



AMERICA RUNS ON DUNKIN'SM

THE MARKET

In the competitive world of the coffee industry — and any industry for that matter — it's crucial for companies to have a clear understanding of what they do best, and where they can be the best. Dunkin' Donuts has defined its strategic heartbeat as the everyday, easy coffee stop that inspires rituals that revive. In other words, Dunkin' Donuts provides food and drink that's fast, fresh, and affordable — for busy people, leading busy lives.

These days there is an incredible interest across the country in premium coffee. The average consumer is now demanding what Dunkin'

products — served fresher and faster than ever before.

Dunkin' Donuts is well positioned for the future. Taken together, Dunkin' Donuts' entrepreneurial business model, its culture, and the strength of its brands and menu offerings promise a strong future of successful growth. Dunkin' Donuts is well known by generations and loved by a growing number of customers around the world.

ACHIEVEMENTS

Dunkin' Donuts is dedicated to providing delicious food and beverages to its customers and goes to great lengths to ensure only the finest ingredients are used in its recipes — including its espresso beverages. To that end, all Dunkin' Donuts espresso beans are Fair Trade Certified.

Dunkin' Donuts was the first national brand to sell espresso beverages made exclusively with Fair Trade Certified coffee.

Through Fair Trade, farmers and their families are earning a better income for their hard work, allowing them to hold onto their land, keep their children in school, and invest in the quality of their harvest.

Using the most stringent standards in the coffee industry, Dunkin' Donuts selects only the finest, high-quality beans to make its espresso blend. At the same time, Dunkin' Donuts is working to aid the farmers who grow those beans. Small farmers in lesser-developed countries grow much of the world's coffee. Without direct access to international markets or the business capacity

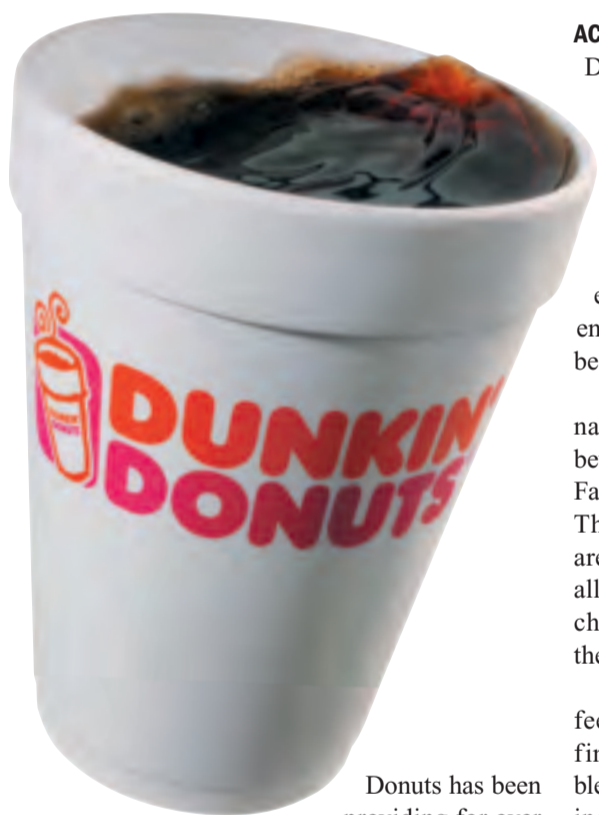
necessary to compete in the global marketplace, the Fair Trade model allows farmers to receive a fair price for their coffee bean crop.

HISTORY

The history of Dunkin' Donuts circles back more than 55 years when Bill Rosenberg founded the company in 1950 and opened the first store in Quincy, Massachusetts. Back then, Bill had a simple philosophy: "Make and serve the freshest, most delicious coffee and donuts quickly and courteously in modern, well-merchandised stores." That philosophy still holds true today and is the foundation that has enabled Dunkin' Donuts to grow to be the largest coffee and baked goods chain in the world. Dunkin' Donuts offers more than a dozen coffee beverages, donuts, bagels, muffins, breakfast sandwiches, and other baked goods. Currently, Dunkin' Donuts has more than 7,200 shops in 34 countries worldwide.

THE PRODUCT

Dunkin' Donuts has been serving high-quality coffee for more than 55 years. Today, Dunkin' Donuts is America's largest retailer of coffee by the cup, serving nearly



Donuts has been providing for over 50 years. Dunkin' Donuts' standards for coffee excellence are among the highest in the United States, which is no easy feat. Producing coffee takes more steps than producing wine, and Dunkin' Donuts' coffee experts travel around the globe to ensure quality at each step.

Recently, Dunkin' Donuts identified a new restaurant category called "Quick Quality." This represents a promise of fresh food fast and a higher evolution of the standard quick-service experience. Dunkin' Donuts wanted to make a more meaningful promise to deliver on the value proposition consumers expect, and then some: a promise to offer fresh food, fast, and to offer more choices, served quickly, in a quality way. That means lots of innovative new



1 billion cups of brewed coffee each year. Using only 100 percent Arabica coffee beans, Dunkin' Donuts offers a milder roast coffee that is milled specifically for the company and is recognized by the industry as a superior grade of coffee.

