



**E-zine Newsletter
Winter 2007**

**Mark your calendar and
make plans to join your
coupon industry
colleagues at these ACP
events**

**2007 Industry Coupon
Conference
Treasurers of
Couponing!**

**April 10th Couponing
101/102 Seminar**

**April 11th & 12th
Conference
Renaissance Vinoy
Resort and Golf Club
St. Petersburg, FL**

For the latest details:

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**BROADER OF
SWEETBAY
SUPERMARKET
TO ADDRESS
INDUSTRY
COUPON
CONFERENCE**

**The president and
CEO of the Florida
chain will headline a
full slate of speakers
in St. Petersburg, Fla.
April 11-12 at the annual
Industry Coupon
Conference presented
by the Association of
Coupon Professionals
(ACP)**

Shelley Broader, the president and CEO of Delhaize-owned Sweetbay Supermarket and Kash n' Karry, will be the keynote speaker at the annual Industry Coupon Conference in St. Petersburg, Fla. The event, presented by the Association of Coupon Professionals (ACP) in collaboration with the Food Marketing Institute (FMI), Grocery Manufacturers Association (GMA), Promotion Marketing Association (PMA) and GS1 US, is scheduled April 11-12.

The popular Coupon 101\102 workshop, which reviews all aspects of couponing in a one-day session, will precede the conference on April 10 at the historic Renaissance Vinoy Hotel.

Broader will share her experiences in implementing the sweeping changes needed to convert Kash n' Karry stores into the Sweetbay brand. The latter has received national recognition for offering a unique shopping experience focused on the allure of fresh foods.

Other sessions will include:

- *Final Specifications for the new Reduced Space Symbology (RSS) Coupon Barcodes*, presented by the Joint Coupon Re-engineering Committee Co-Chairs Don King of Procter & Gamble and Alan Williams of Ahold, Greg Rowe of GS1 US, and the ACP RSS Coupon Re-Engineering Committee Chairs: Jane Michels, Joan Wyndrum and Betty Lou Vontsolos.

Industry Coupon Conference cont'd

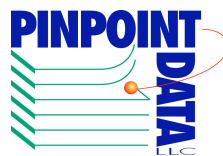
- *Consumer Purchase Behavior and Coupon Usage* with Laurie Watcher of Catalina Marketing Corp.
- *Electronic Clearing Test* with Marv Imus of Paw Paw Shopping Center and Vijay Chetty of ScanAps.
- *Promotion Marketing Trends & Activities* with Claire Rosenzweig, an Industry expert from CR Resources Group
- *Importance of Measuring FSI ROI* with Joe McHugh of Pepperidge Farm.
- *Role of Promotions in a Changing Media Landscape* with David Diamond, marketing consultant.
- *Role of Spanish Consumer Promotions* with Dan Kitrell of Marx Promotion Intelligence/TNS.
- *Coupon Counterfeiting, Fraud and Misredemption* with Mary Ann Pindulic, president of the Coupon Information Corp. (CIC).

One afternoon of themed educational sessions is planned. One track on marketing and promotions will include Internet coupons, RSS coupons, and creative FSIs; another track on finance and operations will include coupon deductions, hard-

to-handle coupons, Internet coupons, and RSS coupons.

“This year’s conference is built around the theme ‘Treasures in Couponing.’ Our goal has been to build an agenda that will offer gold-standard value for every attendee and a cache of coupon industry information available nowhere else,” said Jane Michels and Pam Samaniego, co-chairs for the 2007 conference.

The following sponsors are supporting the Industry Coupon Conference:



**Association of Coupon Professionals
Couponing 101/102
to precede Industry
Coupon Conference
April 10**

The Association of Coupon Professionals as part of it’s commitment to improving business condition in the coupon industry provides the Coupon 101/102 education seminar. The seminar reviews all

ACP Couponing 101/102 cont'd

aspects of the couponing industry in an informative and interactive format designed for individuals new to

couponing or those who need an update and refresher course. Presenters are industry experts who can answer all your couponing questions.

