

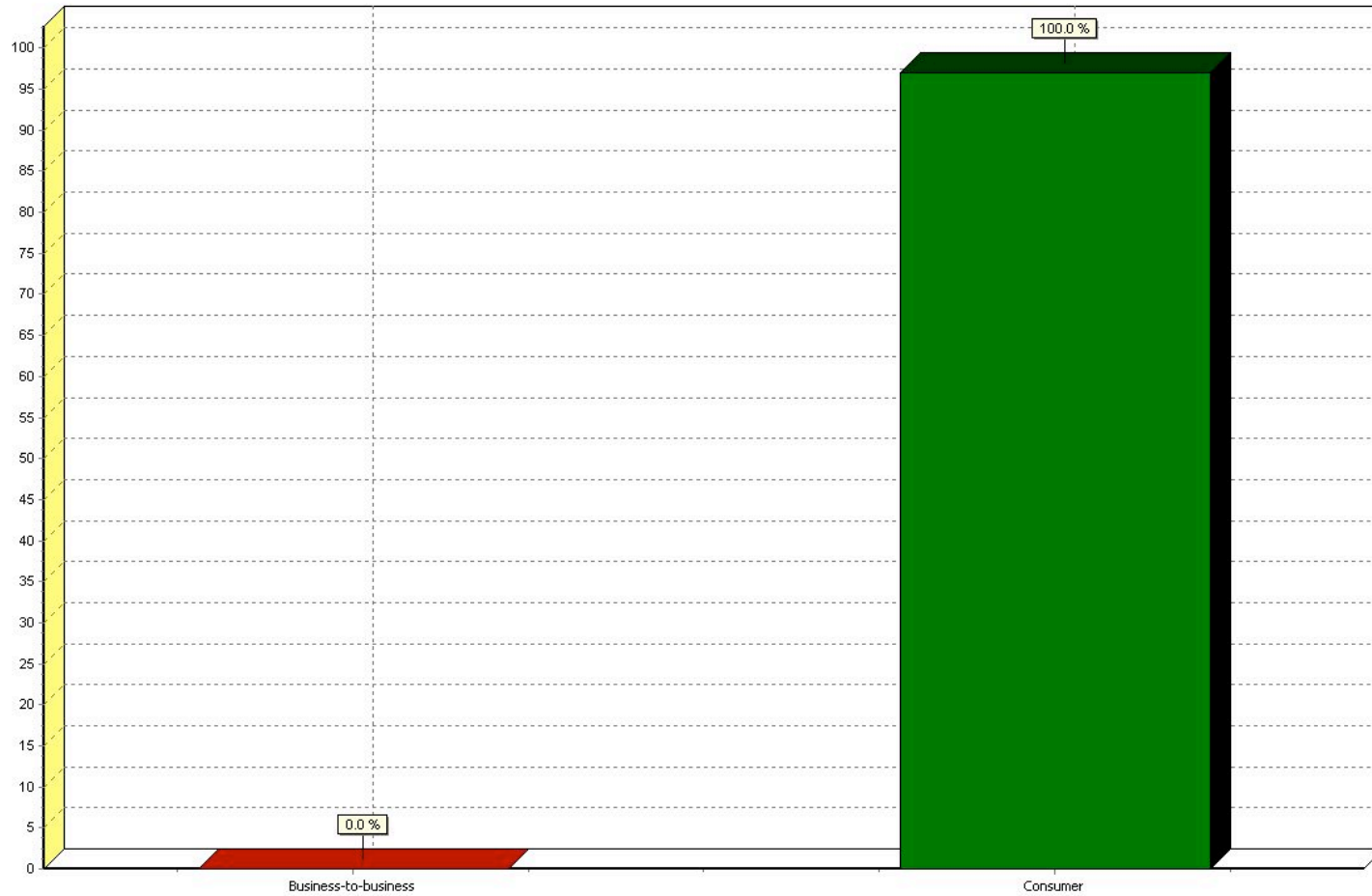


Survey Results & Analysis for Catalog Mailing and Marketing Survey Consumer Responses

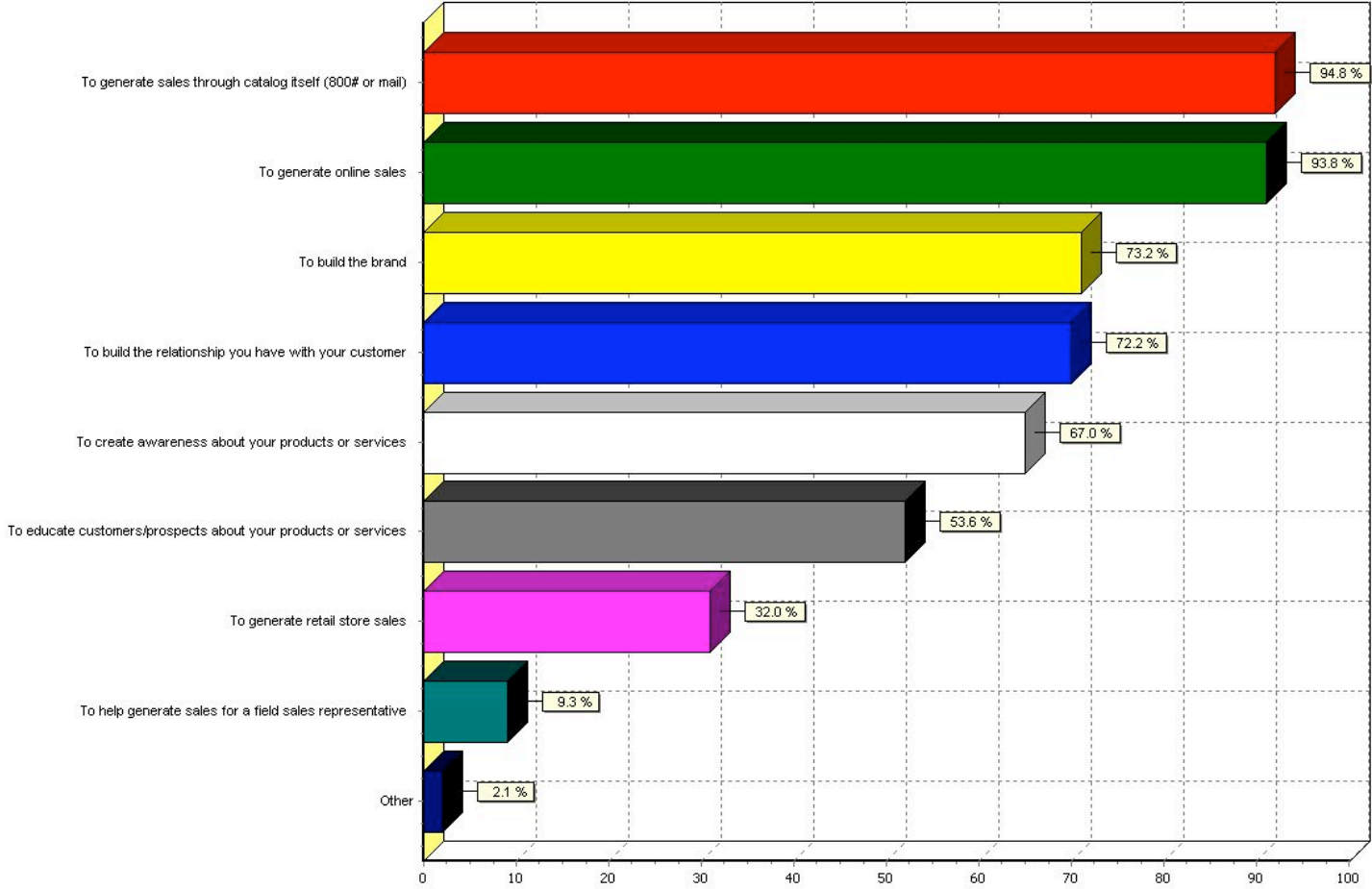
Executive Summary

This report contains a detailed statistical analysis of the results to the survey titled Catalog Mailing and Marketing Survey . The results analysis includes answers from all respondents who took the survey in the 15 day period from Tuesday, August 21, 2007 to Tuesday, September 4, 2007. 97 completed responses were received from consumer catalogers to the survey during this time.

1) Is your catalog primarily business-to-business or consumer?



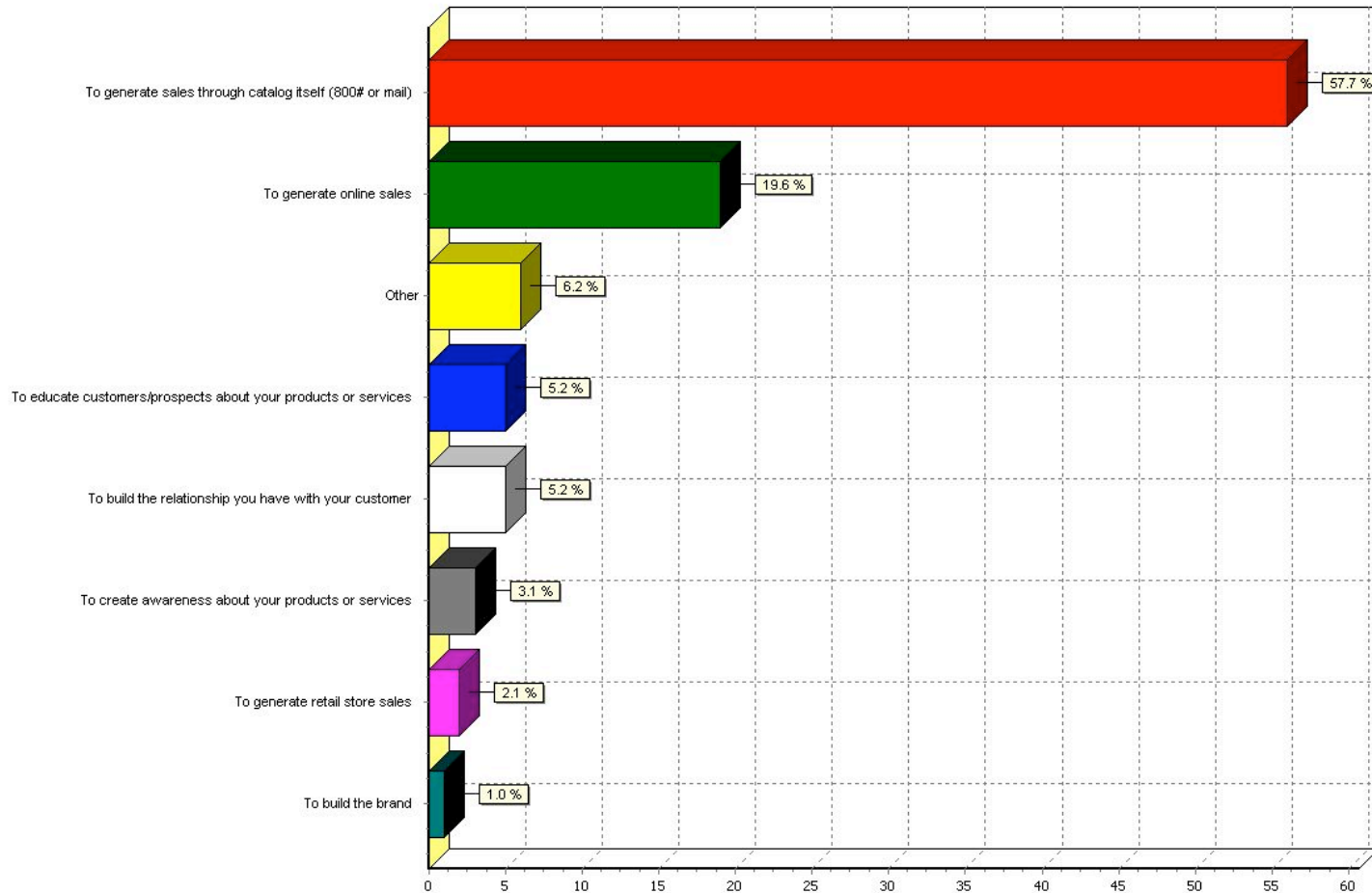
2) What business objectives does your catalog fulfill? (Please check all that apply.)



