parts will be branded Kurt with Kurt Hydraulics part #'s. They use an industry standard which will be easy to identify. Every customer will be supplied with a full interchange of Dayco to Kurt part numbers by the end of August.
- **Does this decision to exit the hydraulics business have anything to do with the news that Hidden Harbor acquired Dayco this month?**
No. The decision to exit the hydraulics category was made months ago. It is just being announced now because a great amount of due diligence was necessary to ensure that we partnered with an organization that would be the best fit for our existing hydraulics customers.
- **Where will my hydraulics products come from until the transition is complete and what is your implementation plan?**
Dayco will continue to fill orders through Aug 31, 2022. Up until that date, any customers that wish to place a hydraulics order should call Dayco Customer Service. After August 31st orders may be placed directly with Kurt Hydraulics by calling 866-257-7995, ext. 1 or emailing hydraulicsales@kurt.com.