

Harby and David
Delicious since 1934

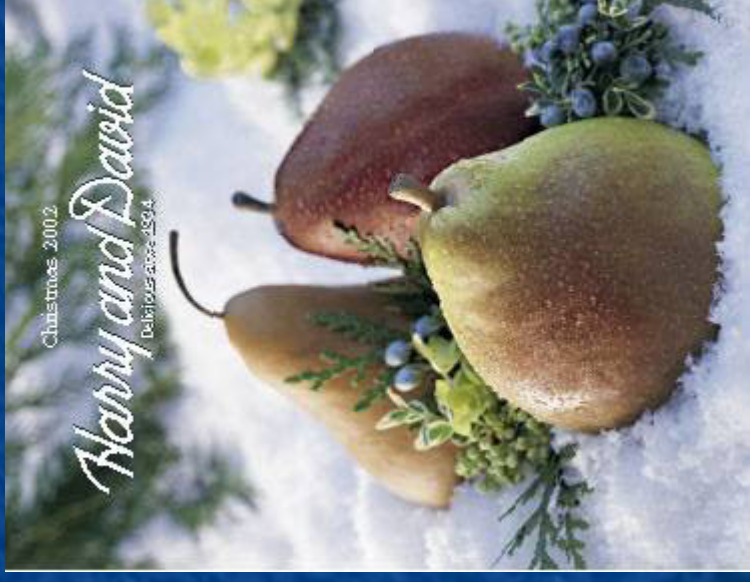
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Director, Marketing
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Not all that wander are lost

JRR Tolkien

Harry and David

America's largest mail marketer of gourmet gift fruits, chocolates, baked goods, and home décor accessories



Customer Demographics

- 88% Homeowners
- 80% female
- 51 median age
- \$90,000 Household income
- Acquire over 700 thousand new customers

Interesting Facts

- 85% of product sold are designed, grown, manufactured and packaged by us
- Mail more than 90 million catalogs
- Ship over 7.5 million packages
- 32 million truffles made
- 1.6 million towers

Interesting Facts

- Harvest 13 thousand tons of Royal Riviera pears
- Farm 3,400 acres of our pears; world's largest producer of Comice pears



Harry and David Timeline

- 1886 - Founded as Bear Creek Orchards
- 1914 - Brothers, Harry and David take over the family orchard
- 1934 - Harry and David established as first gourmet fruit direct mail company
- 1966 - Purchase Jackson & Perkins

Multi-channel Timeline

- 1991 - First store other than our flagship opens
- 1997 - Launch our websites
- 1999 - Catalog mailings pass the 70mm mark
- 2002 - Over 100 stores are opened

Alternative Media

Non direct mail marketing for the purpose of increasing the reach of a brand to attract new customers

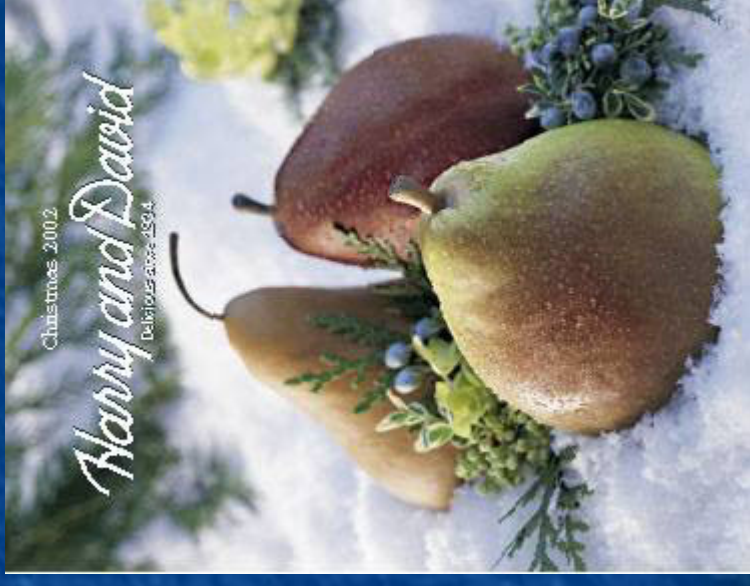
Multi-channel Marketing

- Catalogs
- Stores
- Internet
- Wholesale
- B2B
- Outbound Telemarketing



Channel All Stars

- Catalog
 - Mail 90 mm catalogs
 - 10 Promotions
 - 1.8 MM 12-month
 - Marketing Database



Reach Advertising

- DRTV
- Package Inserts
- Newspaper Inserts
- Home Shopping Network
- Sweepstakes

Channel All Stars

- Stores
 - Over 130 Stores
 - 700 thousand customers captured
 - 40% capture rate
 - Upscale malls and outlet centers



Stores Alternative Media

- Bulk Catalogs
- Loyalty Program
- Direct Order Placement

Channel All Stars

- Internet
 - 35% of total sales
 - Portals
 - Affiliates
 - Amazon
 - Online media
 - Paid search



Keys to Success

- Track the source of sales as accurately as possible
- Significant Roll Out Potential
- A customer needs variety and choice

Keys to Success

- Marketing and Merchandising must be consistent
- Plan and integrate the timing of *all* promotions
- Lay out the years schedule and contact strategy

Key Measures

- Monitor response accurately
- Use a ROI and LTV approach
- Cost per New Customer
- You must track sales by channel
- You must have the ability to match internet sales to media source

Key Measures

- Assess influence on other marketing media
- Create a Marketing Database: one for all channels
- Conduct extensive testing

Thank you for attending

