



You can have your cake and....

- Drive traffic to your In-Store Bakeries
- Generate incremental sales and profits
- Improve your In-Store Bakeries' ability to enhance the shopping experience
- Leverage the #1 baking show and the #1 celebrity baker, **Buddy Valastro**



In-Store Bakeries: Objectives

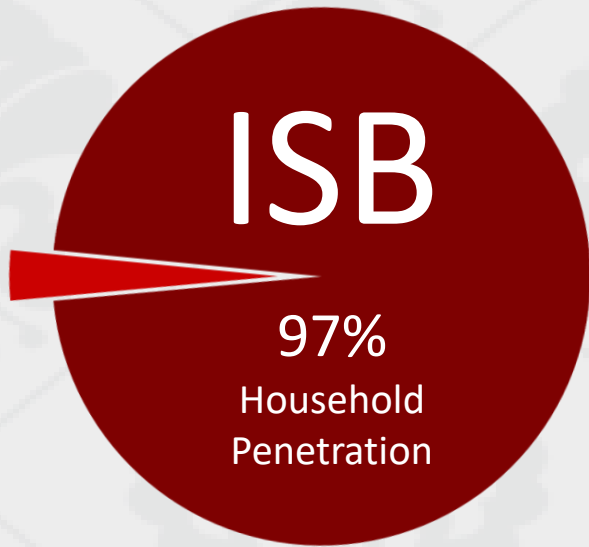
- Retailers depend on their ISBs to create a fresh and **unique shopping experience**
- The ISB should **reward the customer** through **indulgence**, especially through sweet goods

In-Store Bakeries: Challenges

- Delivering a **superior ISB shopping experience** is often **financially prohibitive**
- **Skilled labor is expensive** and difficult to retain, especially decorators
- Difficulty **converting impulse purchases** to **repeat buyers**

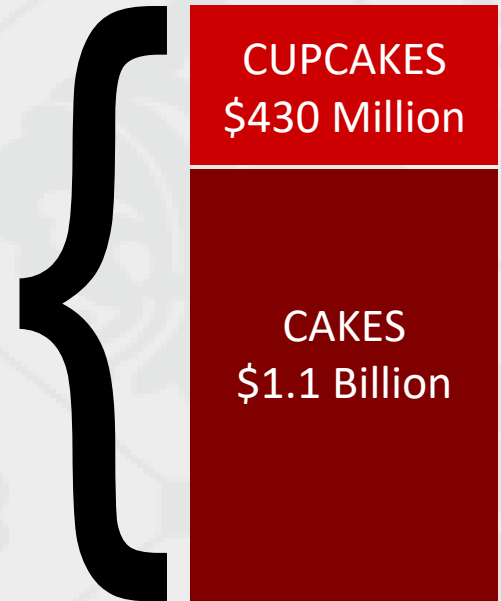
Not-So-Sweet Fact #1

Bakery Sales are Leaving Your Store



But for premium cakes and cupcakes your shoppers are going to Independent Bakeries. And spending a lot of dough.

\$1.53
BILLION



Independent Bakery
Cake and Cupcake Sales

\$80+ | Charm City



\$120+ | Dean & DeLuca



\$27 (6) | Crumbs



\$22 (6) | Molly's



Source: Assumes Crumbs' market share = 10% of independent bakery cupcake market. Nielsen Homescan ratio of cake to cupcake sales ratio, 52 weeks ending 6/29/13.

