

Winter 2011

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

Regional Coupon 101\102

East

March 22, 2011

In conjunction with CIC
Summit

Alexandria, VA

Save the Dates! 2011 Industry Coupon Conference Coupons: Opportunities & Options: In-Store, At Home, Mobile

April 12th - April 14th
2011

Westin Buckhead
Atlanta, GA

For the latest details:

ACP headquarters

www.couponpros.org

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hq.org

Oh! Atlanta, Westin Buckhead, Atlanta GA to host 2011 Industry Coupon Conference “Coupons: Opportunities & Options:

The must attend conference and convergence of industry leaders is scheduled for April 12-14

In-store. Print-at-home. Mobile. Oh my! This year's coupon industry conference will feature the latest trends, research and developments in traditional, digital and Internet-based coupons.

The Conference Planning Task Force lead by co-chairs Matthew Tilley, Inmar, Inc, and Andy Rumpelt, Kantar Media, are finalizing agenda details which will include plenty of opportunities and options including:

- Keynote Doug Rogers a former Wyeth President will discuss building winning organizations with “nice guy” principles, delve into human behavior, how it impacts social communities and potential opportunities for couponing.
- Join Jason Rogers from the multiple award winning agency Catapult as he draws from the latest joint research with Google, Forrester and others to document trends then demonstrates how leading brands are adapting their shopper marketing, social media, and digital coupon programs to reach the evolving consumer successfully.
- Consumer panel - hear it from the source! In this live consumer panel we will engage some “All You” consumer members in a discussion about their coupon use. How they get them, where they use them and their likes and dislikes regarding coupons
- Laird Garner will be back to discuss Emerging Technology... The implementation of technology is happening so fast this presentation will be not be finalized until minutes before Laird takes the stage. Among the topics: mobile commerce, social media, and the latest Pads, Slates, 4G, and Clouds
- Retailer panel – back by popular demand, John Morgan will again moderate a panel of leading retailers to discuss the issues of the day from a retailer's perspective.
- The Last Mile for GS1 Databar – There will be a GS1 Databar update general session and a Q&A track session to get all your questions answered on the GS1 Databar implementation.
- Therese Mulvey, Valassis will be discussing: “Integrated Media – Adjusting to Changes in Consumer Buying Habits”
- ...and more unique research, latest trends, and innovation that you can't get anywhere else but the Industry Coupon Conference.

Welcome New



Members

I2C

All You

Kickback Systems

ACP Offers Free Poster to Help Retailers Detect Fraudulent Internet Coupons

The Association of Coupon Professionals (ACP) has developed an easy-to-read poster to help store associates tell the difference between legitimate and fraudulent Internet coupons. It is available to retailers free of charge.

The ACP Retailer Coupon poster comes in two sizes: 11-inch x 17-inch for placement in a retailer's break or training room and 8.5-inch x 5.5-inch for placement near the cash register at checkout.

From time to time, fraudulent coupons have been unknowingly accepted by some supermarkets and the subsequent

Back again will be an afternoon of track sessions where you can choose from presentations tailored to your specific interests including Digital Coupons, Redemption trends, GS1Databar Q & A with Industry Experts, and Counterfeit Coupons.

There will be plenty of chances to learn, network, and enjoy the "jewel" of Atlanta, Buckhead, and its sunshine and southern hospitality with your coupon colleagues.

The conference is presented by the Association of Coupon Professionals (ACP) in collaboration with the Food Marketing Institute (FMI), Grocery Manufacturers of America (GMA), GS1 US, CIC and the Promotion Marketing Association (PMA).

The conference is the "must attend" event where industry leaders converge to learn and discuss the latest trends, research and developments in traditional, digital and Internet print-at-home coupons.

This will be the only conference dedicated exclusively to coupons in 2011.

For more information, contact John Morgan at 610-789-1478, John.Morgan@acp-hq.org, or visit www.couponpros.org.

negative publicity has given Internet coupons a black eye. The poster aims to prevent those occurrences.

