Exploring Opportunities
Profit + Sustainability
October 8th, 2014
Who We Are – Context

**SUSTAIN is a new brand** being incubated at PMI

PMI is a global leader in the manufacture, marketing, and design of innovative food and beverage solutions for busy lifestyles.

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**RESPONSIBLE INNOVATION**

**GLOBAL FOOTPRINT + REACH**

**VERTICALLY INTEGRATED**

PMI’s guiding principles are sustainability, community, teamwork, accountability, and integrity.

PMI has over 200 employees and offices in the US, Europe, and Asia, as well as distribution centers serving the countries in green above.

PMI is a 50-50% joint owner of the primary manufacturing facility for Aladdin and SUSTAIN products. This relationship allows us close control over factory conditions and priorities.
Who We Are – Context

SUSTAIN is in good company among major brands

PMI’s most recognizable brands, Stanley and Aladdin, are both time-proven brands over 100 years old.

ALADDIN

From character lunch boxes to stylish mugs to morning coffee totes, Aladdin is committed to creating unique food and beverage solutions that fit consumers’ lifestyles.

STANLEY

Since 1913 we’ve promised to provide rugged, capable gear for food and drink that is built to last a lifetime. It’s a promise we still keep. Stanley. Built for Life.

MIGO

MiGo is a newer brand serving the Chinese market. MiGo strives to provide safe, healthy, and high-perceived value products to families for their daily life needs.
Together we can create a cleaner world.
Americans love coffee.
We drink almost **100 billion cups** of it every year.
Many of us buy our coffee in **single-use**, non-recyclable to-go cups.

16 billion paper cups are discarded in US landfills **every year**.
Where it happens …

Waste Happens On School Campuses
Introducing Sustain®
A high-quality, reusable cup, branded with your logo!

- Look and feel of a paper cup (Similar or better performance)
- Reusable (Used 100’s of times. Dishwasher & Microwave safe.)
- Recyclable (Made from 100% recyclable material, unlike paper cups)
- Less environmental impact (Much lower carbon footprint)
- Part of a much bigger picture (Collected at end-of-life, reformed into new cups)
**sustain®** is a new product at a **never-before-seen price point**

Today, the alternatives for consumers and coffee shops alike range from disposable cups (free to the consumer, at a cost to the shop), to reusables, usually starting at $6-7 on the low-end, but easily moving up to $20 for thermally insulated steel bottles.
Who We Are – Context

sustain® is aligned with

“... world’s pressing sustainability, energy and environmental needs today and tomorrow. We call this "actionable research" — with the emphasis on finding real-world answers to these problems.”

“The Institute mission has three interdependent directives: ... (3) To develop and implement strategies for a sustainable environment.”

“...seeks to become a model for not only the State of Illinois, but to become a leader in these efforts nationally and globally.”
Why it matters – Benefits for the environment

**Sustain® is better than paper cups**, from an environmental standpoint

If used more than 4 times, SUSTAIN cups have a lower carbon footprint than 4 paper cups. At only 10 uses, a SUSTAIN cup has 50% less net environmental impact than 10 paper cups.

The more you use SUSTAIN cups, the better it is for the environment.

Single-use is the enemy; we want to change consumer behavior, getting them into the good habit of bringing in their own cups.

Data from a LifeCycle Assessment (LCA) study performed by a reputable 3rd party.
**sustain®** is _your_ cup. Available in any of the colors and sizes below, we **custom print your graphics** on _your_ cup, and include it in the price.

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We print **up to 4-color** artwork from your vector-based art file (.AI or .PDF)

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<td>600</td>
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<td>20,000</td>
<td>$0.90, includes up to 4-color printing</td>
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<td>210,000</td>
<td>$0.625 with 1-color print, +$0.04 add’l color</td>
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<td>1,000,000</td>
<td>$0.50 with 1-color print, +$0.04 add’l color</td>
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<td>5,000,000</td>
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8 oz  12 oz  16 oz  20 oz

16oz & 24oz cold cups available in 2015
Why it matters – Benefits for your brand

- **MAKE MORE MONEY**
  Earn rather than losing 10-20 cents on each disposable cup given away

- **ADVERTISE YOUR BRAND**
  Encourage impressions of your brand by promoting sustain.cups and providing a discount on use

- **EARN MORE LOYALTY**
  Branded cups are 2-3 times more likely to be used in your coffee shop than a competitors’

- **EFFORTLESSLY REFRESH**
  Our turn-key solution includes POS displays, collection bins and seasonal promos

- **DECREASE INVENTORY**
  Use less space with No need for cabinets full of single-use paper cups

- **LOWER WASTE COSTS**
  Avoid waste removal charges when less trash is generated and left on-site
Big Picture – Our Path to Closed Loop

Phase I
PROVIDE AN ALTERNATIVE
Reusable, not disposable. Focus on decreasing barriers to consumer adoption.

Phase II
ENCOURAGE PARTICIPATION
Recyclable at end of life. Focus on the consumer’s role in reclaiming used cups.

Phase III
CLOSE THE LOOP
Reduce systemic waste. Focus on solutions with managed material flows.

REUSE
Rethink your Routine. Paper cups are wasteful.

RECYCLE
Recognize your Role. We don’t believe in waste.

REPEAT
Replenish Responsibly. Our resources are valuable.
Earth is worth saving.
What’s being said – Buzz about SUSTAIN

**Forbes**

“How Starbucks will make millions off it’s New, Reusable Cup”
January 17, 2013

“Recent introduction of a reusable cup has already gleaned the company a grande dose of positive publicity and brisk sales”

“A number of opportunities to grow sales: sell cups, save on supplies and hauling, free advertising, repeat business”

**Omnibus Research Poll for YouGov:**

- 2% had already bought one of the cups
- 7% will “definitely” buy one but haven’t done so yet
- 19% will “probably” buy one
- 12% of non-Starbucks customers intend to purchase one of the cups
- Seven out of 10 respondents said they believe it’s a good idea
- Four out of 10 consider it a “very good” idea

**Best New Product**
Awarded at CoffeeFest Seattle, October 2013

**Best-in-Show**
Awarded at CoffeeFest Seattle, October 2013

**Real Consumer Quotes**

“For $1, this cup is a steal...you really can’t beat it.”
-CreativeReviewsP

“This cup is cheap and light and will keep coffee warm long enough. Perfectly imperfect :)
-backpackinglight.com

“I bought one of these the day they came out and I love it. It’s sturdy and keeps my coffee warm. Best dollar I ever spent.”
-eater.com

"I bought one of those. It’s already paid for itself."
-wastelesswantless.com

"I am thrilled that other people want to talk about this cup as much as i do."
-Miranda Farley, blogger

“Got one of these free at the Leadership conference and use it every day: its good they offered a cheaper alternative to $14.99 tumblers!”
-Starbucks Gossip

Over 12 million sold to date!
Sound Appealing? Let’s Talk.

For more information, contact:
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SUSTAIN
reuse | recycle | repeat
www.sustain-pmi.com