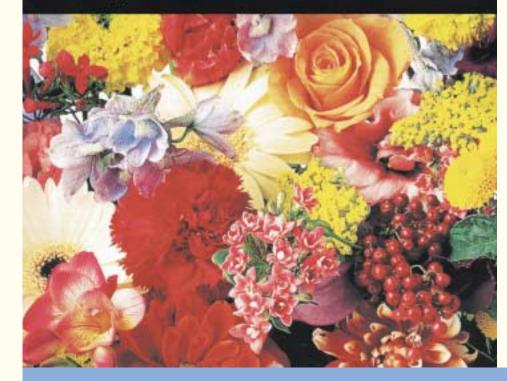


"ONE DIME AT A TIME..."

Join the Society of American
Florists and FTD in our
nationwide effort to actively
promote greater consumer
interest in flowers and floral
gift giving. See page 2 for
more information about this
exciting new promotion.

Grow your business in the changing economy.

Introducing the SAF Fund for Nationwide Public Relations





MESSAGE FROM BOB

~CHAIRMAN, IOS BRANDS~



This month I'd like to talk about rumor mongering. Generally I never talk of rumors, but it looks like our competitors have little else to talk about and continue to sling the mud about FTD. First of all, we are having a very strong year. Some would argue that we are making significant strides in spite of fewer members. As I stated in one of my replies on the FTD Members

Only Bulletin Board, the rumor mill is continuously circulating that we are either for sale, or that we are going bankrupt. Too bad for our competition that rumors have little to do with the truth. FTD will be around for a long time, and I expect to be right here fighting the good fight. Remember that people who spread rumors have little to say about themselves, and move from one person to the next with a negative message. FTD is all about the positives in the flower business, and we will always work that side of the street. Do not expect us to enter this war of falsifying and half-truths. I hope that, as intelligent FTD Members, you will see through these rumors and know that we are a strong, healthy company that is striving to keep the FTD Brand a powerhouse in the floral industry.

Second Quarter Report

The release of the second quarter report (fiscal year 2001) for IOS Brands Corporation tells the story of a healthy company and a strong brand. Revenues for the second quarter increased by \$9.4 million to \$77.0 million compared to \$67.6 million a year ago. Year-to-date revenues increased by a substantial \$22.0 million to \$141.3 million compared to \$119.3 million for last year. In addition, our cash position improved in the same period over the prior year, a true measure of the viability of any healthy company.

Net income for the quarter also increased by \$9.5 million to \$2.7 million compared to last year's loss of \$6.8 million. Our year-to-date net income increased by \$23.9 million to \$13.3 million compared to a loss of \$10.6 million last year. These strong results were due primarily to increased revenues and continued control over operating expenses.

Think about what has happened over the last four plus years - the business has grown beyond the expected \$300 million in revenues, and overall profitability has increased with one-third less members. In return, FTD has continued to raise commitments in national advertising, competitive rebates and technology spending.

Revenue has doubled, profitability has increased, debt is standing at 40% of where it was almost 5 years ago, and we are very much alive today - to carry on for another 90 years as the synonym for flowers in this great industry. One could argue that what has been accomplished is incredible, but I would argue that the FTD Brand and your efforts have made our job much easier than it might have been otherwise.

What do these numbers mean for you? To make it straightforward, FTD is all about making you the most profitable florist in your market. You will be the survivor, and the benefactor, as we continue to see further consolidation in this industry. Why do so many florists struggle to make a decent living at running a flower shop? In a word, they still have not picked a team. To us here at FTD, the choice has never been easier. FTD is The Brand in the floral industry and we will continue to maintain our leadership position in this industry, building brand awareness through our promotional efforts. I believe that effective advertising drives 100% orders to you - the FTD Florist - by promoting the Brand with contemporary, edgy, and attractive advertising campaigns. Our message will continue to focus on the simple idea that sending flowers is emotionally rewarding for not only the recipient, but also for the sender. And with your support, we will continue to aggressively advertise and build the FTD Brand.

FTD and quality FTD Florists represent the premiere flagship of the floral industry, and I for one, intend on keeping it that way for a long time!

Thank you for your continued support,



SAF FUND FOR NATIONWIDE PUBLIC RELATIONS

A little change can make a big difference!

Increased competition for consumer dollars means we need to promote flowers as the gift of choice more than ever. Working toward this goal, the Society of American Florists (SAF) launched an industry-wide voluntary promotion fund to support programs geared towards promoting flowers and florists to consumers. Called the SAF Fund for Nationwide Public Relations, this voluntary promotional effort will develop innovative public relations programs to reach millions of consumers with positive messages about the unique benefits of flowers and the expertise of professional florists.