“The poster was developed by the Internet Coupon Guidelines Task Force to help educate cashiers and provide tips in recognizing legitimate Internet coupons,” said John Morgan, executive director of ACP.

The poster instructs cashiers to look closely for obvious alternations in the coupon, unusually long expiration periods, free/high-value offers, and other indications of possible fraud. Examples of legitimate coupons are on the poster for comparison sake.

The ACP will send the posters to retailers free of charge. The cost of the program was funded with the help of sponsors: E-centives, Carolina Services, Hormel Foods, Pepsico, Unilever, Brand Coupon Network, SEA

Association of Coupon Professionals schedules Regional Coupon 101\102 Education Workshops in conjunction with CIC Summit in March.

Attendees can learn the basics of the business or refresh themselves on coupon topics

A one-day workshop is scheduled for March 22, 2011 in conjunction with CIC Summit, Hotel Monaco, Alexandria, VA

Attendees can learn the basics of the business or refresh themselves on coupon topics.

The sessions review all 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 couponing questions.

The topic include: Effective Coupon Strategies, Coupon Distribution Types, Coupon Design, Redemption Cycle, Family Code Management, Misredemption, Managing Risk, and other areas. Digital coupons will be discussed not as a separate topic but integrated into the overall coupon discussion. Attendees will follow the path of a coupon from the time it is issued through redemption, financial settlement and reporting with a detailed review of all the functions in the process.

“Leading marketing and promotion executives have attended Coupons 101-102. It is an up-to-date way of staying abreast of what’s going on in the coupon industry,” said Val Stark, education director of the ACP and a member of its board of directors.

Please join us as industry experts answer all your questions and review all aspects of coupons including planning, design and processing in an informative and interactive format designed for individuals new to couponing, those who need an update and refresher course, and those preparing for the transition to GS1Databar, or wanting to know the latest Coupon trends and what’s happening with Internet Print at Home and Digital Coupon Promotions.

Attendance is limited; please respond quickly so you won't miss this informative educational workshop. For more information, call John Morgan, 610-789-9993, John.Morgan@acp-hq.org or visit www.couponpros.org



Enterprises, Coupons, Inc., NCL Graphics, RPR, with the support of the Food Marketing Institute (FMI) and GS1US

For more information about the poster, contact John Morgan at 610-789-9993 and John.Morgan@acp-hq.org, or visit www.couponpros.org.

Committee & Task Force

Anyone from an ACP member company can volunteer to serve on a committee or task force. It's an opportunity to participate in the improvement of the industry while developing new relationships with industry leaders. Most work is done through monthly conference calls and on-line collaboration. If you are interested in volunteering, contact John Morgan, Executive Director of ACP at (610) 789-9993, or John.Morgan@acp-hq.org

5th Annual CIC Industry Leadership Summit to be held March 22-24 in Alexandria, VA

Retailers, manufacturers, coupon processors, printers, government officials and industry association interested in coupon security are invited to participate in CIC's Fifth Industry Leadership Summit to be held on March 22-24, 2011 in Old Town Alexandria, just outside of Washington, DC.

The Summit will be a hands-on series of meetings and open discussions led by experienced experts, as we address security challenges within our industry and continue industry reform efforts. Topics include, but are not limited to:

- Counterfeit Coupons: The Road Not Traveled.
- Illicit Coupon Sales: Taking the Bull by the Horns.
- New Voluntary Best Practices for Retailers
- The Future of Coupon Fraud
- CIC's Annual Industry Predictions
- Re-Building Relationships

Got an issue? Let us know. All security related issues provided to us via the registration form will be considered for review at the Summit. No Charge! All retailers, first time manufacturer attendees, government officials, coupon processors, coupon printers and coupon related associations can send one attendee FREE! Additional attendees are welcome, but will be charged \$200 each. Attendance is restricted to manufacturers, retailers, processors, government officials, coupon printers, and industry associations. This is a no sales zone. Reservations are on a first come, first served basis



Committees & Task Forces

The **Education Committee** develops and hosts Coupon 101\102, an introductory workshop for the coupon industry. And works on other opportunities to educate the industry.

