



***Kilwins 2012***  
***Fall Regional Meeting***  
***Welcome***

"Sweet in every Sense since 1947"



# ***Kilwins Fall Regional Meeting***

- Welcome
- Introductions
- Agenda



# ***Kilwins Fall Regional Meeting***

## ***Today's Agenda***

- New Franchisee Referral Program
- Franchise Agreement Renewal Update
- Brand Planning Calendar 2012 Results
- Nutcracker Christmas 2012
- Brand Planning Calendar 2013
- “ Truffle Spring”
- Taffy Program Phase II and III for 2013 – Scoop and Sell
- 3<sup>rd</sup> & 4<sup>th</sup> Quarter 2013
- Visual Merchandising Program & Zone Merchandising
- Commodity Costs / Premium Ingredient Pricing & Analysis



# ***Kilwins Fall Regional Meeting***

## **NEW STORES 2012**

Babylon, NY	John Murray	April
Grand Rapids, MI	Julie & Tim Calderone	May
Madison, WI	Nick Pastermack & Curtis Diller	July
Portsmouth, NH	Janette Desmond	Aug
Dayton-Beavercreek, OH	Delmar Mahlerwein Terry & Mike Hoggatt	Sept
Hyde Park, IL	Jackie Jackson/Kenneth Faulkner	Nov
Winston-Salem	Barry & Mardie Worst	Dec
Lake Worth Beach, FL	Raffy Ibrahim & Maria Matias	Qtr 1-2013
St. Petersburg, FL	Rolando Moya	Qtr 1-2013

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# Babylon, NY



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# Babylon, NY



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# Grand Rapids, MI



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# Grand Rapids, MI



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# Grand Rapids, MI



Julie and Tim Calderone

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# Madison, WI



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# Madison, WI



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# Madison, WI



Amanda and Curtis Diller

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# Portsmouth, NH



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# Portsmouth, NH



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## Portsmouth, NH



Sylvette Chenette and Janette Desmond

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## Dayton-Beavercreek, OH.



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## Dayton-Beavercreek, OH.



Debbie Filkins, Terry, Brent, and Mike Hoggatt

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# ***Kilwins Fall Regional Meeting***

## ***Kilwins Referral Recognition Program***

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## ***Kilwins Referral Recognition Program***

- Our Goal
  - Store Profitability
  - Rewarding Personally
- Program designed for System Growth and Brand Recognition
  - Increased Sales
  - Better Purchasing Power
  - More Efficient Distribution



## ***Kilwins Referral Recognition Program***

- Program Runs July 1, 2012 – June 30, 2013
- New Signed Franchise Agreement By New Franchisee
- At Time Of Store Opening
  - Recognized With A Check For \$2,500
  - 2<sup>nd</sup> Referral: \$4,000
  - 3<sup>rd</sup> Referral: \$6,000
- Wyckoff / Babylon
- Blowing Rock / Winston Salem







# Kilwins Franchise Agreement Renewal Process



# Kilwins Franchise Agreement Renewal Process

## Objective:

To provide a consistent process and criteria for renewing a current franchise agreement in terms of brand standards, operating standards and compliance with the franchise agreement.

To provide resources to assist franchisee with an easy and successful renewal and ongoing relationship.



# Kilwins Franchise Agreement Renewal Process

- Timeline
  - 12 to 18 month window prior to expiration
- Design and Brand Standards
  - Assistance in implementing current design, graphic and brand standards
- Operating Standards
  - Consultant to assist with operating standards aligned with the brand
- Capital Investment
  - Where necessary to attain current minimum brand design standards (safety and cleanliness)



# Kilwins Franchise Agreement Renewal Process

## Summary:

A standardized renewal process with the objective of making the renewal process easy for you.

Additionally we have resources that will assist you with brand standards, operating standards and the administration of the renewal process.



# Kitchen Update

## Basic Ingredient Items

- Provide value based pricing
- Delivered on schedule in our environmentally controlled trailers, and brought into your store
- Over time, as we grow, we will build purchasing leverage with economies of scale



# Kitchen Update

## Basic Ingredient Item Pricing

Item Number	Description	Old Delivered Price	Current Delivered Price
1998	CONE MIX KILWINS BG50#	\$74.63	\$59.00
2009	SUNDAE SPOON BEIGE CS1000	\$28.60	\$26.29
9027	GRANULATED SUGAR 50#	\$0.66	\$0.59
9028	CREAM POWDER 50# CASE	<b>\$5.55</b>	<b>\$5.88</b>
9029	FRODEX CORN SUGAR 42DE 50#BAG	\$1.12	\$1.04
9105	RAW MED PECAN PCS CS30#	\$8.72	\$7.75
9112	CREMA MILK CHOC 10#BAR/50#CS	\$4.76	\$3.14
9114	BURGUNDY DK CHOC 10#BAR/50#CS	\$5.04	\$3.19
9118	REAL WHITE CHOC 10#BAR/50#CS	\$4.76	\$3.31
9124	ORINOCO 25# CS	\$5.42	\$3.90
9014	EVAP MILK #10 CAN (97oz) CS6	\$12.00	\$11.14

**Cream Powder Price on May 11, 2012- \$5.37**

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# Brand Planning 2012 Recap & Results

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# Sweet & Salty Summer 2012

Salted Caramel

Sea-Salt Caramels

Sea-Salt Pecan Tutttles

Sea-Salt Caramel

Sea-Salt Caramel



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# Sweet & Salty Summer 2012



## Salted Caramel Ice Cream

#1 flavor June – August

#1 flavor since February launch

#4 flavor past 12 months



## All-American Two-Berry Pie

#16 flavor June - August

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# Sweet & Salty Summer 2012



## Sea-Salt Caramel Apples

\$409 retail sales per store

95 Days !!!



## Sea-Salt Turtles

\$925 retail sales per store



## Sea-Salt Fudge

\$2,280 retail sales per store



## Sea-Salt Caramels

\$2,796 retail sales per store

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Date range is June 1 - Sept 3, 2012 and excludes non-POS stores.