The goal of the fund is to raise between \$2 million and \$4 million annually for consumer programs. With the cooperation of FTD,

SAF is collecting "one dime at a time" for the voluntary fund. Professional florists are being asked to contribute by donating 10 cents from each outgoing wire order, to be deducted on their monthly wire statements. FTD and SAF have made it extremely simple for FTD Members to participate in this program, with information on the fund and a sign-up card having already been mailed to each shop.

FTD is encouraging members to support organizations, such as SAF, that bring strength to the floral industry. For more information, call the Society of American Florists at 800-336-4743 or visit www.safnow.org.

ONE FLORIST SPEAKS OUT AFTER FTD MEMBERS MEETING

n March 22, 2001, FTD Members held an owners meeting in Toronto, Ontario with Bob Norton in attendance. Here's one member's review of that meeting, which was posted on the FTD Members Only Bulletin Board:

" One of THE MOST IMPORTANT things I heard last night is that FTD, and MORE IMPORTANTLY, Bob Norton, wants US, the FTD Florists, to partner with FTD, to REBUILD one of the TOP TEN BRANDS on this planet!!

He is ASKING and EXPECTING us, the FTD Florists, to raise the playing field to the NEXT LEVEL, a level that some florists either cannot comprehend or are not comfortable with achieving.

He is ASKING and EXPECTING us to help with achieving awareness to the consumers with regards to the status of BEING AN FTD FLORIST.

He is ASKING and EXPECTING us to help police AND regulate our industry to the next level that FTD wants US ALL TO ACHIEVE.

He is ASKING and EXPECTING us, as FTD Florists, to RAISE our service and quality levels beyond that of ANY OTHER industry participants, to ABSOLUTELY BECOME THE BEST at what WEE DOO.

He is ASKING and EXPECTING us, the FTD FLORISTS, to become the BEST and MOST noticeable of ALL FLOWER VEN-DORS, to be proud of the FTD logo that resides on our doors, and that eventually THAT VERY SAME LOGO be removed from those shops that don't feel the same way.

He is ASKING and EXPECTING of us to LEARN to BEE better than what WEE are now, AND MEAN IT when WEE say WEE will!!

He is ASKING and EXPECTING us to present REAL issues here, with candid opinions and florist-based solutions, BECAUSE HE doesn't have ALL THE ANSWERS.

He is ASKING and EXPECTING us to be POSITIVE about what WEE DOO best, to convey that positive image about us AND FTD, to paint that picture in our customers' minds of where they're gonna go to when they need that VERY SPECIAL GIFT - EVERY DAY.

He is ASKING and EXPECTING us to understand that change DOES NOT COME EASILY in any industry, and that had WEE left things as they were, before BOB, chances are that what WEE see today would be a much different animal, OR not at all.

He is ASKING and EXPECTING us to understand that not all the things that FTD tries are going to succeed, BUT, it's BECAUSE of the attempt that WEE should understand THEY ARE AT LEAST TRYING NEW THINGS outside the industry norm.

> He is ASKING and EXPECTING us to understand that HE has been in RETAIL all his life and KNOWS the pitfalls that WEE face every day, AND, of ALL the things he has done, OUR INDUSTRY is BY FAR the TOUGHEST CHALLENGE he has faced to date!

He wants us to know he is learning, he is GROWING the business, he is UP TO THE CHALLENGE, and he IS NOT GOING AWAY any time soon, so get used to it - there's MORE CHANGES TO COME!

He wants us to know that FTD INTENDS to improve its brand image, ESPECIALLY for those of us here in Canada, which he admits has been in arrears AND IS GONNA BE IMPROVED.

He is ASKING and EXPECTING us to help start the wide distribution of the "IN BLOOM" magazine, put it into gift baskets, send it with advertising, put in into circulation WITH YOUR advertising inserts, send it with your arrangements, AND HELP create the DEMAND AND FTD COMPETITION for Martha's magazine, AND charge for it if you need to, or GIVE IT AWAY if you need to, BUT help distribute it.

Bob showed AMAZING grace and diplomacy at this meeting, ESPECIALLY with a couple of florists, or pretend florists, that wouldn't make sense to their mothers, didn't make sense to US, the FTD Florists, and to whom NO ANSWER would have been the right answer!!