The **GS1 Databar Task Force** works to implement the new GS1 Databar coupon coding

The **Internet Couponing Task Force** identifies and reports Internet coupons' benefits and issues

The **Industry Coupon Conference Planning Task Force** develops the annual industry coupon conference

The **Coupon Guidelines Committee** creates best practices on coupon design and processing

The **Membership Committee** actively recruits new members

The **Digital Coupon & Redemption Task Force** is developing

DIGITAL COUPON EVENTS INCREASED BY MORE THAN 59.9 PERCENT THROUGH SEPTEMBER 30, 2010, VERSUS THE SAME PERIOD IN 2009

Number of manufacturers distributing digital coupons increased by more than 23.0 percent versus year ago

For the calendar year-to-date (CYTD) period ending September 30, 2010, the number of digital coupon events increased by 59.9 percent versus the same period in 2009 across key websites tracked by Marx, a Kantar Media solution. Additionally, 267 manufacturers distributed digital coupon offers, an increase of 23.0 percent compared to the 217 manufacturers that were active in CYTD 2009 across these key websites. "Digital coupons are becoming a core component within the overall promotion mix for Consumer Packaged Goods (CPG) manufacturers. As with traditional FSI coupons, consumers actively engage with digital coupon websites in the home to make purchase decisions," said Mark Nesbitt, President Kantar Media Intelligence. "Digital promotion tactics continue to evolve as manufacturers gain experience and fine-tune best practices related to key websites, face value, expiration, timing, and other factors. Marx helps our clients break through the competitive digital promotion clutter to deliver the right offer to the right consumer," said Nesbitt.

guidelines for digital coupon promotions

The **Market Research Task Force** develops unique consumer coupon insight from research data

The **Printer Task Force** – develops guidelines for security for the printing and delivery of coupons

The **Canadian Task Force** – addresses coupon issues unique to Canada.

The **Awards Task Force** accepts nominations and determines Lifetime Achievement awards, Industry Impact awards and other special recognition awards.

CPG Areas	Jan-Sep 2009 Digital Activity			Jan-Sep 2010 Digital Activity		
	Share of Activity (1)	Face Value (2)	Face Value Per Unit (2)	Share of Activity (1)	Face Value (2)	Face Value Per Unit (2)
Cereals	7.3%	\$0.86	\$0.71	6.6%	\$0.77	\$0.62
Dry Grocery	32.6%	\$0.88	\$0.72	32.3%	\$0.92	\$0.75
Frozen Products	8.4%	\$0.94	\$0.74	9.4%	\$0.88	\$0.67
Health Care	13.4%	\$1.84	\$1.78	8.5%	\$2.23	\$2.16
Household Products	5.9%	\$0.99	\$0.92	7.0%	\$1.50	\$1.26
Other Packaged Goods	1.6%	\$3.01	\$2.93	2.7%	\$3.65	\$3.51
Personal Care	14.2%	\$1.49	\$1.41	16.5%	\$1.71	\$1.53
Refrigerated Foods	13.6%	\$0.79	\$0.57	15.1%	\$0.70	\$0.50
Shelf Stable Beverages	6.7%	\$0.96	\$0.74	3.9%	\$0.86	\$0.70

(1) Digital Share of Activity is based on Number of Events (NOTE: Sum of all Areas may be greater than 100% due to events which include more than one Area)

(2) Digital Face Value and Face Value Per Unit are averaged values

Food Areas: Cereals, Dry Grocery, Frozen Products, Refrigerated Foods, and Shelf Stable Beverages

Non Food Areas: Health Care, Household Products, Other Packaged Goods and Personal Care

Source: Kantar Media

Upcoming Industry Events

CIC Summit with Coupon 101\102, March 22-24, Alexandria, VA

PMA Annual Marketing Conference, April 5-6, Chicago, IL

Industry Coupon Conference, Including Coupon 101\102 April 12-14 Westin Buckhead Atlanta, GA

FMI Future Connect, May 10-12, Dallas, TX

GMA Executive Conference,

August 20-23, Colorado Springs, CO

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Refrigerated Foods led the increase in activity within the Food Areas with a 1.5 point increase in Share of Activity in CYTD 2010, contributing to an overall Share of Activity for the Food Areas of 67.3 percent. Health Care drove the greatest decrease in activity within the Non-Food Areas with a 4.9 point decrease in CYTD 2010, which resulted in an overall Share of Activity for the Non-Food Areas of 34.7 percent.

