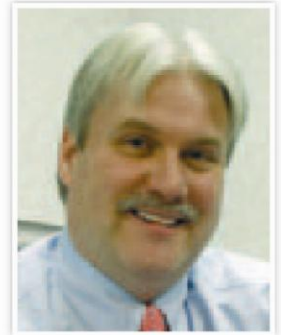




# THE WebsterReport

## President's Perspective

Webster Industries started over 50 years ago as primarily a private label manufacturer of quality plastic products. Today, even as the recession stabilizes, the growth of private label brands continues. A recent poll conducted by GfK Research, showed that 35 percent of consumers are trying private label products for the first time in categories where they once bought national brands – and 94 percent said the store brand products compared favorably. And, the opportunity to gain store brand shoppers can translate into long term growth as more than 90 percent of American consumers say they are likely to continue buying store brands even after the economy improves, according to a PLMA study.



Private label is no longer a 'me too' knock-off – with exclusive brands, value brands, and premium brands -- the breadth and width of store brand products provides enormous opportunity for savvy retailers and manufacturers alike. With a wide array of products and attractive features, such as certified recycled content, Webster brings a proven understanding of consumer behavior and competitive positioning as it relates to private label. In fact, nearly five decades ago, Webster was the first and only manufacturer to provide recycled content trash bags. Now, with 50 years of experience under our belt, we still stand as the proven industry environmental leader and the first national company offering retailers a line of "green" store brand products with third-party certification to attract the burgeoning onslaught of green consumers. At Webster, whether we manufacture a stand-alone product or a complementary store brand line, we put our decades of experience behind every store brand label we manufacture in order to create value and selection for consumers and to differentiate our customers in the marketplace.

At Webster, our private label products are based on a strong value proposition: producing quality products that compete with the major brands at a price point attractive to mainstream shoppers. We manufacture store brands based on the needs of our customers. From packaging design to product features, we strive to not only entice shoppers to purchase store brand products, but to ensure repeat store brand customers. After all, the ultimate test of the surge in private label business is continued customer satisfaction. We look forward to helping you achieve that goal.

Sincerely,

Jack Shields, President



## GreenCorner



negative publicity. In June, the FTC announced three separate actions alleging false and unsubstantiated claims of "biodegradability."

The FTC's Guides for the Use of Environmental Marketing Claims (known as the Green Guides) state that it is deceptive to misrepresent, directly or by implication, that a product or package is degradable, biodegradable or photodegradable. The Guides permit unqualified claims that a product or package is degradable, biodegradable or photodegradable only if there is "substantiated competent and reliable scientific evidence that the entire product or package will completely break down and return to nature, i.e. decompose into elements found in nature within a reasonably short period of time after customary disposal."

The FTC based its recent enforcement actions on the fact that 91% of municipal waste in the United States is disposed of by methods (landfills,

incinerators, or recycling facilities) that do not present conditions that would allow the products to completely break down and return to nature within a reasonably short period of time.

Michael Davis, a FTC spokesperson, recently stated, "We hope that these actions will serve as notice that an unqualified claim of biodegradability is probably false and cannot be substantiated." Mr. Davis said that the issue is that "products typically are disposed in landfills, incinerators or recycling facilities, where it is impossible for waste to biodegrade within a reasonably short time."

When asked if anything is biodegradable, Mr. Davis raised doubts and stated, "Maybe a piece of produce could be labeled biodegradable if it's customarily disposed of through composting. But the statistics show that most household trash goes to landfills. So even a piece of produce might not biodegrade in a reasonable period of time," he explained.

Webster Industries does not make biodegradable, photodegradable or degradable product claims. Clearly, retailers should be extremely cautious in selling products making such product claims.



# News you can use



## Double Zipper Storage and Freezer Bags

Webster's double zipper storage and freezer bags offer private label consumers the same security and quality as national brands, at an excellent value. Perfect for all food storage needs, these bags feature a double zipper closure for the ultimate secure seal. Consumers will find Webster's double zipper closure easy to use and will feel safe using these bags for their most important food storage needs.