Not-So-Sweet Fact #2



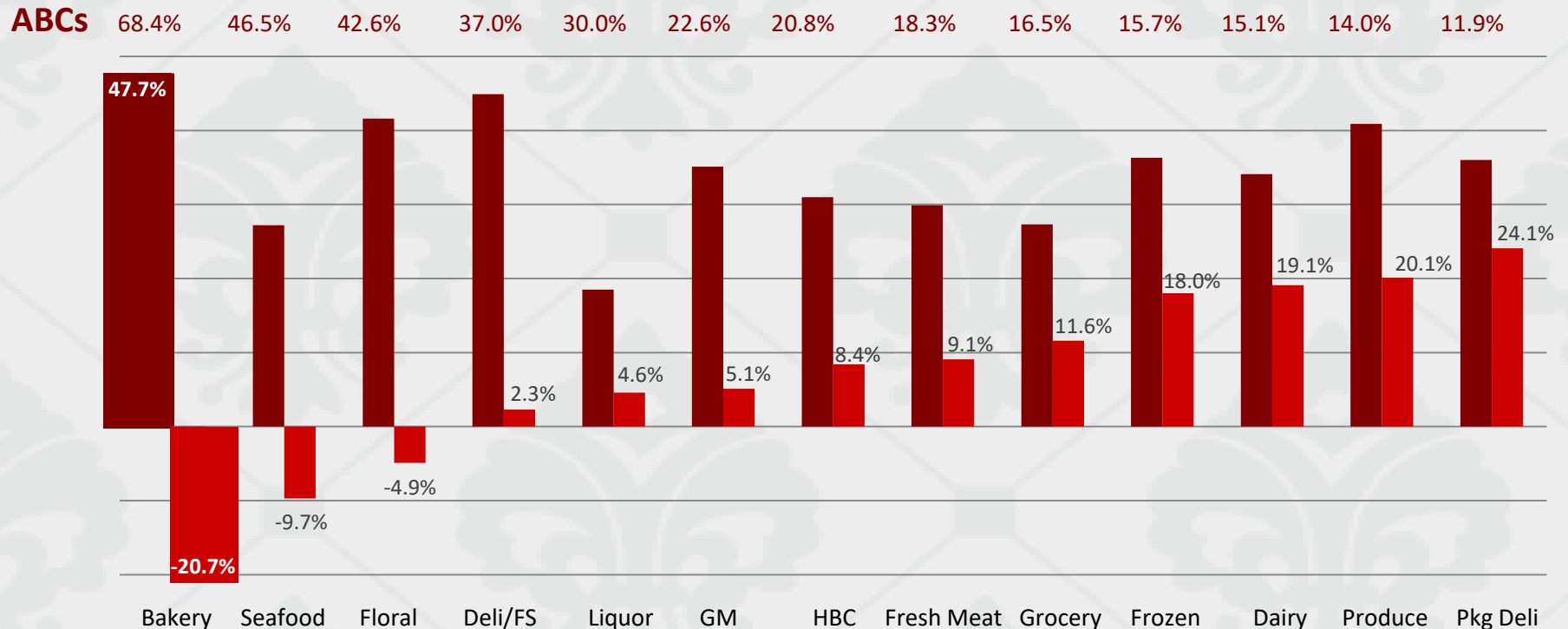
In-Store Bakery is Challenged to Make Money Today

The ISB department generates the largest gross margins; however, it also has the greatest amount of operating costs. On a net-net basis, the ISB loses the most money.

Supermarket True Profit Margins

(Includes 100% of Retailer Operating Costs)