Other Responses:

- Continuity offers
- Increase AOV and acquire new customers

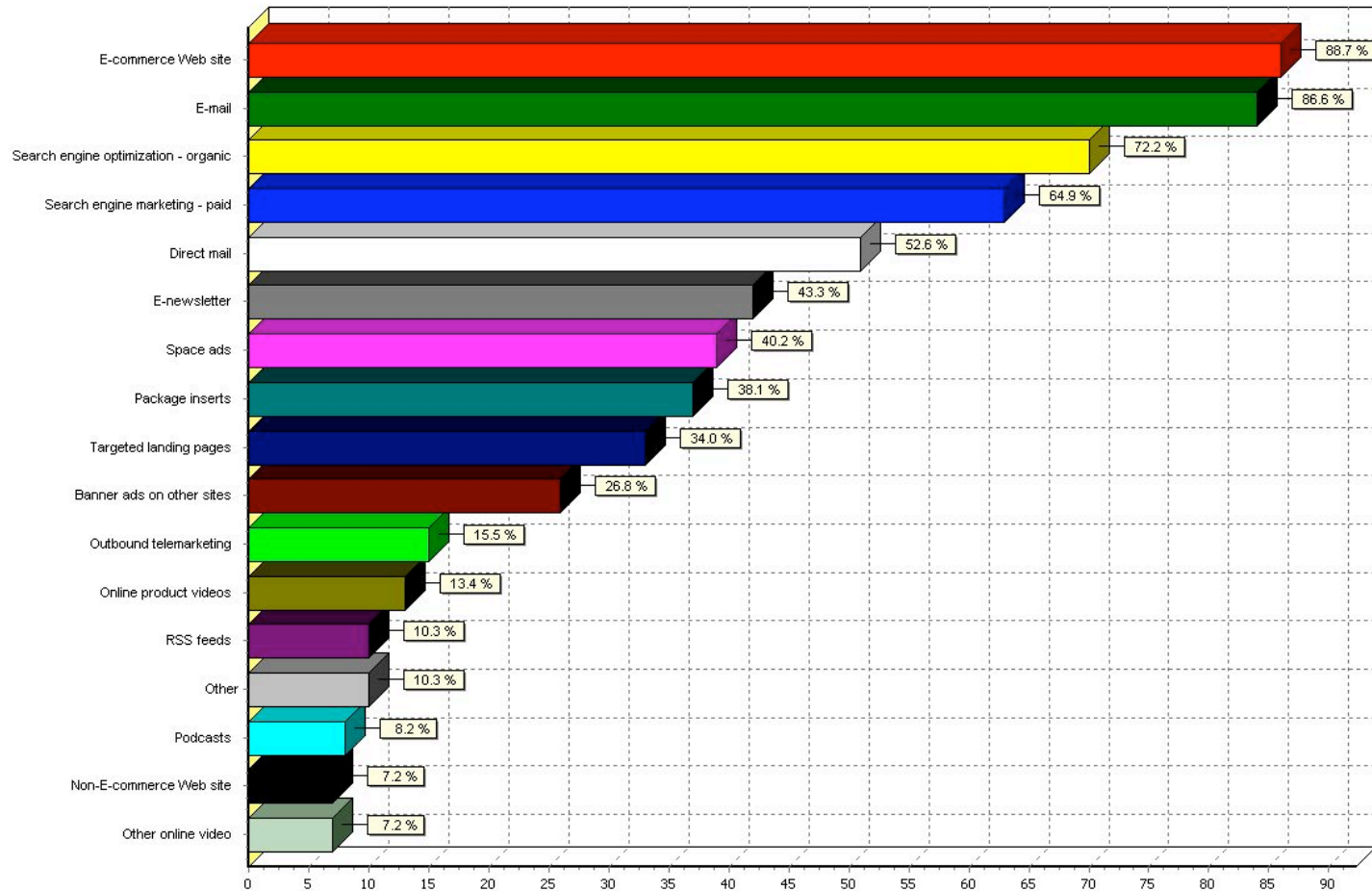
3) What is the single most important business objective of your catalog? (Please select just one.)



Other Responses

- To generate sales--both catalog AND web
- Generate sales across channels
- Make profit for shareholders
- Increase total sales, AOV and new custs.
- Catalog and Internet sales, 60/40
- To generate sales through either channel

4) What other types of marketing efforts are you using in conjunction with your catalog program? (Please check all that apply.)



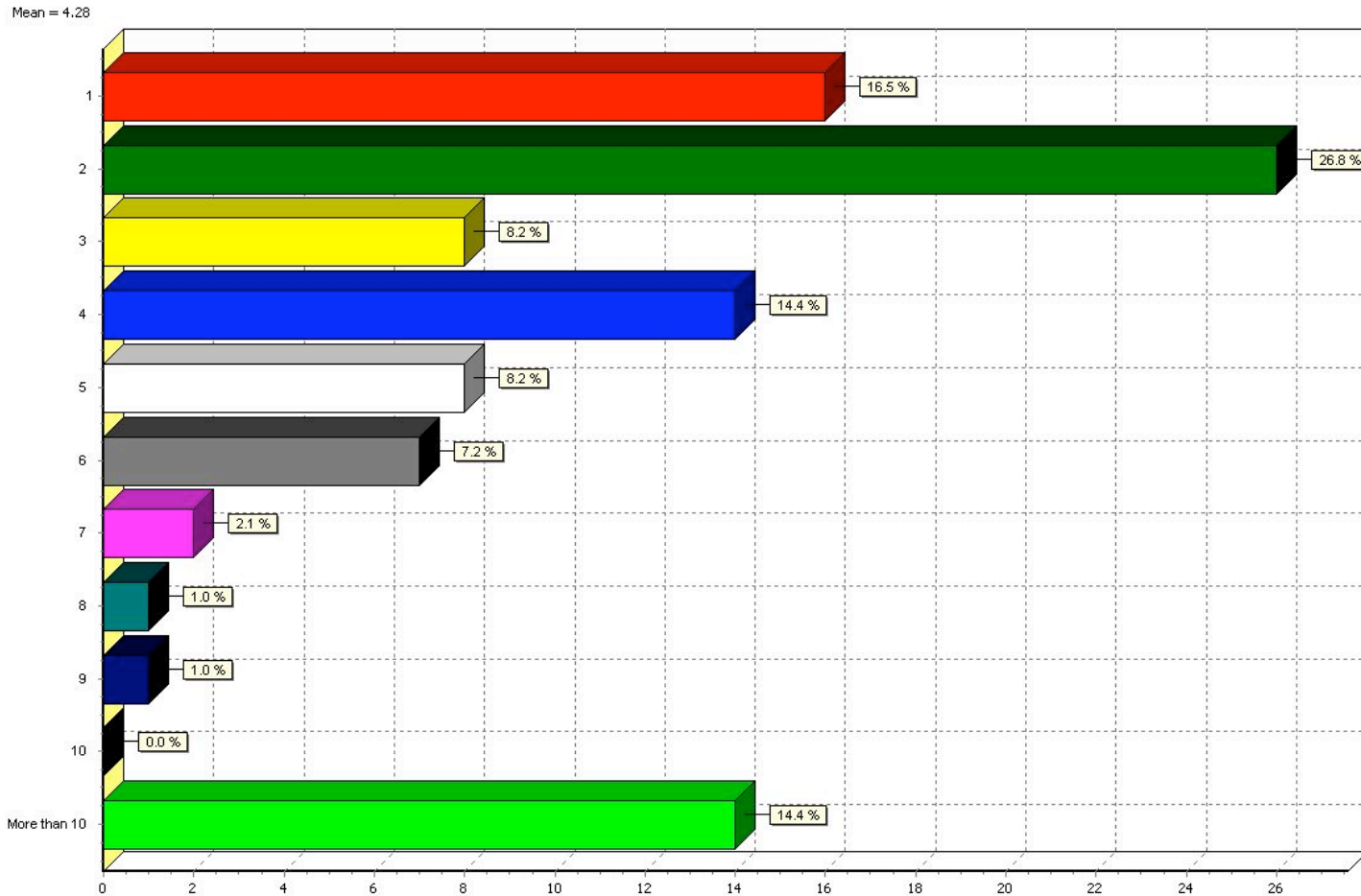
Other Responses:

- Radio ads
- Magazine ads
- Radio advertising
- Our items on other companies sites
- TRADE SHOWS AND CONVENTIONS
- Blog
- I make online 3D catalogs
- blog
- Product placement in publications and TV
- Quarterly newsletter has a marketplace

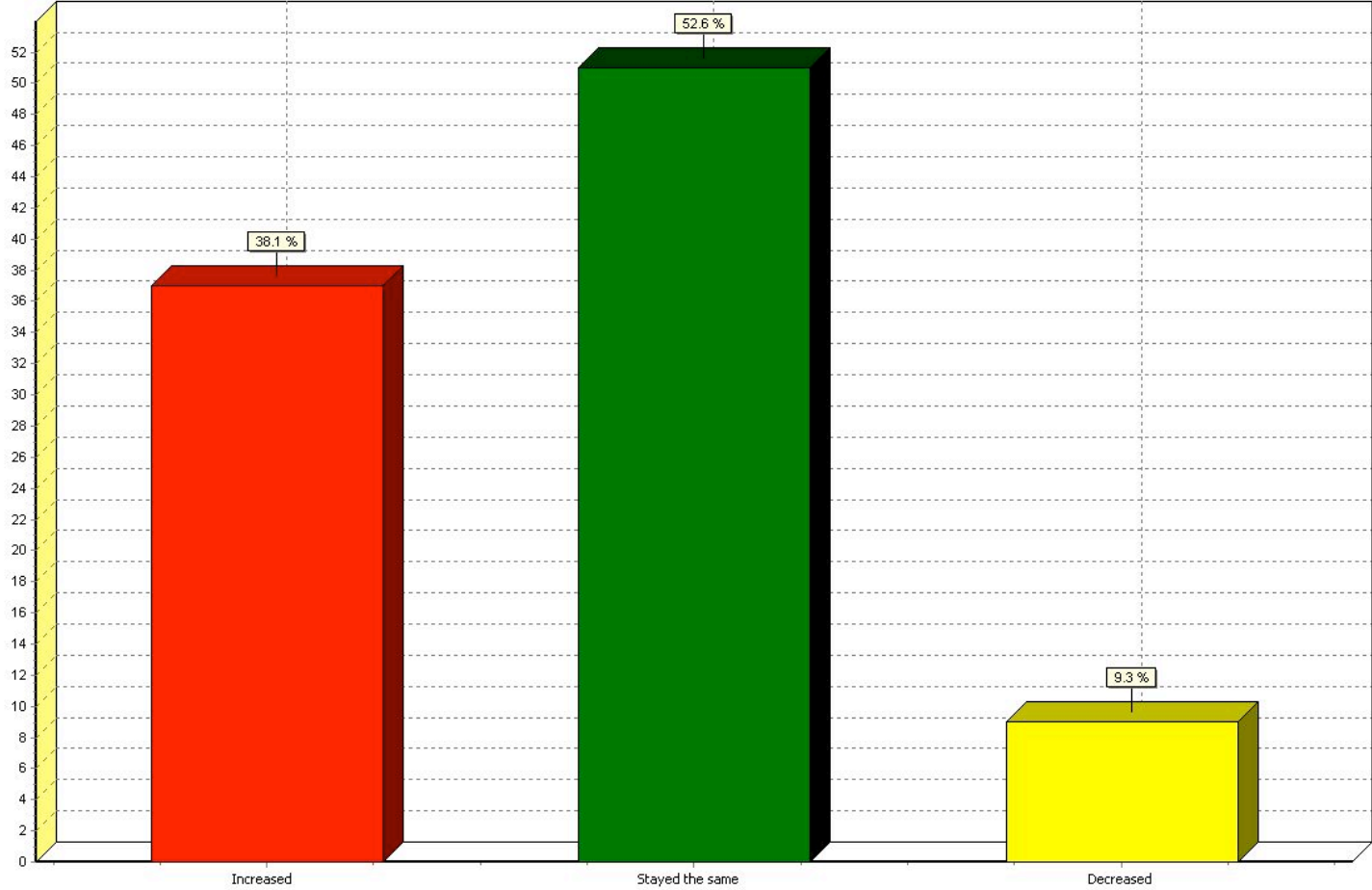
Comment Responses:

- What about DRTV? s/b listed

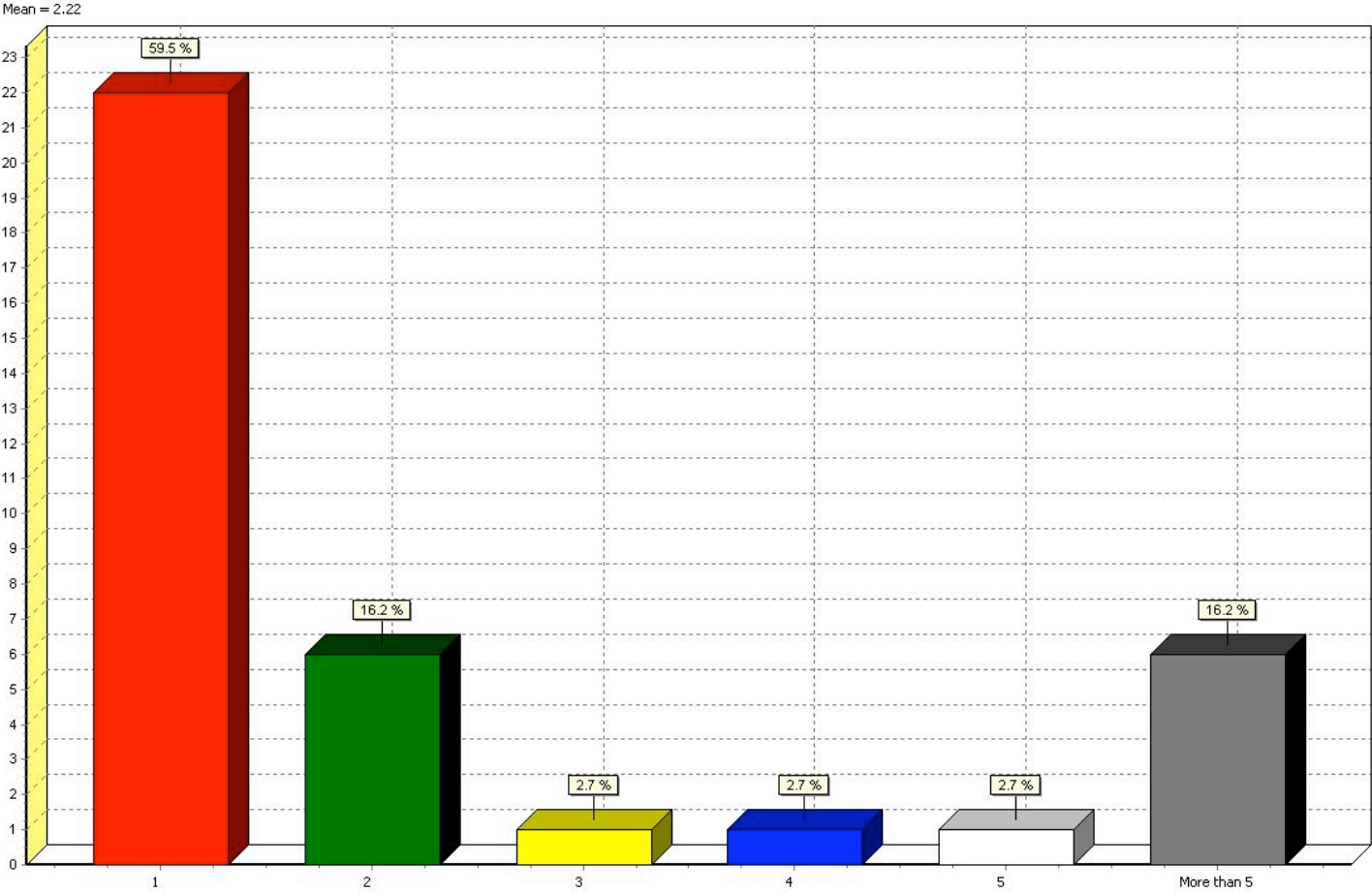
5) How many base (or primarily all-new) catalogs do you produce in a year?



6) When you compare the current year to last year, did the number of your base catalogs (primarily all-new) increase or decrease?



7) How many more base catalogs do you have in the current year compared to last year?



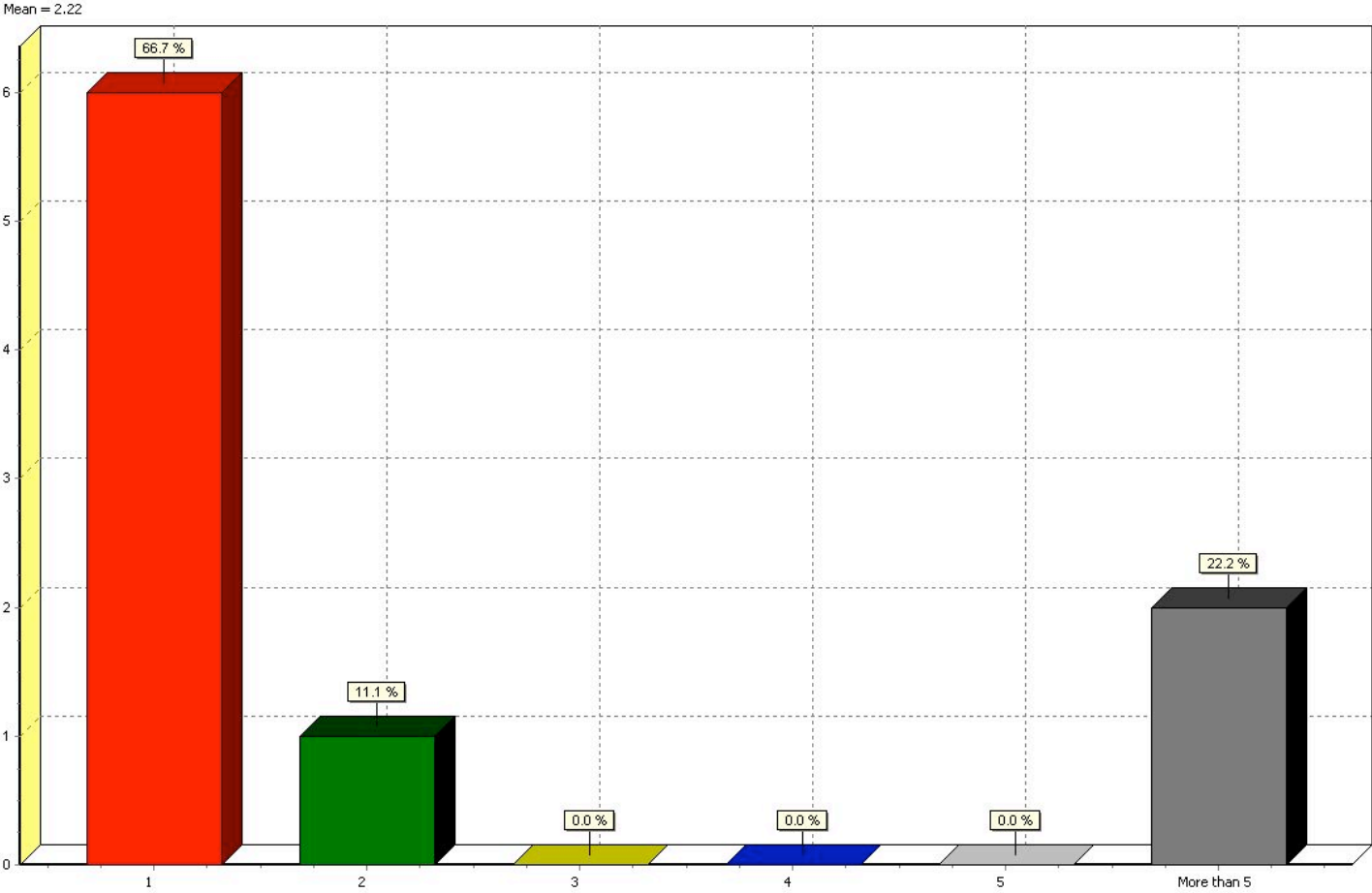
8) Can you please briefly tell us why the amount of your base catalogs increased?

