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ADVERTISING INSERT READERSHIP IS ALIVE AND WELL
New Study from Vertis Finds High Level Insert Readership

BALTIMORE (January 26, 2006) – Vertis today announced the results of its proprietary *Customer Focus® 2006: Retail* study, which for the third consecutive survey, reveals that advertising insert readership levels are consistently at 85 percent or above. Additionally, the study finds Web savvy individuals still rely on advertising inserts, as 88 percent of Sunday newspaper readers surveyed via the Web said they read Sunday newspaper inserts, while 79 percent of those surveyed by phone read them.

"In today's Internet age and ever-changing retail landscape, the study's findings show that advertising inserts are still being read at the same level and remain an integral channel for retailers to reach consumers," said Jim Litwin, vice president, market insights, at Vertis. "Heavy Internet users are even more dependent on newspaper inserts than the average consumer. Also, women of all ages are an increasingly important demographic to target through inserts due to their purchasing power and retail decision making."

The study finds consumers use advertising inserts of all forms to help decide where they shop or to learn about available segments. More specifically, 52 percent of those surveyed by phone and 71 percent of those surveyed via the Web use inserts to decide where they buy groceries. Additionally, 29 percent of those surveyed by phone and 41 percent surveyed by Web use inserts to decide where to shop for health and beauty care products, while 28 percent and 39 percent, respectively, use them for office supply decisions.

The Vertis *Customer Focus® 2006: Retail* study, which surveyed respondents for the first time via both the telephone and Web, shows the following additional findings, which provide insight into the purchasing trends and importance of advertising inserts across a variety of retail sectors.

Grocery Ad Insert Readership Strongest Among Women

- Seventy-seven percent of women ages 18-34 do the majority of the household's grocery shopping (See Figure A)
- Since 1998, the percentage of women ages 18-34 reading grocery inserts has increased 14 percentage points
- These women tend to like discount stores, and have shown an interest in the grocery stores' ethnic and organic departments

(more)

Home Electronics Purchasing Trends

- Since 2004, the percentage of adults planning to purchase a computer has grown seven percentage points – greater than any other product category surveyed
- One of the fastest growing groups who plan on purchasing a computer is women ages 35-49, rising 10 percentage points since 2004; these women also show a greater interest than the average adult in special financing offers for home electronics, such as delayed credit card payments (See Figure B)
- Forty percent of women ages 35-49 said advertising inserts influence their overall buying decisions, while television only influences 20 percent

Women: An Important Demographic for Furniture Retailers

- Women ages 18-34 are an important demographic for furniture retailers, as 33 percent of these women said they plan to purchase bedroom furniture, 26 percent plan to purchase bedding and 24 percent plan to purchase living room furniture (See Figure C)
- When these women were asked about their last furniture purchase, lowest price was the greatest consideration for 39 percent of them, increasing nine percentage points since 2002; meanwhile, highest quality dipped seven percentage points since 2002
- Additionally, the percentage of women ages 18-34 turning to the Internet first when ready to make a purchase has increased from 19 percent in 2004 to 27 percent in 2006

Home Improvement and DIYs Turn to Inserts for Price and Selection

- The percentage of “do-it-yourselfers” has grown nine percentage points since 2004, as Americans are increasingly more willing to take on home improvement projects
- Specifically, this group has grown most with women ages 35-49, growing 12 percent in two years (See Figure D)
- Seventy-three percent of women ages 35-49 who read ad inserts compare similar home improvement inserts before heading to the selected store

Prescription and Drug Store Key Target Audience

- Of all the age and gender groups surveyed, women 50 and older had the highest average prescription purchases per month (four) for their households – clearly making them an important target for pharmacy retailers (See Figure E)
- Thirty-three percent of these women said advertising inserts were the number one medium that influences their general purchase decisions, followed by 20 percent who said newspaper advertisements influenced purchase decisions

About Customer Focus[®]

Customer Focus[®] is Vertis' proprietary annual study tracking consumer behavior across a wide variety of industry segments — home improvement, furniture, grocery, sporting goods, home electronics, optical, insurance, credit cards, nonprofit, financial, retail, office supplies, and discount stores — and

(more)

media including advertising inserts, direct marketing, and the Internet. The survey was first conducted in 1998 and, in subsequent years, has been expanded and modified to identify emerging consumer behavior patterns and track shifts in consumer practices and motivations.

