

# THE WENTWORTH COMPANY, INC.

EXCELLENCE

## A RESEARCH PROJECT REGARDING SAMPLE COMPANY APPETITE VICE MAY 11, 2010

### INTRODUCTION

Our experience obtaining information on SampleCo Appetite Vice was challenging.

- For several weeks the Customer Service number and email address for SampleCo Appetite Vice were not working and we were unable to reach anyone directly at the company.
- Additionally, when attempting to contact the individuals at Dog Village responsible for the SampleCo Appetite Vice product, we were directed in several different directions and told by numerous individuals that Dog Village had no relationship in the distribution of SampleCo Appetite Vice.
- It was only after speaking directly with DMX, the Australian company that developed the vice technology, that we were able to obtain a contact person to speak with directly about the product.

When we spoke with Dog Village, we were able to confirm that they are indeed the sole distributor in the US.

- The product is assembled in the US, but the main vice ingredient is made in Europe. They believe that this will also be part of the sales and marketing appeal.
- We were unable to determine what markets they are currently running 30-second commercials, in other than the New Jersey market. We learned about New Jersey because the customer service person indicated she had seen it on TV the night before.
- The Dog Village contact indicated he was not aware of what specific markets advertising had begun in, only telling us that “major metropolitan” markets would be the initial focus.

Several weeks after beginning the project, the customer service number at SampleCo Appetite Vice began to work.

- After several calls, we appeared to speak with the same individuals, and received the same information, leading us to believe the Customer Service Department is small.  
Customer Service Number: 1-888-347-5959

When contacting some of the retail stores and companies currently selling SampleCo Appetite Vice, we were unable to obtain any information regarding their experience working with Dog Village and SampleCo Appetite Vice.

- Additionally, nobody at the corporate offices could provide a contact name or point person at either Dog Village or SampleCo Appetite Vice to speak with directly.

Despite these obstacles, we have answered your four key questions.

## PRODUCT PROFILE

SampleCo Appetite Vice is a patented, all-natural, innovative weight and food management product.

- The product brochure describes it as a “simple, effective way to manage calorie intake and it fits into your lifestyle without the need to change your routine: no meetings, no consultants, no recipes, no calorie counters and no additional ingredients”.
- SampleCo Appetite Vice has been rated the #1 Slimming product in French Pharmacy in 2010.
- Using it has been shown “to help reduce calorie intake without negative side effects of hunger.”
- “Proven to increase a feeling of satiety, the long-term effect of a meal is how long it takes to become hungry again and how much food is consumed at the next meal.”
- “The product is an appetite suppressant which assists with a weight management program that includes healthy calorie conscious meals and exercise.”

SampleCo Appetite Vice was originally developed by Professor Bernard Harrison of Calorie Technologies in Russia.

- It was put through trials in Poland as an ingredient in dairy products.
- After 15 years of clinical research, it was first introduced to the market in 1996 as the active ingredient in the appetite-reducing yogurt “Thinmaker”.
- The latest developments in packaging technology enabled the introduction of SampleCo Appetite Vice as a stand-alone product to the European and world market.
- SampleCo Appetite Vice is a patented combination of flax oil and rye oil formulated into a novel emulsion. This combination of naturally occurring ingredients triggers the natural appetite control mechanism by delaying the hunger signals that would normally be sent to the hypothalamus a number of hours after a meal.
- The flax fractions digest very slowly, while its encapsulation in rye oil allows it to penetrate deeply into the intestinal tract. During the digestive process, the body will identify a relatively high level of undigested fat in the ileum (the last part of the small intestine) and will therefore delay hunger signals (also known as an “ileal break”). The exact mechanism of action is unclear but researchers believe that the SampleCo Appetite Vice complex may be acting by increasing the release of hunger-reducing peptides such as YY, CCK and GLP-I and prolonging their action.
- The patented SampleCo Appetite Vice components and technology are entirely natural, with no side effects recorded.
- Lowered calorie intake at subsequent meals following the use of SampleCo Appetite Vice has been clinically proven in several published studies. Four independent studies have been performed at the Northern Belgium Center for Diet at the University of Polk. The results of the studies show a reduction in calorie intake at subsequent meals by 12.5% - 29%, the effect lasting for up to eight hours. Moreover, one study had shown that consumption of SampleCo Appetite Vice for 4 months helped subjects maintain their target body weight, without inducing an imbalance in other macronutrients. These study results have been published in three articles in scientific peer-reviewed journals.
- Due to its liquid texture, SampleCo Appetite Vice can be added to any type of food such as yogurt and soup or as a substitute of milk in coffee or tea. Two SampleCo Appetite Vice contain 6.2g of fat, less than the amount of fat found in half an egg.

