

**New Fremont
Innovation
Center**

PAGE three

**Technical
Bulletin: Food
Allergies**

PAGE four

**BUSINESS
BUILDING
BASICS:
DEVELOPING A
SOCIAL MEDIA
PRESENCE**

PAGE five

**OUT-OF-STORE
MARKETING
SUPPORT**

PAGE six

**AIB SUPERIOR
RATING**

PAGE six

**KARMA WINS
FOUR-GREEN-
LEAF AWARD**

PAGE five

**Newest Sales
Team Members**

PAGE seven

**Look Who's
Talking**

PAGE seven

**3RD/4TH
QUARTER
2011**



**With California Natural® Grain Free,
You Can Rotate With Confidence.**

CALIFORNIA NATURAL® NEW NOVEL PROTEIN FORMULAS EXPAND LINE'S APPEAL TO ROTATIONAL FEEDERS

We remain committed to bringing cutting-edge innovation to the independent pet specialty channel.

As part of this commitment, we're thrilled to announce our biggest California Natural innovation since the brand's launch in 1992. We're introducing two new grain free, novel protein products, which expand the appeal of the California Natural Grain Free line for rotational feeding, a trend that is gaining popularity among IPS shoppers.

Our California Natural line of products was introduced to help pets with food sensitivities by providing simple, limited ingredient formulas with a range of protein and carbohydrate source options. Today, more and more pets struggle with food sensitivities and require alternative protein sources and grain free nutrition. This trend is the reason that California Natural Grain Free Venison has become the fastest growing formula in Natura's portfolio.¹

In addition, more pet parents have begun rotating diets. Current data suggests² that nearly 50% of IPS shoppers indicate that they change protein sources, most likely to provide their pets with variety or a broader profile of naturally occurring amino acids.

Our new formulas broaden the appeal of the California Natural Grain Free product line, which addresses both of these rising feeding trends. We're proud to introduce two unique, grain free and potato free formulas that feature novel protein sources.

Introducing
NEW! Grain Free Kangaroo & Red Lentils Formula Adult Dog Food
&
NEW! California Natural Grain Free Salmon Meal & Peas Formula Adult Dog Food

These new products offer Pure & Simple™ limited ingredient formulations with a novel protein source (kangaroo or salmon meal) and unique carbohydrate sources

(lentils and peas). These products are also highly palatable, with sunflower oil and flaxseed for omega fatty acids and a lower glycemic index for sustained energy. They're also complete and balanced for everyday feeding.

For customers who like the idea of feeding their pets variety, these two new products make California Natural Grain Free formulas a better choice than ever before. Pet owners can now rotate proteins with

(continued on page 2)

Ten Amino Acids Important to a Dog's Diet

Arginine

Histidine

Isoleucine

Leucine

Lysine

Methionine

Phenylalanine

Threonine

Tryptophan

Valine

Each protein source in the California Natural Grain Free line contains a different balance of naturally occurring amino acids. Many pet owners believe that by rotating their pets' proteins, they can give their pets more diverse micronutrient intakes of minerals and amino acids.

Amino acids consumed in the diet can be utilized for the building of proteins, as well as the building of other nonessential amino acids. Feeding a well-balanced diet with high-quality, animal-based protein ingredients will help ensure that pets receive the amino acids required to maintain a healthful life.

¹Sales data, July 2010 - Jun 2011

²Survey, U.S. Dog Food Consumer Perceived Recommendation



These new products offer Pure & Simple™ limited ingredient formulas with a novel protein source.

confidence within an innovative line of five limited ingredient, grain free options: kangaroo, salmon meal, lamb meal, venison meal or chicken meal. Each protein source in the California Natural® Grain Free line provides a unique balance of amino acids, which enable proteins to aid in a variety of structural and physiological functions, including digestion, immune system support, hormonal regulation, detoxification and energy support for tissues.

By offering these unique and specialized products in your store you can drive customer loyalty and reinforce your position as a reliable nutritional resource.

Our marketing support began in late October with a heavy investment in education on protein sources, carbohydrate sources and amino acids. We are engaging in pet-focused print and online advertising, and have launched California Natural Facebook and Twitter pages where you and your customers can interact with the brand and its fans.

