

BEAUTY
H A N D B O O K

reinventing beauty™
■ health ■ style ■ home ■ life

MONITOR
Your Family's Health & Wellness

2011

Media Analysis

AS LISTED IN

SRDS®

STANDARD RATE & DATA SERVICE

CORPORATE OFFICE:

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360 Degrees of Marketing



Print Publication

Key elements of the Publication

- An upscale beauty, health, wellness and lifestyle publication, representing a value-priced alternative (99¢) to similar women's lifestyle publications
- Customized under the direction of the retail drug chains
- Published quarterly and sold at point-of-purchase, with scanned circulation of 1.2 million single copies
- Targeting women who are the primary decision maker/purchaser of products for their family's health and well-being

Reaching the Retail Customer at Point-of-Purchase

- Retailers indicate that providing customers with point-of-purchase incentives prompts incremental sales and stimulates return purchases
- Women are the primary decision maker for products associated with their family's health and well-being—and the primary demographic of retail chains (ages 22-55)
- Custom editorials assist you in educating the consumer about your brands which are pertinent to their family's health.
- Key topics include solutions for preventative maintenance and care of common ailments.



Drive Additional Product Movement by Featuring Coupons Rebates

- Each quarter CVS features a tear-out, coupon/rebate insert, proven to generate additional product movement.



Monitor Your Family's Health & Wellness

MONITOR
Your Family's Health & Wellness



Monitor Your Family's Health & Wellness

A comprehensive family health, fitness and wellness section



Featuring prominent editorial affiliations with the FDA Office of Women's Health, American Heart Association/Go Red for Women and the Harvard School of Medicine

- Providing manufacturers the opportunity to tie their brands into specific health topics and educate consumers on product benefits via comprehensive editorials in an informative and easy to understand format.
- Affiliations with these prominent associations assure that family health editorials are up to date and written under the direction of prominent physicians and healthcare professionals.
- Targeting specific health related topics each quarter, i.e., a Heart Healthy Guide, Weight Loss & Diet Guide, Recognizing the Signs of Depression, etc.
- Designed to reach women ages 24-55, who represent the head of household and the primary healthcare provider for the American family.
- Research shows that women make 90% of the healthcare purchases for the family.
- Assisting the retail pharmacies educate their customers on pertinent family health & wellness issues and directing them to their respective pharmacy departments.
- Reach consumers at Retail Health Clinics such as CVS's MinuteClinics and Walgreens/Duane Reade Health Corner Clinics.

We are proud of our active role in assisting the U.S. FDA Office of Women's Health's objective of providing women with access to reliable information on women's health topics.

Editorial Support

The editorial theme of our publications emphasizes the concept of the *Complete Woman: Beauty, Health, Fitness and Wellness.*

Print Version

- Our editorial staff will tailor relevant editorials which feature product mentions in an effort to create consumer awareness of your brands.
- Editorials can be featured adjacent to any of your advertising pages.
- The *Monitor Your Family's Health & Wellness* section provides the opportunity to tie brands into a specific health topic in an informative and easy to understand format.

Web Version

- We can place your editorial in a relevant section on our website and embed a hot link in key words or images, which will redirect the reader to your website, digital coupons or any other location.

dental health
A Winning Smile
ORAL CARE FROM CLEANING TO WHITENING

It all, the basic idea hasn't changed. Proper oral hygiene will reward you with a bright smile and good oral health.

The keys may lie the whitening to the smile, but according to the Surgeon General's Report on Oral Health, the truth is "a vision for general health and well-being." The report states that good oral health is essential to good overall health, specifically for women. A growing body of research has linked gum disease to bacterial infection that could enter the bloodstream to a variety of health problems, with possible associations between chronic oral infections and diabetes, heart and lung disease, stroke and low birth-weight premature births.

According to health and Human Services Secretary Donna Shalala, "The Surgeon General's Report on Oral Health provides important information that oral health means more than just teeth. Oral health is integral to overall health."