# Sea Salt Caramel Assortments

3 oz. Milk Assortment (33%)	\$6.84 average
3 oz. Dark Assortment (30%)	\$6.79 average
<u>6 oz. Milk &amp; Dark Asst. (37%)</u>	<u>\$12.78 average</u>
<b>Weighted Average (33,500 units)</b>	<b>\$9.73 average</b>

#520 Milk Caramel (65%)	\$3.03 average
<u>#525 Dark Caramel (35%)</u>	<u>\$3.09 average</u>
<b>Weighted Average (22,800 trans.)</b>	<b>\$3.05 average</b>

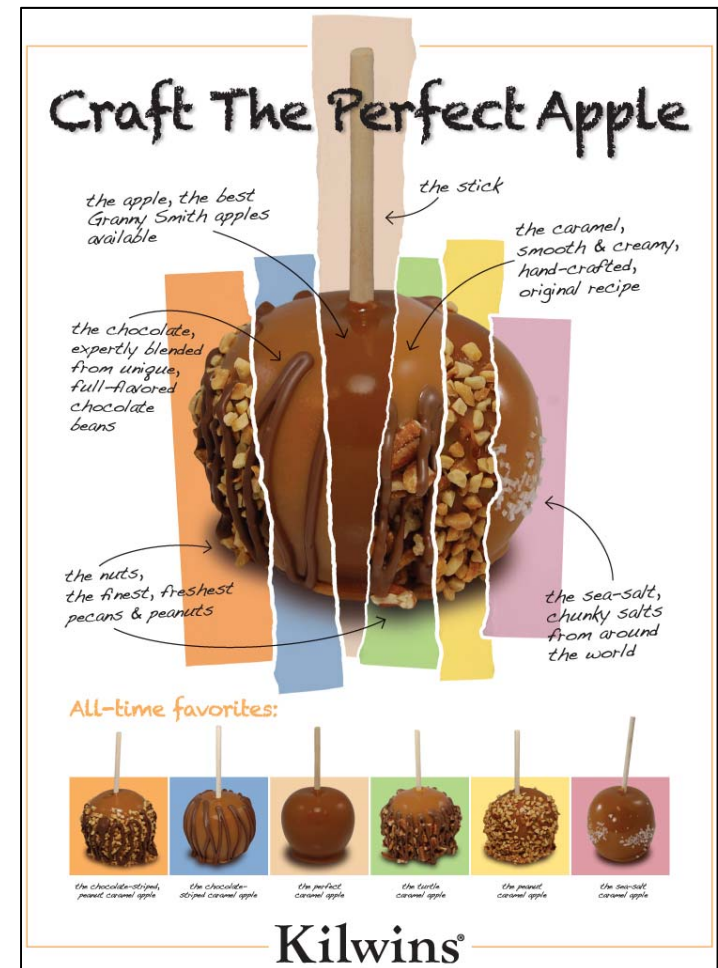
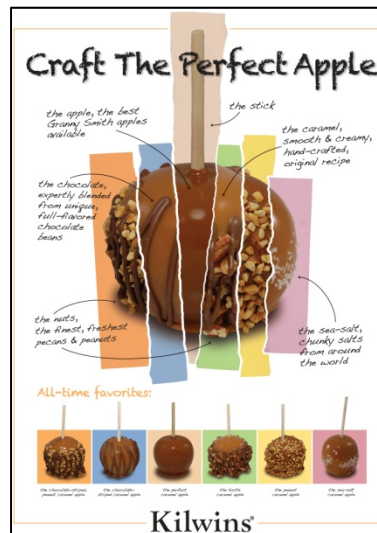
Date range is November 2011 – October 2012. Data excludes non-POS stores.

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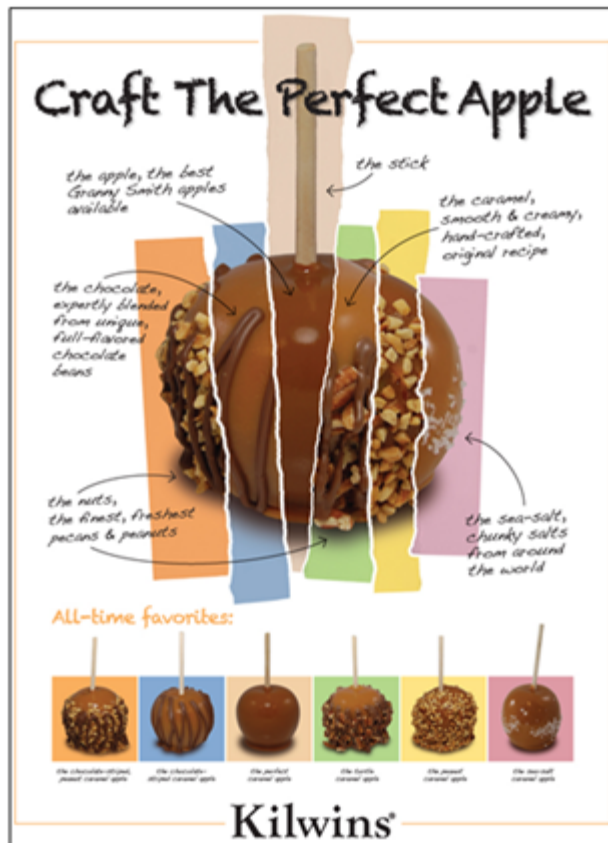
# “The Perfect Apple” Fall 2012



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# The Perfect Apple - Fall 2012



## September Caramel Apples

Retail apple unit sales +13%

Retail apple sales +19%

\$469 retail apple sales increase per store

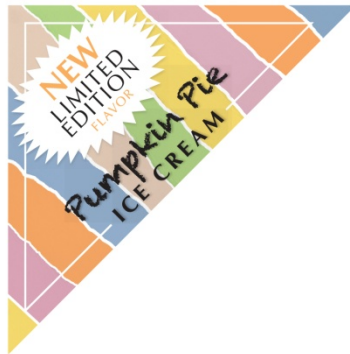
**27 DAYS**

Date range is Sept 3 - 30, 2012. Data only includes same stores and excludes non-POS stores.

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# “Save Room for Pie” Fall 2012



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# Save Room for Pie - Fall 2012

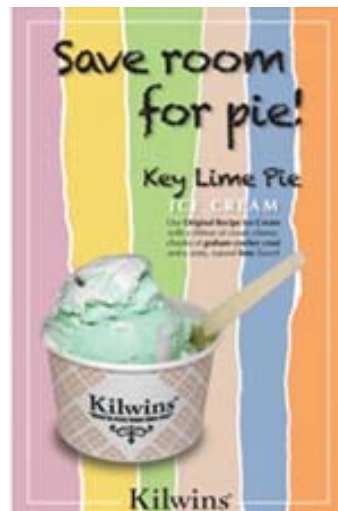


## Pumpkin Pie

Tubs since launch are + 23% vs. entire 2011 fall season (Aug-Dec)

## The Perfect Apple Pie

Tubs since launch are + 27% vs. entire 2011 fall season (Aug-Dec)



## Key Lime Pie

Tubs since launch are + 21% vs. Aug-Oct 2011

Data only includes same stores.