Our new rotational feeding website, www.rotatewithconfidence.com, provides education around the rotational feeding philosophy and the ways in which

California Natural Grain Free formulas can meet pets' nutritional needs. Our paid search campaign will lead consumers seeking grain free, novel protein options to the rotational feeding site and the "Where To Buy" tool.

The new products started shipping to distributors on October 21. Contact your Natura Sales Professional to learn how you can bring new California Natural Grain Free Kangaroo & Red Lentils Formula and California Natural Grain Free Salmon Meal & Peas Formula into your store. Your representative can also tell you more about the introductory deal and corresponding consumer offer, as well as POS support materials and in-store new product training for your staff.

We remain committed to bringing meaningful innovation to you and your shoppers, and the launch of these breakthrough products is a symbol of our ongoing commitment to you, our independent retail partners.



NATURA ANNOUNCES NEW TRAINING CENTER IN HONOR OF DON SCOTT

Natura has announced the creation of the Don Scott Training Center in Fremont in honor of Don Scott, who retired as President and Chief Operating Officer of Natura Pet Products on August 1 after 10 incredible years of service with the company. Under Don's leadership, Natura led extraordinary growth in the natural pet food segment, ultimately enhancing the lives of millions of pets.

The new Don Scott Training Center, which has been established as part of the new Fremont Innovation Center, will provide training facilities to ensure that all employees comply with and exceed our expectations for quality control.

The Natura team thanks Don for his dedication to Natura, its products and its people. Please join us in wishing Don the best in his well-deserved retirement.

California Natural Grain Free Proteins

Kangaroo	Marsupial Kangaroo meat contains very little saturated fat and is rich in the amino acids methionine, phenylalanine and tryptophan. Kangaroo has healthy levels of minerals such as iron, zinc, copper and manganese. This exotic protein has the highest levels in any red meat of conjugated linoleic acid, which has been shown to support many bodily functions. Since kangaroo is such a unique protein, veterinarians often recommend it to help pets with food sensitivities and skin and coat concerns.
Salmon Meal	Fish Salmon live in both freshwater rivers and lakes and in saltwater along the coasts of the Atlantic and Pacific Oceans. Salmon provides rich levels of the amino acids methionine and phenylalanine and the minerals iron, zinc and copper. Salmon has healthy levels of calcium, phosphorus and long-chain omega-3 fatty acids. Naturally occurring fish oils found in salmon can help support skin and coat health.
Lamb Meal	Ovine Lamb meat is known for its digestibility and tenderness. Lamb provides healthy levels of the amino acids arginine and methionine. Rich in the minerals iron and manganese, lamb is a nutritionally dense protein source. Lamb also contains high levels of conjugated linoleic acid, which is produced from the linoleic acid that naturally occurs in a lamb's plant-based diet.
Venison Meal	Deer Venison is a gamey protein and tends to be low in fat. Unique proteins such as venison can help pets avoid food sensitivities and skin and coat concerns. Venison provides healthy levels of the amino acids arginine and tryptophan. Rich in minerals such as iron, copper and manganese, venison delivers many of the essential nutrients needed to maintain a complete and balanced diet.
Chicken Meal	Avian Chicken is a nutritionally dense protein source and is rich in omega-3 fatty acids. Rich in amino acids arginine and phenylalanine, chicken is a nutritious source of vital nutrients. Chicken provides healthy levels of the mineral zinc and also delivers Vitamin B-6 to help with amino acid metabolism. Chicken is also low in saturated fat and is easily digestible.



Photograph by Richard Rader.

NEW FREMONT INNOVATION CENTER

We are proud to announce the creation of the new Fremont Innovation Center (or FIC) which includes the Fremont manufacturing plant, our product testing facility and technical resources for Process Development and Technical Services.

The establishment of the FIC is another step in our commitment to preserving Natura's enduring legacy, which is built on natural pet nutrition, fast innovation, manufacturing excellence and food safety.

Among other benefits, the FIC founding will allow our manufacturing team to work even more closely with our research and development teams to create innovative products and processes. In addition, this strengthened collaboration will result in more efficient releases of new product line extensions, so that you can bring new products to your customers even sooner.