The Culprits

It doesn't take a rocket scientist to understand the fundamentals of oral hygiene. But it's important to know what you're fighting against. For example, that sugar found in your toothpaste may seem harmless, but it's the devil to your teeth. Here's a look at substances that are weighing in on your / continued on page 80

An Introduction to the Basic Oils

If you'd like to start enjoying the benefits of essential oils, here's your beginner's lesson. Read on for details about the most common oils and their uses. In all cases, dilute the drops of essential oil in one ounce of carrier oil, like grapeseed, olive or coconut oil. Never use more than 30 drops total, no more than six drops of essential oil in one ounce of carrier oil. For aromatics, when adding two oils, use fifteen drops of each with three oils, use five drops of each and so on. Beginners should test combinations of two or three oils to see which they like best. Just like the ingredients used in perfumes, different oils have varying levels of scent intensity. Know your notes. The notes mix together with the lightest being first and the heaviest being last for the longest period of time. For the most pleasing mixture, stick to five ingredients or less, and do not to create masking and interference between the oil scents. Another aspect of advice: Always use fewer drops when applying to sensitive skin.

LAVENDER mixes with burns, scrapes, healing wounds, insomnia, stress and an occasional stomach ailment in the evening. Use one of the most beautiful, therefore it is often used to calm the mind and body. Just spray the diluted oil on linens, pillows and around the room before bedtime or add the drops right into the bath so it will dissolve into the water (no carrier oil necessary).

Tea Tree (EUCALYPTUS) is a natural antiseptic, and also in relieving of congestion and soothe coughs in patients suffering from bronchitis.

GERANIUM has a mild scent, helps with insomnia. Apply at night to ease tension and ease the respiratory system. Blended into the bath and steam, geranium and yarrow are divine. Women will find this oil especially helpful during PMS as it works to soothe nervous tension and hormonal imbalances.

ESSENTIAL OILS are in cleaning up skin infections, cuts and so, and make a great insect repellent. Rosemary can be rubbed into the chest and back when you have a cold, and works wonders on muscle aches. Add a 10 to 15 drop each in a 4-ounce bottle of carrier oil.

GRAPEFRUIT The reason of this oil is widely understood as helping circulation, but it also helps with skin and stress, and can help with water retention, and soothes the throat in the case of an upper respiratory. Because of its multitude of applications, grapefruit is a favorite both at all. Add 10-15 drops into the evening.

PEPPERMINT Excellent for digestion, peppermint is used to ease and soothe whether offered into the air or applied directly.

LEMON A natural antiseptic, supports the immune function and improves and supports the skin. Lemon also helps to deodorize and purify air and water.

personal health
Women and Diabetes

Approximately 17 million people in the United States have diabetes.

5.8 million people are unaware that they have the disease.

8.9% of all women over the age of 20 in the United States have diabetes.

The prevalence of diabetes is at least 2.4 times higher among African American, Hispanic/Latino, American Indian, and Alaska Native, and Asian/Pacific Islander women.

Diabetes is a disease in which the body does not manufacture or properly use insulin, a hormone that is essential in converting sugar, starches and other food into energy. The cause of diabetes is unknown, although there appear to be links between the disease and both genetics and factors such as obesity and sedentary lifestyle.

According to the American Diabetes Association, approximately 17 million people in the United States have diabetes. While an estimated 11.1 million have had diabetes, 5.8 million people are unaware that they have the disease.

Diabetes is the 10th deadliest disease in the United States, and it has no cure. The total annual economic cost of diabetes in 2002 was estimated to be \$132 billion, or the cost of every 10 health care dollars spent in the United States.

Women with diabetes have an increased risk of vaginal infections and complications during pregnancy. For women who do not currently have diabetes, pregnancy brings the risk of gestational diabetes. Gestational diabetes develops in 2 to 3 percent of all pregnancies but disappears when a pregnancy is over. Women who have had gestational diabetes are at an increased risk for developing type 2 diabetes later in life.