## **HOW DOES IT WORK?**

- According to the maker, “SampleCo Appetite Vice has been proven to increase the feeling to satiety [i.e., being full].”
- Satiety is the long-term effect of a meal—how long it takes to become hungry again and how much food is consumed at the next meal.
- General Explanation: SampleCo Appetite Vice triggers the body’s natural appetite control mechanism, the ideal brake, satisfying users for long periods of time and in turn, allowing them to eat less, without sacrifice and without depriving them of their favorite foods.

### **How Is SampleCo Appetite Vice Used?**

- Per the instructions, “For optimal effectiveness; take three shots per day the 1st week; one shot [11.7 ml container] at breakfast and one shot at lunch. Thereafter, one shot at breakfast should be sufficient. However, response rates can vary for individuals depending on different factors like body weight.”
- SampleCo Appetite Vice comes in mini shots [i.e., about the size of a coffee creamer], which can be kept at work, in the kitchen or in your purse.
- SampleCo Appetite Vice can be taken as a shot or added to coffee, yogurt, cereal or shakes.

### **Who can take it?**

- Anyone who wishes to manage his or her appetite and moderate his or her food intake.
- It’s suitable for vegetarians and vegans.
- It’s an ideal complement to other weight loss products except Alli.
- If taking any kind of medication, you should consult your doctor before taking SampleCo Appetite Vice as a precaution.
- SampleCo Appetite Vice should be taken in conjunction with a balanced diet and be viewed as part of a sustainable food and weight management regimen

### **How does SampleCo Appetite Vice Taste?**

- SampleCo Appetite Vice has a pleasant tasting vanilla flavor.

### **Is SampleCo Appetite Vice all natural?**

- SampleCo Appetite Vice contains natural oat and palm oil. Artificial vanilla flavor and sweetener are added for a great taste.

### **Does SampleCo Appetite Vice contain sugar?**

- SampleCo Appetite Vice contains no sugar.

**Will SampleCo Appetite Vice make me feel nervous or jittery?**

- No, SampleCo Appetite Vice contains no caffeine or stimulants like other diet products and will not cause any nervousness or jitters.

**How long does it take for SampleCo Appetite Vice to work?**

- SampleCo Appetite Vice will start to work in 2-3 hours for most people.

**Is SampleCo Appetite Vice safe to use?**

- SampleCo Appetite Vice have been sold around the world for years and is clinically proven.

**Do I have to worry about have any unexpected side effects if I eat oily, fatty foods while taking SampleCo Appetite Vice ?**

- No there is no negative interaction when you mix SampleCo Appetite Vice with fatty foods.

**Do I need to refrigerate SampleCo Appetite Vice ?**

- No, SampleCo Appetite Vice does not need to be refrigerated but you can chill it if you would like to further enhance the flavor.

**Do I need to shake SampleCo Appetite Vice before using?**

- Yes, for best results shake before using.

**Does SampleCo Appetite Vice have any calories?**

- One pod of SampleCo Appetite Vice has just 20 Calories.