Continuous improvement of our quality control systems is a major focus of the FIC. The center will continue to undergo

third-party food safety audits, including unannounced American Institute of Baking (AIB) audits. We have added a quality technician role to support our quality manager, and are now providing even more continuous improvement exercises and training for our employees.

As part of the FIC establishment, we are changing the name of the plant's adjacent product testing facility from Natura's Belfield Center to the Natura Health and Nutrition Center. By renaming our facility, we've clarified its purpose. The name may be new, but the commitment to pet nutrition and welfare remains the same.

The Fremont Innovation Center will allow us to raise the bar even further on quality control, to prepare for future growth to better serve you, and to continue to innovate so that we can respond to the evolving needs of your business and customers.



The FIC is another step in our commitment to preserving Natura's enduring legacy.



The more common an ingredient, the more chance there is for a pet to develop an allergy to it.



Technical Bulletin FOOD ALLERGIES

Nathaniel Fastinger, Ph.D., Senior Nutritionist and Sally Perea, DVM, MS, DACVN, Senior Nutritionist

Skin, coat and gastrointestinal (GI) problems can often be associated with food allergies in dogs and cats. A true food allergy is the result of an abnormal immune response to an ingested dietary protein, known as a food antigen. Normally the immune system has a tolerance to dietary antigens and will not form an immune response as it would against other foreign antigens such as foreign bacteria or viruses. When a food antigen is seen as foreign, it is attacked by the immune system, resulting in inflammation and problems like skin, paw and ear itchiness, vomiting and/or diarrhea.

A food allergy is different from a food intolerance or sensitivity, where the immune system is not involved, but similar clinical signs are seen after eating a food that isn't tolerated. Examples of common food intolerances include "upset" stomachs caused by food scavenging (getting into garbage), lactose intolerance and high-fat foods in fat-intolerant pets.

A true food allergy involves an immune response to a food protein that is seen as a foreign antigen. It is important to remember that these antigens can include not only the proteins found in meats and protein-rich ingredients like soy, but also the proteins found in grains, fruits and vegetables (although allergies to plant ingredients are less commonly reported). When a pet develops a food allergy to a particular food, the immune system develops antibodies that are specific and unique to that food and its antigens. It is these antibodies that drive the immune response, resulting in the cascade of inflammation. In order for a pet to develop antibodies, they must have had previous exposure to the food. Thus, any ingredients or foods that a pet has

been previously exposed to are potential food allergens, while foods that the pet has not previously eaten cannot be the cause of the pet's allergy. The more common an ingredient, the more chance there is for a pet to develop an allergy to it. A food or ingredient that may be commonly perceived as causing allergies cannot cause an allergy in a pet that has never eaten it.

Chemically or enzymatically hydrolyzed proteins are theoretically "hypoallergenic" as the hydrolyzation process cuts up dietary protein into pieces that are smaller than the immune system can recognize (<10,000 kDaltons).²

Currently available "hydrolyzated" pet foods include hydrolyzed chicken or hydrolyzed soy paired with potato, rice or cornstarch. Unfortunately, there is the possibility that these hydrolysates may retain some intact proteins and thus still result in an allergic reaction.³

Pet parents that suspect food allergies should work with their veterinarian to first rule out other potential causes for skin, coat and/or GI problems. Unlike environmental allergies where blood tests and skin testing can be used to identify what substances the pet is allergic to, there are no reliable laboratory tests that can be used to determine food allergies.⁴ Thus, an "elimination diet challenge" must be conducted to determine if food allergies are playing a role in the pet's problems. An elimination diet should include only ingredients that the pet has not been previously exposed to, or potentially a food that is formulated with hydrolyzed ingredients as discussed above. Elimination diets should also be composed of just a few simple ingredients, with a single protein and single carbohydrate ingredient being ideal.⁵ Foods designed for the management of food allergies typically have ingredients that are less common, such as peas, potatoes, lentils, oatmeal, lamb, venison, kangaroo and duck.