Adjusted Gross Profit True Profit



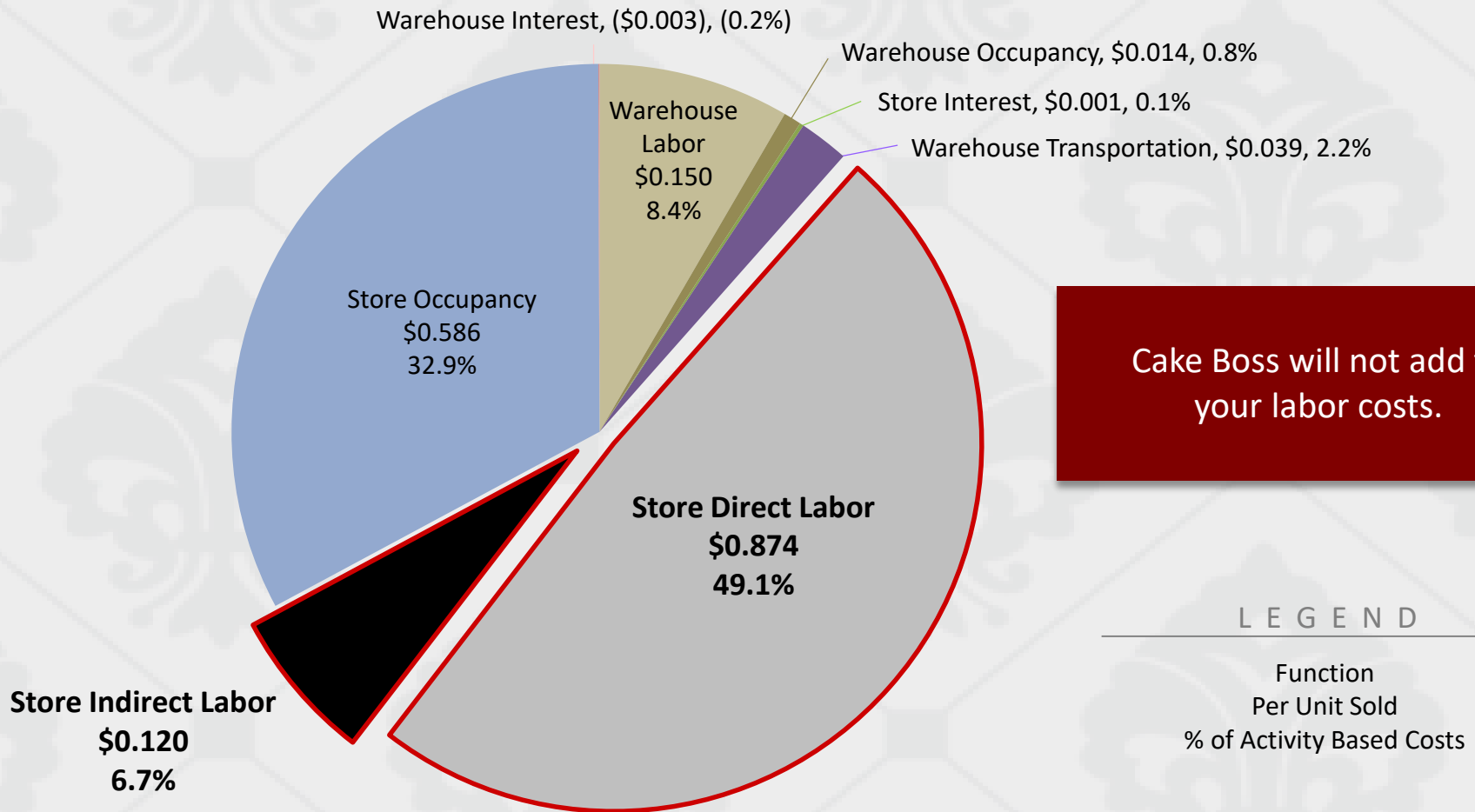
Source: The Willard Bishop 2013 Total Store Grocery SuperStudy™ (Ahold, Kroger, Safeway)

Activity Based Costs (ABC) = 100% of Retailer costs to handle products in the warehouse and at the store level based on fair share

Store Labor is the Largest ISB Expense



ISB store labor (direct and indirect) accounts for 55.8% of unit costs



Source: The Willard Bishop 2013 Total Store Grocery SuperStudy™ (Ahold, Kroger, Safeway)

Activity Based Costs (ABC) = 100% of Retailer costs to handle products in the warehouse and at the store level based on fair share

Solution:

Buddy and Cake Boss in Your Stores



Leverage Cake Boss and Buddy to capitalize on **“Family Indulgence”** and capture market share from **Local Bakeries**

Building on Success



Dawn Food Products, Inc. is pleased to introduce indulgent cakes and cupcakes, created exclusively for In-Store Bakeries



The Sweet Smell (and taste) of Success

IN-STORE BAKERY

The Perfect Recipe for Creating Excitement,
Increasing Traffic and Improving Profits



- Personality
- Products
- Price
- Promotion

New Merchandising Space in Your ISB Creates Incremental Sales

Personality, The #1 Celebrity Baker



Every week **22 million customers** invite
Buddy Valastro into their homes.



Buddy Valastro

Personality, The #1 Baking Show



Cake Boss is in its 6th season

- Watched by more than 140 million people in the US
- Continues to show double digit growth in viewership among adults with each new season

Cake Boss' Unprecedented Popularity is Creating Two New Shows



Personality, The Greatest Opportunity

Nearly 7 million Facebook fans love Cake Boss, but most have never had the chance to try a Cake Boss product

6.7 Million Likes*



*7x more than Martha Stewart



A Personality that “Connects” with your most Valued Shopper



Demographics

- Women 25-54
- Kids at home (ages 2-17)
- Well Educated
- Affluent Household

Behavioral

- Cooks at home for the family
- Appearance matters
- Consistently seeks new products
- Uses creative outlets



