

2007 Meat Snacks Category



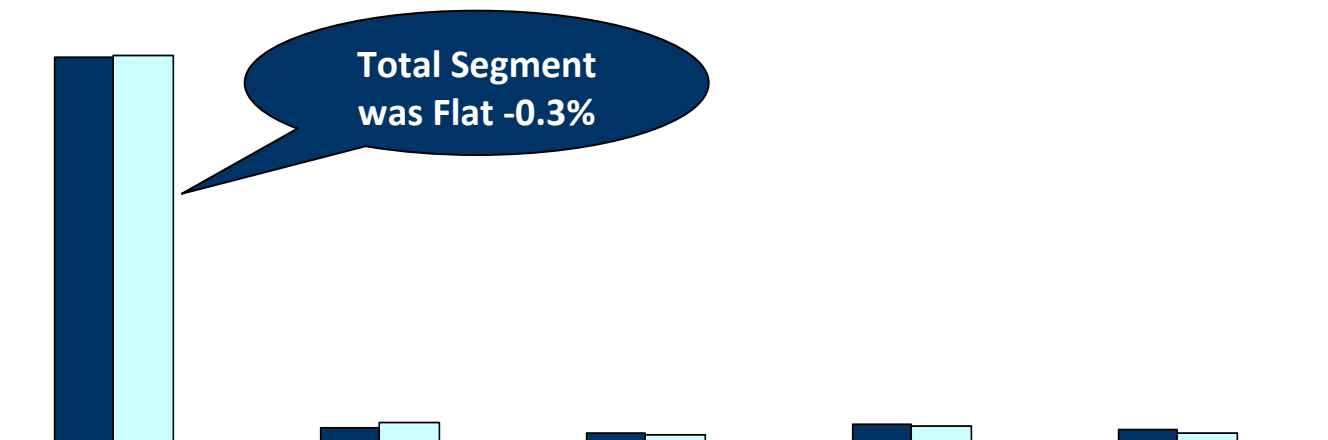
**POWER
HUNGRY
FOODS**



Snack Sticks – Brand Dollar Sales Trends

Oberto (-29.1%), **Bridgford** (-12.3%) and **All Other** (-30.9%) posted significant sales gains.

- While **Slim Jim** dollar sales were flat, **Jack Link's** once again showed impressive sales growth (+37.8%), attributable to its **X-Sticks eXtreme** --as an entrant in an energetic lifestyle but with no performance promise.



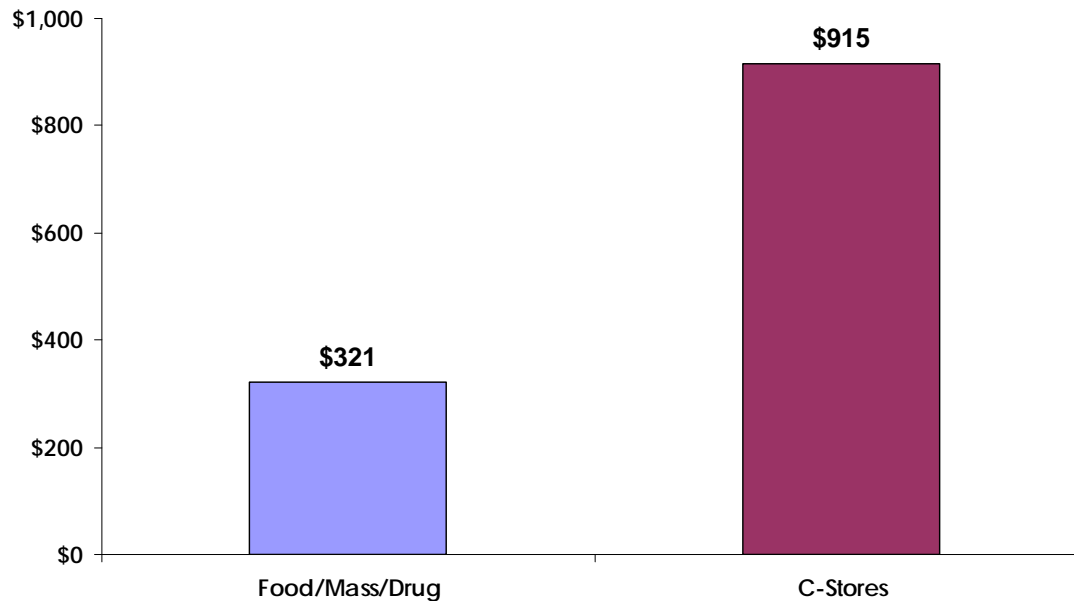
	SLIM JIM	JACK LINKS	OBERTO	BRIDGFORD	ALL OTHER
2006	\$44,183,738	\$1,609,044	\$1,032,892	\$2,027,977	\$1,335,308
2007	\$44,367,372	\$2,216,521	\$731,993	\$1,779,103	\$923,200
% Chg	0.4%	37.8%	-29.1%	-12.3%	-30.9%