- More products, more market segment insight
- Our old/previous marketing director didn't get out a catalog last year. We expect the new marketing director to be able to produce one this year
- Wanted to put more new merchandise in front of the consumer.
- Added a sale catalog
- We are new owners of an old brand, and implemented a new contact strategy
- Our company is growing at about a 25% rate each year.
- Additional mailing opportunities
- Separated products that were previously in the same catalog into a smaller catalog to save on mailing costs
- We went from a B-2-C cat w/ 40-50 items and added a B-2-B wholesale catalog with discount pricing for consumers, 60-80 items. But always pointing to more selections on web site.
- To hit our housefile more often.

8) Can you please briefly tell us why the amount of your base catalogs increased? Cont'd

- Advice from our consultant.
- Because I'm in the e-products market and there's a lot of people in the world that wants to know products on the internet using e-catalogues.
- We separated our two main product categories into different catalogs.
- new title added
- Our company was bought
- New catalog start-up program; none produced in the past.
- First year sending catalogs
- New Graphic Designer more Knowledgable of the products that are in the ads.. Which in turn can produce more 4 times the print media than a non-product knowledgable Graphic Designer can with almost zero corrections. Corrections have delay our production of all our advertising in the past..
- Separated out training materials from our standard books
- Added a new title.

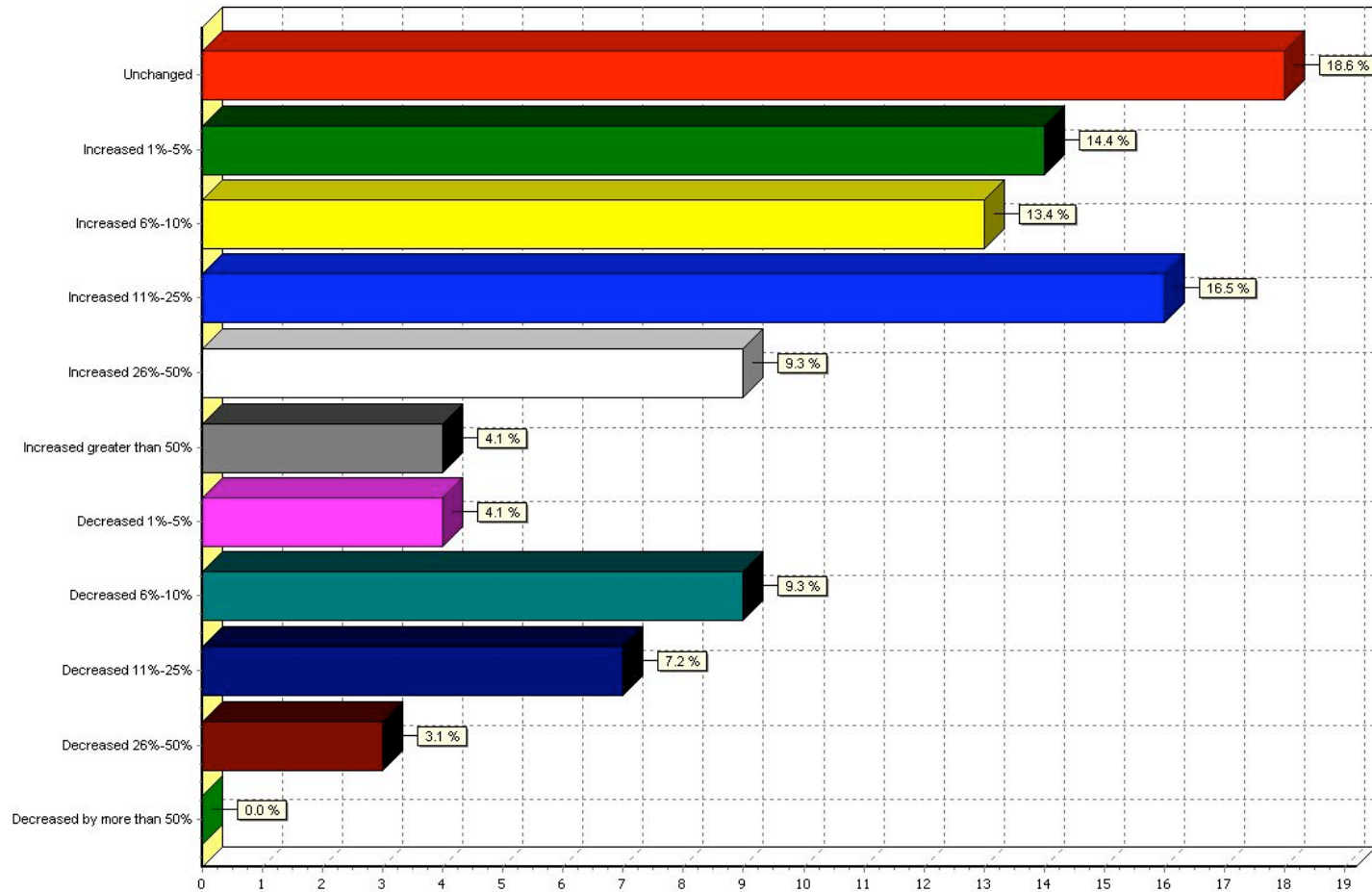
9) How many fewer base catalogs do you have in the current year compared to last year?



10) Can you please briefly tell us why the amount of your base catalogs decreased?

- Our product is very seasonal and based on holidays & occasions. We shortened St Pats & Easter into a single drop since they are so close together in March, 2008.
- We do more re-mails
- Economics
- mailed too heavy LY. 2007 goal was to be more efficient without sacrificing too much demand.
- We produced catalogs monthly with incremental changes. Savings in print production and make ready costs were significant, and our changes are more strategic, all though less responsive to changes. Locking in prices for 3 mths vs. monthly.
- Insufficient new products to warrant new catalog
- Paper increase, postage increases, we needed to be more efficient with the catalogs we sent.

11) By how much is your circulation changing this year compared to last year?



12) Can you please briefly explain why your circulation increased, decreased or remained level this year compared to last year?

(Those that answered “Increased”)

- House File Growth
- While some seasons are down compared to ly November & December are up due to more aggressive prospecting.
- More prospecting.
- We have gotten new customers via our website and other ads
- Business has increased
- Increased product awareness of one product that is sold by other channels not controlled by our company
- To grow sales.
- Growing customer base
- Good names available - want to grow business
- Wanted to get more customers
- More mailings, larger house file
- Rented new lists

(Those who answered “Increased”) Cont’d

- Increased business and lead generation (catalogs.com)
- Increased prospecting
- To grow sales.
- Increased efforts to gain customer names in retail stores. Buying larger lists.
- One of our titles was just launched last year, so we are ramping up circulation a lot (more than doubled). The other title is growing about 10%.
- Purchased a couple of new mailing lists.
- Because of massive use of internet.
- Conscious decision to grow circ.
- We have been aggressively building our housefile.
- We're still a young catalog in growth mode. Despite circ increase, our prospecting % to total has fallen from 80% to 75%.
- We are testing new lists.
- Would like to increase more, but new customer acquisition is not doing well enough.
- Our company was bought
- Added Co-Op test
- New titles

(Those who answered “Increased”) Cont’d

- Did not mail catalog last year.
- First year
- Only increased a small amount, due to postage increase and subsequent cut-backs in prospecting.
- More prospecting
- We are using outside test lists after finding they have been successful.
- Purchase of mailing addresses and direct catalog request
- Increased due to production level of our graphic designers product knowledge. Able to produce 4 times the print media than 3 average designers can.
- Paper increase, postage increases, we needed to be more efficient with the catalogs we sent
- New requesters.
- Extended our target market reach
- Last year we charged \$2.00 for our catalog. This year it is free, and more people are signing up to receive it.
- Added new title. Another is reaching "critical mass".

12) Can you please briefly explain why your circulation increased, decreased or remained level this year compared to last year?