- An exciting, superior ISB experience that provides incremental sales and profits, while freeing up labor for other activities
- Creates a positive brand association (Halo Effect) for your stores

In test stores, Cake Boss cakes and cupcakes ranked in the top 20% of units sold

The Sweet Smell (and taste) of Success

IN-STORE BAKERY

The Perfect Recipe for Creating Excitement,
Increasing Traffic and Improving Profits



- Personality
- **Products**
- Price
- Promotion

Indulgent and Strategic Product Line

Impulsive Indulgent product line offers easy trial and trade-up opportunities

Cupcakes



- 2-Count
- 4-Count

Celebration, Fondant and Dessert Cakes



- 5 Inch
- 7 Inch

Why Cake Boss Cakes are so Good

Flour/sugar ratio and emulsifiers fine tuned to give cakes with optimum balance of tenderness, handling and eating texture

Flavor systems developed in conjunction with Buddy V. provide unique, bakery quality taste

“Buddy’s secret” – addition of bakery creams to the batter – produces a very unique, moist cake

Other special ingredients



Celebration Cakes

- Innovative designs for special occasions
- Two different cake layers – Yellow and Devil’s Food
- Cakes based on Buddy’s recipes
- Chocolate Fudge Icing between layers based on Buddy’s scratch recipe
- Custom designs are exclusive to Dawn Foods/Cake Boss
- Buttercream icings based on Buddy’s scratch recipes, made with butter
- All designs were developed in collaboration with Buddy and approved by TLC



Dessert Cakes

- Decadent cakes made with premium “other” ingredients
- Cake layers formulated to be extra moist with good body (Buddy’s Secret)
- Buttercream icings based on Buddy’s recipes, made with butter
- Belgian ganache used on Oh My Ganache , Va Va Velvet and Dulce de Leche
- Chocolate curls and chocolate shavings made with imported chocolate



Fondant Cakes

- Unique designs developed with Buddy and approved by TLC
- Fondant colors are custom developed by Dawn, in collaboration with our fondant supplier and Buddy
- Very thin fondant coating
- Same great cake layers as the Celebration cakes
- **First large scale commercially produced fondant cakes available in the US**



Cupcakes

- Custom designs
- Filled with chocolate fudge icing or rich cream cheese filling
- Made with same great batter as Cake Boss buttercream cakes
- Unique, taller cupcake profile



The Sweet Smell (and taste) of Success

IN-STORE BAKERY

The Perfect Recipe for Creating Excitement,
Increasing Traffic and Improving Profits



- Personality
- Position
- **Price**
- Promotion

Strategically Priced

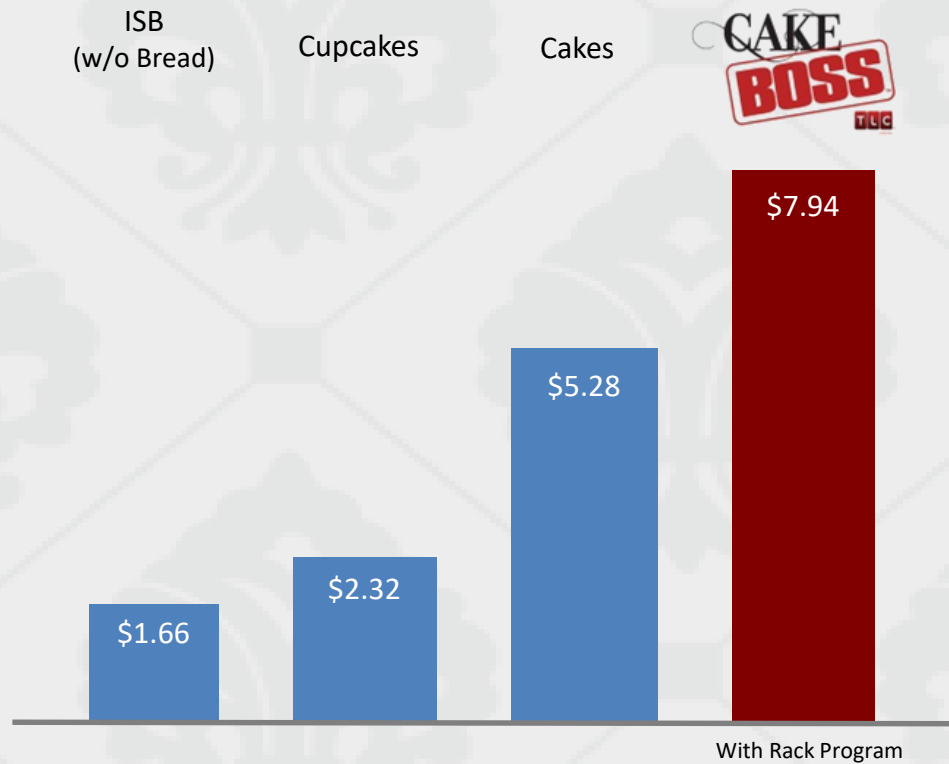
Cake Boss' strategic pricing does not cannibalize ISB cakes and delivers totally incremental sales and profits