Total Meat Snacks – C-Stores

Meat Snacks is an important category in the **C-Store** class of trade . . . Dollar sales (\$915 million) are nearly 3 times the size of dollar sales in Food/Mass/Drug channels (\$321 million) . .

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**Total Meat Snacks – 2007 Retail Dollar Sales
(millions)**

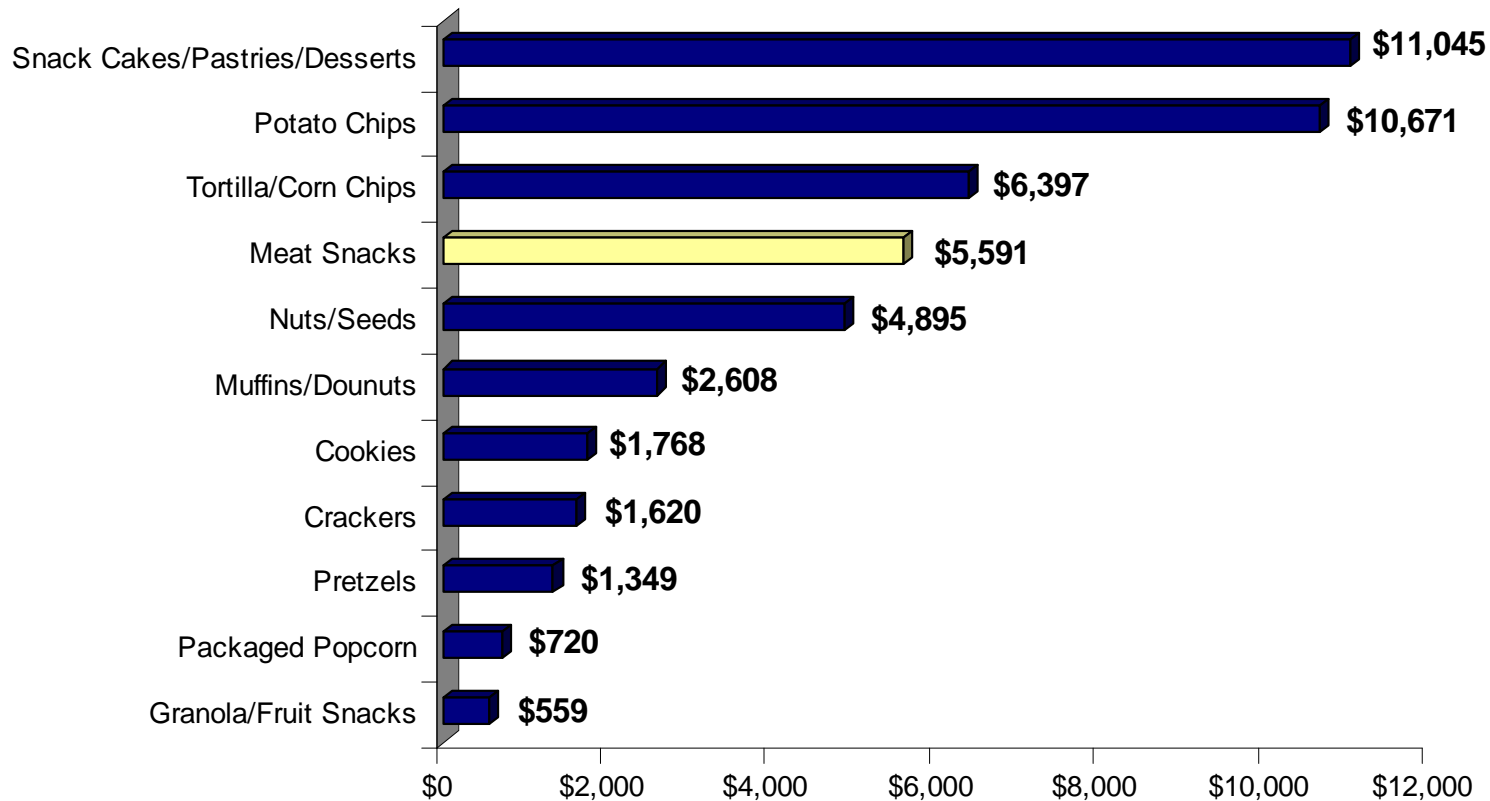


Source: IRI - 52 Weeks Ending Aug 12, 2007 - Total C-Stores

Total Meat Snacks – C-Stores