All double zipper bags offer a write-on block for easy date and content identification, taking the mystery out of some freezer contents. Webster's double zipper product is available in quart- and gallon-size storage and freezer bags.

With a focus on innovation, Webster continues to offer retailers the most complete assortment of national brand equivalent food storage products. Double zipper storage and freezer bags are just one perfect example.

## XtremeGrip™ Flexible Drawstring Kitchen Bags

With the introduction of XtremeGrip™ flexible drawstring kitchen bags, Webster continues its tradition of developing products that respond to consumer needs. Have you ever placed a kitchen bag in a trash receptacle only to have it fall to the bottom of the barrel as soon as trash is put inside? XtremeGrip™ is the answer to this annoying problem!

XtremeGrip™ flexible drawstring kitchen bags feature an elastic drawstring closure that provides a tight grip on the top of a trash can so the bag stays in place. These bags are also manufactured with Webster's XtremeFlex® technology, allowing the consumer to put all sorts of objects inside without worry of puncture.



XtremeGrip™ flexible drawstring kitchen bags are the latest addition to Webster's national brand equivalent line of drawstring bags. As always,

Webster's commitment to innovation helps to deliver the most competitive store brand offerings.

## Easy Twist™ Twist Top Containers



The new Easy Twist™ twist top containers are the latest addition to Webster's complete line of national brand equivalent disposable containers. Perfect for soups, stews, and gravies, these containers feature an extremely secure twist tight seal that locks in freshness. Consumers will find Easy Twist™ containers extremely versatile – freeze, store, re-heat and serve all in one!

Put an end to struggling to get a lid to fit correctly on a disposable container with our new Easy Twist™ containers. These containers were designed with lids featuring finger grips for effortless opening and closing.

Available in 16 and 32 ounce sizes, both containers have the same size lid making them interchangeable – an added convenience! Easy Twist™ twist top containers are a perfect addition to your store brand's disposable container assortment.

# WEBSTER PROFILES

## Wanda Moran-Woods Regional Sales Manager

With over 20 years of experience with a major retailer, Wanda Moran-Woods brings a unique customer perspective to Webster Industries. Having served in store management, pricing analysis, and category management, she understands firsthand what it's like to be a retailer and she brings that unique understanding into her role as Webster's Western Regional Sales Manager. Wanda states, "For many years, I was the private brands category manager for a regional drug chain of 509 drug stores with annual sales of \$4.7 billion. I know what it's like to be sitting in the buyer chair and I bring that perspective of customer needs, wants and expectations into my position at Webster."



In addition to addressing customer product needs, Wanda brings firsthand expertise in understanding market trends and the multiple facets of a retail operation – from marketing to pricing and product innovation. She adds, "With customers becoming more cost conscious, retailers are facing a more demanding shopper. I appreciate the challenges they face but mostly, I enjoy showing them the potential growth opportunities provided by Webster's complete line of value-added products."

As a California native, Wanda grew up with an environmental perspective that carried into her career. Prior to joining Webster, she was Regional Vice President for North America West where, in addition to managing key accounts such as Safeway, Target and Supervalu, she successfully launched a line of USDA certified organic cotton products, servicing retail customers such as Whole Foods. That experience made her truly value the extra steps Webster has taken to be the first independently certified recycled content trash bag manufacturer.

Wanda uses any spare time to assist special needs children. She pays undivided attention to each child to make sure that their individual needs are met – no matter how demanding the request. And, it is with that same vigor and commitment that she approaches her sales role at Webster.

## Tom Dougherty, Jr. National Accounts Director

Tom Dougherty brings over 25 years of sales experience to Webster Industries, including direct experience in private label sales of plastics products. Formerly a Nonfoods Business Manager with Presto Products Company, where he oversaw private label nonfood sales throughout 26 states, Tom uses his honed private label experience to assess the distinct needs of national retailers across the country on behalf of Webster.