BOB SAID "This was probably ONE of the BEST meetings I've ever had with florists, ONE of the most productive, one of the most provocative and soul searching (my words), and one of the most enjoyable challenges he's faced yet!!" "

FTD MEMBER TAKES TIME OUT FROM VALENTINE'S DAY TO HELP OTHERS

While FTD Florists everywhere were preparing for record-breaking Valentine's Day sales, Bill Sheffield and his team at Ashland-Addison Florist Co. in Chicago, IL had additional responsibilities. They played a major role in FTD's sponsorship of the 14th Annual FOX Sports Net Chicago Sports Awards Benefiting the March of Dimes.

In addition to hosting a silent auction and dinner for the benefit, Fox Sports Net aired a live telecast of the Sports Awards, with awards being given to the top member of each of Chicago's six professional sports teams. In addition, a Lifetime Achievement Award was presented to Denis Savard, and the March of Dimes honored the recipient of their Inspirational Athlete Award. This year's winner was Rob Novicki, an inspirational athlete who's worked extremely hard to overcome his Down's Syndrome and compete in such sports as gymnastics, track and field, softball, bowling, tennis, golf, volleyball and basketball, to name a few.

This sponsorship opportunity not only gave FTD great Brand exposure, but it also helped promote the dedication and generosity of FTD Florists across the country. The Ashland-Addison



team took time out of their busy holiday schedule to create the floral arrangements for the event, including 65 table centerpieces and boutonnieres and corsages for the presenters and award recipients. "Ashland-Addison's contributions to this event proved once again that FTD Florists are special people that truly care about their community, even in the midst of one of the busiest holidays of the year," said Bob Norton, President and CEO of FTD, Inc.

MOTHER'S DAY IS JUST AROUND THE CORNER...

This year's feature for Mother's Day is The FTD® Embrace the Sweetness of Life™ Bouquet, which was designed exclusively for FTD Members by Tracy Porter. Tracy's exuberant, innovative style is her design signature, and this passion for creative diversity has made The Tracy Porter Home Collection a popular, trend-setting line of products for the home.

Colleen Mullaney, Editor-in-chief for FTD in bloom, had the chance to talk briefly with Tracy Porter and get to know the artist behind FTD's beautiful Mother's Day vase. Here is a small portion of that interview:

Colleen: Of all your products, which is your favorite?

Tracy: I have such a passion for whatever I'm designing at the moment, so I feel that whatever I'm developing becomes my favorites, but I'd have to say that overall, our dinnerware pieces are my consistent favorite. Growing up, meals and entertaining were a big thing in my family, and now in my house we eat our meals from my dinnerware every night, which I love.

Colleen: What inspires your designs?

Tracy: My children are an inspiration every day. Essentially, everything around us inspires our designs – color, nature, and now my twins.

Colleen: How long a process is it from sketches to final product?

Tracy: I'd say six months to a year in general. We try not to be slaves to the market, but we have to be aware of it. So we design lines and get them out as soon as possible to the gift shows. There are a lot of factors to take into consideration, including trends, color, and motifs. I might design a vase, but when the sample comes



back, the shade of orange isn't what I'd envisioned. So I start again. It's a lot of trial and error.

Tracy's partnership with FTD enables FTD Florists to offer their customers an exclusively designed product from the highly demanded product line of Tracy Porter. To support this product, FTD will be advertising it in several national publications, including Parade magazine. See pages 11-12 for details. Call FTD® Marketplace™ at 800-767-4000 to stock up on this FTD-exclusive product that is sure to be selling out all over the country. ■

FREE EMBROIDERY ON FTD APPAREL

ooking for a great way to promote your shop and the FTD Brand? FTD® Marketplace™ offers you a wide selection of apparel for yourself and your staff. To make it easier and more affordable to outfit everyone with your shop name and the FTD logo that stands for quality, the minimum order for customized embroidery has been reduced from twelve pieces to only six. You can choose any six pieces you'd like - mix and match shirts, hats, jackets, etc... And beginning with orders placed on or after April 1, 2001, FTD Marketplace will be offering FREE embroidery of your shop name on selected FTD polos and denim shirts for both men and women.

Call FTD Marketplace at 800-767-4000 to take advantage of this offer, and start promoting your shop all over town!



