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NCH Reports Record Acceptance Among Manufacturers Of Electronic Invoicing Solution For Coupons *Success Proves Value of Strong Financial Controls*

[DEERFIELD, IL] October 1, 2004 – NCH Marketing Services, Inc., announced today that it has achieved a new record for manufacturer participation in its electronic invoicing solution for paper coupons. During the 12-month period ending August 2004, NCH's top retailer clients had 90% of their manufacturers' coupon volume processed through the program.

Called Veluno[®], NCH's program was developed to benefit both manufacturers and retailers by meeting their shared objectives of efficient, cost-effective and highly controlled coupon redemptions.

The program works by providing participating manufacturers with critical coupon transaction data, scanned from EAN 128 bar codes. Participating manufacturers (or their redemption agents) receive this information through Veluno, thereby eliminating the need to process coupon transactions a second time.

"Our retailer clients like electronic invoicing because it can speed up coupon payments and reduce payment discrepancies," said Anne-Marie Baird, manager of product development for NCH's retailer clients. "Because more major manufacturers participate in Veluno than any other electronic invoicing program in the coupon industry, our retailer clients receive faster payments and fewer discrepancies for an incredible portion of their coupon volume."

"In order to secure widespread acceptance of Veluno by manufacturers, we have worked with our retailer clients to create a program that supports manufacturers' objectives for lower total redemption costs and strong financial controls," said Mark Dennis, senior vice president and general manager for NCH's U.S. Coupon Services. "Federal regulations and the accounting profession – through GAAP, FASB and the Sarbanes-Oxley Act – are pushing companies to adopt better financial controls. Veluno is set up to help address manufacturers' control objectives and assist them in complying with these higher standards."

One of the controls that NCH has developed to protect manufacturers is a client screening process, designed to ferret out retail entities that are not authentic

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businesses, such as individuals that attempt to pass off fake storefronts and parking lots as legitimate retail operations. Another NCH control involves the use of manufacturers' promotional offer files to validate information from EAN 128 bar codes. NCH has the capability to receive and update these files on a daily basis.

"Today, manufacturers are understandably cautious when it comes to trusting a third party with their hard-earned promotional dollars," said Dennis. "This record level of manufacturer participation reflects a recognition of efficient and effective business practices. It proves that Veluno supports manufacturers' objectives for accuracy, control and cost-effectiveness."

As acceptance of Veluno continues to grow, NCH moves closer to its retailer clients' ultimate goal of electronically processing 100% of their coupon volume. To achieve this goal, all parties must recognize that efficient, well-controlled processes can significantly lower total costs over time. Manufacturers need to become more diligent in (1) eliminating hard-to-handle coupon designs, (2) ensuring that every coupon contains a scannable EAN 128 bar code, (3) improving controls over broker- and sales force-driven programs and (4) notifying retailer clearinghouses about new, valid coupons in advance of each promotion's issue date.

"The success of Veluno is a true testament to the ability of manufacturers and retailers to work together in developing highly efficient and cost-effective solutions that focus the available promotional funds on activities that drive sales," said Charles Brown, NCH's vice president of marketing. "The long-term success of mass and targeted coupon promotions will not come from attempts to drive a wedge between manufacturers and retailers. It will come from manufacturers and retailers committing to work together to eliminate inefficient practices from the marketplace."

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NCH Marketing Services, Inc., is a global leader in business solutions for the redemption, settlement and analysis of promotional offers. NCH is a Valassis Company (NYSE: VCI). NCH provides innovative promotional marketing services in France, Germany, Italy, Spain, the United Kingdom and the United States. Many of the world's largest companies trust NCH to protect the financial integrity of more than \$3 billion in annual promotional funds transfers between trading partners across the globe. Being the coupon agent of choice for leading retailers and manufacturers is a position NCH has earned for nearly five decades through an unwavering commitment to quality, integrity and advanced technology. For more information about NCH, visit www.nchmarketing.com.