Face Value and Face Value per Unit decreased in four of five Food Areas in CYTD 2010 versus year ago. Dry Grocery had the only increase for Face Value and Face Value per Unit with Food products, up 4.5 percent and 4.2 percent, respectively. In contrast, Face Value increased across all four Non-Food Areas during this period. Household Products had the most growth in both Face Value and Face Value per Unit, up 51.5 percent and 37.0 percent, respectively.

Retailer Promotion – Digital versus Print

On retailer websites monitored by Marx during CYTD 2010, there were 286 manufacturers running digital promotion events. This is 5.5 percent more than the 271 manufacturers that participated in retailer promotion events in traditional print FSI vehicles during the same period. The 286 manufacturers that ran digital coupon events on retailer websites is also 7.1 percent greater than the 267 manufacturers that ran digital coupon events on the non-retailer websites tracked by Marx during CYTD 2010. “Digital coupon events on retailer websites are becoming an attractive opportunity for manufacturers to align with their strategic retail partners in order to drive shopping trips and increase sales,” said Bob Cristofono, Vice President of Sales at Marx. “Manufacturers can use the Marx Digital ProMotion Report to gain insights into competitive retailer alignment and promotional tactics that are driving sales and share,” said Cristofono.

Q4 2010 Forecast

152 Consumer Packaged Goods (CPG) manufacturers distributed digital coupons in Q4 2009, a 3.4 percent increase versus Q3 2009. However, the number of CPG manufacturers that ran digital coupons in Q1 2010 dropped to 142 across key websites tracked by Marx. 116 CPG manufacturers distributed digital coupons across the retailer websites monitored by Marx during Q4 2009. 26 of these 116 manufacturers distributed digital coupons on two or more retailer websites, while 11 manufacturers were active across three or more retailer websites.

CPG Areas	Q3 2009 Digital Activity			Q4 2009 Digital Activity		
	Share of Activity (1)	Face Value (2)	Face Value Per Unit (2)	Share of Activity (1)	Face Value (2)	Face Value Per Unit (2)
Cereals	6.6%	\$0.85	\$0.65	6.9%	\$0.83	\$0.66
Dry Grocery	34.1%	\$0.83	\$0.67	33.0%	\$0.90	\$0.71
Frozen Products	9.1%	\$0.82	\$0.66	10.7%	\$0.79	\$0.69
Health Care	13.3%	\$1.94	\$1.81	11.4%	\$2.29	\$2.29
Household Products	5.2%	\$0.87	\$0.78	4.1%	\$1.06	\$0.98
Other Packaged Goods	1.4%	\$1.73	\$1.53	4.9%	\$4.67	\$4.64
Personal Care	12.2%	\$1.56	\$1.49	12.8%	\$2.10	\$1.94
Refrigerated Foods	16.4%	\$0.77	\$0.58	14.6%	\$0.70	\$0.45
Shelf Stable Beverages	5.0%	\$0.74	\$0.67	2.9%	\$1.28	\$0.97

Source: Kantar Media



DIGITAL COUPON EVENTS INCREASED BY MORE THAN 59.9 PERCENT THROUGH SEPTEMBER 30, 2010, VERSUS THE SAME PERIOD IN 2009

“The consumer promotion landscape is changing rapidly as more manufacturers leverage digital coupons to engage with consumers and partner with retailers”, said Dan Kitrell, Vice President of Account Solutions at Marx.

