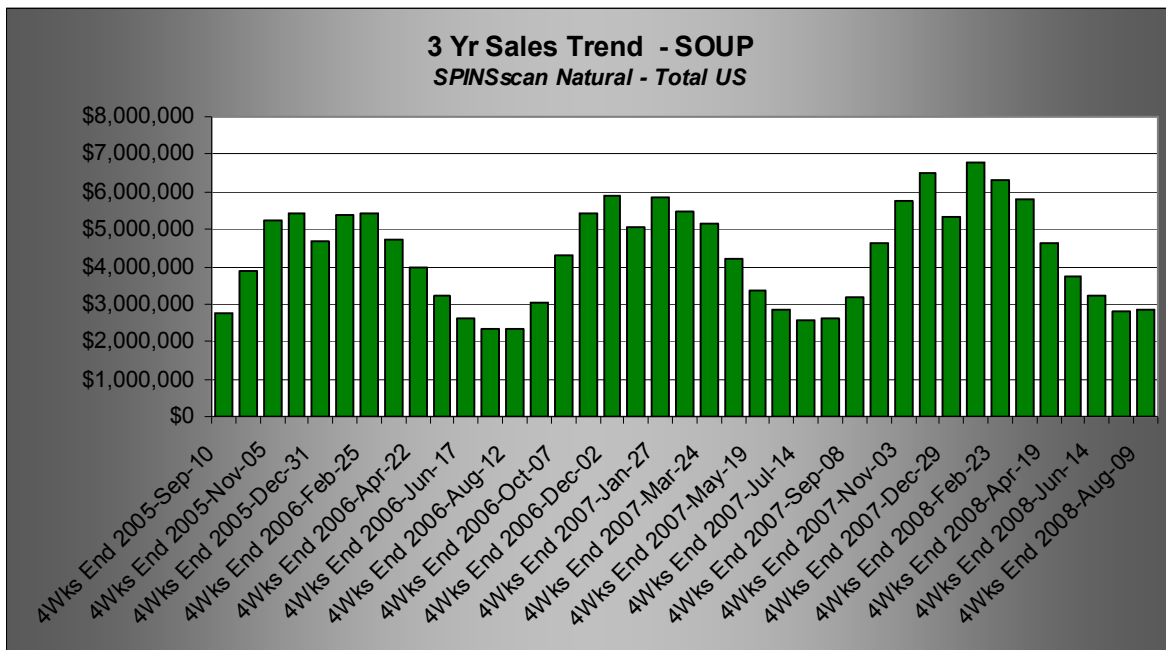


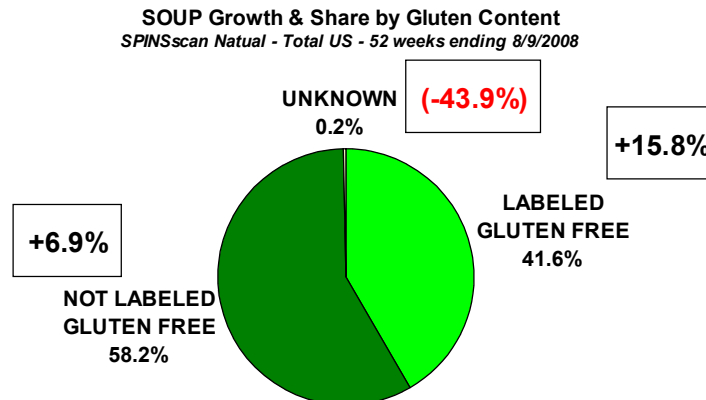


## Soups

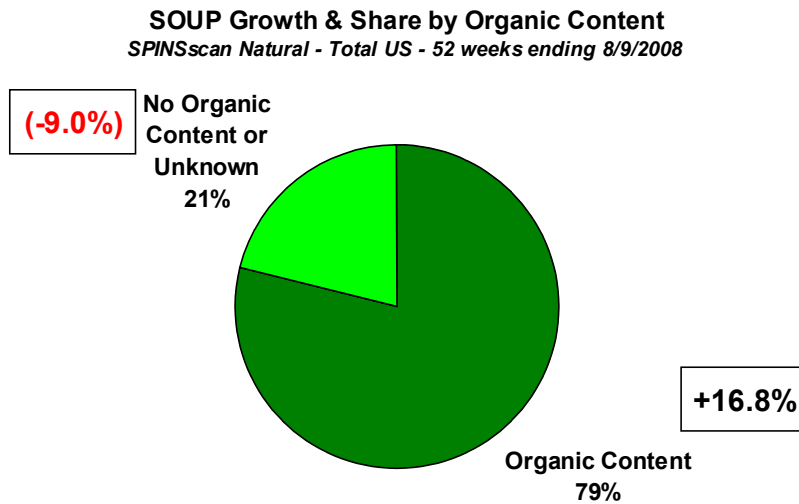
As the cornerstone establishments of the US financial markets collapse, politicians continue to play politics, and the futures of so many remain uncertain, few things are as predictable as the start of the soup season. Late August represents the start of an upward trend for soup that tops out in late January with sale consistently climbing threefold. While the start of the soup season is predictable, some of the trends in the category may surprise you.