Species-specific fish ingredients can also be an excellent choice for pets without previous exposure to them, especially sustainable fish species such as salmon, menhaden and herring. Marine fish and fish oils are also rich

in long-chain omega-3 polyunsaturated fatty acids, such as eicosapentaenoic acid (EPA) and docosahexaenoic acid (DHA). These special fatty acids, which are not found in terrestrial plants like flax, can aid pets with inflammatory conditions, such as food allergies, by helping to reduce the production of pro-inflammatory mediators, called eicosanoids, that contribute to inflammation and worsen clinical signs.⁶

In addition to selecting ingredients that the pet is unlikely to have been exposed to, other nutrients such as B-vitamins and fermentable fibers can be utilized in the management of

food allergy conditions. Essential B-vitamins provided in complete and balanced pet foods are important for maintaining the

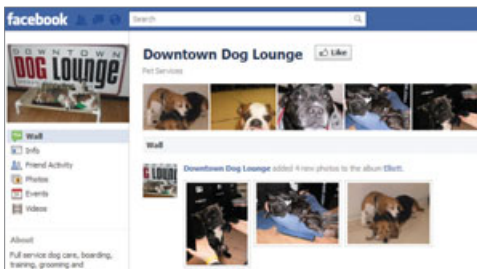
integrity of the skin.⁷ For pets with GI problems related to food allergies, feeding foods with fermentable fibers can help support a healthy GI tract.⁸ Fermentable fibers, found in chicory root and pea fiber, can serve as prebiotics which provide fuel to beneficial intestinal bacteria that produce short-chain fatty acids, which help maintain healthy cells that line the large intestine (aka colonocytes).⁹

DID YOU KNOW?

Commonly utilized ingredients in North American pet foods, such as beef, chicken, corn and wheat, are among the most commonly reported food allergens.¹

References

1. Verlinden A, et al. Food Allergy in Dogs and Cats: A Review. *Critical Reviews in Food Science and Nutrition* 2006; 46: 257-273.
2. Biourge VC, et al. Diagnosis of Adverse Reaction to Food in Dogs: Efficacy of a Soy-Isolate Hydrolyzate-Based Diet. *J Nutrition* 2004; 134: 2062S-2064S.
3. Cave NJ. Hydrolyzed protein diets for dogs and cats. *The Veterinary Clinics of North America. Small animal practice.* 2006; 36: 1251-1268.
4. Guilford WG, et al. Food sensitivity in cats with chronic idiopathic gastrointestinal problems. *J Vet Intern Med* 2001; 15:7-13.
5. Jeffers JG, et al. Response of dogs with food allergies to single-ingredient dietary provocation. *J Am Vet Med Assoc* 1996; 209: 608-611.
6. Kirby NA, et al. Dietary fats and skin and coat of dogs. *J Am Vet Med Assoc* 2007; 230: 1641-1644.
7. Watson AL, et al. Dietary constituents are able to play a beneficial role in canine epidermal barrier function. *Experimental Dermatology* 2006; 15: 74-81.
8. Bosch G, et al. Comparative in vitro fermentation activity in the canine distal gastrointestinal tract and fermentation kinetics of fiber sources. *J Anim Sci* 1008; 86: 2979-2989.
9. Roberfroid MB. Chicory Fructooligosaccharides and the Gastrointestinal Tract. *Nutrition* 2000; 16: 677-679.



Business Building Basics: DEVELOPING A SOCIAL MEDIA PRESENCE

If you're looking to drive traffic through your doors, creating a Facebook page and Twitter account for your business is a good place to start.

Social media presents an outstanding opportunity to connect with your loyal, pet-passionate customers and spread the word about your products and services to "friends" and "followers."

At first you might feel you're not generating any engagement or activity. This is a common feeling with a new presence, so don't feel overwhelmed! With a few simple tips, you can jump-start your social media presence and attract customers to your store.

There are three main steps to developing a social presence. 1. Create your page. 2. Build your target audience. 3. Engage your customers.

Once you've created your pages (through either facebook.com/pages/create.php or twitter.com/signup), identify who you want to reach, your goal for your presence and what you want your audience to gain. Once this is established, the next step is to build a targeted audience that will be interested in what you have to say. Some brands boast that they have legions of fans, but if no one is truly listening, what have they gained? A social media presence with a small engaged audience is more likely to help you accomplish your goals than a presence that speaks to a large but uninvolved audience.