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# Holiday 2012



SIDE A      SIDE B



SIDE A      SIDE B



SIDE A      SIDE B



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*Two-Berry Pie*

*Two-Berry Pie*

*Pumpkin Pie*

*Pumpkin Pie*

*"The Perfect Apple" Pie*

*"The Perfect Apple" Pie*

*Nutcracker Sweets*

*Nutcracker Sweets*



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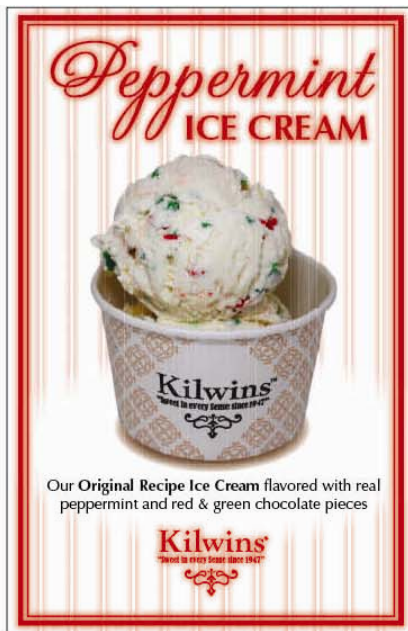
*Nutcracker Sweets*  
FUDGE



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# Holiday 2012 – Spring 2013



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## ***Kilwins Fall Regional Meeting***

### ***2012 Same Store Sales Success !***

- Year to date same store sales up 9.27%
- 15 consecutive months of increases
- 88% of stores showing sales increases to date
- Year to date ice cream sales to same stores have increase 10 %

***WOW !***



# Brand Planning & Marketing Calendar for 2013

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# 2013 Brand Planning Calendar

Seasons 2013	Occasion/Event	Product	MIS Product	Marketing	Packaging	In-Store
Spring 2013	"A Truffle Spring"	"Extraordinary Everyday Truffles"	Truffles, in 9 flavors	Full In-Store Promo & Collateral Kit	New Truffle Packaging & Menu Cards	1/1/13-6/1/13
		Peppermint	Peppermint, holdover from Holiday	& Holdover from 11/1/12		Week of 11/18/12
		Peppermint Ice Cream				Week of 11/18/12
		LE Choc. Raspberry Truffle		LE Collateral		Week of 11/18/12
	Salt Water Taffy Chews	Full Line Salt Water Taffy Chews		Phase #2 Collateral	Taffy Cartons for Single Flavors	2/15/2013
				Phase #3 Fixturing	"Scoop & Sell"	4/1/2013
	Valentine's Day	New Heart Truffle	Chocolate-Dipped Strawberries	Valentine's Day Add-Ons	Heart Boxes	1/1/13-2/15/13
		Boxes made of Chocolate	Chocolate Raspberry Truffle Fudge		MIS strawberry boxes	1/1/13-2/15/13
	Easter	"Bunny Ears"	"Bunny Tails"	Easter Add-Ons	Easter Various	2/15/13-3/31/13
		Chocolate Eggs				2/15/13-3/31/13
		Chocolate Bunnies				2/15/13-3/31/13
	Mother's Day	LE "Tea & Flowers" Truffles	Chocolate-Dipped Strawberries	Mother's Day Add-Ons	LE "Tea & Flowers" Boxes	3/31/13-5/13/13
					Menu Cards	
	Father's Day	Intro of Savory Truffle Line	TBD	Father's Day Collateral Add-On	Savory Truffle Boxes	5/13/12-6/16/13
				Savory Truffle Collateral	Menu Cards	
Summer 2013	"A Tropical Summer"	Focus on Ice Cream and Sorbetto	Coconut Products	Full In-store Promo & Collateral Kit	None	6/1/13-9/3/13
		Toasted Coconut				
		Raspberry Sorbetto				
		Lemon Sorbetto				
		Key Lime Pie				
		Banana Fudge Pie				
		Coconut Products & Clusters				
		Salt Water Taffy Chews Sea-Shore Collection				
Fall 2013	"Dominican Choc. Fall"	4 Chocolate Bars	Dominican Chocolate Fudge	Full In-store Promo & Collateral Kit	Chocolate Bar Wrappers	9/3/13-10/29/13
		4 Bars Single Origin Chocolate Bars		Intro to Drinking Chocolate Line Kit	Single Origin Program	
		5 Flavors Drinking Chocolate			Drinking Chocolate	
Winter 2013	"Nutcracker Christmas"	Chocolate Nutcrackers in Two Sizes	Nutcracker Sweets	Full In-store Promo & Collateral Kit	Custom Tins for Nutcracker Sweets	10/29/13-1/1/14
		Non-Edible Nutcrackers				

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# 2013 Brand Planning Calendar

Seasons 2013	Occasion/Event	Product	MIS Product	Marketing	Packaging	In-Store
Spring 2013	"A Truffle Spring"	"Extraordinary Everyday Truffles"	Truffles, in 9 flavors	Full In-Store Promo & Collateral Kit	New Truffle Packaging & Menu Cards	1/1/13-6/1/13
		Peppermint	Peppermint, holdover from Holiday	& Holdover from 11/1/12		Week of 11/18/12
		Peppermint Ice Cream				Week of 11/18/12
		LE Choc. Raspberry Truffle		LE Collateral		Week of 11/18/12
	Salt Water Taffy Chews	Full Line Salt Water Taffy Chews		Phase #2 Collateral	Taffy Cartons for Single Flavors	2/15/2013
				Phase #3 Fixturing	"Scoop & Sell"	4/1/2013
	Valentine's Day	New Heart Truffle	Chocolate-Dipped Strawberries	Valentine's Day Add-Ons	Heart Boxes	1/1/13-2/15/13
			Chocolate Raspberry Truffle Fudge		MIS strawberry boxes	1/1/13-2/15/13
	Easter	"Bunny Ears"	"Bunny Tails"	Easter Add-Ons	Easter Various	2/15/13-3/31/13
		Chocolate Eggs				2/15/13-3/31/13
		Chocolate Bunnies				2/15/13-3/31/13
	Mother's Day	LE "Tea & Flowers" Truffles	Chocolate-Dipped Strawberries	Mother's Day Add-Ons	LE "Tea & Flowers" Boxes	3/31/13-5/13/13
					Menu Cards	
	Father's Day	Intro of Savory Truffle Line	TBD	Father's Day Collateral Add-On	Savory Truffle Boxes	5/13/12-6/16/13
				Savory Truffle Collateral	Menu Cards	
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		Toasted Coconut				
		Raspberry Sorbetto				
		Lemon Sorbetto				
		Key Lime Pie				
		Banana Fudge Pie				
		Coconut Products & Clusters				
		Salt Water Taffy Chews Sea-Shore Collection				