In fact, among all snack items in **C-Stores**, the Meat Snacks segment ranks 4th in retail sales . . .

Total Snacks Category – C-Stores 2006 Average Retail Store Sales

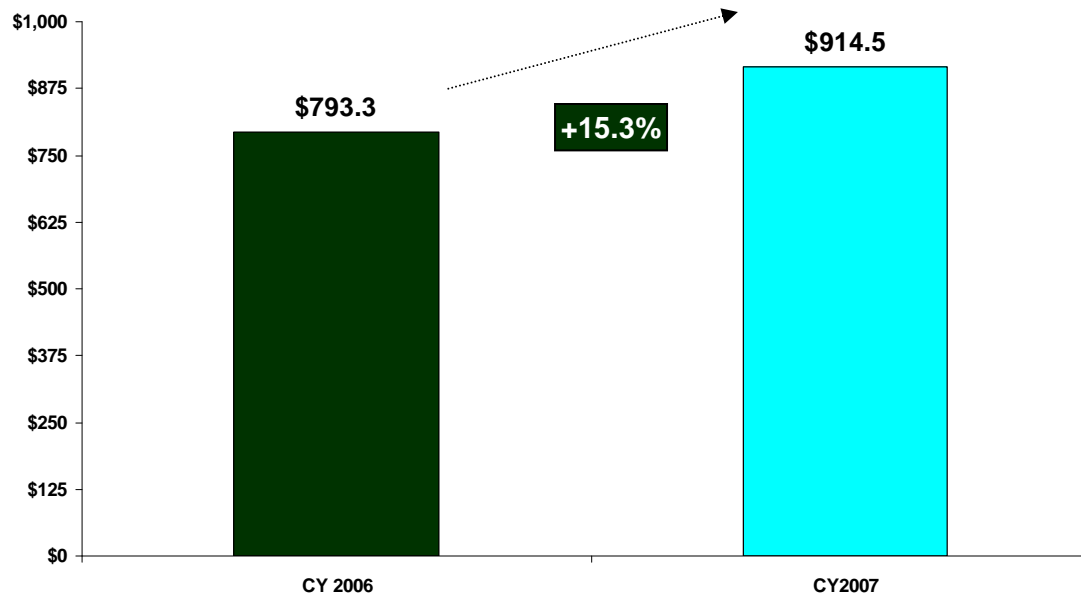


Source: 2007 State of the Industry – NACS Annual Report

Total Meat Snacks – C-Stores

Unlike **Food/Mass/Drug** channels, Meat Snacks in **C-Stores** posted a significant dollar sales gain . . . +15.3%, from \$793.3 million to \$914.5 million.