“We expect to see a slight increase in the number of CPG manufacturers that are distributing digital coupon events in Q4 2010 compared to Q3 2010, with a similar post-holiday pullback in the first quarter of next year. However, the more important trend to watch is the increased promotion activity on retailer websites. Many retailer websites include programs distributed by major digital coupon networks; however, from the consumer perspective, the equity of these digital coupon programs accrues to the retailer since the interaction occurs on the retailer website. The continued growth of retailer promotion pages in traditional FSI coupon vehicles combined with the growth of digital coupon activity on retailer websites demonstrates the role of these promotion programs in driving shopping trips and increasing retail sales,” said Kitrell.



PROLOGIC ACHIEVES GROWTH MILESTONE FOR DIGITAL COUPON CLEARING

*ProLogic's Digital Coupon Clearing System Has Successfully Cleared
Over One Million Digital Paperless Coupons*

ProLogic Redemption Solutions, a leading provider of coupon clearing and reimbursement services to grocery retailers, announced that it has now cleared over one million digital paperless coupons. This milestone supports the coupon industry trend of consumers rapidly adopting digital coupons. A new report by Marx, a Kantar Media solution, revealed that digital coupon use increased by 59.9% in January-September 2010 compared to the same period last year.

Digital paperless coupons are distributed, selected, redeemed, processed and cleared without ever existing in paper form. They provide consumers with a much more convenient means of viewing, selecting and redeeming coupons compared to the traditional paper-clipping method. They also offer consumers an environmentally-friendly means of saving money.

ProLogic has developed a clearing and settlement process specifically for digital paperless coupons. Retailers can now take advantage of the same independent clearinghouse functions for digital paperless coupons that are well-established for paper coupons. Furthermore, ProLogic can provide retailers with reporting for their digital coupons in the same format as for their paper coupons.

“The milestone of clearing one million digital paperless coupons is very significant for ProLogic and the industry,” said Paul Cooley, president of ProLogic. “It clearly shows the progress of consumer adoption of digital paperless coupons along with the industry’s advancing maturity in clearing them with the same controlled processes that exist for paper coupons.”

ProLogic has partnered with many of the digital coupon providers in the industry, including YOU Technology, a leader in digital coupons and promotions, which provides a digital marketing platform for brands and retailers to manage digital paperless coupons from a variety of publishers.

“We are very enthusiastic about ProLogic’s announcement and the growth of digital couponing,” said Ken Fenyo, president and CEO of YOU Technology. “A key driver of continued growth in the use of digital couponing is a reliable and effective model for clearing and settlement. ProLogic’s announcement demonstrates the industry’s progress in this area and should instill confidence in retailers and brands that they can offer digital paperless coupons to their consumers by having a proven clearing infrastructure in place.”

Shop 'n Save Supermarkets, a chain of over 70 independently-owned stores in western Pennsylvania, Ohio and West Virginia, is one of the retailers offering digital coupons in partnership with YOU Technology and ProLogic. Shop 'n Save consumers can choose digital coupons from Shop 'n Save's website and load them onto their Perks loyalty card. At checkout, the coupons are automatically applied to items in the consumer's basket, with the discounts listed on the consumer's receipt.

On a weekly basis, Shop 'n Save sends the redemption information to ProLogic, which validates the redeemed offers to the master offer file, processes the files and sends electronic invoices to the manufacturers. ProLogic provides complete reporting to Shop 'n Save about the digital coupons received and processed along with the invoices sent to and payment received from the manufacturers.

"Shop 'n Save is enthusiastic about our digital coupon program," said Ray Charley, President of his family's Shop 'n Save stores. "We anticipate growing consumer interest in this area, and have been pleased with ProLogic's clearing and settlement model for reimbursement of digital manufacturer's coupons. As consumers' acceptance of this value proposition grows, we will be poised to be their store of choice."