Since its inception, *Customer Focus*[®] has proven to be one of the nation's most comprehensive examinations of consumer behavior. The survey of 3000 adults — conducted via phone and Web by one of the nation's leading field research companies in August/September 2005 — measures both general and industry-specific shopping trends, and Vertis provides the significant data as a value-added service to its clients.

To acquire a customized *Customer Focus*[®] 2006: *Retail* study or speak to a Vertis executive, please contact Emily Agan or Maria Amor at (619) 234-0345.

About Vertis

Vertis is the premier provider of targeted advertising, media, and marketing services. Its products and services include consumer research, audience targeting, media planning and placement, creative services and workflow management, targeted advertising inserts, direct mail, interactive marketing, packaging solutions, and digital one-to-one marketing and fulfillment. Headquartered in Baltimore, with facilities throughout the U.S., Vertis combines technology, creative resources, and innovative production to serve the targeted marketing needs of companies worldwide. To learn more about Vertis, visit www.vertisinc.com.

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "believes," "anticipates," "expects," "estimates," "plans," "intends," and similar expressions are intended to identify forward-looking statements. All forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from projected results. Factors that may cause these differences include fluctuations in the cost of raw materials we use, changes in the advertising, marketing and information services markets, the financial condition of our customers, actions by our competitors, changes in the legal or regulatory environment, general economic and business conditions in the U.S. and other countries, and changes in interest and foreign currency exchange rates.

Consequently, you should consider any such forward-looking statements only as our current plans, estimates, and beliefs. Even if those plans, estimates, or beliefs change because of future events or circumstances, we decline any obligation to publicly update or revise any such forward-looking statements.

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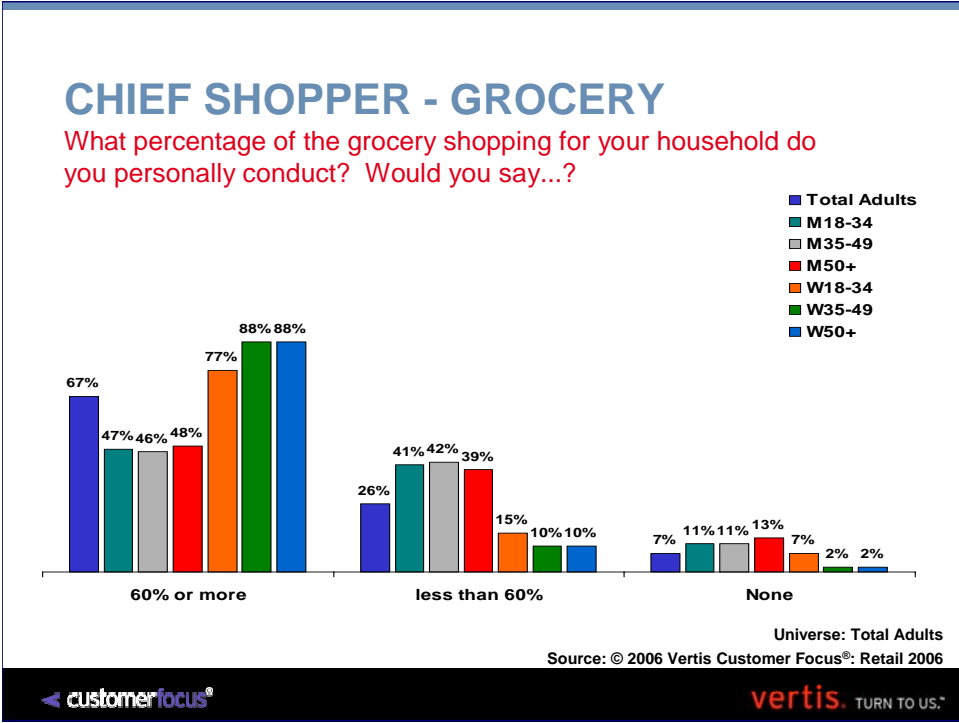


