

**FOR IMMEDIATE RELEASE**

**Consumer Packaged Goods Manufacturers Offered \$485 billion in Coupon Savings in 2010**  
*Coupon Facts Report Provides Insight Into Distribution and Redemption Trends*

**Livonia, Mich., March 31, 2011: Valassis (NYSE: VCI)**, one of the nation's leading media and marketing services companies, released today a comprehensive report on 2010 coupon usage that saw consumer packaged goods (CPG) manufacturers offering consumers \$485 billion in savings. This represents a 13.9% increase over the prior year and 47.4% growth compared to five years ago, according to the NCH Marketing Services 2010 Coupon Facts Report. NCH is a Valassis company.

“We have seen significant changes to shopping patterns, which have now been established as new habits and routines,” said **Suzie Brown, Valassis Chief Marketing Officer**. “Consumers’ continued interest in coupons and savings has been influenced by concerns over their own personal economic situations, and as a result, they are using more coupons, seeking savings wherever they can, combining print and digital offers and permanently becoming strategic shoppers.”

In 2010, marketers once again distributed more CPG coupons than the prior year, reaching 332 billion – the largest single-year distribution quantity ever recorded in the United States, exceeding the prior record set in 2009 by 6.8% or 21 billion coupons.

Nearly two-thirds of all coupons distributed in 2010 were for grocery products, up 8% from the prior year to 216 billion coupons. The remaining one-third of coupon offers in 2010 – 116 billion coupons – were for health & beauty care (HBC) products up 4.5% from the prior year. According to the report, seven of the top 10 categories with the highest growth are non-food categories, which can be attributed to marketers’ desire to make these oftentimes discretionary purchases more desirable.

<b>Top 10 Categories With Highest Growth in Coupon Distribution Volume in 2010</b>	
<b>1</b>	<b>Oral Hygiene</b>
<b>2</b>	<b>Laundry Supplies</b>
<b>3</b>	<b>Fresheners &amp; Deodorizers</b>
<b>4</b>	<b>Household Cleaners</b>
<b>5</b>	<b>Breakfast Foods – Shelf Stable</b>
<b>6</b>	<b>Pet Food</b>
<b>7</b>	<b>Yogurt</b>
<b>8</b>	<b>Personal Cleansing &amp; Bath Products</b>
<b>9</b>	<b>Detergents</b>
<b>10</b>	<b>Liquor</b>

The report also took a closer look at coupon characteristics and found:

- The average face value of CPG coupons distributed in 2010 increased by 6.6% to \$1.46.
- The average coupon face value distributed for grocery products in 2010 was \$1.24, up 6.9% from the prior year.
- The largest growth was in beverages, now averaging \$1.52 up from \$1.18 in 2009.

- The average coupon face value distributed for HBC products was \$1.94, up 6.6% from the prior year.
- Over the counter (OTC) and prescription medication coupons carry an average face value of \$2.21, up from \$2.17 in 2009.
- 26% of all CPG coupons issued in 2010 required the purchase of two or more items to obtain the offer discount. 33% of the grocery coupons required multiple purchases and only 13% of HBC coupons required multiple purchases to receive the discount.
- Consumers now have a week and a half less time to use coupons, compared to the prior year, due to an overall shortening of offer expiration dates in both the grocery and HBC segments. The average expiration is 10.1 weeks.
- 64.4% of all grocery coupons distributed expire in eight weeks or less, and 59.6% of all HBC coupons distributed expire in eight weeks or less.

According to the NCH Coupon Facts Report, overall, 87.7% of all CPG coupons were distributed in 2010 via the Free-standing Insert (FSI). Total FSI total growth in coupons was 19 billion, the largest volume increase of all media. The second largest share of coupons distributed was via In-Store media, amounting to 5.2% of the 2010 total.

Digital coupons, including both paper and paperless formats, continued to grow in 2010 as marketers embraced these methods to reach a new audience. In total, NCH measured a 37% increase in the number of digital coupon offers, the largest increase of all coupon media types.

“In 2010, consumers saved \$3.7 billion by using CPG coupons,” said **Charlie Brown, NCH Vice President of Marketing**. “With so much money at stake, brand manufacturers and fast-moving consumer goods retailers must ensure their expenditures are protected while continuing to collaborate for the most effective use of coupon promotions to meet strong consumer demand.”

Frugal shopping habits created during the most recent recessionary period were sustained throughout the sluggish economic recovery that occurred during the year. Redemption volume in the United States grew 3.1% to 3.3 billion CPG coupons. The annual coupon report also revealed that:

- Grocery coupon redemption volume grew 10% in 2010 compared to the prior year, and up 29.4% since 2006.
- 59.7% of all coupons are redeemed at traditional grocery stores, and 23.9% at mass merchandisers, including supercenters, while drug stores redeem 6.6% of the coupons in the marketplace.
- The retail segment that includes Dollar Stores represented the largest year-over-year growth in 2010 coupon redemption, up 25.1% compared to 2009.

