



June 14, 2021

Dear Valued Customer:

This letter is pursuant to the notification sent on May 19, 2021 regarding a disruption to the supply of 38-400 SPI closures from our supplier, Berry Plastics. As previously stated, Berry Plastics supply issues are the result of a shortage of the polypropylene resin used in the manufacture of the cap shell, compounded by capacity restraints.

Since last notification, Berry Plastics has been unable to advance orders. As such, the Zacros America anticipated run out dates of current inventory are unchanged.

- 38-400 SPI caps with foam liner (COM6958, COM6976): Out-of-Stock*
- 38-400 SPI caps with induction seal liner (COM0780): run out **end of June 2021**

*NOTE: For information on foam lined caps and alternate cap supply, please reference statement issued May 19, 2021 / PCN 21-04-01. No changes have been made since last communication. The remainder of this announcement will focus on induction seal caps with foil liners.

Zacros America is dedicated in providing product to all its customers during these challenging times. To that end, Zacros America has completed assessment of a Berry Plastics alternate cap (COM6550) to replace **COM0780** (38-400 SPI induction seal cap with foil liner).

Zacros America will convert to the **COM6550** cap for all customers using induction seal caps effective **August 2021**.

Due to the inventory run out of COM0780, Zacros America will suspend production of assemblies using Induction Seal Caps from **July 1, 2021** until **receipt of COM6550** (expected August 2021).

Details regarding COM6550 conversion are included in upcoming sections of this notification. Please reference PCN 21-06-01 for the list of affected parts.



COM6550 Cap: Construction and Evaluation

The alternate cap (COM6550) is a 38-400 SPI cap with foil liner. It is manufactured by the current supplier, Berry Plastics. The foil liner used in COM6550 is the same foil liner as currently used in the existing foil liner caps. No changes were made to the liner construction, dimensions (including thickness), or sourcing. As such, there is no change to the product contact surface.

The cap shell is composed of a different polypropylene resin, which alleviates supply issues. The resin used for the cap shell is a polypropylene plastic that meets the requirements for single and repeated use for food contact surfaces (21 CFR, section 177.1520). A copy of the Safety Data Sheet will be provided upon request.

COM6550 will be molded using a standard 38mm Berry Plastics tool. As a result of this tool change, minor changes to dimensions and knurl are present compared to existing caps. Per Berry Plastics product drawing, the cap meets all requirements for SPI 38-400 closures. Please reference Berry Plastics drawing K6955 for CC38400FSUS.

To ensure cap and closure integrity, Zacros America has conducted performance testing of the alternate cap compared to the current cap on our Cubitainers. The results of this testing show that the alternate cap and the current cap have equivalent performance.

NOTE: Customers are responsible for evaluation of performance within their own production application. The Zacros composite assembly with this cap is not rated for UN/DOT applications.

The recommended customer application torque is unchanged from current caps (20 in-lbs). Customers using automatic capping systems are responsible for evaluating application within their process to ensure fitment. Customers are responsible for evaluation and determination of any necessary changes to induction process and set up.

COM6550 Cap: Orders and Sales Transition

All Cubitainer® assemblies and capped knock-down products using induction seal / foil lined caps will be converted to COM6550 upon receipt of inventory shipment. This is expected mid-August 2021. Exact dates will be provided once confirmed. Cubitainer® part numbers will not be changed. At this time, customers should not expect price changes because of cap substitution.

Customers who do not wish to receive the alternate cap must contact Customer Service in writing within 10 days of receiving this letter. Orders of Cubitainers® with the existing COM0780 cap will be suspended until such time that supply is replenished (tentatively November 2021).



Samples of the alternate cap will be made available upon receipt from Berry Plastics. Please send any requests for samples to Customer Service (customerservice@zacrosamerica.com).

Current Cap Orders and Sales

Zacros America will use existing COM0780 cap inventory to support the manufacture of Cubitainer® assemblies through cap inventory run out (end of June 2021). Orders with induction seal caps will then be suspended until such time that inventory supply of COM6550 is received. Zacros America estimates this period of suspension to last July 1, 2021 – mid-August 2021. Please reference PCN 21-06-01 for full list of parts.

Zacros America is continuing development of an internally manufactured plug seal cap which can be used in regulated and nonregulated applications. Timing and samples are pending qualification, and notification will be sent when complete (estimated July 2021).

Zacros America appreciates your business and will continue to provide updates as this issue is resolved. We apologize for any inconvenience and want to assure you we are working diligently to provide solutions while ensuring product quality is uncompromised.

Please make all requests for samples or additional information through Customer Service (customerservice@zacrosamerica.com). We will endeavor to meet your requests in a timely manner.

Sincerely,

D. Sakanoue
President
Zacros America Inc.