**WINN DIXIE, NFFRFA EXTEND PARTNERSHIP WITH EZ-PIC INTO 2011
DUE TO EXCEPTIONAL RESULTS
2010 Programs Deliver Nearly \$750,000 In Coupon Value To Shoppers**

For three months in 2010, Winn Dixie and the N. Florida Frozen & Refrigerated Foods Association (NFFRFA) teamed up with Kraft, Unilever, Nestle and other leading manufacturers to offer shoppers discounts on a variety of frozen and refrigerated products. The total savings for the March, June and October events totaled \$746,327, and moved over 950,000 units off of redemptions alone. The program was executed by EZ-PIC Paperless Instant Coupons, and included product-specific signage on the shelf edge, oversized case-cards in the dairy and frozen aisle, and an electronic coupon that automatically redeemed when shoppers fulfilled the exact purchase requirement. Each event was 4 weeks long.

“In 2009, the NFFRFA identified the need to offer more ‘Value Added’ events to our membership that would truly drive consumer purchase of Frozen & Refrigerated Foods,” said Ed Slagle, president of the NFFRFA. “Based on consideration from a number of vendors, we chose EZ-PIC© based on our belief that more product would scan through the register for our customer.” Slagle continued, “Our beliefs were proven right when in 2010, almost a million units scanned at Winn Dixie, with almost \$750,000.00 in coupon redemption in just (3) events. EZ-PIC exceeded our expectations.”

In addition, the NFFRFA saw its manufacturer participation more than double – up from 13 in 2009 to 28 last year. “We expect the positive trend to continue for 2011,” said Bob Longo, VP of Sales & Marketing for EZ-PIC. “EZ-PIC’s results and consumer acceptance clearly make the program one of the most effective in-store couponing vehicles in the industry. In addition, participation is easy. All we need are your UPCs, brand equity message, product images and coupon offer. We’ll take care of the rest.”

The turnkey nature of the program, as well as the stellar 2010 results, led the NFFRFA to extend their relationship with EZ-PIC© into 2011. The next event will take place in Winn Dixie stores 3/2/11 – 3/29/11.



FIFTH THIRD PROCESSING SOLUTIONS AND EDŌ INTERACTIVE ANNOUNCE SOLUTION THAT DELIVERS PERSONALIZED OFFERS TO PAYMENT CARDS

Product Allows Financial Institutions to Provide Personalized Offers to Their Debit and Credit Cardholders

Fifth Third Processing Solutions, a premier full-service payment solutions provider and edo Interactive, Inc., a pioneer in digital and mobile advertising, announced today an agreement that enables the payment processor to offer its financial institution customers access to edo's Interactive Preward® loyalty and reward programs. Prewards are offers from retailers that are redeemed by simply using a debit or credit card at the merchant's point of sale.

The edo Preward Platform enables merchants to deliver digital offers directly to a targeted consumer base of active cardholders that have registered to receive Prewards. Cardholders are then notified that a Preward offer is available. The cardholder accepts the offer and redeems it by simply shopping at the merchant offering the Preward.

Fifth Third Processing Solutions' product suite also includes ATM terminal driving and monitoring, ATM and debit card transaction authorization and processing, credit issuing and processing services, national and regional gateway services, comprehensive ancillary services including fraud detection, card production, Rewards! product, and other consultative services.

"We are delighted to be working with Fifth Third Processing Solutions to deliver unique and innovative rewards solutions to their financial institution customers," said Ed Braswell, CEO of edo Interactive. "edo's Prewards provide timely and relevant savings to consumers which can help a financial institution increase loyalty to its card portfolio. In addition, we are excited to be working with Fifth Third Processing Solutions' merchant partners to offer a unique opportunity to leverage the same platform for advertising."

"Our clients rely on our expertise to offer solutions that complement their financial service solutions, and we are excited to deliver this new technology to them", said Royal Cole, President, Financial Institution Services at Fifth Third Processing Solutions. "As the payments industry scrambles to make



adjustments as a result of the recent financial regulations, financial institutions need alternatives to increase transaction volumes, differentiate their card offerings and boost their return on investment for their marketing investments.”