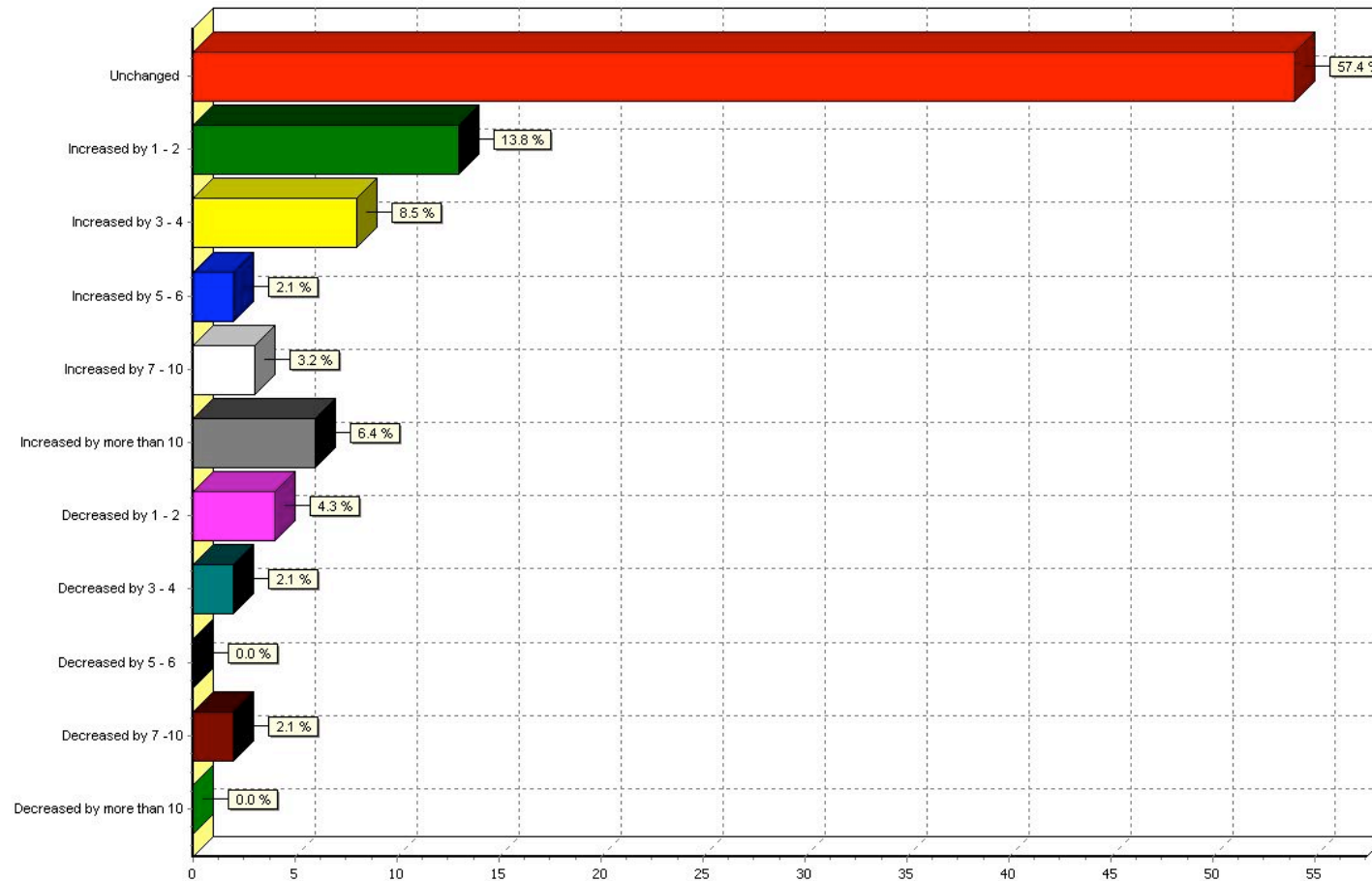
(Those that answered “Decreased”)

- Mailing costs
- Paper, postal increases. We are moving to more online marketing
- Delay on new products
- We dropped a higher percentage of non-active names from our list.
- Produced a new, heavier book that costs more to produce and mail. Cut circ to keep costs down for the first year of the new book.
- Increasing postage costs, and potential paper cost increases.
- Cut prospecting, cut marginal circ
- Postal increases
- Postal Increase has caused us to reduce the number of marginal segments we mail
- Mailing costs...
- Customers prefer web site
- Not cost effective

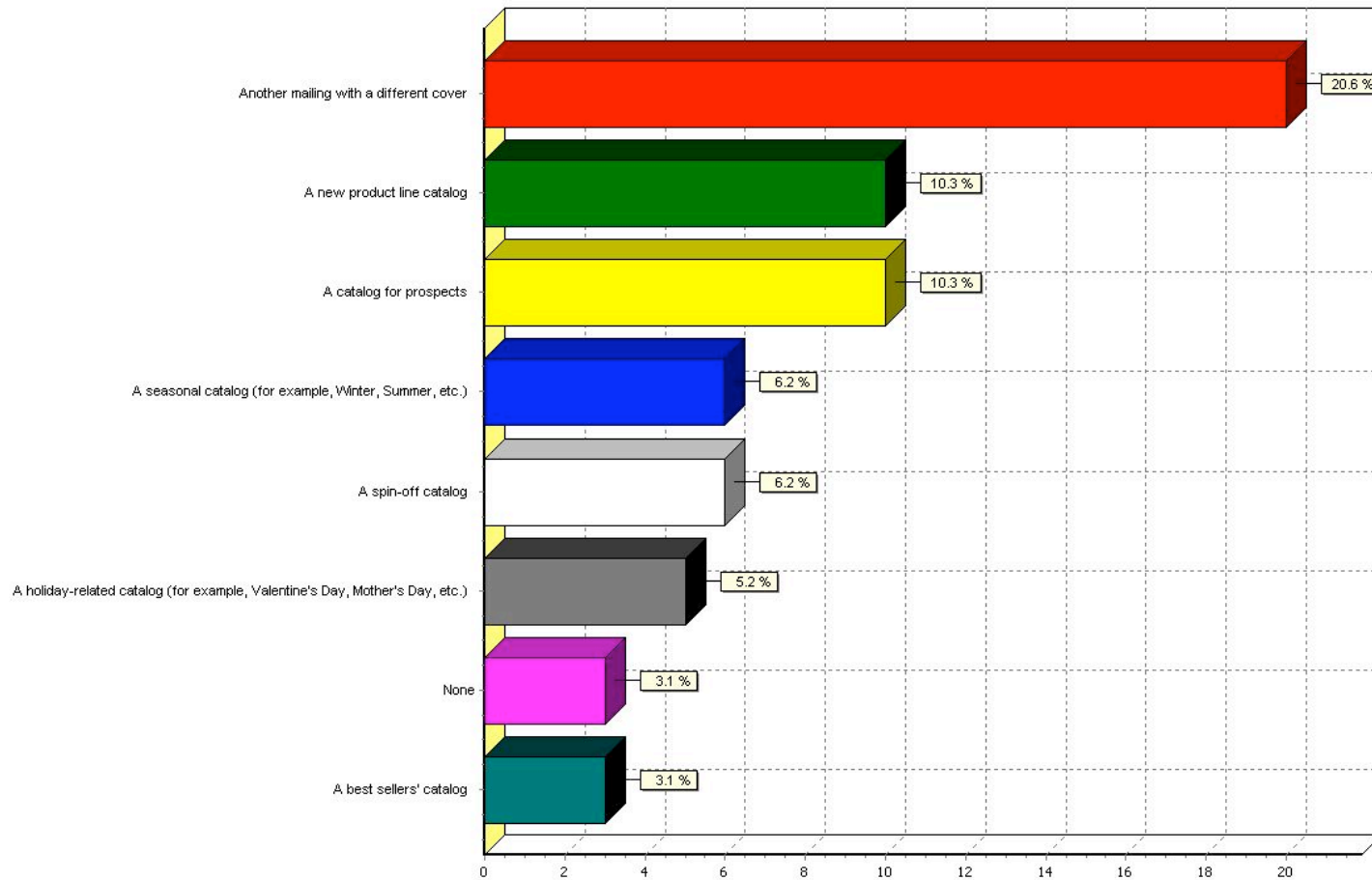
(Those who answered “Decreased” Cont’d

- Not postage related - efficiency and contribution related.
- Decrease circulation to offset postage increase
- More focus on post card mailings to get customer to web site.
- More targeted
- Tightened up on circulation to increase productivity.
- Postage increase and cutting out ineffective lists lead to decrease.
- I do not have those figures as I am more in the production and promotion end of the catalog concern, but the goal is to have the consumer go to our online catalog so I assume the circulation has dropped.
- Less prospecting.
- More people are opting for email delivery.
- Postage increase

