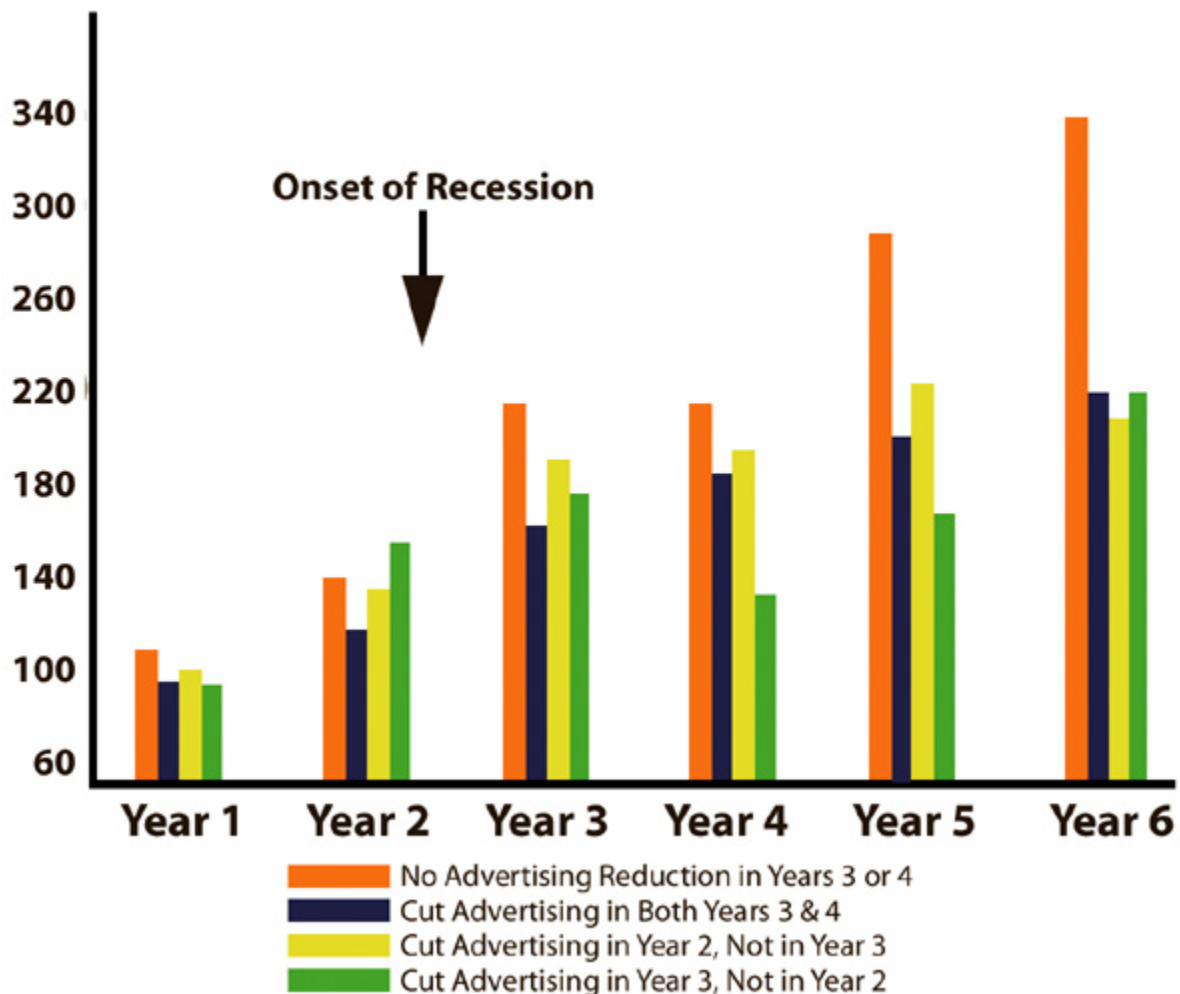


## Why Tough Times Call For Promotion

The chart below shows that companies who promote more during tough times have increased sales and profits over those who do not promote.

### Comparison of Sales & Ad Expenditures



Source: McGraw-Hill Research

In a study of U.S. recessions, McGraw-Hill Research analyzed 600 companies from 1980-1985. The results showed that business-to-business firms that maintained or increased their promotion expenditures during the 1981-1982 recession averaged significantly higher sales growth both during the recession and for the following three years, than those that eliminated or decreased promotions. By 1985, sales of companies that were aggressive recession promoters had risen 256 percent over those that didn't keep up their promotions.

In addition, a series of six studies conducted by research firm Meldrum & Fewsmith showed conclusively that aggressive promotion during recessions not only increases sales but increases profits. This fact has held true for all post-World War II recessions studied by The American Business Press since 1949.