Figure B

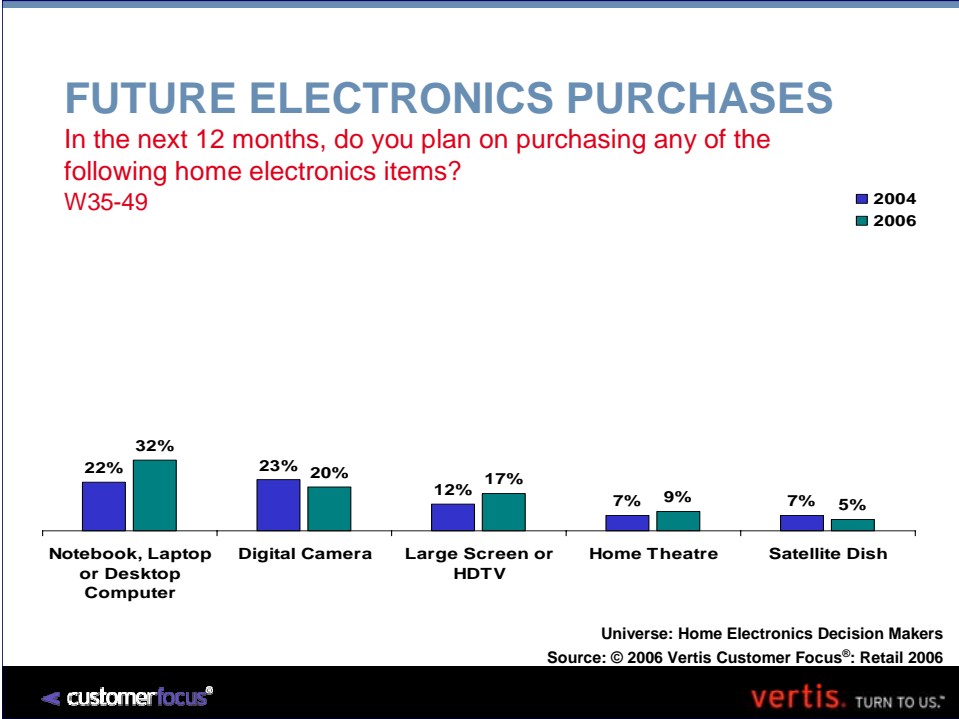


Figure C

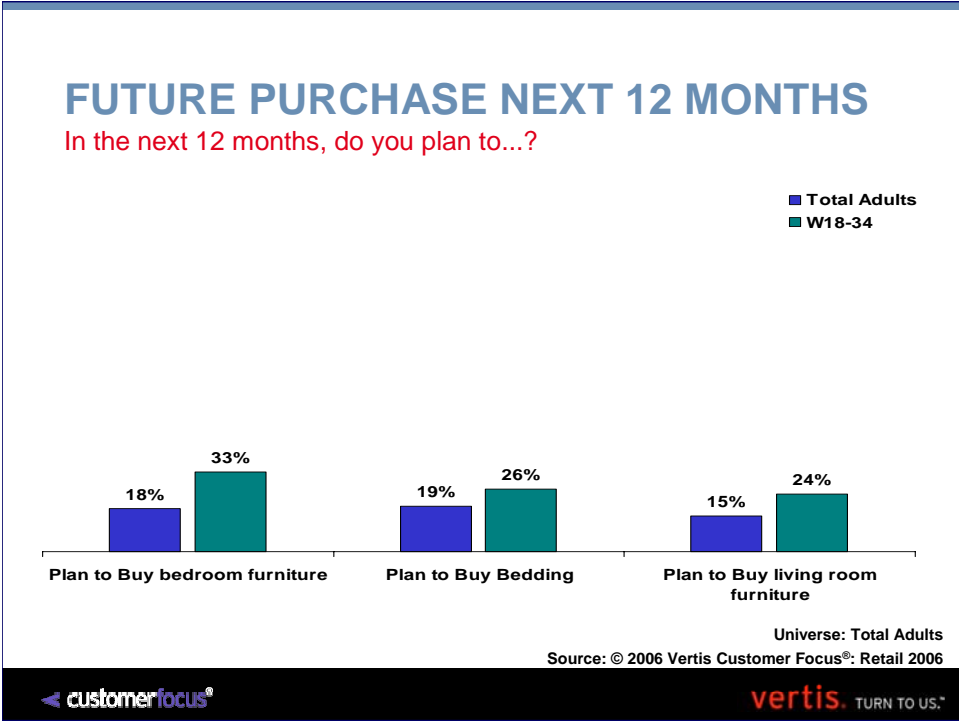


Figure D

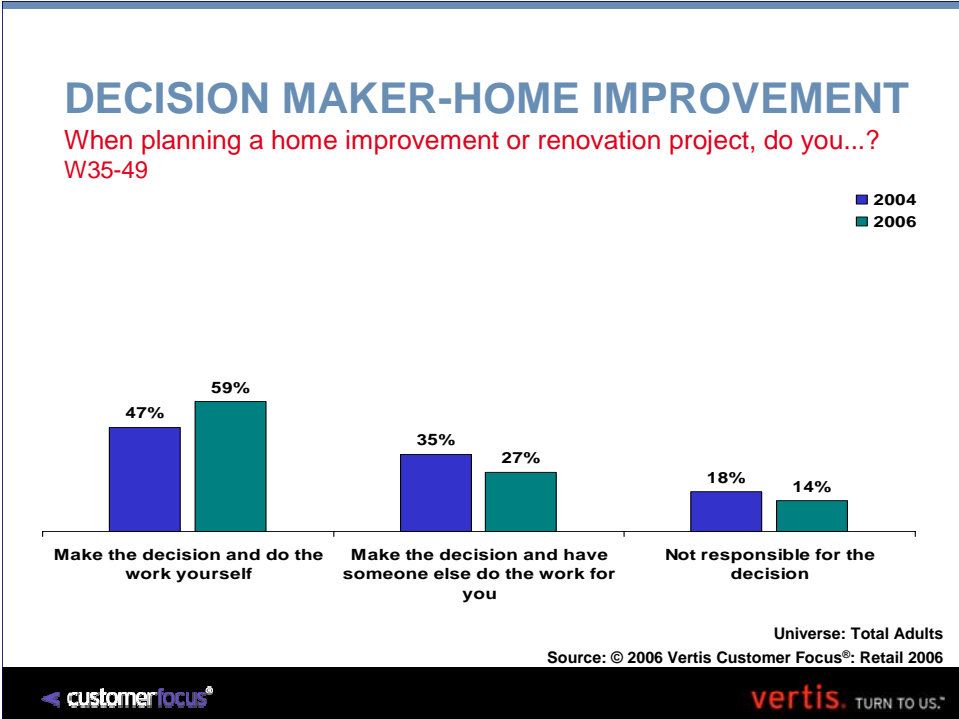
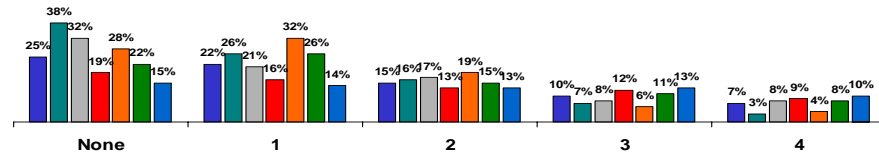


Figure E

PRESCRIPTIONS IN MONTH

In an average month, how many prescriptions do you fill for your self or household?

- Total Adults
- M18-34
- M35-49
- M50+
- W18-34
- W35-49
- W50+



Universe: Total Adults

Source: © 2006 Vertis Customer Focus®: Retail 2006