LADIES' COTTON PIQUÉ POLO Item # 923

U.S. Price: \$27.99 ea (S-XL) CDN Price: \$41.99 ea



MEN'S COTTON PIOUÉ POLO

Item # 995

U.S. Price: \$29.99 ea (S-XL) CDN Price: \$44.99 ea *also available in 2XL and 3XL



WOMEN'S CHAMBRAY SHIRT

Item # 918

U.S. Price: \$34.99 ea (S-XL) CDN Price: \$52.49 ea

MEN'S CHAMBRAY SHIRT

Item # 878

U.S. Price: \$34.99 ea (S-XL) CDN Price: \$52.49 ea *also available in 2XL



CANADIAN CORNER

Pay Your Statement By Credit Card

Last month, FTD® rolled out its new "pay your statement by credit card" program to all U.S. FTD Florists. This month, FTD is pleased to announce that this same convenient payment option is now available to all Canadian FTD Florists as well. Take the worry out of paying your statement by controlling the timing of your payment.

FTD accepts Visa, MasterCard, Discover or Diners Club. For your first payment, you will need to complete a form before your credit card payment can be processed. This same information will then be used for any future payments. As a reminder, this service is available for a small fee (see chart).

For more information, contact FTD® Credit Cards at 800-788-9000 and ask for extension 4262.

Mother's Day Advertising

To support Canadian FTD Florists for Mother's Day, The FTD® Embrace the Sweetness of Life™ Bouquet (M1) is being advertised in both Canadian Living and Canadian TV Guide. Additionally, Canadian Living also includes a 1/3 page ad that showcases FTD's other codified products for Mother's Day (M2, M3, M4, M5).

FEE SCHEDULE	
PAYMENT AMOUNT	FEE
\$1 — \$99	\$3
\$100 — \$199	\$6
\$200 — \$399	\$11
\$400 — \$599	\$16
\$600 — \$999	\$25
\$1,000 — \$1,399	\$35
\$1,400 — \$1,999	\$49
\$2,000 — \$2,699	\$68
\$2,700 — \$3,499	\$87
\$3,500 — \$4,399	\$109
\$4,400 — \$5,399	\$133
\$5,400 — \$6,399	\$159
\$6,400 — \$7,399	\$187
\$7,400 — \$8,699	\$218
\$8,700 — \$10,000	\$262

- For payments above \$10,000, please contact FTD's Credit Card department at 800-788-9000, x4262,
- Fees are subject to change by FTD in its sole discretion at any time without notice.

MERCURY ADVANTAGE™ SHINES AT PARK CITY TECHNOLOG

n event-packed weekend at Park City, Utah served as a unique combination of both business and pleasure. With the pristine ski resort as a backdrop, the Mercury Technology™ team hosted a highly informative event, which also gave shop owners a much-deserved respite from the busy Valentine's Day season.

The event also provided a significant "shot in the arm" of helpful hands-on technology tips to savvy shop owners. "It was well worth my time," said Dennis Kelly, owner of Val's Flowers in Morgan City, Utah. "There were a variety of topics and the nuts and the bolts were well covered. Overall, the program was put together very well."

In addition to the many training sessions that were held, attendees also enjoyed spending some quality time with fellow Mercury Advantage™ users. "Besides the classes, we were able to share ideas and experiences with other Advantage users," says Betsy Sharo, shop manager at Merritt Florist in Cornwall, New York. "We met some wonderful people and made some great contacts."

The weekend's technology events featured two key events: a Mercury Advantage Advisory Council roundtable meeting, as well as a multiday, multi-session Mercury Advantage Training Seminar.

NEW ORDER ENTRY UNVEILED AT ADVISORY MEETING

Seven of the nine Advisory Council members attended the open discussion, which focused on enhancements to FTD's premier Mercury Advantage floral business system.

Previous Advisory Council meetings had yielded helpful feedback to our development team, headed by Liz Eckhardt. The focus of attention had been on enhancing the functionality and user-friendly design of the Order Entry screen, a key component of the Mercury Advantage software.

Eckhardt was pleased to be able to unveil the new and improved Order Entry screen at the Park

City event, which will be a part of the upcoming 8.0 software upgrade later this year. Many of the enhancements to the Order Entry screen are directly attributable to Advisory Council and member input.

"This really demonstrates that we are listening and delivering on our promise to continue to develop and enhance Mercury Advantage," says Liz Eckhardt. "When you commit to our premier technology, we commit to being responsive in a premier way."

Council members were pleased with the responsiveness to their feedback and the numerous improvements in the software component. The event proved, once again, to be a success with attendees!

Training Seminar Brings Mercury Advantage Users Together

Attending the three-day training event were over 90 current Mercury Advantage users. Led by Emily Chapman (formerly Emily Moth), the information packed sessions included:

- Analyzing Your Business
- Training Essentials: "Training the trainer"
- Disaster & Contingency Planning Roundtable
- POS/End of Day
- Customizing Your System
- Advanced Order Entry
- Much, more (there were 18 sessions in all)

UPCOMING TRAINING SEMINARS

Although exact dates have yet to be determined, there are currently two Mercury Advantage Training Seminars in the planning stages:

Boston July 8-10, 2001

New Orleans Scheduled for October, 2001

For more information on these and other upcoming training events, call Emily Chapman at 630-724-6141.