Seventy-eight percent of respondents to NCH’s 2010 Annual Consumer Survey report using coupons regularly, up 14.7 share points from pre-recession levels, and a third said that they used more coupons in 2010 than the prior year. Additional findings of this survey indicate:

- 31% of consumers say they have become more careful about bringing their coupons to the store.
- 25% report that they are clipping more coupons due to their personal economic situation.
- Nearly three quarters of those who made such shopping changes expect to continue their frugal habits in the future, even as the economy improves.
- Among those consumers who reported using more coupons than the prior year, the largest share in 2009, 37.4%, explained their reason for doing was so to stretch a limited grocery budget out of necessity.
- Once consumers adopt these frugal habits, they quickly discover that they like the feeling of saving money. Acceptance of these new habits can be seen in the largest share of response for increased coupon usage in the

2010 survey – 29.3% of consumers stated they are using more coupons for the enjoyment of saving, an increase of 11.7 share points over those stating that reason the prior year.

### **About The Annual NCH Coupon Facts Report**

NCH, a Valassis company, is the global leader in business solutions for the redemption, settlement and analysis of promotional offers. With the volume of coupons processed by the company in the United States and worldwide, NCH is in a unique position to deliver the most accurate analysis of coupon promotional trends. Coupons distributed and redeemed in the U.S. consumer packaged goods marketplace are studied utilizing their manufacturer client databases, data cleared via their retailer processing operation and other independent sources. This proprietary methodology utilizes rigorous controls and statistical standards to maintain the integrity of the information contained in this report, as well as, all other information tools supplied by NCH. The U.S. consumer packaged goods coupon trends is reported in three main sections: distribution trends, redemption trends and product categories. The report is available now by registering at [www.nchresourcecenter.com](http://www.nchresourcecenter.com).

This report also contains various references to NCH's most recent Consumer Survey. The data was obtained in August of 2010 using a market research firm with proficiency in Internet surveys. The survey was closed once 1,000 completed responses had been reached. The responses were weighted by factors obtained from national census data to provide appropriate representations of demographic groups at summary levels.

### **About Valassis**

Valassis is one of the nation's leading media and marketing services companies, offering unparalleled reach and scale to more than 15,000 advertisers. Its RedPlum™ media portfolio delivers value on a weekly basis to over 100 million shoppers across a multi-media platform – in-home, in-store and in-motion. Through its digital offerings, including [redplum.com](http://redplum.com) and [save.com](http://save.com), consumers can find compelling national and local deals. Headquartered in Livonia, Michigan with approximately 7,000 associates in 28 states and eight countries, Valassis is widely recognized for its associate and corporate citizenship programs, including its *America's Looking for Its Missing Children*® program. Valassis companies include Valassis Direct Mail, Inc., Valassis Canada, Promotion Watch, Valassis Relationship Marketing Systems, LLC and NCH Marketing Services, Inc. For more information, visit <http://www.valassis.com>, <http://www.redplum.com> and <http://www.save.com>. To learn about advertising opportunities with RedPlum, please call 1-800-437-0479.

### **Cautionary Statements Regarding Forward-looking Statements**

*This document contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks and uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: price competition from our existing competitors; new competitors in any of our businesses; a shift in client preference for different promotional materials, strategies or coupon delivery methods, including, without limitation, as a result of declines in newspaper circulation; an unforeseen increase in paper or postal costs; changes which affect the businesses of our clients and lead to reduced sales promotion spending, including, without limitation, a decrease of marketing budgets which are generally discretionary in nature and easier to reduce in the short-term than other expenses; our substantial indebtedness, and ability to refinance such indebtedness, if necessary, and our ability to incur additional indebtedness, may affect our financial health; the financial condition, including bankruptcies, of our clients, suppliers, senior secured credit facility lenders or other counterparties; our ability to comply with or obtain modifications or waivers of the financial covenants contained in our debt documents; certain covenants in our debt documents could adversely restrict our financial and operating flexibility; ongoing disruptions in the credit markets that make it difficult for companies to secure financing; fluctuations in the amount, timing, pages, weight and kinds of advertising pieces from period to period, due to a change in our clients' promotional needs, inventories and other factors; our failure to attract and retain qualified personnel may affect our business and results of operations; a rise in interest rates could increase our borrowing costs; we may be required to recognize additional impairment charges against goodwill and intangible assets in the future; possible governmental regulation or litigation affecting aspects of our business; the credit and liquidity crisis in the financial markets could continue to affect our results of operations and financial condition; uncertainty in the application and interpretation of applicable state sales tax laws may expose us to additional sales tax liability; and general economic conditions, whether nationally, internationally, or in the market areas in which we conduct our business, including the adverse impact of the ongoing economic downturn on the marketing expenditures and activities of our clients and prospective clients as well as our vendors, with whom we rely on to provide us with quality materials at the right prices and in a timely manner. These and other risks and uncertainties related to our business are described in greater detail in our filings with the United States Securities and Exchange Commission, including our reports on Forms 10-K and 10-Q, and the foregoing information should be read*

*in conjunction with these filings. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

Mary Broaddus  
Director, Investor Relations and Corporate Communications  
734-591-7375  
[broaddusm@valassis.com](mailto:broaddusm@valassis.com)