

SPINS[®] 30 PRICING INDEX

Updated through Period 13, 2009 (four weeks ending 12/26/09)

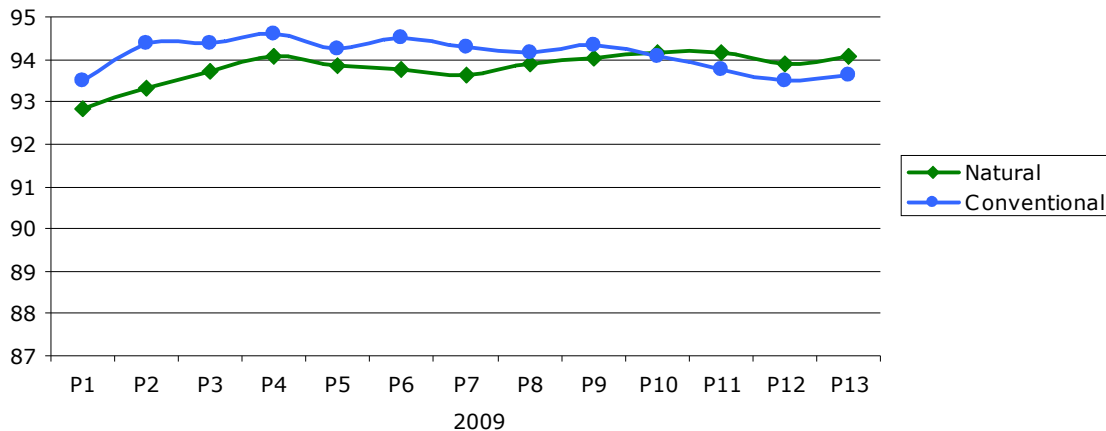
How does the regular price of an identical set of items compare in the Natural versus Conventional Grocery Channels? To find out, SPINS selected 30 popular grocery items to include in a 'SPINS 30' market basket and we are monitoring their total cost to see how it changes on an annual and period-to-period basis in each of the channels.

Basket: A diverse group of 30 items, of which 13 are Organic and 17 are Natural, including beverages, entrees, snacks, dairy, cereal, and frozen and refrigerated goods.

Methodology: Regular price totals are trended over four-week periods using Total US SPINSscan Natural and SPINSscan Conventional Food store data.

Total Basket Cost: Conventional Grocery advantage vs. Natural at a new high. In P12 we observed a 0.3% difference between the SPINS 30 basket totals in favor of Conventional Grocery. This period the gap grew to 0.5%, a new high, as both totals increased (0.1% in Conventional Grocery, 0.3% in Natural).

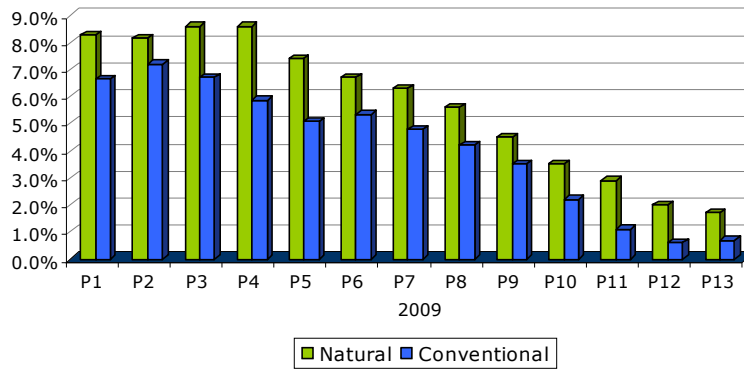
Total Basket Price



Annual Change: Year ago inflation difference declines another 0.3% and is now 1.0% higher in Natural vs. Conventional Grocery. Much better than 2008!

In 2009 prices rose at a faster pace on average in the Natural channel (1.7%) versus Conventional Grocery (0.7%). These values through P13 are down 0.3% and up 0.1%, respectively, since last period. As a point of comparison, 2008 inflation rates for the SPINS 30 basket were 8.1% in Natural and 6.3% in Conventional Grocery as commodity price run-ups wreaked havoc on prices.

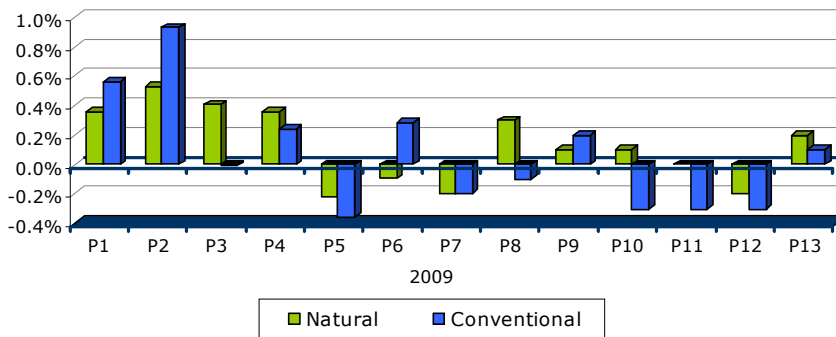
Period v. Year Ago Percentage Change



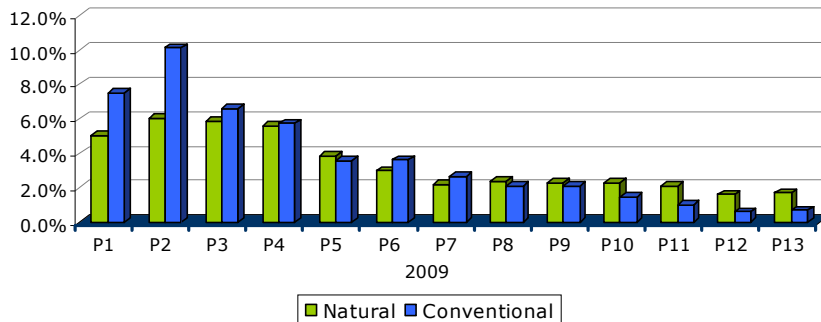
Year-to-date Compounded Inflation: Not much change since last period.

Period-to-period base price change in the Conventional Grocery Channel was 0.1% in P13 after having fallen by 0.3% in P12. Since we are looking at P13 data, the year-to-date and year ago figures are identical at 0.7%, slightly above last period's 0.6%. Mimicking Conventional Grocery, Natural channel period-to-period change was 0.2% in P13, a reversal from last period's 0.2% decline. The compounded 2009 YTD annual inflation rate in Natural matches the year ago value of 1.7%, up from last period's 1.6%.

Period-to-Period Percentage Change



Year-To-Date Compounded Annual Rate



Data incorporates 2009 SPINSscan Natural Restatement.

SPINS will continue to monitor the basket, so stay tuned. We will update the basket every period.