Build your target audience by utilizing your existing customer base. Create a sign by the door or cash register that invites your customers to join. Instead of the usual "Join us on Facebook," try to address why they should join you on Facebook. What are the benefits your social networks will offer your customers? Insider info? Special discounts? Giveaways? Tips on pet health and pet care?

You can easily utilize your existing customer base and build your network by placing links to your social media networks on your business's website or in your email newsletter or email signature.

Building a strong online identity with a consistent tone and feel will attract relationships that will benefit your business. Just remember to provide quality content, keep communication open and honest and don't spam.

Leveraging Facebook

Facebook is the most popular social media site, with more than 750 million active users, half of whom log on to the site on any given day.



From your business's Facebook page, click the "Suggest to Friends" link. You can select which friends you would like to include. Send a personal message with the invitation. Next, consider allocating advertisement money towards Facebook ads. Facebook ads can be targeted by age, location, interests and much more, and can greatly enhance visibility to your page. You can get started at facebook.com/ads. Choose to only pay either when people click your ad (cost per click pricing) or when they view it (cost per impression pricing).

Twitter Outreach

There were 224 tweets sent five years ago on July 15, 2006, when Twitter was launched. Today users send that many tweets in less than a tenth of a second!

Your news can be sent at record speed on Twitter as consumers "retweet" (share) your message at their computers or on their mobile devices.

Building an audience on Twitter can often feel difficult in the beginning. Conversation on Twitter is essential to building an audience. By reaching out and engaging, users are more likely to respond or retweet, which increases your overall visibility. You can also utilize search.twitter.com to find relevant conversations or use hashtags (#) at the end of your tweets, which add your tweets to specific categories.

Cross-Promotion is Key

Once you're up and running on Facebook and Twitter, remember you can use these platforms to cross-promote and support each other. Send out an occasional tweet to remind followers you are also on Facebook and vice-versa. Also, a contest or special offer is a great way to generate interest and build an audience. Audiences on social media want to (and should) be treated as special. Give exclusive deals that can't be found elsewhere to show them that they are appreciated. Give people a reason to follow you.

When launching a social media presence, remember that you have built-in support from Natura. Use our existing InnoVa®, EVO®, and new California Natural® pages and postings to build your base and content. We want to share our ideas and followers with you.

Most importantly, keep in mind that instant social media success is rare. Take time to interact. If you maintain consistent with your posts, engage in conversations and have fun, you'll reap the rewards of social media in no time!



www.facebook.com/evopetfood



www.twitter.com/evopetfood



www.facebook.com/innovapet



www.twitter.com/innovapet



www.facebook.com/calnatpet



www.twitter.com/calnatpet



The pages will also feature regular updates while allowing retailers, customers and the EVO® team to converse in a fun, comfortable environment.

OUT-OF-STORE MARKETING SUPPORT: EVO® FACEBOOK AND LANDING PAGE

We're pleased to announce that EVO can now be found on both Facebook and Twitter!

We plan to post EVO news, stories and images so that you can "Share" them on your store's Facebook or Twitter pages. The pages will also feature regular updates while allowing retailers, customers and the EVO team to converse in a fun, comfortable environment. We encourage you to post photographs of EVO displays, tips for fellow retailers and distributors, videos and testimonials.

We've also launched a new EVO-specific site at <http://carnivore.evopet.com>,



which will support EVO social media and magazine advertising by providing a destination for your customers to learn more about the brand and its products. The site, which allows customers to personalize their experience by entering their pets' names, will also include the "Where to Buy" tool, which will drive customers to your store. The landing page will also enable your customers to share on Facebook and Twitter some of the facts they've learned about EVO, including graphs that compare dog and cat diets to the diets of their ancestors. When customers share information on social media sites about the benefits offered by EVO, they'll encourage their friends to stop into your store to learn more.

EVO has also launched a paid search campaign! We've begun advertising the brand through the Google, Yahoo! and MSN ad display networks, which means that EVO ads will receive priority placement in search engine results and will also appear on relevant, targeted websites that have partnered with these networks.