7" Cake, Suggested Retail: \$24.99

Cake Boss is Rich in Taste and Profits

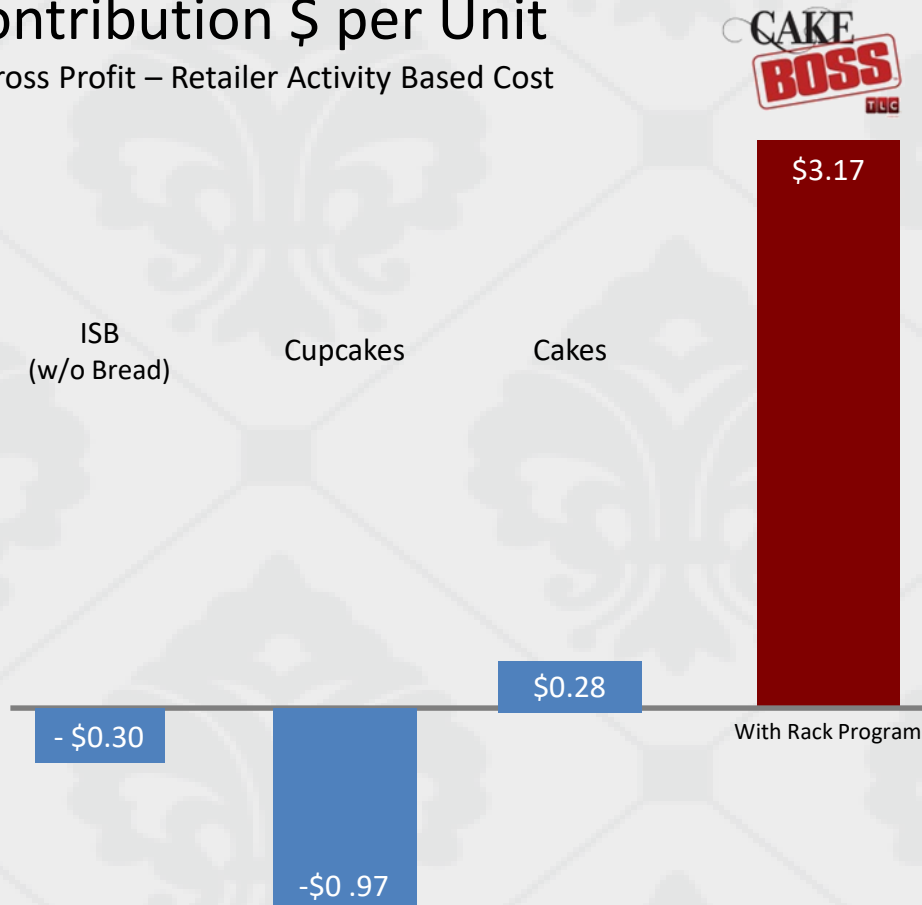
Gross Profit per Unit (after shrink)



Cake Boss is Rich in Taste and Profits

True Profit Contribution \$ per Unit

True Profit = Adjusted Gross Profit – Retailer Activity Based Cost



Source: The Willard Bishop 2013 Total Store Grocery SuperStudy™ (Ahold, Kroger, Safeway)

Activity Based Costs (ABC) = 100% of Retailer costs to handle products in the warehouse and at the store level based on fair share