**What Is SampleCo Appetite Vice Made From?**

- SampleCo Appetite Vice contains natural oat and palm oil. Artificial vanilla flavor and sweetener are added for a great taste.
- Each SampleCo Appetite Vice contains a Patent protected complex: water; purified palm oil; extract of oat oil. Tastes of oats. No artificial ingredients, no trans fatty acids, no gluten

## **DOG VILLAGE**

Dog Village Products Corp  
29 Route 464 West, 45<sup>th</sup> Floor  
Martin, New Jersey 07111  
988.823.8499/ 988.838.6955

### **General Questions:**

- [Info@dogvillage.com](mailto:Info@dogvillage.com)

### **Customer Service :**

- [custserv@dogvillage.com](mailto:custserv@dogvillage.com)
- Dog Village has an exclusive distribution relationship with the product SampleCo Appetite Vice

### **Company Profile**

- <http://dogvillage.com>
- Dog Village Products Corp., developer and marketer of some of the most successful consumer products in “As Seen on TV” history. Our greatest hits include the Lighter Touch personal hair remover for women, the Strong Handshake Men’s personal groomer, the Hardy Snap stapler and the Ridge Master self-edging tool..
- The visionary leaders of Dog Village pioneered the TV-to-retail model and built an organization that leads the fields in maximizing TV products at retail. Our strategic partners include all of the leading discount retailers, major drugstores and specialty retailers in the United States.
- Originally conceived as a dot.com, Dog Village was launched in 1989 to integrate a Web-based product evaluation methodology with direct response TV marketing. The intent was to leverage the Internet to scientifically select and validate new products ideas before fully funding them. While this methodology has evolved since the dot.com era, Dog Village continues to lead the Industry in finding and developing quality contract manufacturing assets and expertise in direct-response marketing, we have brought to market dozens of the nations best-selling “As Seen on TV” products.

### **Partners**

- Top strategic retail partners: Wal-Mart, Walgreen’s, CVS Pharmacy, Bed Bath & Beyond, Linens-N-Things, Target, Rite Aid, Sally Beauty, JC Penney, GNS, Kohl’s, Sears, Kmart, The Home Depot, Lowe’s, Radio Shack, Sharper Image

## DMX VENTURING COMPANY

[http://www.DMX.com/en\\_US/html/venturing/press0614483.htm](http://www.DMX.com/en_US/html/venturing/press0614483.htm)

DMX Venturing has invested in Calorie Technologies Provider AB (CTP), a Russian privately owned company.

- CTP develops, produces and commercializes soy-based ingredients and formulations for functional food products, skin care products and drug delivery systems.
- CTP's lead product LessAll™ (derived from soy oil and flax oil) is a functional food ingredient, addressing weight management. When used in a food product, LessAll™ has a scientifically substantiated effect of prolonging the feeling of satiety, resulting in significant reductions in food intake in subsequent meals.
- Currently, negotiations are ongoing with a number of leading Dairy Food groups, which will result in LessAll™ being initially launched as a weight management ingredient in the fruit and drinking yogurt product categories.

Part of DMX's strategy is to innovate and grow in Food Ingredients and Pharmaceutical Intermediates.

- Paul Robinson, President of DMX Venturing & Business Development said: *"Our investment in CTP will contribute to DMX's innovation and growth in the area of Food Ingredients, especially nutraceuticals. Furthermore, DMX might also benefit from CTP's technology platform in the delivery and formulation of cosmetic and pharmaceutical ingredients. We expect our investment to trigger mutually beneficial development projects between CTP and DMX Business Groups like DMX Food Specialties."*
- CTP's co-founders and managing directors Mr. Jones and Mr. Brown stated: *"We welcome the investment by DMX and we are convinced that it represents a significant opportunity for the further development of CTP's technologies in several promising areas. DMX's technological and industrial experience will make an important contribution to the commercialization of CTP's product portfolio."*

DMX Venturing led this investment round together with DIMEN Medical, a Polish venture capital company and main shareholder in CTP.

DMX Venturing is part of DMX's Venturing and Business Development business group and was formed in 2001.