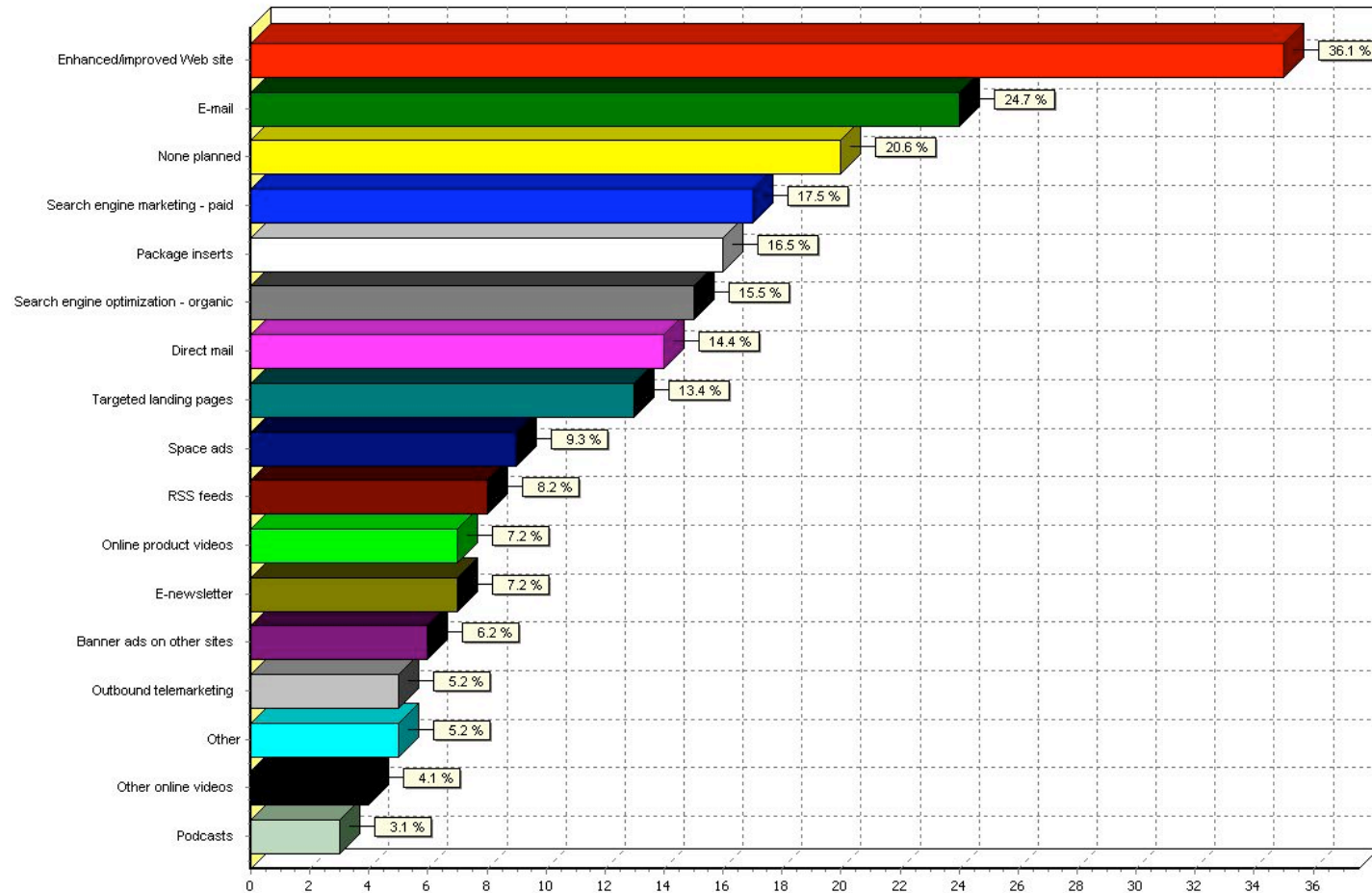
13) By how much is the amount of your catalog drops changing compared to last year?



14) What types of drops did you add this year? (Please select all that apply.)



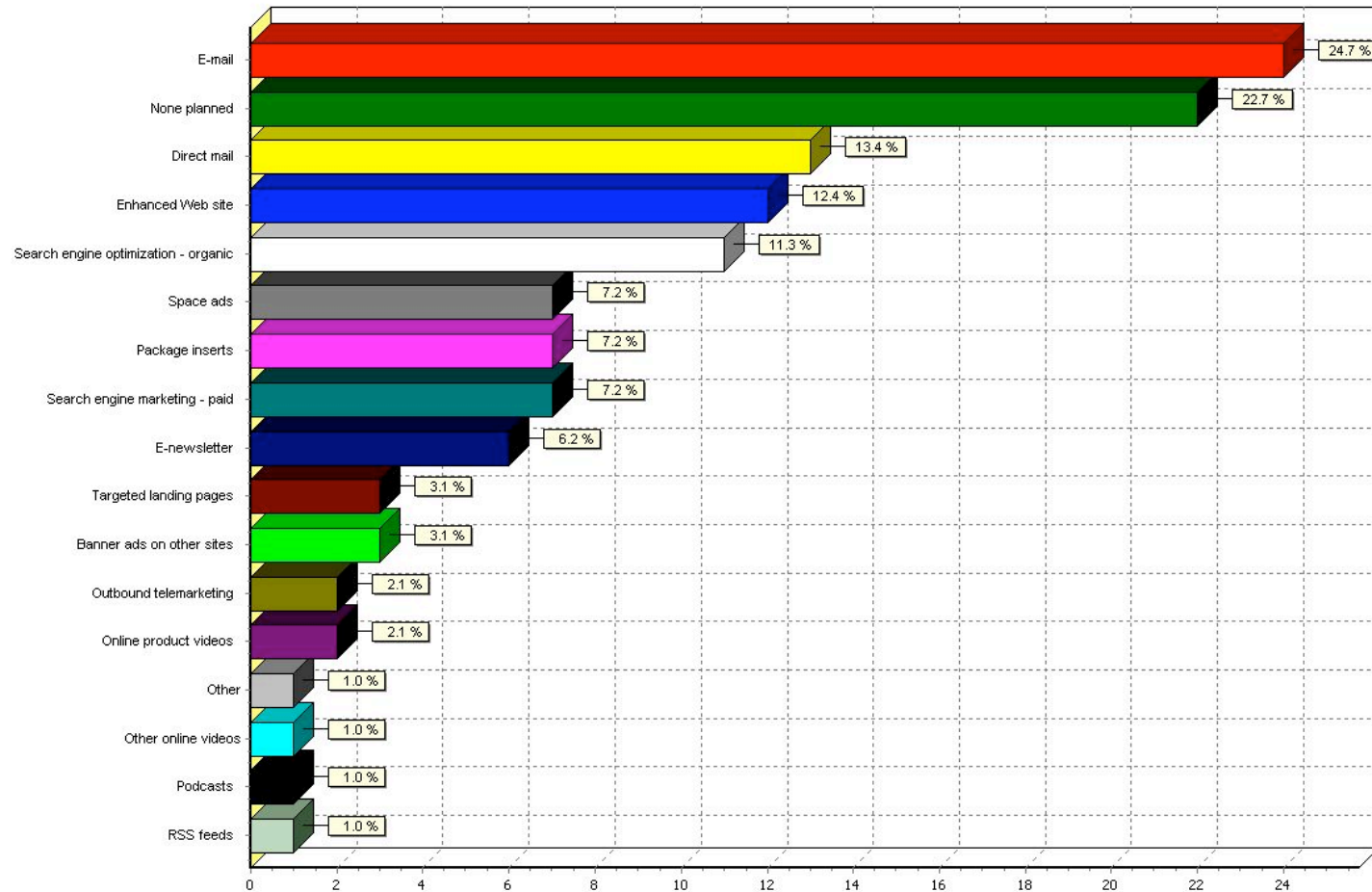
15) What other types of NEW marketing efforts are you planning to add to your overall program in the near future? (Please select all that apply.)



Other Responses:

- Other Social Media marketing
- We are improving our website
- Online catalog
- Amazon and E-Bay stores

16) What other types of marketing efforts are you using to replace the eliminated catalog drops? (Please select all that apply.)



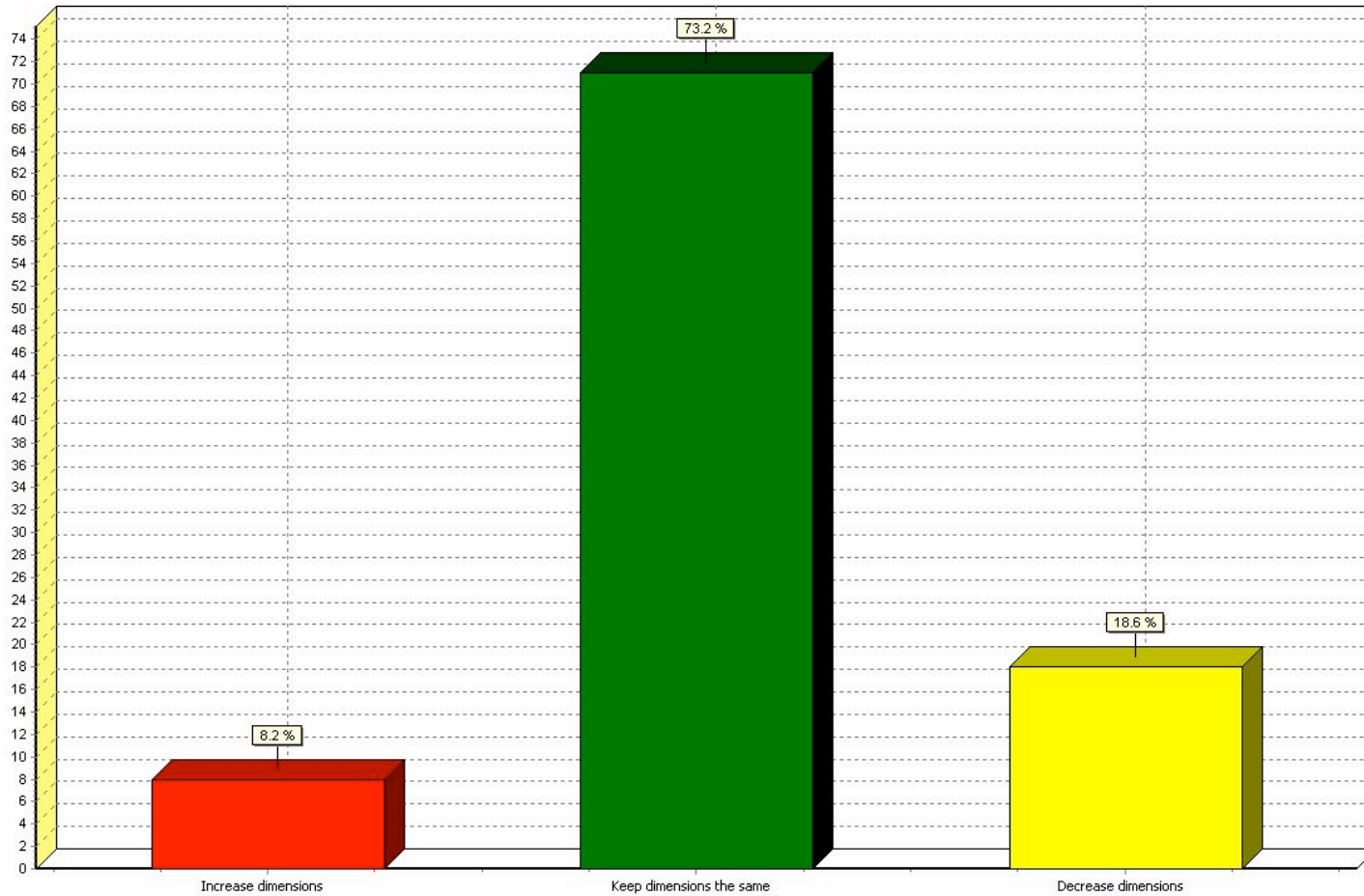
Other Responses:

- Other titles

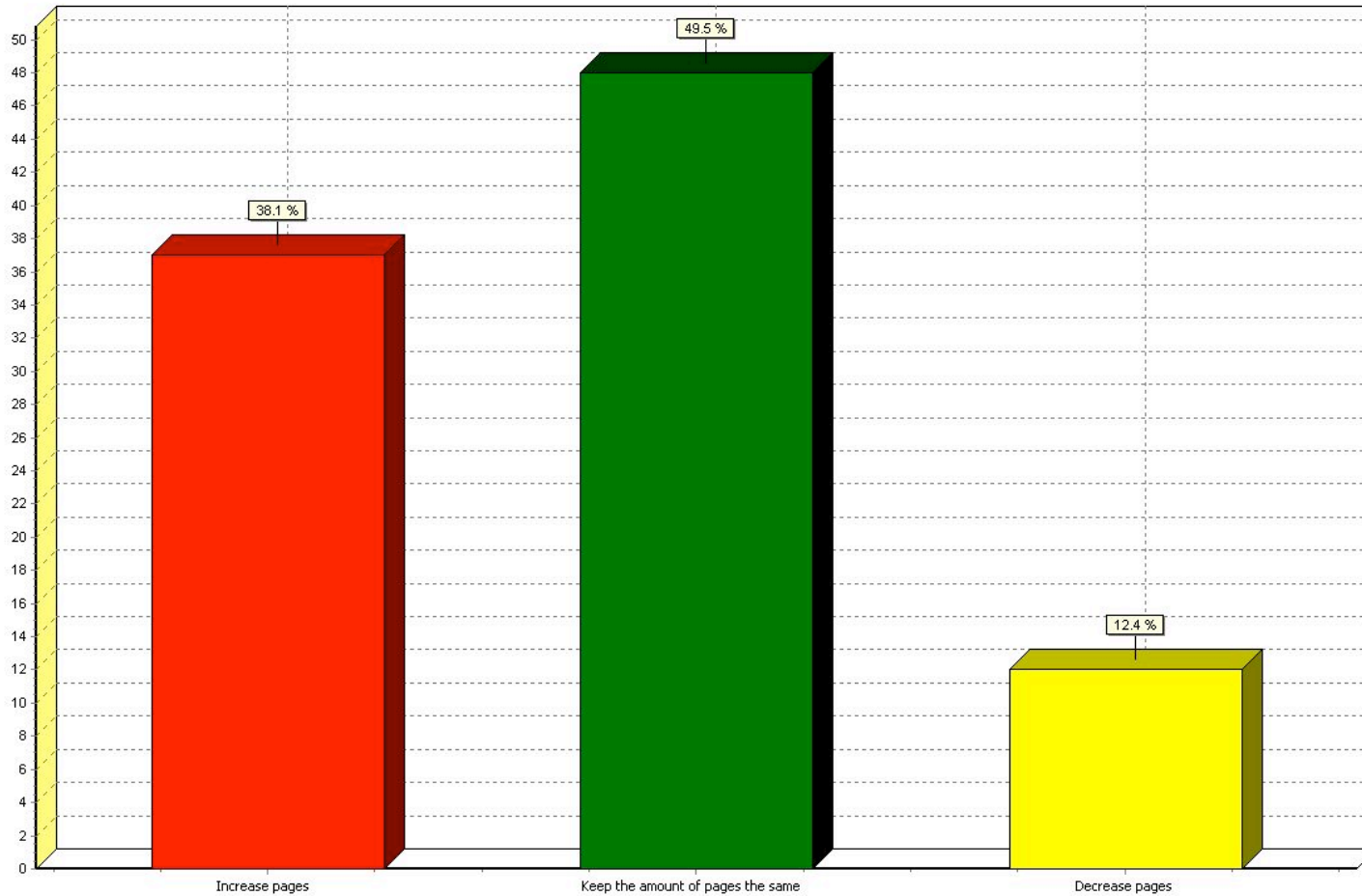
Comment Responses:

- Some will be eventually implemented

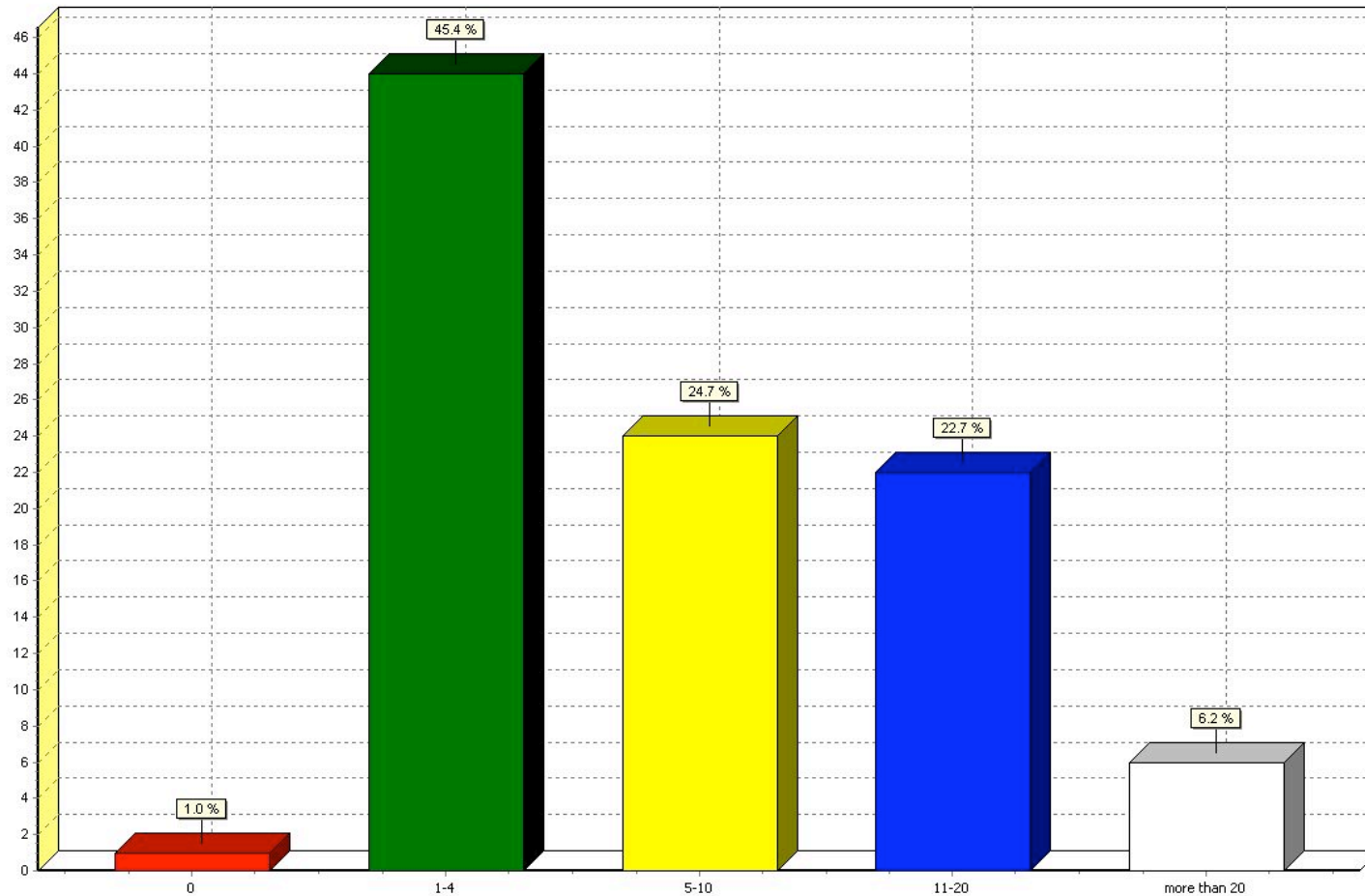
17) This year, have you or will you change the dimensions (trim size) of your catalog?



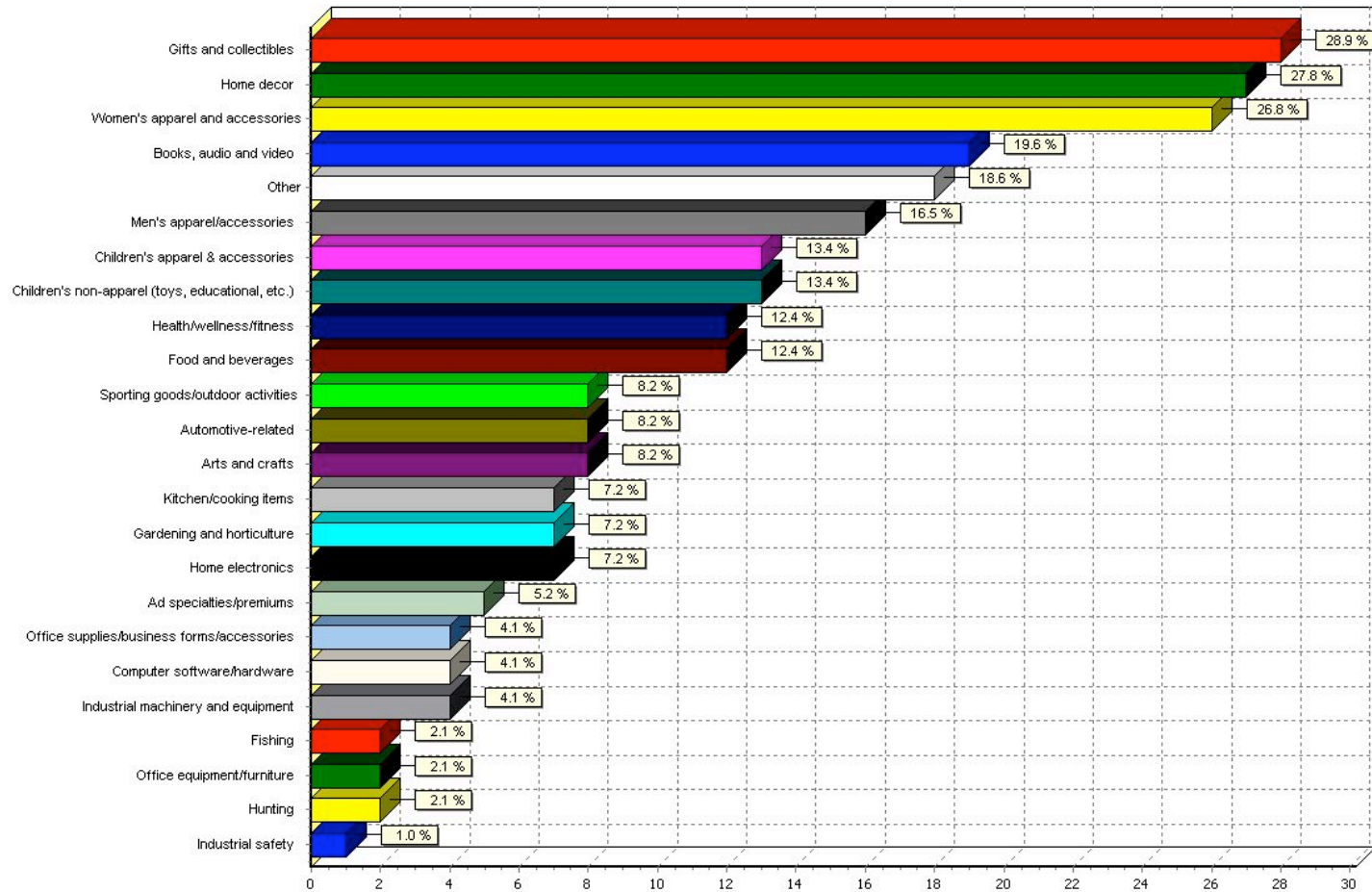
18) Compared to last year, how will your total catalog page count change?



