



THE MARKET

The entire Wraps, Bags and Foil market is worth A\$273 million a year in Australia. It consists of two categories, Food Management and Disposal Management. Of these, Food Management is by far the larger. It is worth A\$185 million, whereas Disposal Management is worth a total of A\$88 million.

Of this entire market, 75% value share is made up of five key sub-categories, namely plastic wrap; foil wrap; garbage bags; reclose bags; and kitchen tidy bags. GLAD is the market leader with a 32% value share.

As part of their normal shopping pattern, 93.5% of Australian households purchase some kind of product from this market. For some time, this number has been increasing steadily as the time saving and convenience benefits have become more widely appreciated by people living busy lifestyles.

ACHIEVEMENTS

GLAD is a household name in Australia, synonymous with quality and freshness.

GLAD has been the leading brand in this category since the brand's launch – in 2006, the brand celebrated 40 years of providing Australian households with products designed to improve hygiene, to make life easier around the home and to save time.

In that time, the GLAD product range expanded to encompass more than 20 convenient products in the Australian market. GLAD Steam Lock Bags are the latest addition to the GLAD product range. Introduced in 2006, this product has created a new segment in the Wraps, Bags and Foil category.

HISTORY

The GLAD brand originated in the USA when Union Carbide Corporation launched GLAD Wrap in 1963. After extensive market research, both GLAD Wrap and GLAD Bags were launched in Australia by Union Carbide in September 1966.

Market research into the lunch wrap market in Australia showed that 60% of consumers used



days before, and food prepared that day. To keep the test honest and to increase the newsworthiness of the events, the wrapped food was kept under armed guard for three days. For a little extra pizzazz, it was stored in glass door refrigerators in the main windows of Woolworths' George and Pitt Street stores in Sydney and in the main window of GJ Coles Bourke Street store in Melbourne. When the food was unwrapped, the guests were amazed to find that this new plastic wrapping actually kept food as fresh as it had been before it was wrapped.

greaseproof paper and 40% used waxed paper for lunch wraps. In addition, 65% of wrapped lunches were then wrapped again in paper bags and 20% in plastic bags. It is not difficult to see why the concept of a 'see-through' wrap which would cling to itself and take the place of all of those products was well received by Australian women.

In order to generate publicity for the launch, functions were planned in both Sydney and Melbourne to which local columnists, women's magazine editors, retail trade leaders and social identities were invited. The host of these functions was Graham Kerr, the country's best-known food expert at the time.

Guests were invited to take part in a demonstration by trying to tell the difference between food prepared and wrapped in GLAD three



This spectacular and highly successful launch of GLAD Wrap and GLAD Food Bags was followed by the introduction of Garbage and Kitchen Tidy Bags in the early 1970s and GLAD Aluminium Foil and GLAD Bake Paper products in the early 1980s. By 1997, the GLAD product range totals more than 60 individual pack sizes.



Following the Bhopal gas disaster in India in the mid 1980s, Union Carbide Corporation was forced to sell the GLAD brand worldwide, along with the Eveready Battery brand. In the USA, a management buyout group called First Brands Corporation bought the GLAD brand. In Australia it was first bought by Ron Brierley's Industrial Equity Limited, and subsequently became part of National Foods in 1991 as NationalPak.

After almost 30 years of manufacturing GLAD products at Rhodes in Sydney, production was moved in 1993 to a new site in Padstow, also in Sydney.

Then, in 1997, GLAD went back to its 'original' owner when First Brands Corporation in the USA bought the GLAD brand in Australia and New Zealand and achieved complete ownership of the GLAD brand worldwide.

In 1999, NationalPak was acquired by The Clorox Company, which saw the ARMOR ALL, STP, and GUMPTION brands added to NationalPak's range of products.

THE PRODUCT

GLAD offers a full range of household wraps and bag products designed to save time in and around the home, providing both food management and disposal management solutions.

The GLAD business spans over eight core segments: plastic wrap, foil wrap, sandwich storage bags, paper wraps, food containers, cooking bags, garbage bags, and kitchen bags.

