

EXPLOITING THE POWER OF PRINT TO GENERATE NEW ADVERTISING REVENUE FAQ

Q1) What innovative ad technology does US Ink and First Flavor offer to newspapers that are looking for new advertising revenue?

US Ink and First Flavor have joined forces to utilize the vast distribution capabilities of newspapers as a methodology to drive sampling of flavored consumer products. Until now, the only realistic product sampling available to newspapers was small samples placed in pockets in home delivery polybags. With this new introduction, to be launched at NAA's 2009 mediaXchange, national consumer product companies can use innovations in edible film technology to add flavored 'taste strips' to printed materials such as sticky notes, inserts, newspaper magazines, as well as polybags.

Sampling is the single most effective way to drive trial of products in the food and beverage industry. Unfortunately, live sampling events of food and beverage products typically cost \$1.00 or more per sample and are limited to reaching 200-300 people per location per day.

According to Paco Underhill, author of Why We Buy, "Close to 90 percent of all new grocery products fail, but it isn't because people didn't like them –it's because people never tried them.

First Flavor's patent pending Peel 'n Taste® marketing system for the first time provides food and beverage marketers and restaurants the ability to sample the flavor of their products with the reach and exposure of print media, such as newspapers. All for about 25% of the cost of live sampling of food products!

Q2) Where has this flavor sampling technology already been used and what was the impact to the advertiser and printer?

This flavored ad technology was recently used in a national print insert to People Magazine by Welch's. This ad resulted in (per GfK Starch Survey of readers):

- **Break-through power & top of mind brand awareness:** ranked #1 on 'Associated' readership measure for this issue.
- **A unique advertising experience that busted Starch Adnorms:** beat 2-page inserts and performed as well as 8-page inserts.
- **29% of Readers tried the Flavor strips:** suggests roughly 1.5 million consumers sampled the taste of Welch's via Peel 'n Taste®
- **Strong Purchase consideration:** 59% of flavor strip triers were more likely to purchase Welch's brand of grape juice!

- **Created viral buzz and drove consumers to the store:** 62% of readers took action after reading, and tasting, this ad
- **This unique campaign was mentioned in hundreds of articles and blogs!**

This technology has also been used in-store to produce sales lift of up to 66% (per a Wharton Marketing Department study)

Q3) How can this flavor sampling technology help newspapers support their core printed product?

Advertisers can supplement their advertising in newspapers and their magazines by using a newspaper's extensive and qualified adult circulation as an effective delivery vehicle for taste samples. This is critical in a time where ad budgets are being trimmed and advertisers want to focus more on promotional marketing (including sampling) vs. traditional brand-building based display ads.

Q4) Once a newspaper's print advertiser agrees to test this flavor sampling technology, what basic steps must a newspaper take to execute this type of sale?

- *Minimum circulation to run a flavor ad? Typically 100,000, but able to handle runs as small as 25,000.*
- *Time to produce and deliver favor ad to print facility? Typically 6-8 weeks after the flavor has been matched.*

Q 5) Why will flavor sampling campaigns in newspapers be important?

An insert or sticky note ad with a Peel 'n Taste® sample helps an ad stand out from the all clutter and allows for the sampling of the flavor of today's complicated and innovative flavors. With the current food and beverage trends toward high anti-oxidant fruits, consumers are confused by new flavors such as pomegranate, acai, mangosteen, yum berry, goji berry, etc. First Flavor recently did a program for Campbell's Acai Mix Berry flavored V8 V-Fusion juice. How many people would know what the flavor of 20 fruits and vegetables tastes like with an Acai Mixed Berry flavor?

Q6) How does the cost of a Taste 'n Save™ Sticky Note front page newspaper ad compare to the cost of traditional taste sampling methods?

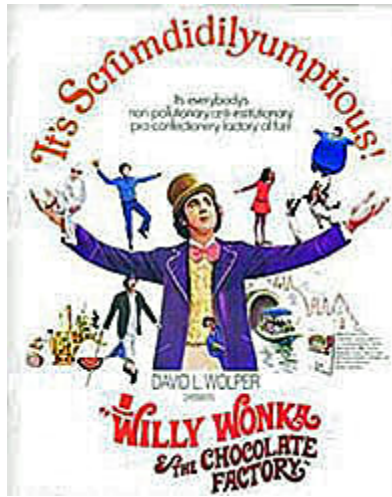
Taste 'n Save™ Sticky Note are cost effective – traditional event based taste sampling costs \$0.75 to \$1.00 per unit while Taste 'n Save™ Sticky Note samples cost less than \$0.30, depending on volume and sticky-note design.

Q7) Where did the idea of marketing the flavor of products in print come from?

Inspired by the movie Willy Wonka and the Chocolate Factory (©1971 Warner Brothers Studio), First Flavor has succeeded in establishing itself as the leader in taste marketing.

First Flavor was founded in 2005 by marketing entrepreneurs and innovators with over 100 years of combined experience building companies valued at over a billion dollars.

Working with our strategic partners, industry leaders in the areas of flavor science and marketing, First Flavor has created turn-key solutions to everyday marketing challenges.



Q8) What information can you provide regarding the health and safety of Peel 'n Taste® flavor strips?

First Flavor's Peel 'n Taste® flavor strips is a food grade product which is enclosed in tamper-evident foil pouches to ensure consumer safety. These pouches are of pharmaceutical quality and are the same as those used to package commercially available OTC health products delivered in edible film (for example TheraFlu, Gax-X, SufaFed and Benadryl strips).

Ingredients: All ingredients in First Flavor's Peel n' Taste® products have been approved by the FDA as GRAS (Generally Recognized As Safe) for use in edible films. Most of these ingredients are found in everyday consumer products from ice cream, salad dressing and cake frosting. Artificial flavors, colors and sweeteners are typically used.

Q9) Where can newspapers find out more about flavor ads?

They can request more information at www.usink.com/flavor