



Updated through Period 6, 2010 (four weeks ending 6/12/10)

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.

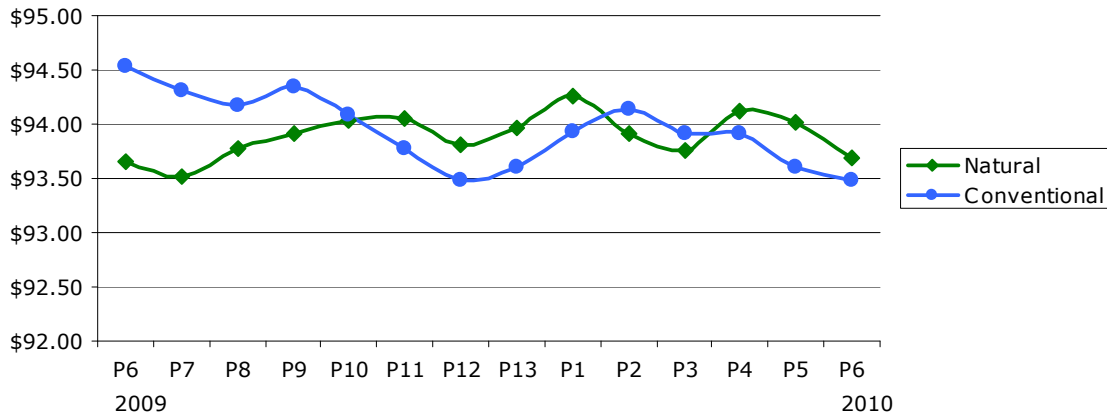
Basket: A diverse group of 30 items, of which 13 are Organic and 17 are Natural, including beverages, entrees, snacks, dairy, cereal, and frozen and refrigerated goods.

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

Total Basket Cost: Once again, both basket totals decline this period; Conventional Grocery advantage sliced in half.

This period the basket total in Natural dropped by -0.3% while in Conventional Grocery it fell by -0.1%. In P6 the total is now -0.2% lower in Conventional Grocery. One year ago the Natural channel basket was lower by -0.9%.

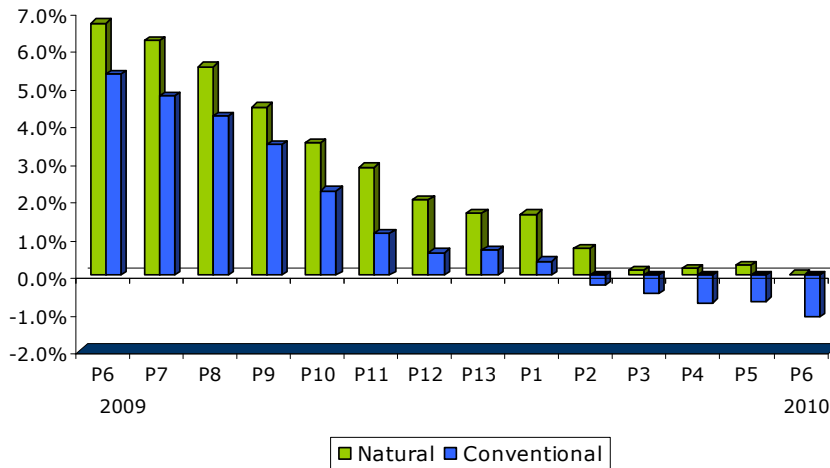
Total Basket Price



Annual Change: Virtually identical to last period's numbers.

On a year ago basis, prices are flat in the Natural channel and down by -0.8% in Conventional Grocery. In P5 the comparable figures were +0.3% and -0.7%.

Period v. Year Ago Percentage Change



Year-to-date Compounded Inflation: Slightly negative through P6.

Period-to-period base price change in the Conventional Grocery Channel was -0.1% in P6, up from last period's revised -0.3%. In P6 Natural prices retreated by -0.3%, greater than last period's -0.1% decrease. If we use the P13 2009 to P6 2010 change and trend it forward it would imply annual inflation of -0.5% in Conventional Grocery and -0.3% in Natural.

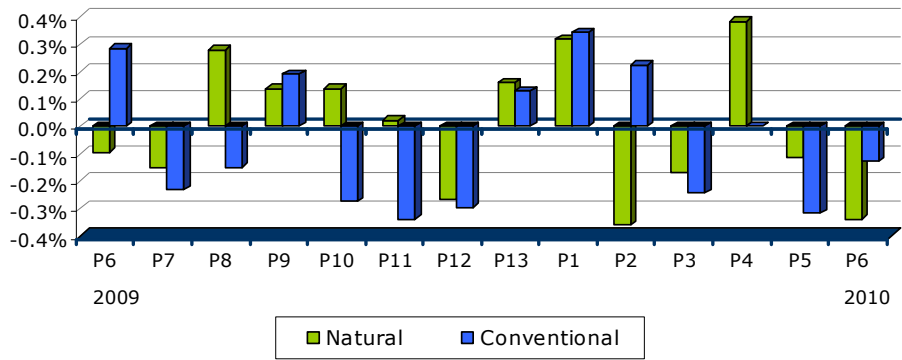
Inflation has yet to appear, and the recent downward move in interest rates, a noticeable decline in post-stimulus housing demand, lack of meaningful job growth, slightly lower crude prices, etc. seems to indicate that inflation should remain tame this summer in spite of the eye-popping deficit spending at many levels of government that seems to have become a way of life.

(see following page for graphs)

Data incorporates 2010 SPINSscan Natural Restatement.

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

Period-to-Period Percentage Change



Year-To-Date Compounded Annual Rate