One of GLAD's key brand values is quality. In line with that, the GLAD products range is continually being improved and continues to justify its premium price point.

GLAD value-added products include various cooking and household solutions books. Among them are the GLAD Bake & Cooking Paper Cook Book; the GLAD Steam Lock Cook Book; a Household Handy Hints Booklet; and Microwave Cooking Hints.

RECENT DEVELOPMENTS

GLAD Steam Lock Bags were launched in 2006. This is an entirely new segment in the market, established by GLAD. The product is designed to create a convenient and healthy solution for steaming vegetables by combining the benefits of steaming with the convenience of microwave cooking.

The bags allow any vegetables of the cook's choice to be steamed straight from the refrigerator or freezer.

The GLAD Steam Lock launch was supported with a television commercial, magazine print advertisements, sampling and a PR campaign that



focused on the benefits of steaming fresh vegetables.

GLAD Garden Bags and Council Bin Liners were also launched in 2006. They were designed to provide usage specific solutions for disposal of both garden and household material.

GLADWARE was launched in 1999. With this product, GLAD also established a unique segment: semi-durable/semi-disposable containers.

GLADWARE consists of high quality containers which are nevertheless affordable to lose. They allow time poor people to cook in bulk and freeze for convenient quick meals. The extensive range, from 120ml to 1.89l, is designed for every occasion and all usage needs, such as storing baby food (120ml) and soups for work (947ml).

PROMOTION

GLAD invests in a broad range of advertising media to both support the brand and to build brand equity.

Historically, the advent of generic 'copycat' products has meant that GLAD advertising concentrated on demonstrating the superiority and quality of the GLAD brand. The catch phrase 'you can always depend on GLAD' was developed to emphasise

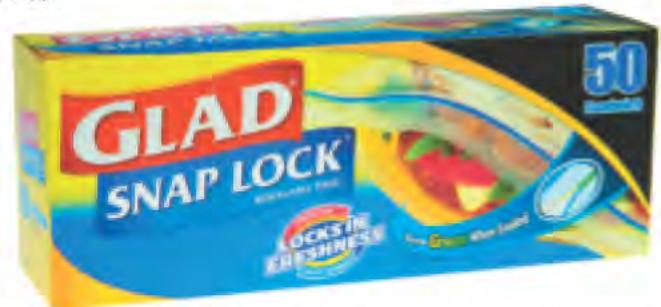
the reliability of all the products – including bags with handles to make them easier to carry and bags with super-stretching ability to prevent them from splitting.

The current 'Better Living with GLAD' advertising campaign has seen the brand promoted in a single driven message – one which emphasises the role that GLAD plays in providing healthier and more convenient solutions in and around the home. This campaign has been recently used in both television and magazines executions for GLAD Steam Lock Bags and GLAD Snap Lock Bags.

Below-the-line promotions are also employed to build on the brand values, with on-pack promotions occurring at various stages throughout the year across both food and disposal products, providing additional value to the products in the marketplace.

BRAND VALUES

GLAD is a brand consumers know they can trust. This is why GLAD has been able to prosper from its positioning as a premium quality product, even though it is usually priced higher than generic products. Advertising has consistently reinforced



the quality, reliability and innovative nature of GLAD products, and the latest slogan, 'Better Living with GLAD', once again stresses this message.



THINGS YOU DIDN'T KNOW ABOUT GLAD

- The launch of GLAD Wrap was awarded the Hoover Award for Marketing in 1967.
- GLAD are the market leaders in polyethylene plastic wrap for both the supermarket and commercial channels.
- Large GLAD Snap Lock Bags can be used as mini greenhouses. Simply slip the pot plant into the bag and seal the bag. When you need to water or tend to the plant, it's easy to reopen the snap lock seal.
- Photographs and old documents are best stored in GLAD Oven Bags which protect them from moisture, dust and mildew. Expel as much air as possible and seal with tape.
- Jeanne Little created dresses made from GLAD WaveTop Tie Bags to wear in her cabaret show 'Hello Darling', as well as an outfit made from GLAD products for the opening ceremony of the Commonwealth Games in Victoria, Canada.