



Dear Consumer –

Subject : Downsizing from 33 lbs. bags to 28.5 lbs. bags

After much thought and with great reluctance, we will be reducing the size of our largest dry food bags from 33 lbs. to 28.5 lbs. The timing of this conversion will differ between bags and is largely dependent on the amount of 33 lbs. stock remaining in each food.

The sole motivating factor behind this decision is to make our largest bags more competitive in the marketplace. When the recession first hit many of our competitors reacted immediately. They chose to recover lost margin through a combination of diet reformulation and a reduction in product portions. We at Solid Gold stood firm. We chose to not compromise the quality of our foods by cheapening them, and instead lowered our margins. We also maintained our larger bags because we felt that the consumer appreciated the better value that they offered.

With the passing of time, we have had a chance to reevaluate our decisions. What we have come to learn is that retaining the larger bag has put us at a serious disadvantage with our competition. While in most cases our food is less expensive on a “per-pound basis” as compared to our peers, our savings is not being communicated to the public...at least at the retail level. We can only surmise that this is due to staffing cutbacks with retailers due to the recession. In any event, our conclusion is that absent the understanding of the weight variances between foods, the consumer will naturally gravitate to the lowest posted store price, a category that we cannot achieve with our larger bags. While we will make this transition for the reason explained, we will also make every effort to keep the cost per pound at the lowest level possible.

We thank you in advance for your understanding in this matter!