Diabetes-Related Complications

The risk for cardiovascular disease, the most common complication attributable to diabetes, is more serious among women than men. Deaths from heart disease in women with diabetes have increased 23 percent over the past 30 years, compared to a 27 percent decrease in women without diabetes.

The risk of diabetic ketoacidosis (DKA) is 60 percent higher among women than men. DKA, often called diabetic coma, is a condition brought on by / continued on page 74

Manufacturer's Coupon Program

PRINT: COUPON INSERT PAGES

We work with our retailer partners to develop promotions to provide value to the consumer, drive incremental sales and stimulate additional store traffic.

CVS is able to qualify the results of featuring coupons in the CVS Reinventing Beauty program, with an average redemption rate of 11.2% on a run of 350,000 coupons.

- Our programs outperform all other coupon media
- Redemption between 4% to 19%
- Average lift of 12%
- Coupons featured in conjunction with advertising drew greater results
- Coupon usage is at an all time high—3.0 billion in 2009
- Nearly half of all coupon redeemers are 34 or younger
- Nearly three quarters of coupons redeemed are by women age 25-54

DIGITAL: WEB BASED COUPONS

We have entered into a joint venture with America Online and the Shortcuts.com couponing program to provide online solutions to drive consumers to purchase your brands at the retail drug stores. Details on the following page.

The image displays a collection of printed and digital coupons from CVS Pharmacy. Printed coupons include offers for Inner Beauty (save \$1.00), Dasani (save \$1), BreathRx (save \$1.50), Veet (get \$2.00 off any Veet product), Shop CVS Pharmacy (over \$25 in savings), L'Oréal Paris (save \$1.00 on Infallible Le Rouge or ANY L'Oréal Lip ...), Aqua Pod (save \$2.00 off any Aqua Pod), Sally Hansen (save \$3.00 on any Sally Hansen nail color), and Cristophe (save \$2.00 off any Cristophe Purely Natural). A digital coupon interface is shown on the right, featuring a green border and a globe icon. It includes two coupons: one for L'Oréal Paris (save \$1.00 on Infallible Le Rouge or ANY L'Oréal Lip ...) and one for Maybelline (save \$2.00 on Superstay24™ Lipcolor). Both digital coupons have an 'Add' button and an expiration date.



Beauty Handbook has partnered with AOL's digital couponing site Shortcuts.com

Beauty Handbook.com provides consumers an opportunity to print coupons from their home printer or add coupon savings to their registered store savings card.

Key features include:

- Digital promotions tailored to your demographics
- Reach AOL's vast audience of over 50 million visitors per day
- Premium Placement for your coupons
- Electronic processing eliminates common fraud practices
- Fees incurred only when consumers print/download your coupon
- e-Coupons can be limited to a specific number of downloads based on your budget

Customized Programs Tailored to your Demographics

- **Target specific gender/age through ad or editorial placement in key America On-Line Special Interest sections**
- **Your e-Coupons can be tied into a chain-specific promotion featured on BeautyHandbook.com, designed to encourage redemption at a specific retailer**
- **Cross promotions in the coupon section of Beauty Handbook (print)**
- **Hot links can be embedded in your ad or editorial in our digital publication, which can link out to your coupon**