Similar to when he ran for town committees in his home state of Massachusetts, Tom knows he has to work hard to gain the support of new customers while continuing exceptional service to his current customers. "The diversity of private label programs today requires a customized, individualized approach for each customer. I especially enjoy developing a special private label line positioning or niche that will drive sales to a retail customer I serve."

And, that philosophy was a perfect fit for Webster. In fact, Webster's longstanding environmental leadership and recycled content niche is one of the key attributes that convinced Tom to join Webster earlier this year. "Now, I can take the "go green" message to retailers and, by offering store brand products with a proven environmental benefit, let them demonstrate their environmental commitment to shoppers firsthand."

Most recently, Tom served as the Vice President of Sales for Tyco Healthcare where he built and managed relationships with retailers such as Target, Kroger, CVS, Dollar General, Costco and BJ's Wholesale – and directed operations for a territory spanning the U.S., Canada, and Mexico.



In addition to his longstanding community service, Tom spends his spare time coaching ice hockey – a passion he developed playing the sport during his high school and college years. Tom states, "Ice hockey is such a fast paced game that you really have to quickly anticipate the other team's moves or you're out of the game." In the retail sales arena, those same skills in anticipating needs, immediate response, and staying ahead of the game serve Tom and Webster's customers well.



## Webster Receives "Best in Class" Award for Second Consecutive Year!

For the second consecutive year, Webster Industries has been awarded the PL Buyer Category Colonel award. This prestigious award is given based on nominations from a broad spectrum of retailers who rated Webster as "Best in Class" in the plastic storage category. Webster was given this honor for its commitment to servicing the private label industry as well as working with retailers to deliver the most competitive product offering while increasing store brand awareness,

sales and profits. This Category Colonel award clearly recognizes Webster's position as an industry leader who is committed to product quality and maintaining strong relationships with retailer partners. For over 50 years Webster has been dedicated to private label growth and total customer satisfaction through quality, service and innovation.

# Did you know?

Established in 1957, Webster Industries prides itself in being one of the leading suppliers and manufacturers of trash bags, food contact products and packaging solutions for our private label and commercial/ industrial business partners and our own value brands. Our retailer and distributor base stretches across North America while our customer base includes supermarket chains and wholesalers, drug stores, dollar stores, hardware chains, mass merchandisers, catalog/e-commerce companies, food service distributors, and janitorial/sanitation distributors.

Though headquartered in Peabody, Massachusetts, Webster's manufacturing facility is located in Montgomery, Alabama and the company has logistics facilities in Montgomery, Alabama and Sparks, Nevada. Webster boasts the largest in-line bag making machine in the country. And, we're able to store over 11 million pounds of resin on site to ensure continuity of production and product supply. Our facility includes over 400,000 square feet of warehouse space with over 1.8 million cases of product on site at any given time.

As an established leader in this industry, we consistently strive to offer the best products and service to our customer-partners. Our stellar record speaks for itself: Webster's customer service is unbeatable with 97+% of orders shipped complete and on-time. Webster employees are proud to stand behind one of the best customer service records in the industry.

Webster has a longstanding environmental heritage and stands out as a proven environmental leader in the field. Webster has been recycling plastics for decades and currently recycles over 30 million pounds of low-density polyethylene plastics each year. Recycling LDPE saves about half (46%) of the greenhouse gas emissions associated with the production of virgin plastic trash bags, according to a U.S.-EPA study. The U.S.-EPA found that recycling plastics uses only about 10% of the energy that it takes to make a pound of plastic from virgin materials.

Webster is the first company to offer independently certified recycled content store brand trash bags, which are available with a convenient drawstring or twist-tie closure. Webster's recycled content trash bags are certified by Scientific Certification Systems (SCS) for 65% recycled content, including at least 10% post-consumer material. Through the independent certification process, all of Webster's environmental claims are audited, verified and provide a measurable environmental benefit – providing proof that you can trust our environmental product claims.



Please Visit Us at the  
PLMA Show: **Booth #4010**

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