

# SNICKERS® BRAND

## THE MARKET

Chocolate continues to be America's favorite flavor when it comes to confectionery products. Americans rank eighth worldwide in chocolate consumption, with England having the highest rate. In a recent poll, 52 percent of American men and women voted for chocolate as their favorite flavor in confectionery products and desserts. Within that group, 65 percent chose milk chocolate and 27 percent voted for dark chocolate. The remaining 8 percent did not have a preference.

Chocolate sales increased early in the

21st century, possibly because of the news of antioxidants found in chocolate and the health benefits they provide.

## ACHIEVEMENTS

SNICKERS Brand is a perennial leader in the chocolate segment of the snack food market, which in the United States alone is an \$80 billion industry. The SNICKERS Bar is a global brand available in over 35 countries around the world. Today, SNICKERS Brand is the number-one candy bar in the world, earning \$2 billion a year in retail sales.

## HISTORY

The global company that is now Mars, Incorporated, began in the kitchen of a modest home in Tacoma, Washington, where Frank C. Mars Sr. and his wife Ethel began making a variety of buttercream candies in 1911. Their first candy bar product was introduced in 1923, the MILKY WAY Bar. This was surpassed in popularity when the SNICKERS Bar was introduced in 1930.

From 1933 to 1935, the SNICKERS Bar was sold in a two-piece package called the "Double SNICKERS" Bar, but returned



to the single bar in 1935. In 1979, the SNICKERS FUN SIZE Bar was introduced nationally and is now the top-selling candy at Halloween — so popular, it takes four months to produce enough of the bars for the Halloween season.

The introduction of the SNICKERS Ice Cream Bar in 1989 brought the world's most popular candy bar to the ice cream aisle, substituting vanilla ice cream for the nougat. In 1996, the SNICKERS Ice Cream Cone was introduced, and today the SNICKERS Ice Cream Bar, THE BIG ONE, is a top-selling ice cream novelty product.

The year 2005 marks the 75th anniversary of the SNICKERS Bar, which attests to the SNICKERS Brand's continued popularity since its introduction.

## THE PRODUCT

SNICKERS Bars are made of peanut butter nougat topped with caramel and roasted peanuts and coated with milk chocolate. First, egg whites and sugar syrup are whipped into nougat, which

is formed into large slabs. Caramel and peanuts top the slabs, which are then cut into bars. The peanuts are a special grade designed to keep their flavor for a longer period of time. Finally, the individual bars are coated in milk chocolate.

Today, a variety of sizes of SNICKERS Bars accommodate every appetite: SNICKERS Miniatures, FUN SIZE, Single Size, and King Size. In addition, SNICKERS Bars now come in a variety of holiday packaging.

