

27 May 2010

To Whom it May Concern,

As one of New Zealand's largest retailers, catalogues are a key component of our promotional mix and therefore the effectiveness of their delivery is critical.

In 2008 we came together with Reachmedia to develop a first for the New Zealand market – a true independent measure of catalogue delivery.

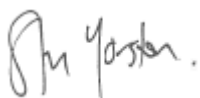
The solution was *IntheBox* – a website that hosts weekly online surveys that can be answered by anyone who chooses to register and indicate which catalogues they receive in their letterbox and when. Each week data is collected from a core group of over 16,000 registered panel members, split evenly across Reachmedia's 5000 national urban delivery rounds.

As a robust independent auditing tool, *IntheBox* provides The Warehouse with transparent delivery statistics which provide a true measurement of delivery success and enable clear SLA benchmarks to be monitored.

IntheBox enables Reachmedia to measure its network performance at deliverer level, and to monitor the success of its people on the ground. The product allows them to identify 'operational hotspots' in real time and take immediate action to improve delivery in these areas. Similarly, areas of strength are analysed so that they can learn from these and implement successful improvement initiatives across all parts of the network.

I have seen the other methodologies for delivery validation that are available within the market but none have the critical component that I seek – true independence. The fact that Reachmedia have pioneered and improved this offer over the past 2 years was a key decision factor in The Warehouse recently reappointing Reachmedia as their delivery partner after a market review and competitor evaluation.

Yours sincerely
The Warehouse Limited



Stuart Yorston
Marketing Director