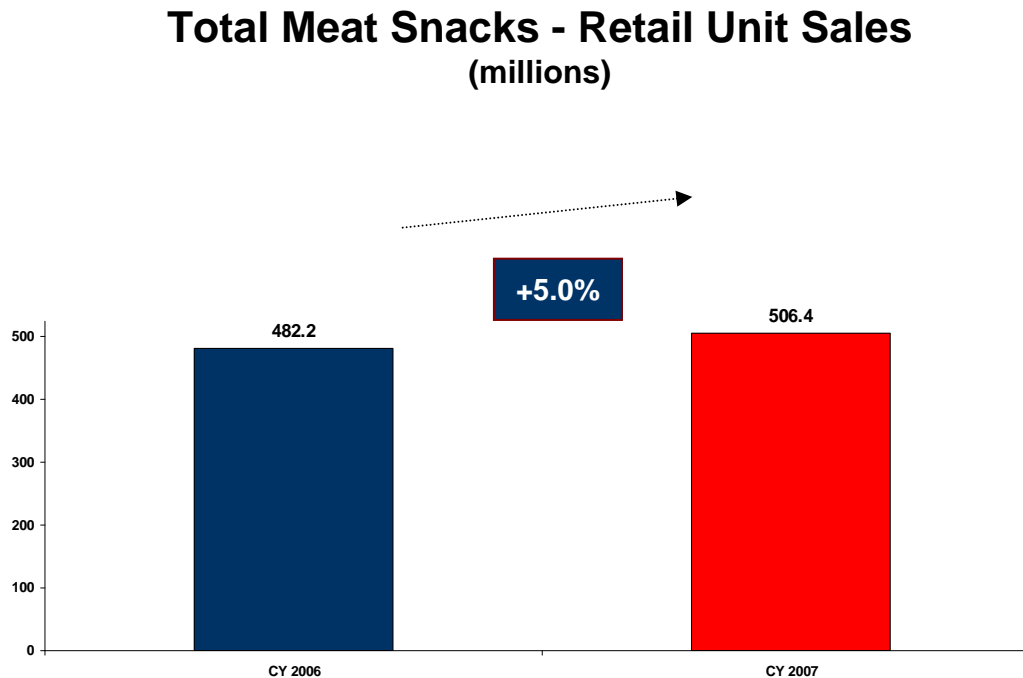
Total Meat Snacks - Retail Dollar Sales
(millions)



Source: IRI - 52 Weeks Ending Aug 12, 2007 - Total C-Stores

Total Meat Snacks – C-Stores

Total Meat Snacks unit sales also grew, albeit at a lower rate (+5.0% vs. 15.3%) . . .



Source: IRI - 52 Weeks Ending Aug 12, 2007 - Total C-Stores

Total Meat Snacks – C-Stores

Even more so than the Food/Mass/Drug channels, The Meat Snacks Category is highly competitive and fragmented in C-Stores . . .

Brands: 236

Varieties: 2,341

In addition to about 10 core national brands, there are countless local and regional brands sold throughout the U.S. market.

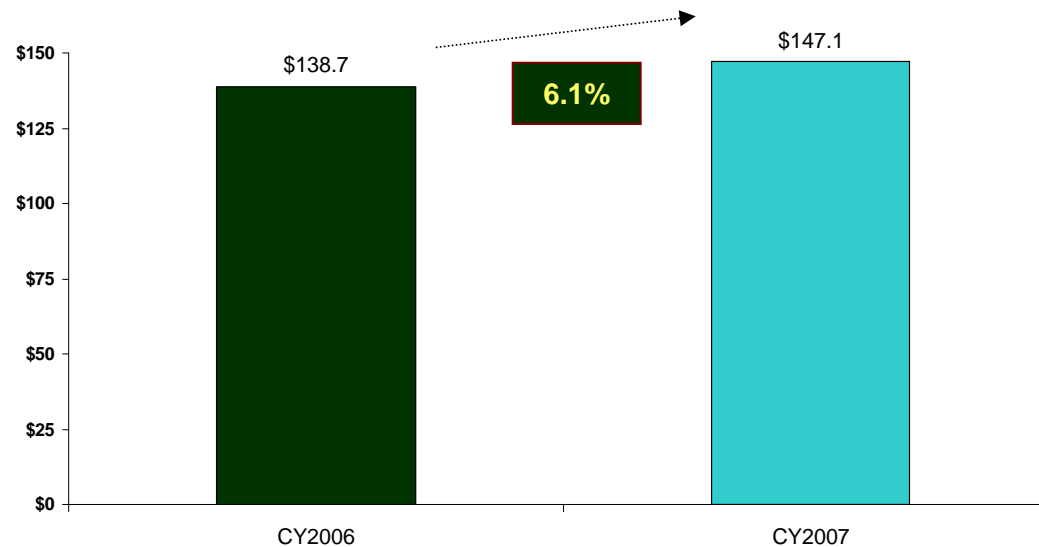
This fragmentation, combined with the impulse purchase nature of meat snacks, results in very little brand loyalty in the category; thus providing an immense opportunity for the introduction and expansion of **Proprietary, New Extensions and Eye Popping brands.**

Snack Sticks – C-Stores

The Snack Sticks Segment grew by 6.1% in dollar sales . . .