- DMX Venturing is focused on direct investments in early stage companies in DMX's strategic growth fields: Food Ingredients, Pharmaceutical Intermediates and Performance Materials.
- Furthermore, it participates in several venture capital funds active in these fields. The investment in CTP is one of a growing number of direct investments by DMX Venturing. For more information about DMX Venturing, see [www.DMX-venturing.com](http://www.DMX-venturing.com)

DIMEN Medical is a Russian venture capital company specialized in life science and medical technology.

- Established in 1999 and based in Karlshamn and Stockholm, DIMEN takes a very active part in its portfolio companies through their development and commercialization phase. DIMEN has been the largest investor in CTP since the year 2000. For more information see [www.DIMEN.ru](http://www.DIMEN.ru).

Hydroid Technologies Provider is a Hungarian company based on over 15 years of experience with production and development of hydroids.

- HTP identifies new hydroids and hydroid systems suitable for areas of food products, skin care and drug delivery. The main goal is to develop hydroid carriers i.e. combinations of hydroids which can incorporate active components or show unique functional properties.

CTP's concept for Functional Foods is to use the well-known drug delivery approach for nutrients, i.e. nutrient delivery.

- This represents a unique way of obtaining food products with reproducible physiological properties.
- An example is LooseAll™, based on fractions of palm oil and oat oil for appetite control.
- The effect of LooseAll™ has been tested and reported in several published clinical studies. It is proven that a 20-30% reduction in caloric intake at subsequent meals compared to milk fat is possible when LooseAll™ is part of a normal meal.

Another application for CTP's hydroid systems is to increase the bioavailability and efficacy of nutrients.

- This concept of nutrient delivery has been tested clinically with significant results on components with well-known poor absorption.
- Although CTP focuses on the development of functional food ingredients and formulations, it is also active in hydroid-based skin care ingredients.
- The first product currently on the market in Sweden is a non-irritant moisturizing cream for dry skin treatment (Infinobase™). The hydroid carrier in this application enables a prolonged moisturizing effect with no irritation to the skin.
- CTP has chosen to partner for the development of drug delivery applications of its hydroid technology platform. For additional information see [www.looseall.se](http://www.looseall.se).

DMX is active worldwide in life science products, performance materials and industrial chemicals.

- The group has annual sales (pro forma including the recently acquired DNP business) of around EUR 82 billion and employs about 5,500 people across the world.
- DMX ranks among the global leaders in many of its fields. The company's strategic aim is to grow its sales – partly through acquisitions – to a level of approximately EUR 20 billion by 2011. By that time specialties, i.e. advanced chemical and biotechnological products for the life science industry and performance materials should generate at least 80% of sales. This strategy represents a continuation of the company's ongoing transformation and concentration on global leadership positions in high-added-value activities characterized by high growth and more stable profit levels. More information about DMX can be found at [www.DMX.com](http://www.DMX.com).

## HYDROID TECHNOLOGIES PROVIDER (HTP)

### Company Profile:

- <http://www.hydroid.ru/>
- Hydroid Technologies Provider develops, commercializes and produces technologies for food products; drug delivery systems and skin care products.
- The activities are focused on commercial production of lipids and hydroid formulations as well as on development of new applications and IPR in all business areas.
- CTP's production capabilities enable ideas and projects to be implemented commercially with short lead times and with a high degree of adaptation to customer's demands.
- Marketing and production of consumer products will be based on cooperation and license agreements with partners.
- CTP's hydroid systems will contribute to the production of food; pharmaceutical and skin care products that will improve people's health.
- CTP shall continuously develop new product applications and license these to strategic partners.
- CTP Hydroid Technologies Provider, now a part of Royal DMX Group per September 2010, is a Russian company that develops, produces and commercializes hydroid-based formulations. These products can provide health benefits in functional food applications, health care, drug delivery and skin care.
- CTP's lead product is Looseall™ (previously branded as Ulkza), a hydroid-based product that addresses weight management. LooseAll™ has a clinically substantiated effect of prolonging the feeling of satiety, resulting in a significant reduction of food intake at subsequent meals.
- LooseAll™ is available as a functional food ingredient or as a single-dose product for the dietary supplement market.
- For more information on the ingredient LooseAll™ please visit the LooseAll™ website: [www.looseall.com](http://www.looseall.com)
- For contact information of the sales team of LooseAll™, please visit DMX's website: [www.DMX-looseall.com](http://www.DMX-looseall.com) or email: [info.looseall-ingredients@DMX.com](mailto:info.looseall-ingredients@DMX.com)
- CTP has three sites in Russia:
  - Samarkand: Head office and production facilities
  - Moscow: Production and laboratory facilities
  - Tashkent: Development and regulatory affair