19) How many times per year do you mail your catalog to your best customers?



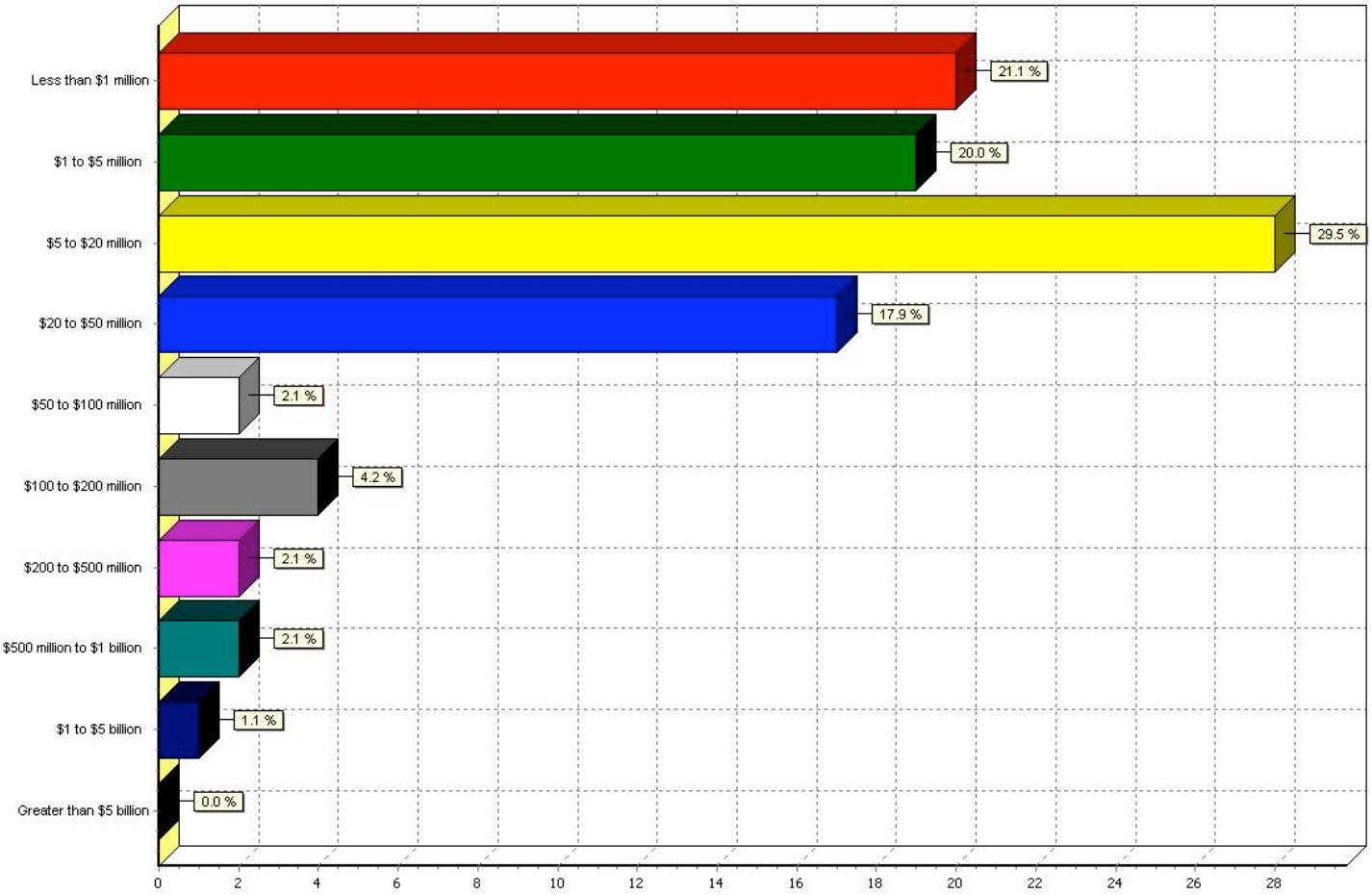
20) Please indicate which product category best describes what your catalog sells. (Please select all that apply.)



Other Responses:

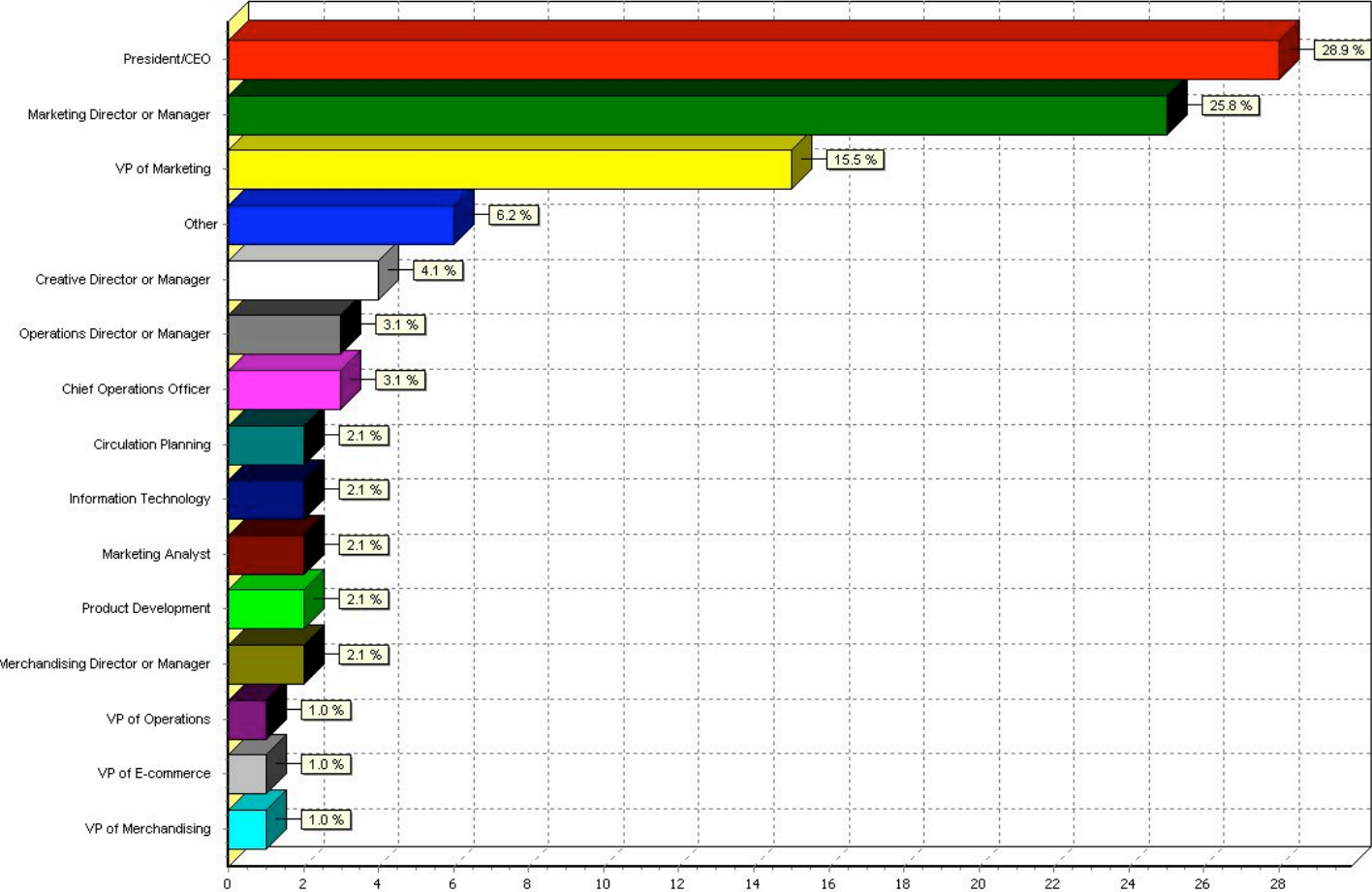
- Fretted musical instruments & accessories
- LED Lighting Products
- Handmade art from developing countries
- Woodworking
- Tools
- Pet Supplies
- Knitting/Weaving yarn and supplies
- Women's and Men's Apparel
- Music Education & Gifts
- Jewelry
- Books
- Hobby
- Animal health-care products
- We are a themed entertainment brand
- Handcrafted jewelry
- Printing industry education and trade
- Open-pollinated heirloom seeds
- Senior aides

21) Please indicate your annual combined catalog- and Web-based sales.



22) Please select which job description best describes your role with your company.

Please select which job description best describes your role with your company.



Other Responses:

- Quantitative Analyst
- VP Direct Sales
- Also the owner, along with my husband
- General Manager
- Owner
- Co-operative co-worker/owner