Topics Include:

- Industry Overview Effective Coupon
- Strategies Coupon Distribution
- Types Coupon Design Family Code
- Management The Redemption Cycle
- Coupon
- Misredemption Managing Risk

Highlights Include:

- Follow the path of a coupon from the time it is issued through
- Learn from a manufacturer's perspective about internal controls you can implement, and effective coupon program management.

Workshop breakout sessions will provide details on family codes

and barcodes, and how to plan an effective coupon

An open interactive session enabling you to get answers to all your coupon questions.

Who should attend?

Individuals new to couponing or who need a refresher course. This course is geared toward marketing & accounting professionals in retail, manufacturing, promotional agencies and clearinghouses.

When and Where?

Preceding the Industry Coupon Conference
Renaissance Vinoy Resort and Golf Club
St. Petersburg, FL
Tuesday, April 10, 2007
10:00 AM- 4:00 PM

To register, visit www.couponpros.org or call ACP headquarters at 847-297-7773 or email joanne.martori@acp-hq.org.

Coupons, Inc Acquires J Michels Consulting

Acquisition Ties Coupon Family Code Solutions to Consumer Purchasing Habits Data; End Result Tracks Coupon Use for Online-to-Offline Promotional Programs

Coupons, Inc., the leading U.S. provider of printable coupon marketing and technology solutions,

today announced that it has agreed to acquire J Michels Consulting.

Through this acquisition, J Michels Consulting's family code and UPC

management services will combine with Coupons, Inc.'s large printable coupon content network, creating new opportunities for manufacturers and retailers in incentive promotions.

Coupons, Inc. has grown into a full service promotional marketing company with solutions for manufacturers' and retailers' single and multiple advertiser promotions and coupon distribution. The company's services include targeted media, database marketing solutions and with the current acquisition, family code management solutions and coupon clearing.

"I've been working closely with Coupons, Inc. for years and joining the team offers a great opportunity to strengthen services for our customers," said Jane Michels, founder and president, J Michels Consulting. "The acquisition gives us the resources to increase our reach with manufacturers and retailers and better align their code

Coupons, Inc Acquires J Michels Consulting

management with corresponding coupon promotions."

By integrating the most comprehensive database of UPC and family codes into the world's largest printable coupon content database, manufacturers and retailers will be able to more fully align coupon redemption strategies and programs. Because the Coupons, Inc. platform is used for the vast majority of printable coupon programs, having family and UPC code management built into the system ensures fewer errors by matching products' UPC codes to the family codes on corresponding coupons.

When product codes don't match a coupon's family code, retailers have to manually override to accept the coupon at the check stand and not inconvenience consumers. Retailers then charge "hard to handle" fees to manufacturers. When codes match, it saves retailers time and manufacturers money.

Coupons, Inc. will use the acquired services to broaden its reach in offline coupons and create a greater presence in retailer services. As a result,

Coupons, Inc. will be able to create turnkey online coupon programs that are better integrated with offline programs, while providing unique key analytics on consumer preferences and behavior - the net gain is the ability for Coupons, Inc. to create more innovative promotional services.

"We already integrate printable coupons with grocery retailer websites and online grocery shopping, and adding family and UPC code data to our offering creates a more valuable offering," said Andy Robinson, Founder of Grocery Shopping Network. "We can now be sure the coupons offered on a retailer's website are for products available at the stores, and help consumers find savings on their favorite products. It guarantees there are no errors between offers online and what's available at a particular store, which helps add value for customers and build their loyalty."

"Jane Michels set the standard for family code management in this industry, and we are enthused by the opportunities this acquisition will provide to develop never-before-seen promotional services," said Steven Boal, Founder and

CEO Coupons, Inc. "Changes will be immediately evident as we leverage Jane Michels' business and expertise to bridge the gap that currently exists between manufacturers' coupon promotions and retailers. Expect to see significant results and sizeable shifts in the market as a result of this acquisition."