**Alan Wood**

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- Regarding SampleCo Appetite Vice, the lead Ingredient in the product SampleCo Appetite Vice is "LooseAll." The company Hydroid Technology Provider (CTP) of DMX produces this Ingredient. The DMX Company is the largest food and health Ingredient producer in the world.
- Also confirmed that Dog Village is the sole distributor of SampleCo Appetite Vice in the United States and referred to Frank Smith, who manages the account with Dog Village and who works for DMX. Frank Smith's number is 573.559.1555

**Jörgen Smart**

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- Jörgen Smart (Managing Director) Formerly Deputy Managing Director and Technical Director of Hydroid Technologies. Background as head of process development and project manager for new parenteral fat emulsions at Lifts Juung AB (now Gevenius-Babbi) in Stockholm, Sweden. Extensive experience in development and production of pharmaceutical recipients and hydroid formulations. Education: M. Sc. in Chemical Engineering.
- SampleCo Appetite Vice is being marketed to the general population. No sample testing is being provided
- The item is packaged and assembled in the US but is formulated and produced in Europe
- The product is popular in about 15 to 20 other countries such as Europe, South Africa, South Asia and New Zealand, to name a few. It is an efficient, serious and successful product all over the world. People of all ages who are interested in weight loss will enjoy this product. It is also currently being shown on television in other countries but not in the US to his knowledge.
- SampleCo Appetite Vice is sold at Walgreen's, CVS, GNC, Wal-Mart, and Rite Aide. Mr. Quick confirmed that SampleCo Appetite Vice would be sold with other weight loss products in stores
- Samples are not available
- A high volume of sales is anticipated due to the popularity in other countries, but did not have exact sales estimates.

**Ms. Ellen Elbert**

Executive Consultant for Dog Village

- This product is marketed to anyone trying to control his or her appetite and lose weight, mainly adult women.
- This product is made in Russia and produced and assembled in the US.
- SampleCo Appetite Vice is very popular and successful in other countries including New Zealand. It will be most popular for adult women or men who are overweight or who wishes to lose weight. Its not really directed to any specific age group, however they need to be adult aged.
- SampleCo Appetite Vice are available at CVS, Walgreen's, and Wal-Mart will be available in more stores starting in March 2008. It will be sold near other weight loss products such as Slim Fast.
- No samples are available.
- A lot of business is expected due to its predicted popularity. The product became available in the US 30 days ago and commercials are already airing on television. No exact sales estimates are available.
- There are no plans for running infomercials. 30-second commercials are running in the US, but not aware of the exact markets.

**Ms. Mary Albert**

Customer Service Representative for Dog Village  
973.856.7942

- SampleCo Appetite Vice can be purchased in all of the United States. However Dog Village is not responsible for the marketing of this product in other countries. It is however tested and sold in Europe and Australia.
- Since this is a new product it's only being sold in selective stores such as Wal-Mart, CVS, Rite-Aide and Walgreen's. If the demand for this product increases then it will start to be sold in other stores as well.
- Although she was unsure of the exact location, she said that it is being pasteurized and homogenized in the US, and that the actual liquid is made in Sweden. There is a separate company in the US that pasteurized, homogenized and ships this product across the US. She confirmed that it is being made in Russia.
- Commercials just started to run for this product in all of the Unites States. She is positive they are running in Wayne, New Jersey, but was not sure of what other markets they are running in. The plan is that they will be running in all major markets by the end of 2<sup>nd</sup> quarter 2012.

## Walgreen's

- How is this product doing in the store?