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# “A Truffle Spring” 2013

- “Extraordinary Everyday” Truffles
- LE Ice Cream
- Valentine’s Day
- Easter
- Mother’s Day
- Father’s Day



### Kilwins Spring 2013 Promotions Calendar: "A Truffle Spring"

Promotion Name & Dates	WINDOW BANNER (OR WALL PIECE)	WINDOW BANNER HANG-OFF	22 X 28 INTERIOR POSTER	POSTER ADD-ON	22 X 28 SIDEWALK A-FRAME	1-SIDED COUNTER CARD	2-SIDED TENT CARD	CEILING DANGLERS	CEILING BANNERS	DOOR DECALS	CHOCOLATE CASE STRIPS	CHOCOLATE CASE TAG POP-OFFS	ICE CREAM CASE DECALS	ICE CREAM MENU TAGS & CASE TAGS	FUDGE CASE TAGS
Truffle Intro 2012 (hold-over from 2012) 11/1/12 - 6/1/13						(two) KEEP					replace "NEW" corner truffle decals with case strips	use existing "NEW" pop-offs KEEP			
Truffle Spring 2013 1/7 - 6/1	(one) double-sided 30 x 40		(one) double-sided KEEP		(two) single-sided plastic 22 x 28 KEEP	(one) 11 x 17 Choc. Rasp. Truffle Fudge			ceiling banners (4 modular pcs. -120"W) KEEP	(one)					(one)
LE Chocolate Raspberry Truffle Ice Cream 1/7 - 6/1	(one) double-sided 30 x 40				(two) single-sided plastic 22 x 28 various offers				(one) 28 x 22 single-sided at ice cream case				(two)	(1 each)	
Valentine's Day 1/7 - 2/15		(one) hang-off to "Truffle Spring" window banner		(one) topper to "Truffle Spring"	(two) single-sided plastic 22 x 28 various offers	(one) MIS dipped strawberry		(six) double-sided hearts		(one) replaces "Truffle Spring"	"Perfect for Valentine's Day"	"Perfect for Valentine's Day" KEEP			
Easter 2/15 - 3/31		hang-off to "Truffle Spring" window banner replaces Valentine's Day	(one) replaces "Truffle Spring" & Valentine's Day topper		(two) single-sided plastic 22 x 28 various offers	(one) "Bunny Tails" in MIS area	(two) on appropriate fixtures			(one) replaces Valentine's Day					
Mother's Day/ LE "Tea & Flowers" Truffles 3/31 - 5/13	replaces "Truffle Spring" in window until 5/13		(one) replaces Easter		(two) single-sided plastic 22 x 28 various offers	(one) MIS dipped strawberry	(one) LE Truffles on appropriate fixture			(one) replaces Easter	"Perfect for Mother's Day"	"Perfect for Mother's Day" KEEP			
Savory Truffles Intro & Father's Day 5/13 - 6/17	(one) double-sided 30 x 40 Savory Intro replaces Mother's Day		(one) replaces Mother's Day KEEP	(one) add-on burst	(two) single-sided plastic 22 x 28 KEEP	(one) MIS bottles & cans	(one) Savory Truffles KEEP			(one) replace Mother's Day					

At the end of every promotion, discard all items that are NOT labeled "KEEP".

We have placed an I.D. tag with beginning and end dates in the right hand corner of each collateral piece.

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## “Extraordinary Everyday” Truffles

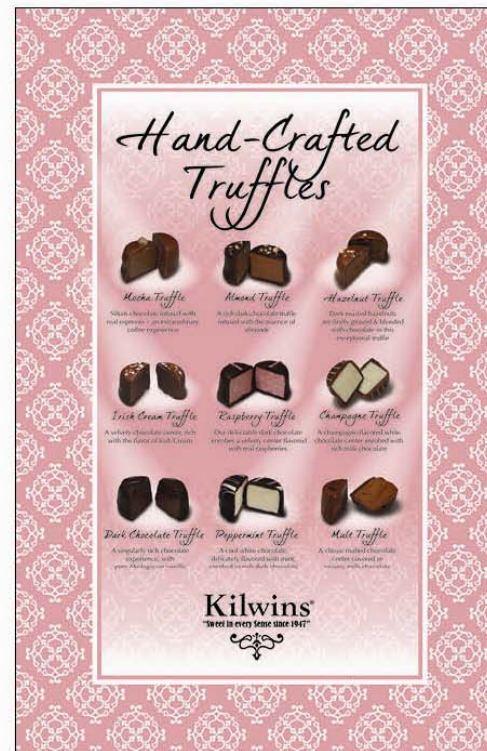
- Almond Truffle: a silky dark chocolate truffle infused with the essence of almonds
- Dark Chocolate Truffle: A chocolate lover’s dream ~ a rich chocolate center enrobed in dark chocolate
- Champagne Truffle: A champagne-flavored white chocolate center worthy of its own toast
- Hazelnut Truffle: Dark roasted hazelnuts are finely ground and blended with chocolate in this signature truffle
- Irish Cream Truffle: A velvety chocolate center infused with the flavor of rich Irish Cream
- Malt Truffle: A classic malted chocolate center enrobed in creamy milk chocolate
- Mocha Truffle: Silken chocolate infused with real espresso ~ an extraordinary flavor experience
- Peppermint Truffle: A cool white chocolate center delicately flavored with mint and enrobed in rich, dark chocolate
- Raspberry Truffle: Our delectable dark chocolate enrobes a velvety center with real raspberries



# “Extraordinary Everyday” Truffles

November 2012

- The promotion will run from 1/7 – 6/1.  
(The pieces on this page, however, start 11/1/12.)
- The color of the promotion is “A Truffle Spring” cyclamen.
- This will be a focus on the 9-piece collection, as we will now be converted to the new truffles.
- The promotion will ride through the entire Spring season, with special POP for individual Holidays and events.
- New truffles are supported with POP, new packaging and merchandising guides.