**THIS IS THE 1ST PLACE FOR MERCHANDISING AND DISTRIBUTION OF ENERGY
ENHANCED SINGLE SERVE BEEF STICKS!**

Snack Sticks - Retail Dollar Sales
(millions)

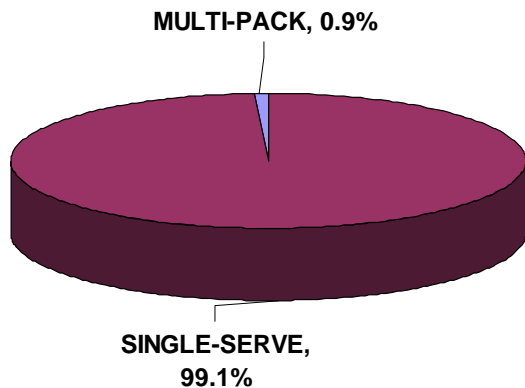


Source: IRI - 52 Weeks Ending Aug 12, 2007 - Total C-Stores

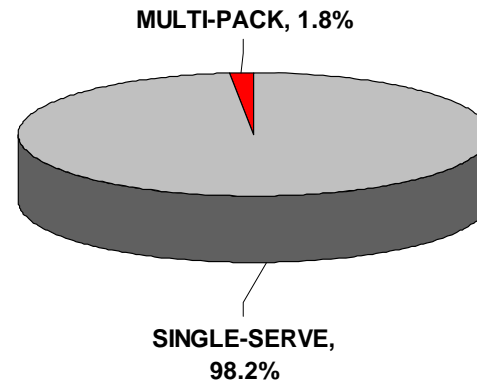
Snack Sticks – Package Type Importance

Virtually all of Snack Sticks sales are in the form of **Single Serve** varieties in C-Stores . . . **NOTE!**

**Snack Sticks
Package Type Unit Shares**



**Snack Sticks
Package Type Dollar Shares**



Snack Sticks – Top Ten Sales Rates

The top variety **sales rate rankings** (\$ Sales Per ACV Point) reflect **dollar** sales rankings, with the exception of the inclusion of Slim Jim's **0.97 oz. Sweet & Spicy flavor** and the **smaller sizes of the Regular flavor** (0.44 oz. and 0.64 oz.) .

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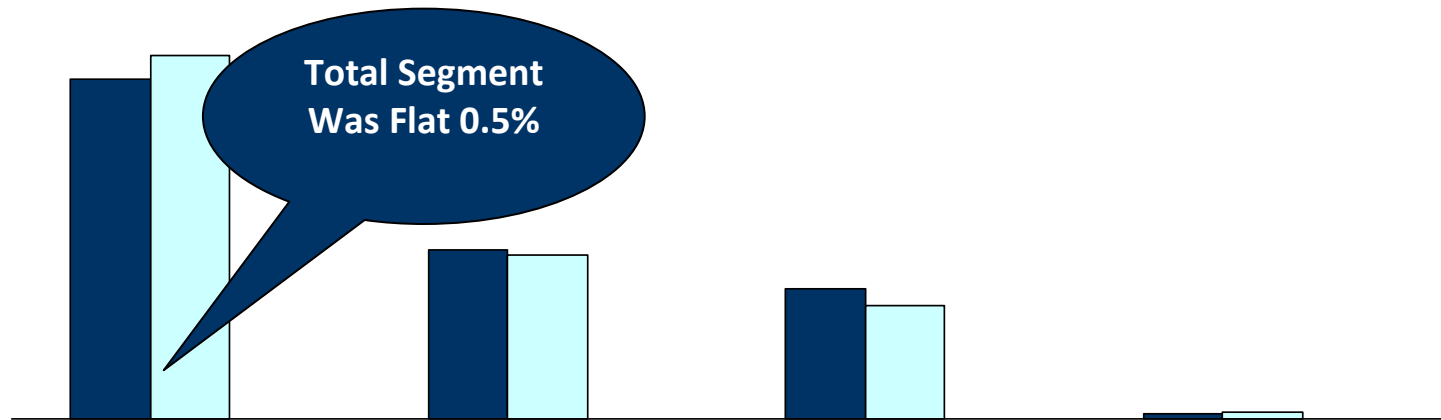
SNACK STICKS ITEM	RANK	% ACV	\$ SALES PER ACV POINT
0.97 OZ. SLIM JIM REGULAR SINGLE-SERVE SPICY SMOKED SNACKS	1	77.0%	\$494,642
0.97 OZ. SLIM JIM MILD SINGLE-SERVE SPICY SMOKED SNACKS	2	59.0%	\$314,378
0.44 OZ. SLIM JIM REGULAR SINGLE-SERVE SPICY SMOKED SNACKS	3	7.5%	\$308,110
0.97 OZ. SLIM JIM NACHO SINGLE-SERVE SPICY SMOKED SNACKS	4	50.0%	\$245,139
0.97 OZ. SLIM JIM TABASCO SINGLE-SERVE SPICY SMOKED SNACKS	5	60.7%	\$243,737
1.94 OZ. SLIM JIM REGULAR MONSTER STICKS	6	24.1 %	\$221,447
0.64 OZ. SLIM JIM REGULAR SINGLE-SERVE SPICY SMOKED SNACKS	7	18.0 %	\$191,153
1.25 OZ. JACK LINKS REGULAR X-STICKS	8	38.3%	\$190,370
0.97 OZ. SLIM JIM SWEET & SPICY SMOKED SNACKS	9	12.5 %	\$186,276
0.97 OZ. SLIM JIM PEPPERONI SPICY SMOKED SNACKS	10	28.9%	\$180,798

