

Price Increase

Dear Friends and Colleagues,

We deeply regret the price increases you will find in this catalog. During the last few years, as the US economy lagged and school budgets continued to be cut, we worked hard at 3D Molecular Designs to hold prices or minimize increases when necessary. We've been able to offset some component increases by reducing our internal costs.

In May the price of neodymium magnets began rising dramatically due to an export quota restriction the Chinese government imposed on products with neodymium – the “rare earth” mineral that makes neodymium magnets 15 times the strength of other magnets. At this time 97% of available neodymium is mined in China. Reputable media are reporting that the Chinese government plans to become the worldwide leading producer of hybrid cars. Neodymium is a critical component in hybrid batteries. It is also used in flat screen televisions, monitors and other electronics. The Chinese government has said its goal is to reduce the total number of Chinese rare earth magnet suppliers from 90 to 20 by 2015.

During May and June 2011 magnet price quotes we received were more than four to five times as much as we paid in the past. Fortunately, we were able to secure a large supply of magnets for less than that.

We wish we didn't have to issue a price increase at this time, but it is the only way we can continue to produce our most popular products.

Please note that injection molding costs for the Amino Acid Starter Kit and DNA Discovery Kit have also increased. We will continue to look for ways to bring down costs on our kits.

Please contact us if you have any questions or concerns.

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