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# “Extraordinary Everyday” Truffles

## packaging



*Mocha Truffle*  
Silken chocolate infused with real espresso ~  
an extraordinary coffee experience



*Irish Cream Truffle*  
A velvety chocolate center, rich with  
the flavor of Irish Cream



*Dark Chocolate Truffle*  
A singularly rich chocolate experience,  
with pure Madagascar vanilla



*Peppermint Truffle*  
A cool white chocolate, delicately  
flavored with mint, enrobed in  
rich dark chocolate



*Malt Truffle*  
A classic malted chocolate center  
covered in  
creamy milk chocolate



*Almond Truffle*  
A rich dark chocolate truffle infused  
with the essence of almonds



*Hazelnut Truffle*  
Dark roasted hazelnuts are  
finely ground & blended with  
chocolate in this exceptional truffle



*Raspberry Truffle*  
Our delectable dark chocolate  
enrobes a velvety center flavored  
with real raspberries



*Champagne Truffle*  
A champagne-flavored white  
chocolate center enrobed with  
rich milk chocolate



Kilwins®  
“Sweet in every Sense since 1947”  
Hand-Crafted Truffles  
Net Wt. 10 oz. (284g)  
kilwins.com

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# “Extraordinary Everyday” Truffles

## Collateral

January 2013



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# LE Chocolate Raspberry Truffle Ice Cream

- The promotion will run from 1/7 – 6/1.
- The colors of the promotion are “A Truffle Spring” cyclamen & chocolate brown.
- The focus will be a new LE ice cream, coordinating with every other “A Truffle Spring” promotion.



# LE Chocolate Raspberry Truffle Ice Cream



Chocolate Raspberry Truffle

Chocolate Raspberry Truffle



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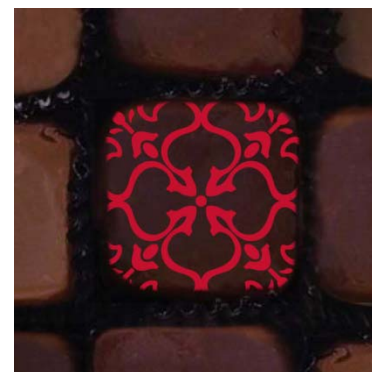


## Valentine's Day Boxes & Custom Truffle

- The promotion will run from 1/7 – 2/15.
- The colors of the promotion are “A Truffle Spring” cyclamen with red.
- As part of “A Truffle Spring”, the promotion will focus on custom heart boxes and a new LE “heart” truffle.
- Valentine's Day gift-giving will center on the new LE Truffle, and truffles as great gifts, as well as MIS dipped strawberries.
- The collateral coordinates with the “Extraordinary Everyday” Truffles program beginning on 1/1.



# Valentine's Day Boxes & Custom Truffle



Valentine Truffle

*"Fall in love all over again with  
our Special Edition Dark  
Chocolate Truffle."*

*"Sweet in every Sense since 1947"*





# Valentine's Day 2013



"Sweet in every Sense since 1947"



# Easter/Bunny Ears 2013

*An extra set of ears to replace  
the part that gets eaten first!*

- The promotion will run from 2/15 – 3/31.
- The colors of the promotion are “A Truffle Spring” cyclamen, daffodil, & lime rickey.
- As part of “A Truffle Spring”, the promotion will focus on bunnies, “bunny ears” and MIS “bunny tails”!
- New packaging for bunnies and Easter items will complete the collection.
- The collateral coordinates with the “Extraordinary Everyday” Truffles beginning on 1/1.



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# Easter 2013



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# Mother's Day 2013

## "Tea & Flowers" Truffles

- Jasmine-Lavender: Chocolate ganache with jasmine and lavender flowers suspended in green tea.
- Earl Grey: Chocolate center featuring the robust flavor of this hearty classic tea with a hint of bergamot orange oil.
- Citrus Bloom Oolong: Citrus blossoms and oolong-infused ganache.
- Cherry Rose: A subtle essence of rose petals and tart cherry bits blended in ganache.
- Chai: Smooth milk chocolate blended with Indian spiced tea leaves.
- Garden of Eden: A blend of wildflowers and green tea infusions.





# Mother's Day 2013

## "Tea & Flowers" Truffles

- The promotion will run from 3/31 – 5/13.
- The colors of the promotion are "A Truffle Spring" cyclamen, and lime rickey.
- As part of "A Truffle Spring", the promotion will focus on LE "Tea and Flowers" Truffles.
- New packaging and collateral will complete the promotion.
- The collateral coordinates with the "Extraordinary Everyday" Truffles beginning on 1/1.



# Mother's Day 2013

## "Tea & Flowers" Truffles

### Box & Menu Card



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# Mother's Day 2013

## "Tea & Flowers" Truffles



Mother's Day is May 12th

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# Father's Day 2013 & Savory Truffles Intro

*A collection of six fine truffles in unexpected flavors*

- Bacon Maple Syrup: smooth milk chocolate, crisp bacon, real maple and a hint of malt create a perfectly balanced savory experience.
- Bleu Cheese & Toffee: Genuine Bleu Cheese flavor & bits of Almond Toffee in delectable milk chocolate.
- Stout Beer: A stout beer reduction infuses a silken milk chocolate center.
- Coriander & Peppercorn: A medley of freshly-ground peppercorns and coriander pods spice up this dark chocolate truffle.
- Chipotle Pepper: Milk and dark chocolate are blended with subtly smoky jalapeño then enrobed in dark chocolate.
- Pistachio Cardamom Crunch: White chocolate is blended with finely ground pistachio praline and fragrant cardamom in this textured & airy confection.





## Father's Day 2013 & Savory Truffles Intro

- The promotion will run from 5/13 – 6/17.
- The colors of the promotion are “A Truffle Spring” cyclamen, and black.
- As part of “A Truffle Spring”, the promotion will focus on a new line of permanent Savory Truffles.
- New packaging and collateral will be part of the promotion.
- The collateral coordinates with the “Extraordinary Everyday” Truffles beginning on 1/1.