Cake Boss Captures Incremental Sales & Profit without Cannibalizing ISB Cakes



Cake Boss eliminates many expenses and provides a very high profit contribution

	ISB No Bread	Cupcakes	Cakes	CAKE BOSS DTC	
Retail Price	\$3.57	\$4.82	\$10.42	\$24.99	
COGS + Shrink	1.91	2.50	5.14	17.05	
Gross Profit	1.66	2.32	5.28	7.94	
ABC	1.96	3.29	5.00	4.77	
True Profit Contribution \$	(\$0.30)	(\$0.97)	\$0.28	\$3.17	<ul style="list-style-type: none"> • Minimal in-store labor • No prep labor • No shelving costs <i>Display rack provides new selling space</i>
True Profit Contribution %	(8.4%)	(20.1%)	2.7%	12.7%	

The Sweet Smell (and taste) of Success

IN-STORE BAKERY

The Perfect Recipe for Creating Excitement,
Increasing Traffic and Improving Profits



- Personality
- Products
- Price
- **Promotion**

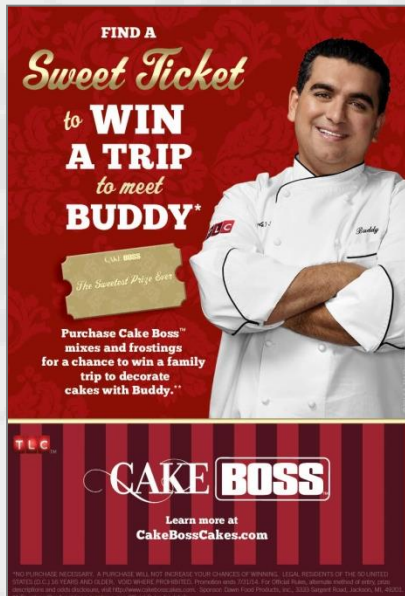
In-Store Bakery Merchandising



- Attractive, easily-recognized display cases
- New merchandising space
- Interrupts traffic flow
- Store-level merchandising support

Free display rack transforms unused floor space into incremental sales and profits

The Sweet Smell (and taste) of Success



- Targeting Trial
 - Cupcakes
 - 5" Cake
 - Sweet Ticket Campaign

- Trade-Up/Repeat Purchases
 - In-Product Coupons
 - Loyalty eCoupons

- Integrated Marketing
 - FSJ
 - Digital/Social
 - Events/PR

- Point-of-Purchase
 - Displays
 - Signage



The Value of Family Indulgence



Leverage the phenomenal success of Buddy and Cake Boss to create a superior shopping experience

Leverage the show's demographics by offering products that provide "family indulgence"

Add incremental sales and profits without adding ISB labor

Implement an ISB-specific, turnkey program like no other





You can have your cake and....

... enhance the shopping experience

... drive traffic to your In-Store Bakeries

... capture incremental sales and profits



Say "Yes" to Family Indulgence



Authorize 24
Cake Boss items
and we will get
busy with your
display cases!



Appendix

Product Details



2ct Cake Boss Cupcakes



Win Premium Occasions with Cake Boss Cupcakes



Baby Bloom

Yellow cake, fudge filling, buttercream frosting



Choc It To Me

Chocolate cake, fudge filling, chocolate icings and shavings



Peanut Butta Lova

Chocolate cake, fudge filling, peanut butter frosting, chocolate topping



Va Va Velvet

Red Velvet cake, fudge filling, cream cheese frosting, white chocolate topping

SRP/Pack Size:

- 2 ct: 8 ct/case, \$5.99 SRP (Clamshell)

Shelf Life: 180 days frozen, 7 days refrigerated, 5 days ambient

Dawn Case SKU#	Case Code	Unit UPC	Product Description	Notes	Size (oz)	Pack	Gross Wt Cases (lbs)	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet	Shipping Weight per Pallet
01362764	0-2951922346-5	0-2951922347-2	Baby Bloom Cupcake 2ct	Clamshell	8	8	5.8	0.85	19.88	9.00	8.19	10	9	90	518
01362780	0-2951922348-9	0-2951922349-6	Peanut Butta' Lova' Cupcake 2ct	Clamshell	8	8	5.8	0.85	19.88	9.00	8.19	10	9	90	518
01362821	0-2951922352-6	0-2951922353-3	Va Va Velvet Cupcake 2ct	Clamshell	8	8	5.8	0.85	19.88	9.00	8.19	10	9	90	518
01362805	0-2951922350-2	0-2951922351-9	Choc It To Me Cupcake 2ct	Clamshell	8	8	5.8	0.85	19.88	9.00	8.19	10	9	90	518