Anita Ausenbaugh of Antioch-Tusculum Floris Bradley of Bices Floral enjoy sharing ideas a



(Left to right) Bob and Michael White, Bill G and Italo Paris share techniques for getting to Mercury Advantage system.



Instructor Carol Raynor, owner of Greens 'I' a session on General Ledger.



Herb Stacy (left) of Stacy's Florist & Gifts ar Hall's Flowers network with fellow Mercury



' EVENT



t (right) and Linda at the Park City event.



ood, Dave Costello he most from their



Things Florist, teaches



nd Ken & Betsy Hall on Advantage users.

mercury wings

NEW CONFIGURATION BRINGS GREATER VALUE AND MORE CAPABILITIES

Mercury Technology™ announces new hardware and software configuration

In a continuing effort to make the best Windows NT-based floral technology more accessible, yet more powerful for shop owners, Mercury Technology™ is proud to announce a new software and hardware configuration.

The new configuration involves two significant changes. First, the Mercury Wings™ software that comes standard will now include Accounts Receivable (previously, the AR software was sold as an optional add-on module at an additional cost). Second, the computer chip on the server has been changed to a Celeron® processor (versus the previous standard server computer with a Pentium III® processor).

Both these changes result in a Mercury Wings system that doesn't compromise in performance, while increasing functionality. In conjunction with a new leasing partner, these changes make Mercury Wings even more affordable.

"I think this is a good move for Mercury Wings," says Allen Yack, shop owner of Ralph's Florists in Arcadia, California. "You have to match the right hardware and software to the task at hand and the level of performance you need in a flower shop. I think this change more closely matches with the typical florists, like myself, needs and wants. As part of a testing program, I use Mercury Wings with the Celeron

chip and Accounts Receivable in my shop and I love it."

The Intel® Celeron™ processor is designed for PC desktops and notebooks. The Intel Celeron processor offers the dependability you expect from Intel at an exceptional value.

Systems based on Intel Celeron processors also include the latest features to simplify system management and lower the cost of computer ownership. (For multiple shop locations or single locations with four or more workstations, a server computer with the Pentium III processor will be required.)

The addition of Accounts Receivable software as part of the standard package brings greater capabilities, including the ability to:

- Create house accounts and effectively manage receivables
- Record and track customer payments
- Manage and take action on past due accounts
- · Automatically add finance charges
- Much, much more

For pricing and more information on Mercury Wings, call Mercury Technology at 800-767-3222

NEW FALL/WINTER 2001 BUYER'S GUIDE

DESIGNED WITH MEMBERS IN MIND!

n response to feedback from you, FTD has made significant changes to its product lines. The exciting NEW 2001 Fall/Winter FTD® Exclusives Collection was designed with the florist in mind – fewer holiday and branded codified containers and multiple recipes for many top-selling items! Our assortment has been narrowed to better serve the needs and demands of you, the florist.

We think you'll be pleased with our significant product and marketing changes, so watch your mail for the new FTD Buyer's Guide that begins mailing to all FTD Florists on April 30th.





Selling FTD in bloom in your floral shop is a great way for FTD Florists to differentiate themselves from other florists, as well as a good way for you to build a relationship with your customers. Not only will it help drive customers into your shop to purchase FTD products, but it also shows people how to use flowers in their everyday lives. We've got some great suggestions of ways to use this publication for additional sales.

- Use it as an add-on sale with any floral arrangement.
- Tie the magazine with a raffia bow and send it with a get-well order for someone who is ill.
- Suggest sending a copy of FTD in bloom with an arrangement to someone whose life has just "bloomed" with a new baby.
- With Easter and Mother's Day just around the corner, use it to increase holiday sales. Offer to include a magazine with a holiday bouquet. It's a perfect additional gift for Mom!

But selling your copies of *FTD in bloom* is not the only way to take advantage of this business-building opportunity. It can also be used as an excellent marketing tool for your shop. Here are some great ways to utilize your copies of *FTD in bloom* to positively impact your business.

