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FOR YOUR REVIEW

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ANOTHER MILESTONE JUST AROUND THE CORNER



We all like round numbers. For some reason, they just feel good. Well here's a round number we're really looking forward to – 100 million. As in, **100 million product codes redeemed** in the US and Canada since 2002, and we're almost there. At the current run rate, the big day will be in May, June, or July. So we thought we'd have some fun with this. For operators, we're **giving away an Apple iPad2** to the operator who redeems the 100 millionth code. Watch your newsletter and www.foodservicerewards.org for more information.

And we don't want you feeling left out, so here's a challenge for you. Guess the date, brand, and state/province where the 100 millionth code is redeemed and dinner's on us. Your chances of winning are 735,850:1. To make it easier for you to guess, below is a count of codes redeemed over the last 8 quarters. As of December 31, 2010 there were 89,852,883 codes redeemed. Good luck!

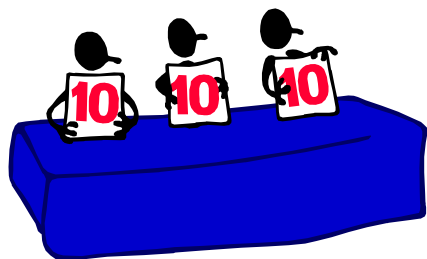
Q1-09	Q2-09	Q3-09	Q4-09	Q1-10	Q2-10	Q3-10	Q4-10
4,317,190	4,231,143	4,150,076	4,674,208	4,399,461	4,627,011	4,492,256	5,319,916

SPONSOR MEETING DATE ANNOUNCEMENT



As you know, this year's Sponsor Meeting will be held in sunny, warm Minneapolis. Well, sunny and warm is the plan, anyway. Mark your calendar now...the official dates are **Wednesday, September 21st and Thursday, September 22nd**. As in the past, official meeting times are Wednesday from 3 PM to 6 PM and on Thursday from 8 AM to 3 PM. Bring as much of your team as you like, as well as your agency. The more the merrier. We'll get back to you soon regarding hotel/meeting location and activities. We're looking forward to seeing you in the Twin Cities.

COOL NEW METRIC...WHAT'S YOUR A/C SCORE?



Many of you are aware of a cool new metric we've been discussing lately called Acquisition Contribution Score or A/C Score (A/C...cool...get it?). This measure looks at the financial impact newly acquired operators have on Sponsors. Here's how it works. We compare the 12-month margin generated from newly acquired operators to a Sponsor's program spend for the same 12-month period. "New operators" for this measure are defined as operators who have been enrolled in Foodservice Rewards for 90 or more days before redeeming a Sponsor's product for the first time. It's the 90-day gap between enrolling and entering product codes that's the key. Newly enrolled operators tend to redeem product codes within the first 20 days of joining. So, operator who are already buying a Sponsor's product would likely have entered their codes before 90 days. To generate the A/C Score, we divide new operator revenue (margin) by Sponsor's total program spend. The Coalition average is 50%, that is, **half of the cost to participate in Foodservice Rewards is funded by the acquisition of new customers.**

Due to the way this metric is measured, it can only be calculated for Sponsors who have been in the program for more than two years. Want to know your A/C Score? Just ask your Coalition Manager.

3+3 = GROWTH



We want to keep you up-to-date on our marketing activities, managed by Marty Malley. In addition to playing the role of our much-loved and yellow mascot, Codee, she's busy:

- Enrolling Operators – she expanded our telemarketing team from a group of 3 to a group of 6, who are on track to add about **1,000 operators per month**.
- Engaging Operators – attending trade shows such as Catersource and NACUFS regionals providing marketing materials to Sponsor booths, spinning the Prize Wheel, handing out Peel n' Reveal gift cards, getting feedback from enrolled operators, and enrolling new ones.
- Onboarding Operators – enhancing the operator experience after enrollment by helping operators engaged and earn quicker.

As always, please don't hesitate to contact Aaron, Ashleigh, Marty, Tyler or me with questions, comments, and ideas. Thanks!