E-Newsletter Campaign

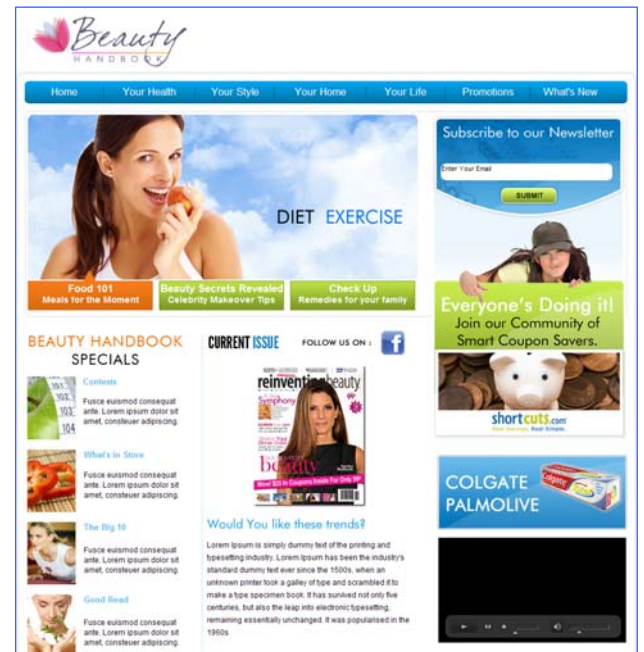
- **We can tailor a product mention in our e-newsletter directed to AOL users and BeautyHandbook readers.**
- **Features beauty, health and wellness tips with opportunities to tie in your products and cross link your coupons within the body of the newsletter**
- **An inexpensive way to reach significant consumers and drive sales**

Beauty Handbook's Website: Digital Marketing Solutions



Beauty Handbook's Gone Digital

- Featuring a ten-page digital preview of the current issue, redirecting consumers to the retail chains to purchase the publication
- Full, interactive flipbook versions of previous issues on our digital newsstand link: www.issuu.com/beautyhandbook



Promotional Features:

- Feature ads and editorials on our site with keyword embedded hot links, redirecting visitors to your website to view your contests, demonstration videos, etc.
- Feature ads and editorials on our site with keyword embedded hot links, redirecting visitors to your on-demand coupons (via Shortcuts.com)
- We retain the most recent back issue in digital flipbook format on our website in order to feature your ads/editorial with hot links to your content and coupon
- Feature your "how to" promotional videos on our site

Social Media: Facebook & Twitter

- We can assist your brands in gaining additional consumer loyalty for your brands with the coveted "Like" affirmation on Facebook
- Our content catches the attention of consumers, allowing us to provide information about your brand's latest activities, discounts, promotions, updates on future products and more.
- We also tweet current trends on Twitter to assist you in promoting your brands

Visit us on Facebook: www.facebook.com/pages/Beauty-Handbook/148054515248340

Retail Sales Associate Training Program

Boost the effectiveness of your advertising by utilizing the Beauty Bulletin Sales Associate Training Program in conjunction with our consumer publications

The Retail Store Associates control the success of your brands!

A program that answers the retailer, manufacturer and consumer's need for a highly trained and motivated sales clerk.

Good product selection must be matched with a knowledgeable salesperson. This is the critical element which retailers are focusing on in these challenging times.

- An effective way to increase sales of your brands is by educating the CVS sales associate on the key features of your brands, and providing strategies and tools to assist the sales associates in driving additional sales of your products to the consumer.
- Featuring product information, benefits, advertising and display; sales incentive contests, how-to selling points—all the pertinent information needed to stimulate additional consumer sales of your brands.
- Reach over 35,000 retail sales associates and provide them with the feature benefits of your existing products, as well as items soon to appear on their shelves.
- Implemented in conjunction with *Beauty Handbook*, the newsletter is distributed with a copy of *Beauty Handbook* directly to the store associates in the HBA, beauty and cosmetic departments.



Reader Profile

Beauty Handbook reaches women between the ages of 22-55

- ✓ One in three items purchased at chain drug are cosmetic and HBA items
- ✓ Women represent 90% of drug store traffic
- ✓ Women purchase 70% of the items utilized by men

AGE

Median Age	35.0
Women 12-18.....	3.0 %
Women 19-24.....	26.0 %
Women 25-34.....	36.0 %
Women 35-54.....	35.0 %

EMPLOYMENT

Employed 68.0 %

INCOME

HH Income \$30,000 65.0 %
Median HH Income \$42,230

EDUCATION

Attended/Graduated College..... 52.0 %

MARITAL STATUS


Married 61.0 %
Single/Widowed/Divorced 39.0 %

HOUSEHOLD STATUS

Mothers 65.0 %

Each quarter we collect demographic information with incentive driven consumer response cards.