- Attach a personal letter from your store and send it to your best customers, or send a thank you letter with a copy of the magazine to your biggest accounts.
- Use it to get new accounts. Include a personal letter with a copy of the magazine inviting them to open an account with your shop.
- Make a label for the front of the magazine with your shop

- name and phone number. Leave copies at your local dentist/doctor's office, hair salon or oil change location.
- Give away copies at a floral event like a local garden show.
 Staple your business card or a coupon to the magazine to drive traffic back to your shop.
- Send it to area universities or community colleges that have a floriculture or horticulture program. It's a great way for your shop to network for future employees.
- Besides giving copies to customers or would-be customers, reward your staff or designers by including a copy of FTD in bloom with their paycheck.

Beginning with the Spring/Garden issue, every FTD Florist will carry FTD in bloom in their shop. Five copies of every issue will be sent to shops, and U.S. florists will be billed \$18.45 on their Clearinghouse statement (\$2.99/copy plus \$3.50 shipping and handling). Canadian florists will be billed \$27.68 on their Clearinghouse statement (\$4.49/copy plus \$5.25 shipping and handling). Members will receive five issues per year. In the U.S., FTD in bloom sells for \$4.99/copy, so U.S. members can make an easy \$1.30/copy. Canadian members will make \$1.45/copy when they sell the publication for \$6.99/copy. Following April's Spring/Garden issue is the Summer issue that debuts in July.

FTD in bloom can be a fantastic marketing tool that costs your shop very little money, but will have a great impact on your business. Take advantage of this opportunity to promote your shop while continuing to build the FTD Brand! Contact FTD® Member Services at 800-788-9000 with any questions.



FTD[®] Cash-Flo[™] shares some great guidelines for reducing chargebacks

- CARDS THAT DO NOT SWIPE: If the credit card terminal
 cannot read the card, you <u>must imprint the card</u> on a
 paper sales draft using a manual card imprinter. The
 imprinted sales draft must contain the cardholder's signature, amount of the sale, brief description of the merchandise, date of the transaction, authorization code, merchant name, city and state.
- RETRIEVAL REQUEST: A retrieval request is a request for a copy of a credit card receipt. Once a retrieval notice is received, please provide a <u>legible</u> copy as soon as possible. If a copy is not received, the cardholder's bank can issue an <u>irreversible</u> chargeback for "Non Receipt of Requested Item." This is the most common chargeback.

All credit card receipts must be maintained for seven years. Please file your receipts by transaction date, <u>not</u> by cardholder name. *The retrieval requests will not include the cardholder's name, as the cardholder's name is not provided to FTD.*

Change the ribbon in your printer regularly. If you provide illegible copies, the cardholder's bank may initiate a chargeback.

RETURN POLICIES: To be considered proper disclosure, your return policy must be on your sales draft at the time of the sale and printed prominently in close proximity to the cardholder's signature (e.g., "No refunds", "All Sales Final"). If you would like to change your message, we can help (you must have a Tranz 380).

Note: Defective merchandise is not covered under <u>any</u> return policy.

Watch future issues of the FTD Newsletter for more guidelines to help reduce chargeback losses. For more information on processing your credit cards through FTD, contact FTD® Cash-Flo™ at 800-788-9000 and ask for extension 4262.



ow more than ever, people are shopping from home after work and on the weekends - and they demand 24-hour telephone service. FTD* Flowers After Hours*, an integral part of FTD's premiere, business-building opportunities, is open 24 hours a day, 365 days a year to meet this demand for you! Flowers After Hours is a department of professionals that are ready to work for your shop. With FTD Flowers After Hours on your side, you'll have what you need to capture those orders when your shop is closed.

Simply call forward your phone lines to our dedicated support team and we will take orders for you as a representative of your shop. When you leave for the day or if you need help during your busy times, activate the call forward feature from your local phone service provider and FTD Flowers After Hours will answer your phone for you. We'll take your customer's order using your customized database and send the order back to you via the reliable Mercury® Network.

Mother's Day is just around the corner. Having Flowers After Hours on your team means that you won't miss any calls from your loyal customers! Sign up before the busy Mother's Day holiday to take advantage of some great special offers. Let FTD Flowers After Hours get you on your way to more orders and better sales. Call 800-669-1000 (press 4) or send a GEN message to 90-9200AA.

WE'D LOVE TO HEAR FROM YOU!

FTD welcomes comments and suggestions from FTD Florists for the *Newsletter*. Contact the FTD Public Relations Department by writing to FTD, Attn.: PR Dept., 3113 Woodcreek Drive, Downers Grove, IL 60515, or send an email to newsletter@ftdi.com. Please include your FTD Member Number.



With Mother's Day just around the corner, FTD.COM has a few helpful tips to make this busy holiday run a little smoother.