Catalina color coupons yielding 30% higher redemption rates

Catalina reports color print redemption rates continue to Improve, while other traditional industry coupon redemption rates decline.

In an environment where traditional coupon redemption rates are steadily declining, Catalina Marketing Corporation announced today that, based on recent research, the company's point-of-sale communications are delivering even higher redemption rates since transforming from black and white to full-color, full-graphics prints earlier this year.

Recent research was conducted by Catalina Marketing with findings and methodology validated by an independent third party, VSI Targeting, a sister company of Carolina Manufacturer Services

Catalina cont'd

CMS) coupon processor. According to the new research, Catalina's new color print redemption rates are an average of

30% higher than the company's traditional black and white prints, which have historically redeemed higher than virtually all other mass-delivered coupons.

The research, conducted over a four month period, compared the redemption rates of coupons from more than 100 different Catalina Marketing targeted offers printed in both color and black and white. Results showed that the new full-color, full-graphics prints redeemed an average of 30% higher than black and white.

"Since our color prints were introduced earlier this year, we've had positive feedback from manufacturers, retailers and consumers. Our color initiative is on course to improve what is already a highly effective platform as we continue to significantly enhance the impact and effectiveness of our targeted communications," said Dick Buell, chief executive officer of Catalina Marketing. "Having these solid numbers to help validate our belief that Catalina's

investment shows we are making a high impact connection with the customer and delivering better results to our clients."

These studies began immediately after Catalina Marketing first announced the company's investment in new state-of-the-art, Epson-designed color printers, to replace the thermal printers that have been a staple in checkout lanes in major retail chains throughout the U.S. for more than 20 years. Today, the new color printers are installed and functioning in over 89,000 checkout lanes in over 8,200 stores. This number represents over half of the 145,000 new printers targeted for installation through the middle of 2007.

Countering the Counterfeiters Unilever joins Pepsico Division QTG, in implementing coupon security device

The Coupon Information Center (CIC) is pleased to announce that, effective immediately, Unilever US will begin placing the CIC optical security device to fight counterfeit coupons on free and high value consumer response product coupons. Unilever is the 4th largest

couponer by volume in the United States.

Once a rare event, new counterfeit coupons are now detected almost weekly. A single counterfeit can cost the industry millions of dollars. These Counterfeits hurt all industry participants: manufacturers, retailers, vendors, and, most importantly, honest consumers trying to balance their budgets.

The optical security device was developed by The Coupon Information Corporation (CIC), its Members, and OpSec Security, Inc., a security firm specializing in anti-counterfeiting techniques. The device is intended to stop counterfeiters and to provide retailers with the ability to instantly determine whether or not a coupon is legitimate. The CIC, which is a not-for-profit corporation, provides the artwork for the security device free of charge to any manufacturer agreeing to implement the procedure. You can view a short video of this security measure at <http://www.cents-off.com/demo.htm>. Mary Ann Pindulic, CIC's President and Unilever Representative, noted: I am pleased that we are able to protect our shareholder value by

fighting coupon counterfeiters with the CIC and look forward to additional manufacturers implementing this common sense deterrent
Countering the Counterfeiters

over the coming weeks. Additional information about coupon fraud is available at our Web Site: www.cents-off.com

More than 250 billion consumer offers delivered via FSI

The Marx Promotion Intelligence 2006 FSI Distribution Trends Report, issued today, reports that more than 253 billion consumer offers representing over \$300 billion in consumer incentives were delivered through Free Standing Insert (FSI) coupons in Sunday newspapers during 2006. Total FSI page circulation increased 1.1 percent to a new record level of almost 200 billion pages. Average Face Value also increased to a new record level of \$1.19, up \$0.05 versus 2005.

The 4th annual FSI Distribution Trends Report is issued by Marx Promotion Intelligence, a division of TNS Media Intelligence. Marx Promotion Intelligence is considered the industry standard for tracking FSI

coupon activity. Free copies of the comprehensive Marx FSI Distribution Trends Report are available through the Marx Promotion Intelligence website at www.tnsmi-marx.com.

