



May 11, 2012

To: Marathon Electric Distributors

RE: Configurator System Announcement

Dear Valued Customer:

Effective immediately, I am pleased to announce the launch of the new Marathon Electric configurator program. The configurator is an automated order entry tool for entering orders for modified stock motors. We are using this internally effective Monday, May 14<sup>th</sup>, but plan to launch it live to distributors through ME business in Q4. The intent of the configurator is to expedite the MOD order entry process and get your orders entered faster.

To make the configurator function properly, we need to separate the cost of the kits from the cost to perform the MOD (they were previously both in the MOD price). That said, calculating the cost of a MOD manually needs to be done slightly differently going forward and list prices on MODS with kits have changed. Please review the attached MOD instruction sheet, Configurator FAQ's, and MOD price list. This new price structure for MODs will be effective immediately.

We are excited about the enhanced ability that this new tool will bring and look forward to launching it live for your use via ME Business in Q4.

If you have any questions, don't hesitate to contact myself or your Marathon Electric sales representative.

Regards,

A handwritten signature in blue ink that reads "Ted Gruhn".

Ted Gruhn  
Distribution Channel Manager  
Marathon Electric Motors



## How to Order

First determine whether you need a kit to perform the modification, if you do not need a kit, then the modification list price includes all supplies to perform that modification. If a kit is needed, the modification list price is the labor to install the kit. The kit list price and the motor list price are not included. You must add the net price of the motor, and kit to the net price of the modification(s) to calculate the total price of the modified motor.

For example, to add a C-Face Kit and Thermostats to Catalog Motor U633, you would calculate the total price as follows:

	List Price	Mult Symbol
Kit 175191 (A653).....	\$165 list	S4
Modification MOD2L, add C-Face to 254T-256T Frame motor .....	\$195 list	S4
Modification MOD14E, add thermostats to 254T-256T Frame motor .....	\$278 list	S4
<b>TOTAL .....</b>	<b>\$638 list</b>	

Add the net price of U633 (\$1324 list price times (x) your motor multiplier) to the net adder for the kit and modifications (\$638 times (x) your Mod Center multiplier of S4) to find the total net price for the modified motor.

## Configurator FAQ's

### **Q: Does this concern me?**

*A: This change will only concern you if you order modified stock motors from Marathon Electric.*

### **Q: What exactly has changed in the Mod pricing?**

*A: The list pricing has changed only for those MODS that require a kit.*

### **Q: Why just the Mods with a kit?**

*A: We had to pull out the price of the kits from the MOD price to make the configurator work properly.*

### **Q: Why did pricing need to change?**

*A: When we pulled out the kit price from the MOD, some pricing within a family did not flow properly, so we had to make some adjustments. Some went up and some went down. See the attached MOD section for details.*

### **Q: When will this go into effect?**

*A: Immediately*