TIP#1

EXPANDED WEEKEND DELIVERY WINDOW FOR MOTHER'S DAY

In response to comments from florists, FTD.COM is now offering all FTD florists a wider, more flexible window for delivering FTD.COM Mother's Day orders. Now, all FTD.COM floral orders scheduled for delivery for the Mother's Day weekend can be delivered on either Saturday, May 12th or Sunday, May 13th. FTD.COM does not offer Sunday delivery, but now you have the option to deliver FTD.COM orders that could not be delivered on Saturday on Sunday as well. During the ordering process, consumers will not have the option of choosing specifically Saturday for delivery of their Mother's Day orders; the option will read "Saturday/Sunday". This way, the choice will be left up to the florist, as long as the flowers are delivered prior to Mother's Day. This allows FTD florists to manage their delivery schedules better and have more flexibility during the busy weekend with either Saturday or Sunday as the delivery window.

TIP#2

CORRECT ZIP CODE LISTINGS CONNECTED TO YOUR SHOP CODES

Prior to the busiest holiday of the year, FTD.COM encourages you to review what zip codes are currently linked to your shop codes. This will ensure that you only receive orders for areas that you would like to cover. To receive a copy of what zip codes are currently connected to your shop codes, or to add or delete zip codes, please send FTD.COM a GEN Message to #90-8400AA.

TIP#3

Too Many Orders? Don't Turn Off Mercury®...Consider a Temporary Suspend

During the holidays, florists can get into a crunch where they can not handle anymore orders for possibly a few hours or a few days. While many florists elect to suspend Mercury® during this

time, other florists turn off the power to their Mercury machines. This causes problems for everyone. When you turn off power to Mercury, you lose contact with other FTD florists and FTD, thereby possibly not receiving important ASK messages or other Mercury Network communication. When things get extremely busy, consider temporarily suspending your Mercury machine instead of turning it off.

When you suspend your Mercury machine, this tells FTD and other FTD florists that you are at order capacity for a period of time, but you are still able to receive ASK messages. By suspending your Mercury machine, instead of turning the power off, you can once again begin receiving orders after you un-suspend.

To help ensure customer satisfaction, beginning this Mother's Day, any FTD florist who turns off their Mercury machine will be blocked from receiving FTD.COM orders until after the holiday. This is for the benefit of other FTD florists who can still accept orders and for consumers who want their flowers to be delivered in time for the holiday.

Best of luck this Mother's Day! Please contact FTD.COM through e-mail at <u>custserv@ftd.com</u> or send a GEN Message to #90-8400AA with any additional questions on these FTD.COM tips.

For any other questions, please feel free to contact FTD at your convenience. Call your Field Service Representative, send a message to ftdmemberservices@ftdi.com or call Member Services at 800-788-9000 with any questions or suggestions. As we work on future columns, we will continue to look for additional opportunities that will enhance the profitability of your business.

If you would like to find out more about receiving FTD.COM orders, simply call our Florist Hotline at 800-554-0993 or send a GEN Message to our Customer Service Department, using shop code 90-8400AA.

FTD'S TAGGABLE TV COMMERCIAL

Due to the strong success of our "Be A Hero" TV commercial, FTD" has decided to continue this campaign through the summer. If you are already using the commercial in your local market, FTD has extended the talent costs for this ad so you can continue running this commercial through September 25, 2001.

If you would like to take advantage of the excitement and success of FTD's brand-building national ad campaign, copies are still available. The commercial comes in four different formats: 1", 3/4", Beta SP and VHS. For additional information, or to order a copy of FTD's taggable TV commercial, call FTD* Member Services at 800-788-9000.

The FTD® Florists' 100% Satisfaction Guarantee:

As professional FTD Florists, we guarantee your satisfaction with every order sent through FTD for delivery in the United States and Canada and on all FTD Branded products purchased from an FTD Florist.

If you are not satisfied with the purchased FTD product, we will send a replacement or refund the full purchase price. All you need to do is notify us within 10 days of receipt of your FTD order. You may call, come in person or write to us.

Benefits of the FTD Florists' 100% Satisfaction Guarantee:

- Improves consumer confidence in FTD Florists, leading to increased sales and repeat business for your shop. Today's competitive environment demands an unconditional guarantee...FTD delivers it.
- Increases the value of FTD national advertising for FTD Florists.
- Differentiates FTD from other wire services and FTD Florists from their competitors.