EVO's "Feed the Carnivore Within" ads will also appear in magazines including *American Dog*, *CityDog*, *Dog World*, *Tails*, *Dog Sport*, *The Bark*, *Fetch!* and *Cat Fancy*.

We're excited to share this news with all of you and are looking forward to engaging with customers, retail partners and other EVO fans!



KARMA® ORGANIC DOG FOOD WINS GREENOPIA'S FOUR-GREEN-LEAF AWARD

For the third year in a row, Karma Organic Dog Food has been awarded the Four-Green-Leaf Award for quality, ingredient reporting, packaging and sourcing from Greenopia.com, a leading online guide to green, sustainable and socially conscious living.

Karma is certified 95% organic by OneCert. The Karma formula is based on ground organic chicken and organic grains combined with real fruits and vegetables. Karma is prepared without artificial colors or preservatives, meat by-products* or fillers of any kind and contains no synthetic pesticides, synthetic herbicides, chemical preservatives, chemical additives or GMO ingredients.

Contact your Natura Sales Professional to learn how you can bring Karma Organic Dog Food into your store.

*Official Feed Terms, AAFCO



NATURA'S SAN LEANDRO BAKING FACILITY RECEIVES AIB SUPERIOR RATING

On August 3, Natura's baking facility in San Leandro, California received an unannounced American Institute of Baking audit.

We're proud to have received our 8th consecutive Superior rating from this prestigious organization.

AIB inspections and ratings are based on a number of essential safety and quality categories, including operational methods, training and education of personnel and maintenance for food safety. AIB's

extensive facility and program audits are conducted by seasoned and professionally trained food safety auditors for companies worldwide.

Our Superior rating as a result of this unannounced, third-party audit—the most challenging form of audit possible—is just one more example of how Natura continues to be recognized as a pet food industry leader in independent, third-party certifications, compliances and registration.



NATURA'S NEWEST SALES TEAM MEMBERS

Natura has hired several new sales team members in response to the increased demand for our products and our continued commitment to your stores.

Several of the new sales team members took a recent trip to Fremont to observe the Natura manufacturing process firsthand. They're ready to share their expertise and bring you and your customers the programs, promotions and new products you seek.



Becky Closser,
Southwest Regional
Manager



Karen Dempsey,
Southeast District
Manager



Wayne Donaldson,
Southwest District
Manager



Daniel Heuer,
Southwest District
Manager



Michael Lockridge,
Southeast District
Manager



Jeff Rawlins,
Southwest District
Manager



Diane Tankovich,
Northeast District
Manager

Circle These Dates On Your Calendar

- November 2011:**
Senior Pet Month
- December 2, 2011:**
National Mutt Day
- January 13-15, 2012:**
The Greater Philadelphia Pet Expo
- January 14, 2012:**
National Dress Up Your Pet Day

LOOK WHO'S TALKING ABOUT NATURA



Food for Seniors
Cats' nutritional requirements change as they get older, and **Innova Senior Cat Food** meets the needs of senior cats by providing higher levels of protein and fiber, along with important fatty acids to help improve the immune system. Available in both wet and dry formulas, the food contains natural ingredients from all five food groups (including protein-rich chicken, turkey and beef, wholesome fruits, vegetables and grains). Prices vary. Natura Pet Products;
800-532-7261;
www.innova-pet.com



Cat Fancy
Product Spotlight,
September 2011

Grain-Free Chicken Formula cat food
Natura Pet Products offers California Natural Grain-Free Chicken Formula cat and kitten food. The food is formulated using limited ingredients to support a healthy skin and coat, the company says. The food includes ingredients such as chicken, peas, flaxseed, sunflower oil and vitamin E, according to Natura. The food for all lifestages is available in 5-pound and 15-pound bags.
Natura Pet Products
+1.800.532.7261
www.naturapet.com



Petfood Industry
Product Spotlight,
July 2011

For example, Natura's Evo Weight Management dry dog and cat food contains fewer calories per cup than its regular adult product, but is boosted with added proteins, vitamins and minerals to provide the appropriate amount of nutrition. The high-protein, low-carbohydrate weight management line, developed in 2009, also contains L-carnitine, an amino acid that helps with metabolizing fat.

Pet Age
"Fighting Pet Obesity,"
August 2011