WALGREENS LOOK GOOD—FEEL GOOD™ IS A TRADEMARK OF THE WALGREEN CO.

Welcome to
 **look good**
feel good!™

In order to serve you better, we would like to learn more about you so that we may direct our editorials to cater to your needs—providing service to you, our customer.

What is your age? 28

Are you single / married? (Please check one)

Do you have children? yes no
If yes, how many? 2

What is your annual household income?
\$50,000

What prompted your decision to buy Walgreens Look Good—Feel Good™?
New magazine, interested in topics

What articles in Walgreens Look Good—Feel Good™ did you enjoy most?
Hair Care & Skin Care

What articles would you like to see in future issues of Walgreens Look Good—Feel Good™?
More head to toe skin care articles

Please return this postage-paid card.

COMPENDIUM PUBLISHING

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 www. BEAUTYHANDBOOK.com



2011 RATE SCHEDULE

EFFECTIVE JANUARY 1, 2011

AS PUBLISHED IN

STANDARD RATE **SRDS** & DATA SERVICE

BEAUTY HANDBOOK—RATE BASE : 1,200,000

	4-COLOR	B&W
Spread	\$37,620	\$28,000
Full Page	18,810	15,000
Two Columns	13,570	11,000
1/2 Pg. Horizontal	10,177	8,300
1/2 Pg. Vertical	10,177	8,300
Digest Size	10,177	8,300
Column Vertical or Square	6,783	5,500
Black & White Disclaimer		7,000

COUPON RATE

Single Coupon \$5,000

Notes: Bleed charges are included in the rate

BEAUTY BULLETIN TRAINING PROGRAM—RATE BASE: 50,000

	4-COLOR	B&W
Full Page	\$6,000	n/a

Editorial content, product image

PUBLISHING SCHEDULE—ON COUNTER

Quarterly: January through December

An advertiser who does not complete a committed schedule will be subject to short rate. Bills are rendered on or about the issue's on-sale date and due 20 days following invoice date. All advertisements are subject to Publishers approval; Publisher reserves the right to reject or cancel any advertisement, insertion order or contract at any time. Production charges incurred on behalf of an advertiser or its agency in preparation of advertising material will be billed at net cost. All advertisements are accepted and published upon the representation by the agency and advertiser that they are authorized to publish the entire contents and subject matter thereof and that such publication will not violate any law or infringe upon any right of any party. In consideration of the publication of advertisements, the advertiser and agency will, jointly and severally, indemnify and save the publisher harmless from and against any and all losses and expense arising out the publication of such advertisements, including, without limitation, those arising from claims or suits for defamation, copyright or trademark infringement, misappropriation, violation of the Lanham Act or right of privacy or publicly or from any and all similar claims now know or hereafter devised. It is understood that the advertiser and agency are jointly and severally liable for payment of invoices for advertising published hereunder. In consideration of the Publisher's reviewing for acceptance, or acceptance of, any advertising for publication, the agency and advertiser agree not to make promotion or merchandising reference to *Beauty Handbook*, *Teen Beauty Handbook*, *Health Handbook*, *Beauty Handbook en Espanol* or *Beauty News & Trends*, in any way except with the prior permission of the Publisher in each instance.

DISCOUNTED COMBINATION RATES ARE AVAILABLE

Print Ad featured digitally on Beauty Handbook.com..... \$500 net

Digital Coupon via AOL/Shortcuts.com 10¢ per print (minimum run 25,000)
Coupon Set-up Fee..... no charge

Banner Ads on Shortcuts.com \$5,000 net (one month run)

Custom Editorial: Digital \$500 net per issue
Featured in print version, digital version and on BeautyHandbook.com

Hot Link Enabled in your Digital Editorial and/or Ad

Featured in Beauty Handbook's Digital Version and on BeautyHandbook.com

Embedded link to your website or coupon \$500 net

E-Newsletter Campaign (beauty and/or wellness target) \$5,000 net (impressions TBD)



Beauty Handbook Lifts Sales With Value Promise

NEW YORK — Coupon usage was up almost 17 percent in the fourth quarter of 2008, according to Valassis, a media and marketing services company.