Note: Above list includes items only with 5% or more ACV Distribution Levels

Source: IRI - 52 Weeks Ending Aug 12, 2007 - Total C-Stores

Beef Sticks – Meat Type Trends

Beef (+7.1%) is the only major Meat Type to register a sales gain . . .



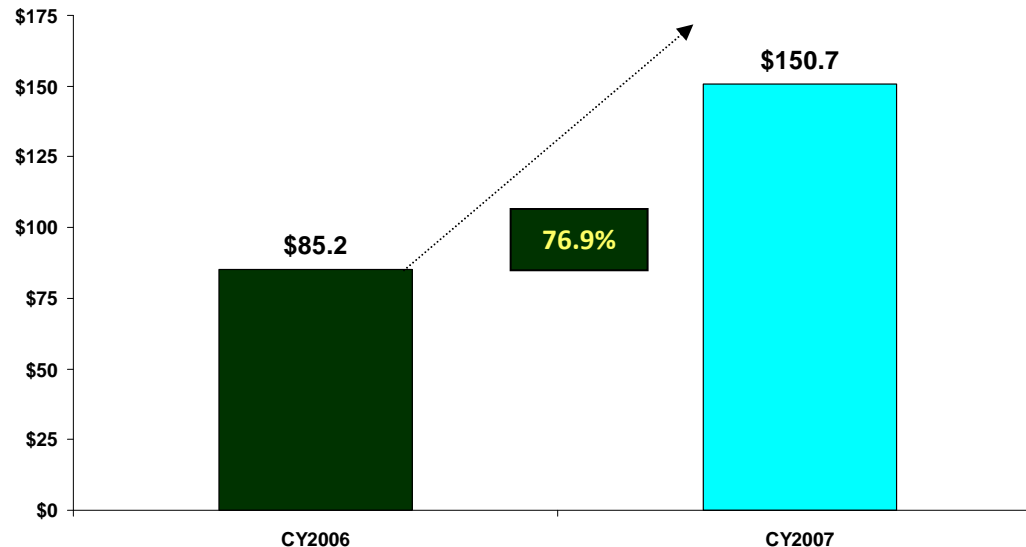
	BEEF	BEEF & PORK	PEPPERONI	ALL OTHER
2006	\$22,792,749	\$11,355,104	\$8,729,747	\$386,294
2007	\$24,406,585	\$11,049,939	\$7,631,244	\$408,898
% Chg	7.1%	-2.7%	-12.6%	5.9%

All Other – C-Stores

Through the ongoing introduction and progression of **new products**, the **All Other Segment** was up by 76.9%, from \$85.2 million to \$150.7 million . . .

C-STORES HOLD GREAT PROMISE FOR ENHANCED MEAT STICKS FROM PHF!

Total All Other - Retail Dollar Sales
(millions)



Source: IRI - 52 Weeks Ending Aug 12, 2007 - Total C-Stores