“FSIs are a cost-effective advertising medium to deliver consumer impressions since the consumer chooses to ‘opt-in’ and receive the message, and then actively engages with relevant products and offers,” said Mark Nesbitt, chief operating officer, Marx Promotion Intelligence. “Consumers continue to seek out FSIs to be exposed to new products, gain additional product information, benefit from purchase incentives, and plan their shopping trips.”

FSIs maintained consistent frequency with activity in 49 out of the 53 Sundays in 2006. The pre-Easter promotion week of April 2 had the greatest combined weight by delivering 144 total pages. The pre-Thanksgiving week of November 11 was also heavily weighted with 128 pages of FSI promotions. On average, FSIs reach almost 70 million households on a weekly basis, with household reach varying across national, regional, and local brands. The

dynamics among the above three principles of frequency, weight, and reach, provide important insight into category, competitor, and brand strategies.

Overall FSI Activity

During 2006, a record level of almost 200 billion pages containing more than 253 billion coupons were delivered via FSI coupons in Sunday newspapers. Consumer Packaged Goods (CPG) activity dominated these trends accounting for 67.4 percent of total FSI pages, followed by Direct Response with 23.4 percent and Franchise Restaurant at 9.2 percent. However, CPG activity was down 2.3 percent versus 2005, while Direct Response and Franchise Restaurant increased 11.2 percent and 4.4 percent respectively.

Within the CPG industry, the Non-Food segment had a 2.7 percent increase in coupon circulation while the Food segment pulled back 3.9 percent. The Average Face Value increased across both the Non-Food and Food segments, up 3.6 percent and 1.7 percent respectively. These trends indicate that manufacturers are continuing to leverage FSIs, but increasingly use them to deliver high-value

offers that encourage brand trial and generate category excitement.

FSI Trends cont'd

FSI coupon support was included as part of 384 new product introductions across the CPG industry in 2006, as tracked by Marx Promotion Intelligence. Food categories contributed 237 of these new items led by Snacks, Cereals, and Beverages. Non-Food categories contributed an additional 147 new items led by Household Cleaning Products and Vitamins. This reinforces how manufacturers are continuing to integrate FSI coupons as part of their new product introductions. A more complete analysis of leading practices was presented in the Marx ProMotion GuidePoint© entitled: *"New Product FSI Promotion: A Look at Consumer Packaged Goods (CPG) FSI Promotion Tactics in Support of New Product Introductions."*

Top 10 FSI Categories

Five of the top 10 categories for new product introductions were also among the top 10 categories for overall FSI activity in 2006. Household Cleaning Products led all categories in overall FSI coupon activity and ranked number one in new

product introductions among Non-Food categories. Snacks ranked first across all categories for new product introductions and was the top-ranked Food category for overall FSI activity.

Board of Election Nominations Sought for 2007-2009 Term

The ACP Board of Director Elections will be held at the 2007 Industry Coupon Conference. **The election will take place during the conference on Wednesday, April 11th.**

The ACP Board of Directors is currently comprised of 16 companies. There is a mixture of retailers, manufacturers, processors, and service providers on the board. Companies serve two-year staggered terms. There will be eight seats up for election this year.

Any ACP member company in good standing is eligible to run for a board position. If you are interested in **nominating your company or any other company, please contact Joanne Martori at ACP headquarters by March 1, 2006 (848) 297.7773.** The ACP Nominating Committee will compile the list of nominees. A slate of candidates will be emailed to all members and actual

ballots will be distributed at the meeting on April 11th.

Upcoming Events

PMA Annual Conference, March 21-22, Chicago, IL

Industry Coupon Conference, Including Coupon 101\102 April 10-12, St Petersburg, FL

FMI Show, Including MarketTechnics, May 6-8, Chicago, IL

2006 U Connect Conference June 6 - 8, 2006 Nashville, TN

GMA Executive Conference, June 8-10, White Sulphur Springs, WV



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