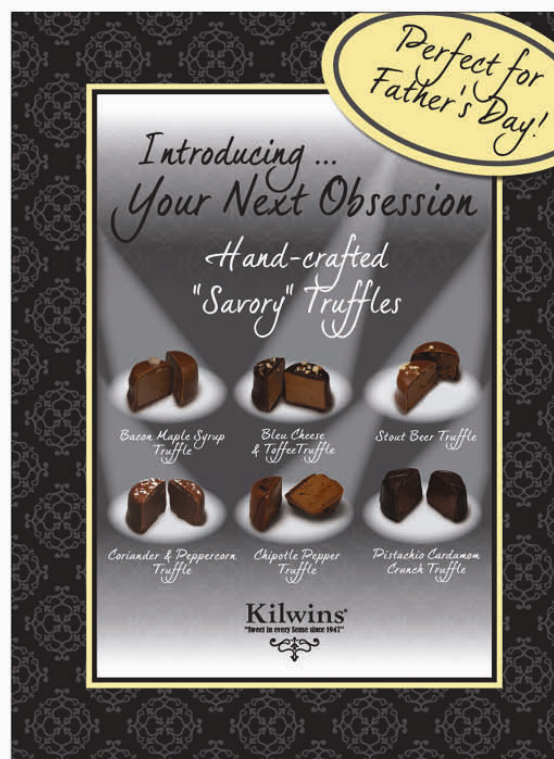
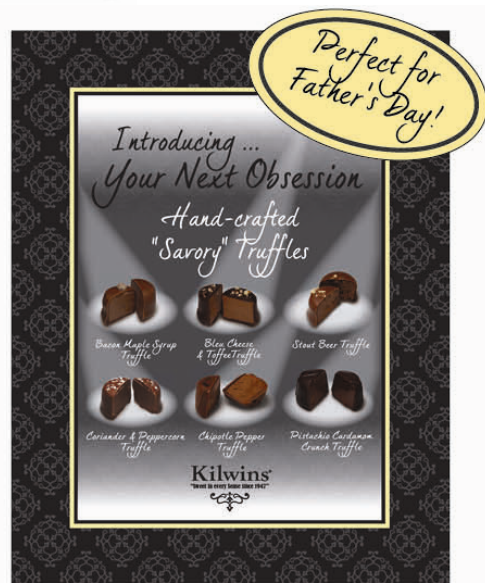
# Savory Truffle Box & Menu Card



"Sweet in every Sense since 1947"



# Father's Day 2013 & Savory Truffles Intro



"Sweet in every Sense since 1947"



# Wine Truffle Box

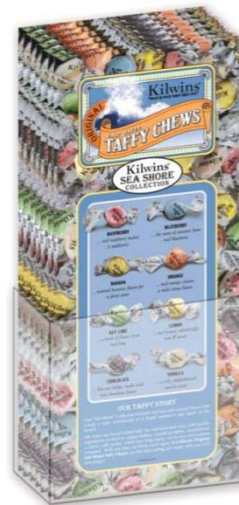


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# Salt Water Taffy Chews: Phase 2



"Sweet in every Sense since 1947"



# Salt Water Taffy Chews: Phase 3



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#### TAFFY PACKAGING

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## “A Kilwins Tropical Summer” 2013

- The promotion will run from 6/1 – 9/4.
- It will feature various tropical-themed products including Toasted Coconut Ice Cream & Coconut Clusters, Lemon & Raspberry Sorbetto & Coolers, etc.
- The theme is very bright tropical photography tagged with “BIG” Summer Taste!





# "A Kilwins Tropical Summer" 2013



"Sweet in every Sense since 1947"



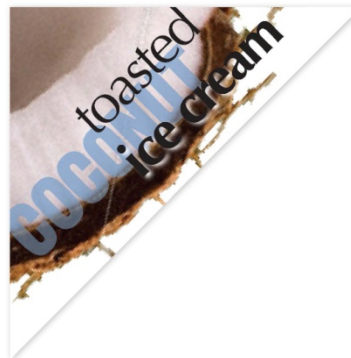
# "A Kilwins Tropical Summer" 2013



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## Q3 & Q4 2013

### “Kilwins Dominican Fall”

- New single-origin bars in 4 flavors focused on 4 points of origin, in new wrappers with display POP.
- A new line of hot and drinking chocolate as take-home and in-store product, in 4 flavors focused on 4 points of origin.
- A new LE “Dominican Chocolate” Ice Cream.
- MIS Dominican Chocolate Fudge.





## Q3 & Q4 2013

### “A Nutcracker Christmas” 2013

- To the 2012 promotion, we will add tins for corns and brittles that are designed to coordinate with the nutcracker-themed promotion.
- Commemorative nutcrackers have a Kilwins logo and have 2013 stamped on them.
- A large-format chocolate nutcracker, similar to our giant chocolate Santa.
- New POP designed to coordinate with the promotion.



# Gift Card Displays 2012



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# Uniforms & Name Badges 2012

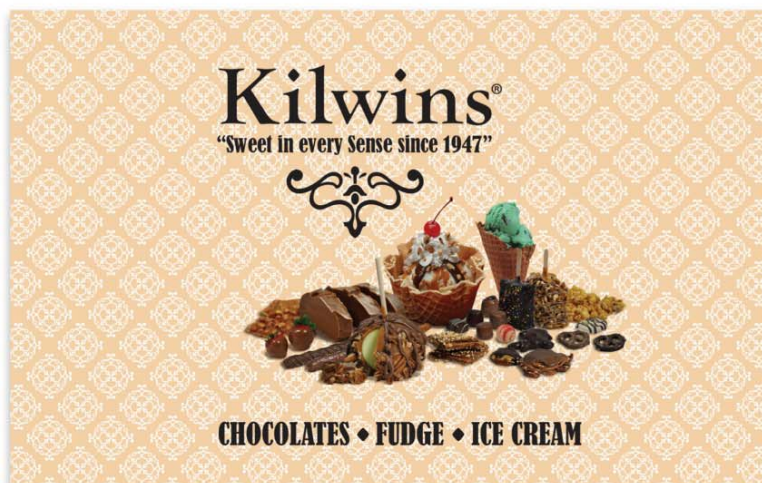


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# Coolers 2013



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# Menu Inserts & Tags 2013

## Banana Fudge Pie

Blueberry Waffle Cone

Chocolate Peanut Butter

Dulce de Leche

Butter Pecan

Cookies & Cream

Fudgie Brownie



## Cappuccino



Butter Pecan



Cappuccino



Chocolate



Chocolate  
Black Walnut



Chocolate Almond



Chocolate  
Peanut Butter

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# Flavor Tags



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## *Case Tag Pop Offs*



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# Packaging 2012



CASUAL BAGS

"Sweet in every Sense since 1947"





K/D BOXES

"Sweet in every Sense since 1947"



## BOW BOXES

"Sweet in every Sense since 1947"



APPLE BOXES

"Sweet in every Sense since 1947"



PREMIUM BOX

"Sweet in every Sense since 1947"