4ct Cake Boss Cupcakes



Win Premium Occasions with Cake Boss Cupcakes



Baby Bloom

Yellow cake, fudge filling, buttercream frosting



Choc It To Me

Chocolate cake, fudge filling, chocolate icings and shavings



Peanut Butta Lova

Chocolate cake, fudge filling, peanut butter frosting, chocolate topping



Va Va Velvet

Red Velvet cake, fudge filling, cream cheese frosting, white chocolate topping

SRP/Pack Size:

- 4 ct: 6 ct/ case, \$9.99 SRP (Clamshell)

Shelf Life: 180 days frozen, 7 days refrigerated, 5 days ambient

Dawn Case SKU#	Case Code	Unit UPC	Product Description	Notes	Size (oz)	Pack	Gross Wt Cases (lbs)	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet	Shipping Weight per Pallet
01362847	0-2951922354-0	0-2951922355-7	Baby Bloom Cupcake 4ct	Clamshell	16	6	7.8	1.09	17.94	8.81	11.25	10	6	60	465
01362863	0-2951922356-4	0-2951922357-1	Peanut Butta' Lova' Cupcake 4ct	Clamshell	16	6	7.8	1.09	17.94	8.81	11.25	10	6	60	465
01362904	0-2951922360-1	0-2951922361-8	Va Va Velvet Cupcake 4ct	Clamshell	16	6	7.8	1.09	17.94	8.81	11.25	10	6	60	465
01362889	0-2951922358-8	0-2951922359-5	Choc It To Me Cupcake 4ct	Clamshell	16	6	7.8	1.09	17.94	8.81	11.25	10	6	60	465

Buttercream Celebration Cakes



Win Any Premium Occasion with Cake Boss Buttercream Celebration Cakes



Bada Bloom



It's My Party



All Wrapped Up

Key Information:

SRP: \$24.99

Case Pack: 4

Shelf Life: 270 days frozen, 7 days refrigerated/ambient

Specifications:

Dawn Case SKU#	Case Code	UCC 14 Digit GTIN Case Code	Unit UPC	Product Description	Notes	Size (oz)	Pack	Gross Wt Cases (lbs)	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet
01295452	0-2951920750-2	000-2951920750-2	0-2951920835-6	Bada Bloom Celebration Cake		48	4	14.0	1.20	19.81	10.56	9.94	8	7	56
01295460	0-2951920751-9	000-2951920751-9	0-2951920836-3	It's My Party Celebration Cake		46	4	13.5	1.20	19.81	10.56	9.94	8	7	56
01340009	0-2951921720-4	000-2951921720-4	0-2951921721-1	All Wrapped Up Celebration Cake		42	4	12.5	1.20	19.81	10.56	9.94	8	7	56

Buttercream Dessert Cakes



Win Any Premium Occasion with Cake Boss Buttercream Celebration Cakes



Dulce de Leche



Oh My Ganache!



Va Va Velvet

Key Information:

SRP: \$24.99

Case Pack: 4

Shelf Life: 180 days frozen, 7 days refrigerated/ambient (Va Va Velvet must be refrigerated)

Specifications:

Dawn Case SKU#	Case Code	UCC 14 Digit GTIN Case Code	Unit UPC	Product Description	Size (oz)	Pack	Gross Wt Cases (lbs)	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet	Shipping Weight per Pallet
01305821	0-2951920986-5	000-2951920986-5	0-2951920985-8	Dulce de Leche Dessert Cake	39	4	11.8	1.20	19.81	10.56	9.94	8	7	56	658
01295478	0-2951920752-6	000-2951920752-6	0-2951920853-0	Oh My Ganache! Dessert Cake	39	4	11.8	1.20	19.81	10.56	9.94	8	7	56	658
01305417	0-2951920950-6	000-2951920950-6	0-2951920949-0	Va Va Velvet Dessert Cake	39	4	11.8	1.20	19.81	10.56	9.94	8	7	56	658

Fondant Cakes



Feelin' Groovy



Lotty Dotty Da



Star Power

Key Information:

SRP: \$29.99

Case Pack: 4

Shelf Life: 180 days frozen, 7 days refrigerated

Specifications:

Dawn Case SKU#	Case Code	Unit UPC	Product Description	Size (oz)	Pack	Gross Wt Cases (lbs)	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet	Shipping Weight per Pallet
01336389	0-2951921645-0	0-2951921820-1	Star Power Fondant Ck	51	4	14.8	1.20	19.81	10.56	9.94	8	7	56	826
01336397	0-2951921646-7	0-2951921821-8	Lotty Dotty Da Fondant Ck	50	4	14.5	1.20	19.81	10.56	9.94	8	7	56	812
01344697	0-2951921866-9	0-2951921867-6	Feelin' Groovy Fondant Ck	50	4	14.5	1.20	19.81	10.56	9.94	8	7	56	812

New Seasonal Items



Drive category growth by appealing to premium consumers with offerings designed to sell across the entire season



Red, White, Beautiful Cake
Americana Celebrations (Memorial Day, 4th of July, Labor Day)



Fall Cake
Sept/October/November Celebrations



Let It Snow Cake
Winter & Holiday Celebrations



Let It Snow Cupcake
Winter & Holiday Celebrations

Red, White, Beautiful Cake

Red, White, and Beautiful



- Buddy's signature design
- Chocolate fudge filling based on Buddy's scratch recipe
- Buttercream icing based on Buddy's scratch recipe, made with butter
- Designed to drive sales throughout summer (Memorial Day, 4th of July, and Labor Day)

Key Information:

SRP: \$24.99

Case Pack: 4

Shelf Life: 270 days frozen, 7 days refrigerated or ambient

Specifications:

Dawn Case SKU#	Case Code	Unit UPC	Product Description	Size (oz)	Pack	Gross Wt Cases (lbs)	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet	Shipping Weight per Pallet
01331785	0-2951921535-4	0-2951921536-1	Red, White & Beautiful Celebration Ck	51	4	14.8	1.20	19.81	10.56	9.94	8	7	56	826

Fall Cake

Fall Cake



- Design inspired by Buddy's successful autumn cake
- Pumpkin cake leverages on-trend fall flavor: Pumpkin-flavored offerings in the U.S. grew +18.8%
- Cream cheese icing paired with pumpkin cake for perfect flavor pairing
- Created to drive sales the entire fall season (Sept - Nov)

Key Information:

SRP: \$24.99

Case Pack: 4

Shelf Life: 270 days frozen, 7 days refrigerated or ambient

Specifications:

Dawn Case SKU#	Case Code	Unit UPC	Product Description	Size (oz)	Pack	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet	Shipping Weight per Pallet
01384883	0-29519-22900-9	0-29519-22901-6	Perfect Pumpkin	41	4	1.20	19.81	10.56	9.94	8	7	56	686

Let It Snow Cake

Let It Snow Cake and Cupcakes



- Buddy's signature cake and cupcake design
- Chocolate fudge filling and creamy buttercream icing inspired by Buddy's scratch recipe
- Relevant for entire winter season

Cake Key Information:

SRP: \$24.99

Case Pack: 4

Shelf Life: 270 days frozen, 7 days refrigerated or ambient

Specifications:

Cake:

Dawn Case SKU#	Case Code	Unit UPC	Product Description	Size (oz)	Pack	Gross Wt Cases (lbs)	Case Cube (ft)	Case Length "	Case Width "	Case Height "	Cases per Layer	Layers per Pallet	Cases per Pallet	Shipping Weight per Pallet
01350313	0-2951922004-4	0-2951922006-8	Let It Snow Celebration Cake	46	4	13.5	1.20	19.81	10.56	9.94	8	7	56	756

Cupcake Key Information:

SRP: Count dependent

Case Pack: 2, 4, or 6

Shelf Life: 270 days frozen, 7 days refrigerated, 5 days ambient

Cupcake:



Merchandising Program

- Retailer gets incremental space (ambient fixture) for free in exchange for:
 - Acceptance of a minimum of four SKUs:
 - At least one cupcake item
 - At least one 5" cake
 - At least one 7" cake
 - Acceptance of X seasonal items
 - Prominent permanent location out in front (foot traffic).
 - Providing daily stocking (backroom freezer to ambient rack).
 - Maintaining minimum back stock inventory for each authorized SKU.
- Accrual program also used to encourage the right behaviors:
 - Base rate = TBD
 - Swell rate = TBD
 - New item support rate = TBD
 - Growth rate = TBD