In addition to serving "the best coffee in America™," Dunkin' Donuts is expanding its menu to include a wider range of snacks and on-the-go, delicious, quality products that will appeal to an increasingly busy consumer market. This platform will feature products that move beyond the breakfast hour in an effort to keep time-strapped people fueled and ready to face the challenges of the day — morning, noon, and night. Most recently, Dunkin' Donuts introduced Smoothies to its popular beverage and snack menu. Made from yogurt and real fruit, Dunkin' Donuts Smoothies are available in juicy Wildberry, luscious Mango Passion Fruit, smooth Strawberry Banana, and exotic Tropical Fruit, and are an excellent source of Vitamin C and calcium.

RECENT DEVELOPMENTS

To secure and sustain Dunkin' Donuts' leadership position as America's largest retailer of coffee-by-the-cup, the company has begun an aggressive national expansion plan that will ultimately triple Dunkin' Donuts to 15,000 stores throughout the country by 2020. Initial cities targeted for Dunkin' Donuts' national expansion include Atlanta, Nashville, Indianapolis, Dallas, Austin, Phoenix, and Las Vegas.

In 2005, Dunkin' Donuts unveiled a new prototype restaurant. The design, reminiscent of company roots that date over 55 years, is coupled with contemporary features to give Dunkin' Donuts a new, modernized appearance. The new restaurant prototype features advanced equipment to meet the demands of today's busy customers seeking fast, fresh, affordable, high-quality food and beverage choices quicker and better than ever before, resulting in an improved overall in-store and drive-thru experience. A new, innovative menu that moves Dunkin' Donuts beyond breakfast complements the store design. The new menu is part of Dunkin' Brands' efforts to raise the bar on the quality and variety of foods available at



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Dunkin' Donuts and to change expectations about what is possible in a quick-service meal, whether in their restaurant or on the go.

PROMOTION

Perhaps the most famous of Dunkin' Donuts advertising came in the form of the character "Fred the Baker." Throughout the 1980s "Fred the Baker" was synonymous with Dunkin' Donuts. The advertising campaign — one of the most beloved ad campaigns in recent history — featured Michael Vale as Fred — Dunkin' Donuts' devoted, sleepy-eyed doughnut maker

who woke up each morning with the mantra, "Time to make the donuts." Fred became a character that struck a chord with most Americans; he was a hard-working man dedicated to his job regardless of the time or the weather. Fred the Baker was featured for 15 years until he retired in 1997.

In 2006, Dunkin' Donuts unveiled a new advertising campaign that revolutionizes the brand's position by focusing on how Dunkin' Donuts keeps busy Americans fueled and on the go. The campaign is a fun and often quirky celebration of life, showing Americans embracing their work, their play, and everything in between — accompanied every step of the way by Dunkin' Donuts.

The launch of "America Runs on Dunkin'" marked the most significant repositioning effort in the company's 55-year history. The campaign comes to life through a set of interactive icons that represent the campaign tagline, "America Runs on Dunkin'." The icons help to drive the concept that Dunkin' Donuts' freshly made coffee and baked goods energize Americans from all walks of life so they can keep the country running on their dedicated hard work and positive outlooks.

BRAND VALUES

Dunkin' Donuts customers are passionate about their Dunkin' Donuts experience, which for millions of customers is an everyday ritual. The company recently conducted a study where customers were asked to go without Dunkin' Donuts coffee for one week. The results showed that people felt life was harder, that their day lacked order without Dunkin' Donuts coffee, and that competitors couldn't fill the social and emotional need they get from a daily visit to a Dunkin' Donuts store.

People who work for Dunkin' Donuts have a passion for what they do. And that's because three years ago Dunkin' Donuts located the passion of the company — the strategic heartbeat — which is the thing that the company does best. For example, Dunkin' Donuts defined the strategic heartbeat of the company as the everyday, easy coffee stop that, by serving the best-tasting coffee, inspires rituals that revive.



THINGS YOU DIDN'T KNOW ABOUT DUNKIN' DONUTS

- Dunkin' Donuts is the No. 1 retailer of hot and iced coffee in America, selling 2.7 million cups a day, and nearly 1 billion cups a year. Dunkin' Donuts is also the largest coffee and baked goods chain in the world and sells more donuts, coffee, bagels, and muffins than any other quick-service restaurant in America.
- On an average day, Dunkin' Donuts sells more than 30 cups of freshly brewed coffee each second.
- As part of the company's commitment to offering consumers more choices without compromising quality, Dunkin' Donuts has assembled a new culinary team, a lineup of skilled and honored chefs and are using their talent and experience to create new and innovative menu choices for customers. The Culinary Team's mission is to provide Dunkin' Donuts customers with the best-tasting, most creative menu items that are fast, fresh, and affordable.