CLEAR CELLOPHANE SEA FOAM BAGS

"Sweet in every Sense since 1947"





*Mocha Truffle*  
Silken chocolate infused with real espresso ~  
an extraordinary coffee experience



*Irish Cream Truffle*  
A velvety chocolate center, rich with  
the flavor of Irish Cream



*Almond Truffle*  
A rich dark chocolate truffle infused  
with the essence of almonds



*Hazelnut Truffle*  
Dark roasted hazelnuts are  
finely ground & blended with  
chocolate in this exceptional truffle



*Raspberry Truffle*  
Our delectable dark chocolate  
enrobes a velvety center flavored  
with real raspberries



*Champagne Truffle*  
A champagne-flavored white  
chocolate center enrobed with  
rich milk chocolate



*Dark Chocolate Truffle*  
A singularly rich chocolate experience,  
with pure Madagascar vanilla



*Peppermint Truffle*  
A cool white chocolate, delicately  
flavored with mint, enrobed in  
rich dark chocolate



*Malt Truffle*  
A classic malted chocolate center  
covered in  
creamy milk chocolate

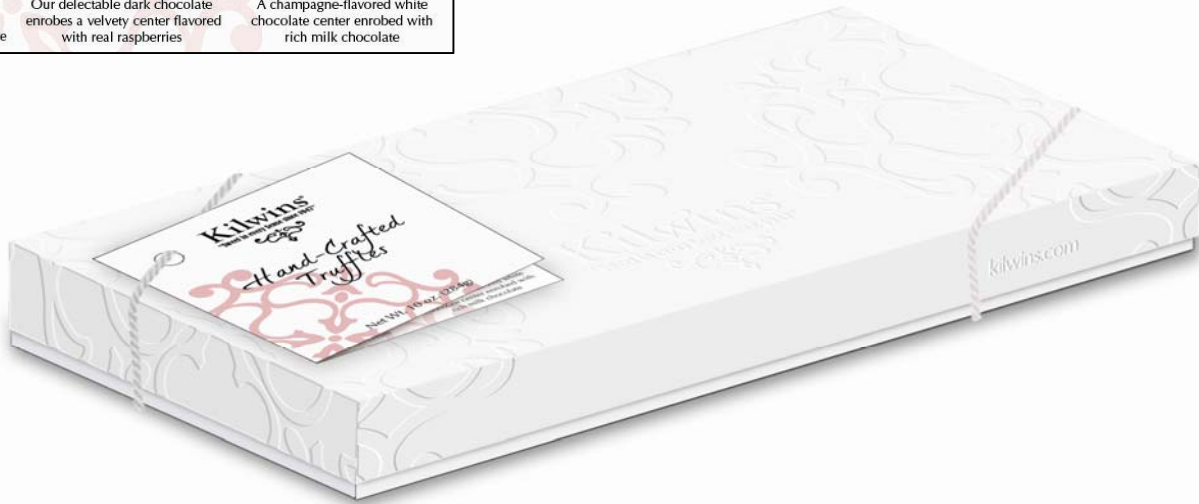


**Kilwins®**  
"Sweet in every Sense since 1947"

*Hand-Crafted  
Truffles*

Net Wt. 10 oz. (284g)

kilwins.com



"Sweet in every Sense since 1947"



## TAFFY PACKAGING

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# Packaging 2013

- New chocolate bars in 4 flavors replacing current product, in new wrappers and a new shape with impulse display POP. Chocolate bar wrappers will change to correspond to the new Fall program.
- Cold & Hot cups will change to correspond to a new vendor.





COLD CUPS

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# Introduction of Zone Merchandising 2013

Visual merchandising Our philosophy

Visual merchandising is the art of presenting product, packaging, collateral, and, ultimately, the Kilwins brand in the clearest and best possible light. Our efforts are made to create a spirit around our offering that makes sense to the customer, within our brand context. We want to focus the customer on our promotional offerings and create an excitement around who we are and what we do that is reflected in all our efforts. Our focus is guided by a *Zone Merchandising Plan* that positions the three pillars of our product offering: **(Hand-Crafted) Chocolates**, **(Mackinac Island) Fudge** and **(Original Recipe) Ice Cream**, along with the two ways we create product: **Kitchen-Made** and **Made-In-Store (MIS)**.

The differentiation of the Kilwins brand in the marketplace is in our unique mix of items, the method and care in which they are crafted, the quality of our ingredients, the superior packaging and presentation, and the spirit in which we represent and sell our products.

Philosophy

Visual merchandising Zone Merchandising overview

Zone merchandising is the discipline by which we plan, execute, merchandise and organize our stores. While customers may not have a conscious understanding of our methods, the effort to merchandise by *zone* allows them to shop and be self-directed easily, and gives our stores a point of view as to what is important to focus on at any particular time.

Our company rests on a *three-legged stool* of product offerings: **Chocolates**, **Made In Store (MIS) Products**, and **Ice Cream**. These three main product categories provide us with our personality, our brand, as well as offer us the chance to compete favorably in an industry where competitors may only feature one or two of these category offerings.

Zone Merchandising overview | Visual merchandising 8.2

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## Visual merchandising Components



It is our desire, through Zone Merchandising, to do the following things:

- Reduce labor costs by increasing the amount of customer self-directed selling we do, as a percentage of the total volume.
- Increase our basket (the number of products the customer buys in a single visit) size.
- Increase margins by focusing on high-profit products.

### Made In Store (MIS)

MIS includes everything from our famous **Mackinac Island Fudge** to our delicious **Corn & Britches** and **The Perfect Caramel Apples**. It also includes a myriad of chocolate and seasonal dipped items, all made in-store. These items represent a way for each store to participate in the local **Made Fresh For You** aspect of collections, which sets us apart from companies that simply ship their products in. Moreover, the art of crafting products remains interesting to our customer base, who are charmed by the opportunity to view our chefs in action at each store. These are labor costs and challenges with this category. These products, with a few exceptions, demand active selling, not grab & go, except for some items, like corns and britches.

### Chocolates

Characterized as **Hand-Crafted**, this category offers many positions that provide us with a competitive edge. The category is, in certain sub-categories, in a growth cycle (dark chocolate, single-origin chocolate, etc.). It provides us with a halo effect, elevating the brand beyond that of a simple sweets or ice cream shop. The challenges of this category include high product and labor selling costs, product care and volatility, and the decline of certain parts of the category in popularity like family assortments and cones.

