

[INSERT COMPANY LOGO HERE]

DATE:

SUBJECT: Concrete Masonry Checkoff Program

Dear <Customer>

The concrete masonry industry took an exciting step forward last year with the creation of the Concrete Masonry Checkoff. This national, mandatory checkoff will focus on research, marketing and promotion, all in the name of driving demand for concrete block. The framework for the checkoff occurred in 2018, when Congress passed the *Concrete Masonry Products Research, Education, and Promotion Act of 2018*. The decision to formalize and initiate the checkoff was the result of a national referendum of U.S. block manufacturers.

Beginning on April 1, 2023, all concrete manufacturers will be assessed one cent for every CMU **sold** – the assessment occurs at the initial point of sale from the manufacturer, regardless of where or with whom that transaction occurs. This penny assessment is expected to generate around \$10 million a year that will be invested in programs designed to increase the collective share of block in construction. Checkoff investments will be overseen by a board of producers who were nominated to serve and appointed by the U.S. Secretary of Commerce.

Checkoff dollars may be used to fund programs such as a national design center to support designers, architects and engineers; a national promotional campaign; research partnerships with colleges and universities; and workforce recruitment. At least half of checkoff program dollars will stay in the region where the block was sold, with the remaining funds available to drive national programs.

Starting on April 1, all invoices, receipts or documents of sale are required by law to identify the total amount due in assessments for each transaction. This may be done by breaking out the assessment amount as a separate line item in the document or by inclusion of the following language:

1 cent per masonry unit goes to the Concrete Masonry Checkoff Board pursuant to the Concrete Masonry Products Research, Education, and Promotion Act of 2018.

Assessments will be used to pave the way for game-changing programs that are designed to win back lost market share and drive new demand for block. We are excited about the potential of the checkoff for our entire industry and appreciate your continued support. If you have any questions, please visit concretemasonrycheckoff.org for more information, or contact your sales representative.