FTD PRODUCTS FEATURED IN NATIONAL ADVERTISING FOR APRIL~JUNE

The FTD® Touch of Spring™ Bouquet (E1)

Estimated U.S. retail price \$34.99/CDN retail price: \$52.49 Item #0103

U.S. price: \$3.99 ea. /\$47.88 ctn. of 12 CDN price: \$5.99 ea. /\$71.80 ctn. of 12 Advertised in national print in April.



The FTD® Embrace The Sweetness of Life™ Bouquet (M1)

Estimated U.S. retail price \$54.99/CDN retail price: \$82.49 Item #0107

U.S. price: \$7.99 ea. /\$191.76 ctn. of 24 CDN price: \$11.99 ea. /\$287.75 ctn. of 24 Advertised in national print in May.



The FTD® Minnie Easter Bonnet™ Bouquet (E2)

Estimated U.S. retail price \$34.99/CDN retail price: \$52.49

Item #6313

U.S. price: \$7.99 ea. /\$47.94 ctn. of 6 CDN price: \$11.99 ea. /\$71.90 ctn. of 6 Advertised in national print in April.



The FTD® Especially For You® Bouquet (M2)

Estimated U.S. retail price \$34.99/CDN retail price: \$52.49 Item #0108

U.S. price: \$3.99 ea. /\$95.76 ctn. of 24 CDN price: \$5.99 ea. /\$143.75 ctn. of 24 Advertised in national print in May.



The FTD® You're Somebunny Special™ Bouquet (E3)

Estimated U.S. retail price \$39.99/CDN retail price: \$59.99 Item #6312

U.S. price: \$6.99 ea./\$41.94 ctn. of 6 CDN price: \$10.49 ea. /\$62.90 ctn. of 6 Advertised in national print in April.



The FTD® Loving Thoughts® Bouquet (M3)

Estimated U.S. retail price \$54.99/CAN retail price: \$82.49 Item #0109

U.S. price: \$7.99 ea. /\$95.88 ctn. of 12 CDN price: \$11.99 ea. /\$143.80 ctn. of 12 Advertised in national print in May.



The FTD® Windowsill Garden™ Bouquet (E4)

Estimated U.S. retail price \$39.99/CDN retail price: \$59.99

Item #6311

U.S. price: \$7.99 ea. /\$95.88 ctn. of 12 CDN price: \$11.99 ea. /\$143.80 ctn. of 12 Advertised in national print in April.



The FTD® Just Picked For You™ Bouquet (M4)

Estimated U.S. retail price \$39.99/CDN retail price: \$59.99 Item #6315

U.S. price: \$6.99 ea. /\$41.94 ctn. of 6 CDN price: \$10.48 ea. /\$62.90 ctn. of 6 Advertised in national print in May.



The FTD® For All You Do™ Bouquet (S1)

Estimated U.S. retail price \$29.99/CDN retail price: \$44.99

Item #0105

U.S. price: \$4.99 ea. /\$59.88 ctn. of 12 CDN price: \$7.49 ea. /\$89.80 ctn. of 12 Advertised in national print in April.

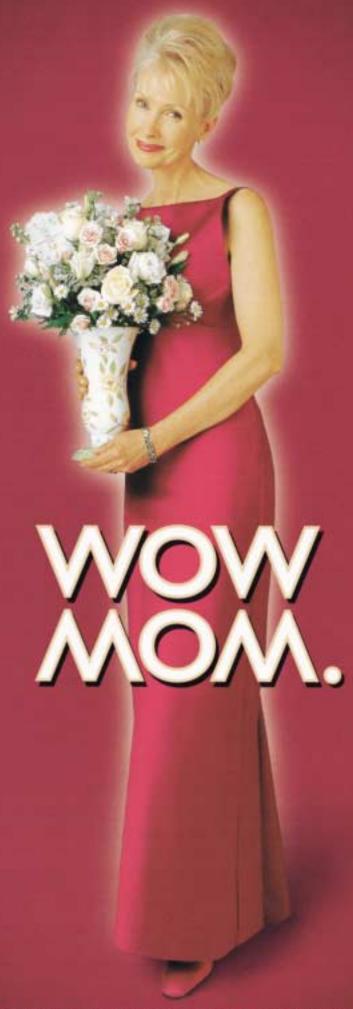


The FTD® Sweet Treats® Gourmet Tower (M5)

Estimated U.S. retail price \$49.99/CDN retail price: \$74.99 Item #0111

U.S. price: \$24.99 ea. /\$99.96 ctn. of 4 CDN price: \$37.49 ea. /\$149.96 ctn. of 4 Advertised in national print in May.







VISIT YOUR LOCAL FTD FLORIST DIAL I-800-SEND-FTD OR SHOP ONLINE AT FTD, COM