### Ice Cream

Simply put, we feature the best ice cream around! We call this product **Original Recipe Ice Cream** because we make the product using recipes developed by the Kilwins many years ago. Our customers recognize the premium quality of our product, and support our desire to never compromise on any part of the creation of premium ice cream. From quality ingredients and our strict manufacturing process to the care in which we ship and maintain this product, and the way we precisely scoop and sell. This is an expensive process to maintain but as a central category that drives business, ice cream remains an important part of our business model.



Components

## Visual merchandising Zone Merchandising: primary fixed zones



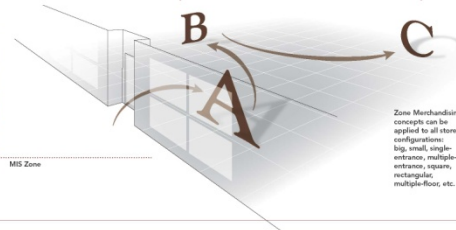
Chocolate Zone



Ice Cream Zone



MIS Zone



### Primary fixed zones

**A The MIS Zone (Made In Store, Made Here For You, Kitchen, and Theatre zone)** is placed at the front of the store to be sure to catch the customer's attention to the fact that we craft products in-store, and to take advantage of store windows to provide a view of this process to the street.

Products include **Mackinac Island Fudge**, **The Perfect Caramel Apples**, **Corn & Britches**, waffle cones, chocolate-dipped products, etc. MIS products set us apart from our competition and should be on display all the time. Product that is cooling is merchandised in full-view of customers, adding charm and value to your store, while a great-looking batch on a sheet tray is as important as any formal display.

**B The Chocolate Zone** is generally placed near the middle of the store, right or left, to flow the customer from MIS deeper into the store, and also to provide easy access for associates serving customers. Products include Kilwin-made Chocolates, Truffles, Turtles, etc. We DO NOT feature unlike items (jars of jelly beans, or window boxes of non-premium items) on the top of the case or in **break-backs**.

**C The Ice Cream Zone** is generally placed toward the back, so as to attract the customer through the store for this destination product. Products include Ice Cream, Toppings and Sauces. If there is not enough room for these items with or adjacent to the ice cream zone, feature a few as impulse and merchandises the rest with the **Take It Home** zone.

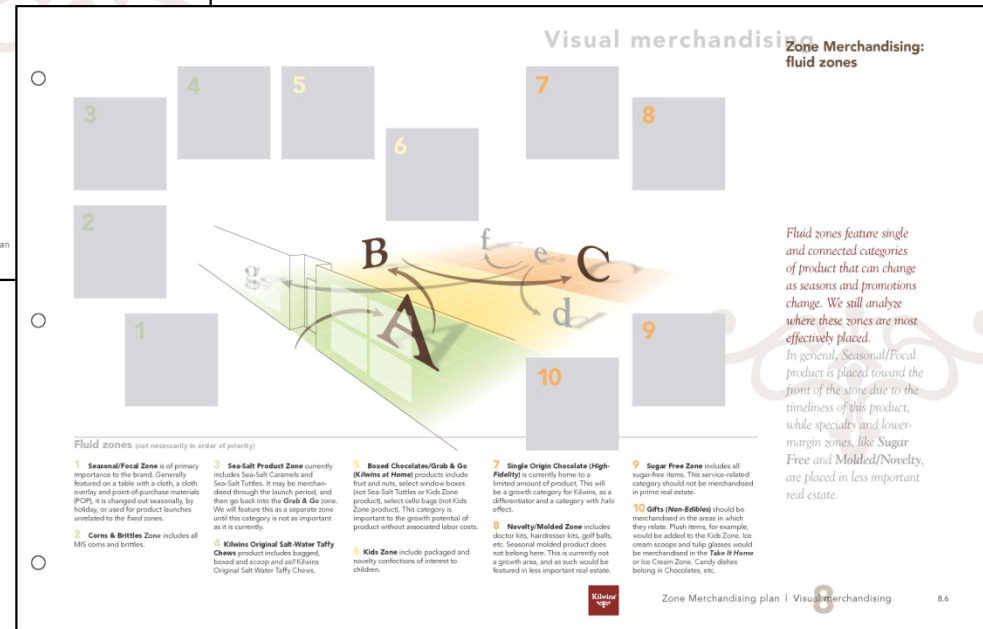
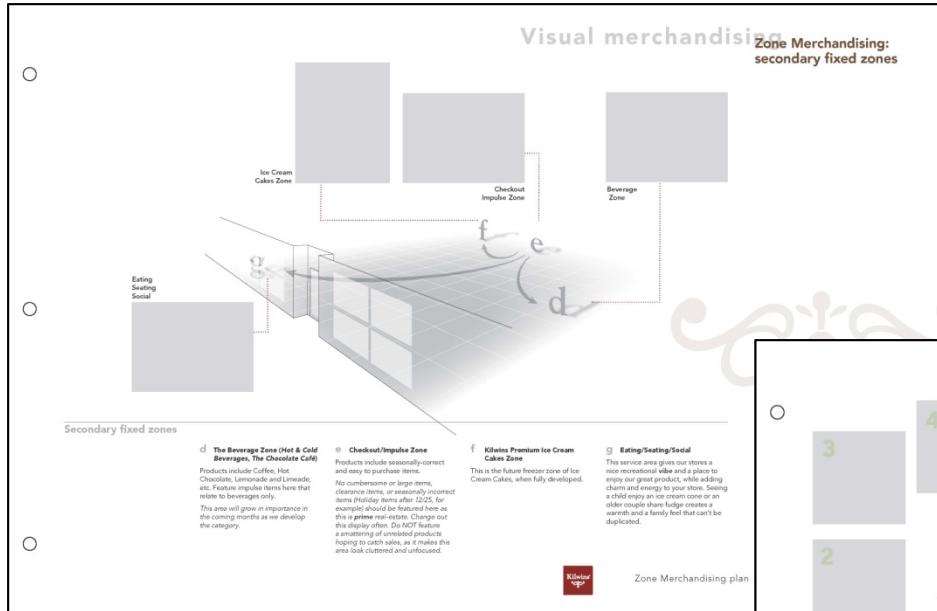
When planning, implementing and merchandising a store, thought should be given as to where each fixed and fluid zone is placed. These zones are meant to ensure a Kilwins merchandising philosophy. Our stores and the Zone Merchandising Plan reflect a focus that allows for unique nuances between stores, but still provide for a collective focus that allows the brand to shine through.



Zone Merchandising plan | Visual merchandising

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# ***Kilwins Fall Regional Meeting***

- Lunch
- Closing Remarks