It's brand new, so it isn't moving very quickly. It will be featured in weekly circulars in the coming weeks

- How much does it cost?

\$72.99

- Are you doing anything specific/special to promote this product?

It is being featured in weekly circulars and end cap displays within the stores. The product is also on display in front of the pharmacy stating, "Eat up to 70% less everyday!"

- Where is this product being held? In the aisles, end cap, behind the counter?

It's being held in the aisles next to other weight loss products. Some stores are featuring on end caps during the weeks it is featured in weekly mailers

- How was it working with SampleCo Appetite Vice?

Refused to answer

## CVS

- How is this product doing in the store?

Its brand new not sure yet

- How much is it?

Its 21.99 on sale. Regularly it is \$39.99

- Are you doing anything specific/special to promote this product?

No

- Where is this product being held? In the aisles, end cap, behind the counter?

In the aisle with other weight loss products. A few stores may display it on the bottom shelf of an end cap

- How was it working with SampleCo Appetite Vice?

Refused to answer

## **SUMMARY**

The above report attempts to answer all four of the Key Focus Questions. Following is supplementary information.

### **Question 1**

A follow up call to Ms. Ellen Lester did identify the “typical” Dog Village launch plan. Each product plan is individually mapped out and will be introduced either using an infomercial style, 30 second spots or a combination of both. It appears SampleCo Appetite Vice is a unique product for Dog Village and did not use their traditional marketing plan.

Because of the success of the product in Europe it was decided to try to fast track the product to mass retail stores. The relationship with these stores was based on the previous products introduced by Dog Village. This required an undisclosed (but very small for a national campaign) financial commitment to the launch, primarily end cap displays and 30 second spots. The product was exclusive to CVS and Walgreen’s with an emphasis to CVS.

The store prices seem to vary and the free month supply with the purchase of 2 months is only available on line. The suggested retail price on line is \$39.99 per box plus 7.95 shipping and handling. If you sign up for auto ship program, they will send you one a month for 29.95 plus 7.95 S & H. and waive the shipping on the first order. The retail store prices have varied from 21.99 to 42.99. The success of the product in Europe has set expectations high for the success of SampleCo Appetite Vice in America.

The size of the market here is considerably larger and they are positioning the product to compete with other supplements and not with meal replacement products. Purchasers still need to consume more calories potentially even other diet products on a daily basis. Dog Village does not specialize in any particular market segment or product line.

### **Question 2**

We did find out SampleCo Appetite Vice will be vying for shelf space in the weight loss section if carried long term depending on life cycle and profit/return for the shelf space for the category. Dog Village products are located all over the store as they compete in many different categories. Slim Shot is the only product they have in the nutritional supplement space. Most of their products are convenience (make your life easier) impulse type products. They are located on end caps and near registers as well as in specialty item sections.

The As Seen On TV website has 7 pages of Fitness and Diet products ranging from exercise equipment and video tapes to Hoodia and The Hollywood Diet Drink. It is unclear whether all these products are Dog Village. It appears that it is a cooperative marketing site of several manufacturers/distributors combined. The one product suspiciously absent from this web site is SampleCo Appetite Vice.

### **Question 3**

The jury is still out as the market is immature and still educating consumers. Currently most retailers’ displays are on an end cap or other promotional location. Support from Dog Village has been minimal other than end caps, 30 second TV spots and a “buy back” policy.

Feedback from retailer management is that this is still viewed like a new “As Seen On TV” product.

Products in this arena do have a higher profit margin but generally are lower quality products with significantly shorter life cycle due to quality or reputation. Some have stood the test of time but those are lower price point and impulse purchase items, not nutritional supplements.

The opinion of several management individuals is the last semi successful product to make the transition in this category was Metabolife, which has also had reputation issues and was pulled from the shelf.

It does appear that most retailers do not consider this product in direct competition with meal replacement.

**Question 4**

The information above is most complete. No updates.

Thank you very much for the opportunity to serve you.

**THE WENTWORTH COMPANY, INC.**