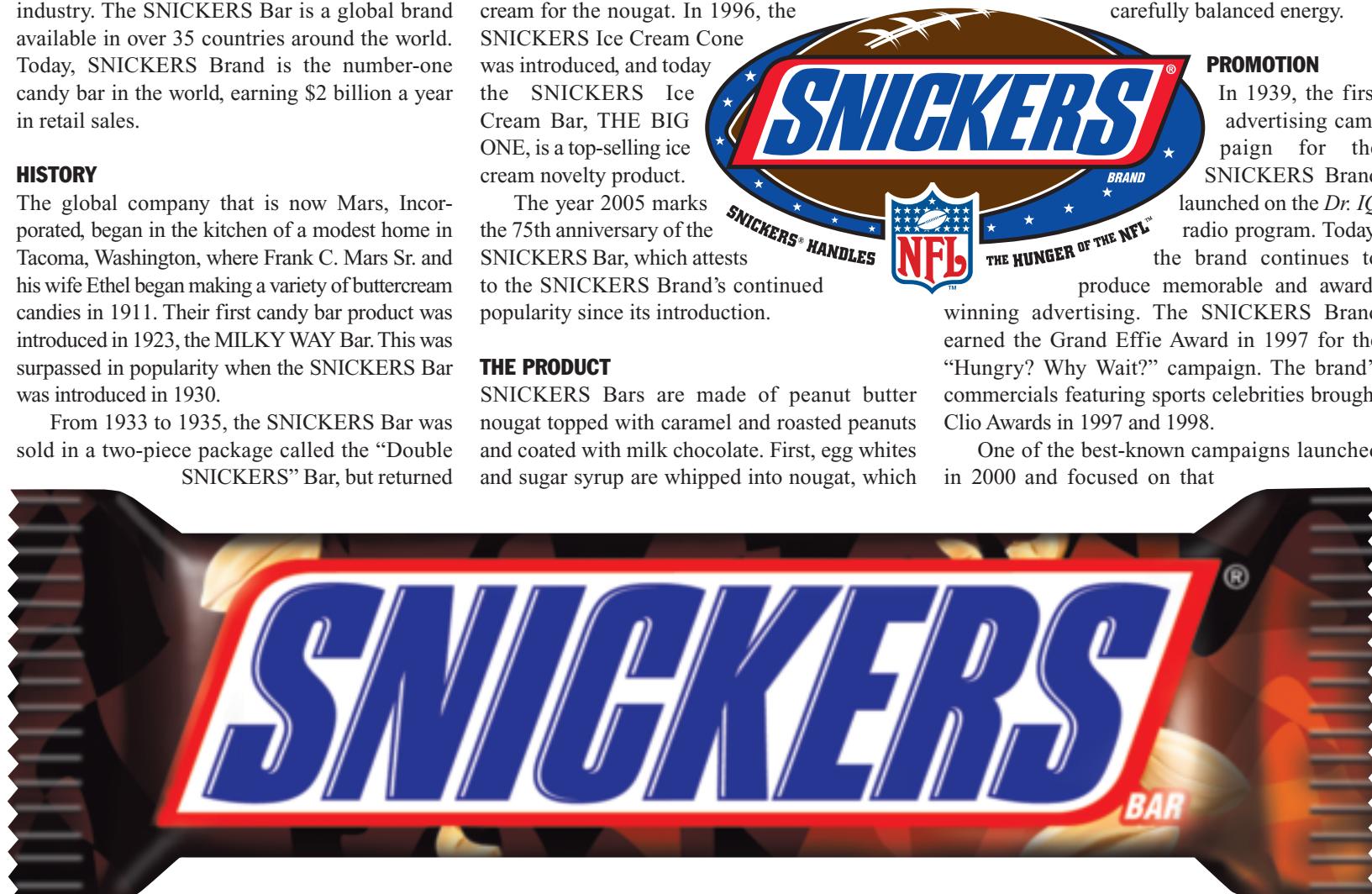
## RECENT DEVELOPMENTS

The SNICKERS Brand continues to grow and adapt to changing tastes. The year 2001 brought the SNICKERS CRUNCHER, which features crisped rice inside. SNICKERS Almond bars debuted in 2002 to satisfy almond lovers by substituting roasted almonds for peanuts. In 2004, SNICKERS MARATHON Long Lasting Energy Bars were introduced to supply active people with carefully balanced energy.

## PROMOTION

In 1939, the first advertising campaign for the SNICKERS Brand launched on the *Dr. IQ* radio program. Today, the brand continues to produce memorable and award-winning advertising. The SNICKERS Brand earned the Grand Effie Award in 1997 for the "Hungry? Why Wait?" campaign. The brand's commercials featuring sports celebrities brought Clio Awards in 1997 and 1998.

One of the best-known campaigns launched in 2000 and focused on that



year's U.S. presidential elections. A young man in a voting booth pondered his decision while an animated Republican elephant and Democratic donkey perched on his shoulders and argued over the merits of their respective candidates. The timely and relevant advertisement received national broadcast coverage.

The SNICKERS Brand takes an active role in sponsoring sporting events throughout the world. The brand sponsors the National Football League, and has also run a promotion with the league since 2003. The SNICKERS HUNGRIST PLAYER contest allows consumers a chance to win a prize every week for the entire 16-week season and culminates in a grand prize of a trip to the Super Bowl. In professional sports, the SNICKERS Brand also sponsors NASCAR Nextel Cup Racing (in conjunction with the M&M'S Brand) and the FLW Bass Fishing Tour.

In addition, the SNICKERS Brand supports youth sports. For 20 years, the brand has sponsored U.S. Youth Soccer, in which 3 million young players participate each year. Since 2001, the SNICKERS Brand has also sponsored Little League Baseball, the world's largest youth sports program.

The most recent activity is that the SNICKERS® Brand is the presenting sponsor of THE COLLECTION, a group of snowboarders that formed their own team comprising Olympic and up-and-coming riders. The SNICKERS Brand sponsorship



for the 2005 and 2006 seasons also includes snowboard clinics, development camps, and charitable initiatives. Snowboarding is a sport that typifies a strong desire and a hunger to perform and ride to the best of one's ability, and SNICKERS is the snack that satisfies and provides energy to keep one going.

#### BRAND VALUES

With today's busy lifestyles and many families on the go, the SNICKERS Bar provides the fuel and energy for the body and mind. A great-tasting snack that captures the essence of a portable snack and satisfies getting the most of each moment. The brand value of the SNICKERS Brand consists of its overwhelming popularity, recognition as a top-quality product, and the respect and admiration of consumers world-wide as a world leader in the snack food category.

#### THINGS YOU DIDN'T KNOW ABOUT SNICKERS BARS

- The SNICKERS Bar was originally introduced without its famous milk chocolate coating.
- Thirty years after its introduction, SNICKERS Bars were still offering the traditional "five cent candy bar."
- The SNICKERS Brand was originally introduced in the United Kingdom as the MARATHON Bar in 1968, and was not changed to the SNICKERS Brand until 1990, when the brand celebrated its 60th anniversary.