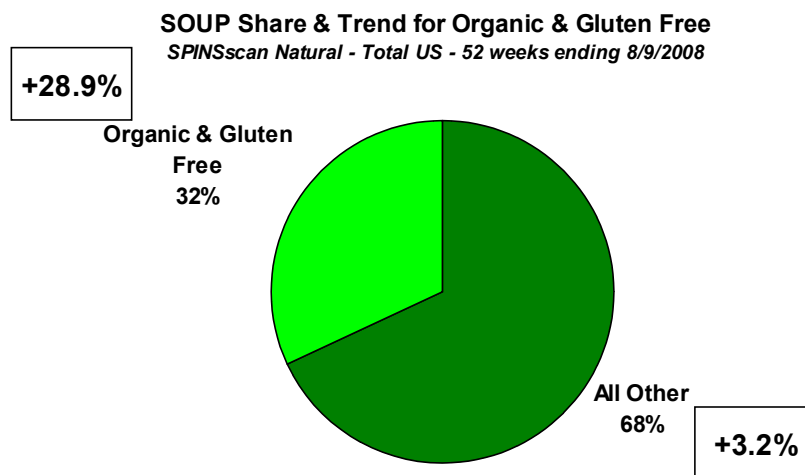
Gluten free soup items continue to gain in popularity and have been outpacing the growth of non gluten free items. In the current 52 weeks ending 8/9/2008 gluten free soup sales rose by 15.8% while items identified as non gluten free only saw modest gains of 6.9%.



Organic based items, items with 1% or more organic content, dominate the soup category and represent 79% of the category dollars. This organic segment is growing at +16.8% compared to the non organic offerings that are growing at (-9.0%). A large portion of organic sales (72%) are being produced by those items with organic content of 95 to 99%, which also represents the fastest growing organic segment (+17.8%).



When you combine organic with gluten free you start to see the product profile being demanded by the consumer. The dollar sales for items that have organic content and are also labeled gluten free are growing at a remarkable +28.9% in a category that has overall growth of +10.9%. Much of the total soup growth of +10.9% can be directly attributed to the items that are a combination of organic and gluten free. Those items that are not both organic and gluten free are growing at a much slower pace (+3.2%).



The soup packaging options have remained relatively static over the last year with slight increases in the use of aseptic cartons and glass jars. “Chicken – Other” remained the most popular flavor, adding ½ share point over last year with minimal share changes seen across the other top flavors.

Packaging	Current Dollars	\$ % Chg	\$ Share	\$ Share Chg
CAN	\$26,038,548	10.4%	42.3%	0.1
ASEPTIC CARTON	\$22,438,885	12.5%	36.5%	0.8
PACKET/POUCH - DRY	\$3,835,791	3.8%	6.2%	(0.4)
CUP	\$3,582,976	(6.7%)	5.8%	(1.1)
PLASTIC	\$2,069,497	10.0%	3.4%	(0.0)
GLASS	\$1,789,783	59.6%	2.9%	0.9
BOX (CARDBOARD)	\$1,307,455	15.3%	2.1%	0.1
BAG	\$321,003	30.5%	0.5%	0.1
UNKNOWN	\$76,484	(20.5%)	0.1%	(0.0)
GABLETOP	\$52,814	(12.8%)	0.1%	(0.0)
PACKET/POUCH - LIQ	\$29,741	(88.1%)	0.0%	(0.4)
BULK	\$9,950	10.0%	0.0%	(0.0)
CANISTER (POWDER)	\$31	(3.3%)	0.0%	(0.0)

Source: SPINSScan Natural, Total US, 52 weeks ending 8/9/2008

Flavor	Current Dollars	\$ % Chg	\$ Share	\$ Share Chg
CHICKEN - OTHER	\$9,422,178	14.3%	15.3%	0.5
VEGETABLE - OTHER	\$7,507,650	11.3%	12.2%	0.1
MISO	\$4,274,457	11.2%	6.9%	0.1
TOMATO	\$3,162,382	1.7%	5.1%	(0.4)
LENTIL	\$3,022,988	17.0%	4.9%	0.3
CHICKEN - NOODLE	\$2,627,392	20.5%	4.3%	0.4
CREAM - TOMATO	\$2,528,584	3.5%	4.1%	(0.3)
SQUASH	\$1,943,720	3.3%	3.2%	(0.2)
MINISTRONE	\$1,879,296	5.8%	3.1%	(0.1)
PEA	\$1,841,927	5.6%	3.0%	(0.1)
All Other	\$23,342,383	9.6%	37.9%	(0.2)

Source: SPINSScan Natural, Total US, 52 weeks ending 8/9/2008

A powerful method to analyze product sales is through the use of SPINS Key Account data. SPINS is currently running an EXPO special (Sept. 15<sup>th</sup> through Oct. 18<sup>th</sup>) that allows manufacturers to purchase a full category snapshot across 8 natural and alternative key accounts for a significantly discounted price of \$5,000 per category. Key account data is a must for compelling assortment reviews or persuasive promotional planning. The 8 retailer key accounts that would be included are NCGA, Henry’s/Sun Harvest, Natural Grocers, INFRA, Mrs. Green’s, Sunflower Farmer’s Market, Andronico’s, and Pharmaca.