That's good news to Jack McAuliffe and his Beauty Handbook group of chain-customized consumer magazines. At a time when consumer magazines are struggling, Beauty Handbook is thriving, according to McAuliffe, president and publisher of the publishing company, which distributes at certain chains under proprietary names and under the Beauty Handbook logo for many other large and regional drug chains.

"Our publications are experiencing unprecedented sales as women find value in the informative beauty, health and wellness content at a low price of 99 cents, in addition to valuable coupon savings inside," explained McAuliffe.

A perfect example of the value in the magazines is the latest edition of CVS Pharmacy's Reinventing Beauty, which will reach more than 1.2 million customers. Actress Kate Winslet shares the cover with a banner proclaiming "\$25 worth of coupons inside." The coupons include \$1 off the new Colgate Wisp, \$2 off Veet and \$2 off CVS' own Skin Effects by Dr. Jeffrey Dover. The publication offers CVS the chance to promote its own brands along with national advertising. A few nonbeauty items include \$1 off Coca-Cola's Dasani water and \$1 off Hershey's Kisses. Beyond the coupons featured in the CVS magazine, additional inserts are distributed through the stores.

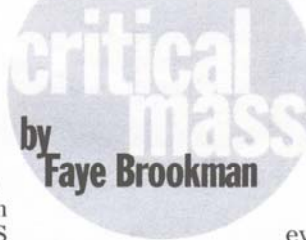
McAuliffe said he can attest to the fact that coupon usage is on the rise since his firm can measure redemption data from retailers as well as see an increase in sales of the publications.

Jeff Rogers, president of Physicians Formula, provided a testimonial to the magazines. "In the first 30 days [after a CVS Reinventing Beauty Program] we experienced redemption of 5 percent and a lift in sales of approximately 3.2 percent over last year's selling period," he stated.

In addition to the general market magazine, Beauty Handbook publishes Belleza, a Spanish version of Beauty Handbook; Monitor Your Family's Health, and a Beauty Advisor Training Program. This vehicle establishes a partnership between beauty advisers and manufacturers to drive additional sales. A recent example of this type of publication offered CVS advisers sales-building ideas,



The latest issue of CVS Pharmacy's Reinventing Beauty.



such as new products, as well as editorial articles about consumer trends. There are also stories with quizzes to help associates validate what they've learned.

"The training program allows manufacturers to develop a partnership with the beauty advisers and retail sales associates and provide them with sales strategies, product information and incentives to assist the sales associated in recommending their brands to the shopper," McAuliffe said.

With more staffing being added at stores without additional training support from chains or vendors, the publication serves as a training tool, one retailer explained.

McAuliffe realizes there is a pressure for print publishers to provide more digital content. "A balance must be achieved in providing certain content online in order to reach new readers, as well as to provide advertisers with new vehicles to target consumers," he said. "Our program is unique in that the entire content of our publications is designed to drive consumers into the brick-and-mortar retail stores."

However, he said his firm is evaluating what works and what doesn't on the Internet and plans to roll out a new online presence in the next few months.

Chain drug is the best fit for the magazines, McAuliffe proposed, versus grocery stores, because the magazine helps boost store traffic by redirecting women — who are usually the providers for a family's beauty, health and wellness needs. "Our publications support the image that our retailer drug partners are the experts in providing health and beauty needs," he said. "Our programs provide manufacturers with the opportunity to target the drug customer and provide them with additional incentives to purchase their brands."

And, a price incentive does indeed work in this economy and could hold true even as the picture improves. "Challenges in the economy are most definitely influencing manufacturers and consumers as it relates to both distribution and redemption," said Suzie Brown, Valassis chief marketing officer. "Every trend indicates these current buying and saving habits will continue to increase and value-seeking will become a cornerstone of shopping behavior in the future."