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Notes from the desktop of:

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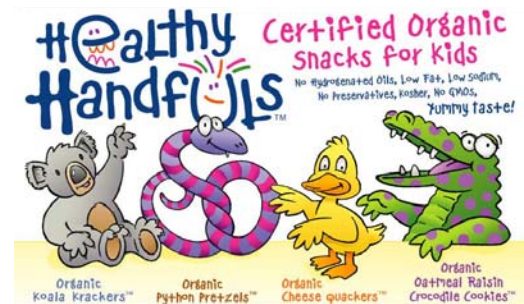
Showcasing Some Drivers for Continued Growth in Natural Products Industry

Natural Products ExpoEast is the smaller sister show to the annual Spring show in Anaheim, CA. Notes from the March '03 ExpoWest show and other consumer products industry shows are available at www.2xManagement.com/news.html.



Many innovative business start-ups were unveiled. Three of the most promising to look for soon ...

- *What You Do With Tofu* is a line of organic sauces/seasonings specifically designed to help jazz up bland tofu. Available in four exciting flavors, this clever new entry helps address one major barrier to purchase or purchase frequency in the category.
- Two sisters recently experienced a problem – finding good tasting organic snacks for their young children. *Healthy Handfuls* is the solution they've developed (e.g. offerings like organic Cheese Quakers). And, they're great ones.
- If it's not good enough for us, why should it be good enough for man's best friend? Well – *Organix* pet food says it's not. I think they're right! (Great trademark, too.)



A few of the other interesting observations ...

- In addition to low-carb everything (from tortillas to chocolates to energy bars), a few noteworthy ones:
 - ✓ New *Boulder Brownies* multi-packs were developed so we can get more of the decadence we love.
 - ✓ New *TeaHouse Latte* and *TeaHouse ChaiTea* from *Celestial Seasonings* are new entries in this hot area.
 - ✓ Many new great tasting flavors into the energy bar category from *Clif* and *Balance*. *PowerBar* also featured *EnergyBites* – bite-sized popable nuggets of energy.
 - ✓ *Annie's*, who brought us natural mac & cheese, introduced *Annie's Natural Cheddar Baked Snack Crackers*.
 - ✓ More great tasting flavors of *Honest Tea* (try the Peach Oo-La-Long) and new single-serve flavored milks from *Horizon Organic* (the Orange Cream tasted like a Creamsicle!).
 - ✓ Continued explosion in natural/organic personal care items from *Kiss My Face*, *Bert's Bees* and *J/A/S/O/N* to name a few.



Hope these thoughts are helpful. Any questions? Call or email me.

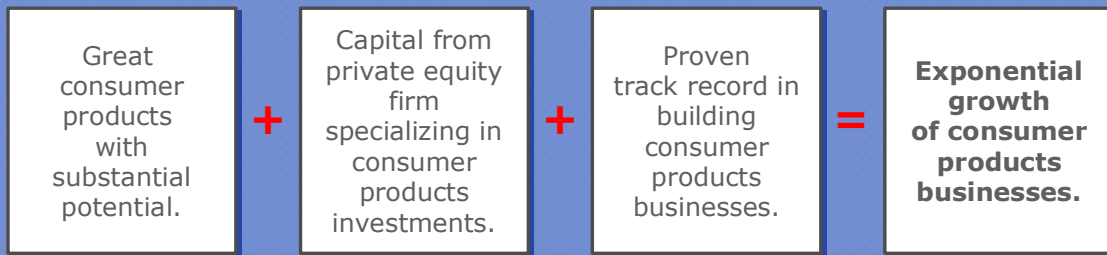
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investing in & operating consumer products businesses for *exponential annual* growth

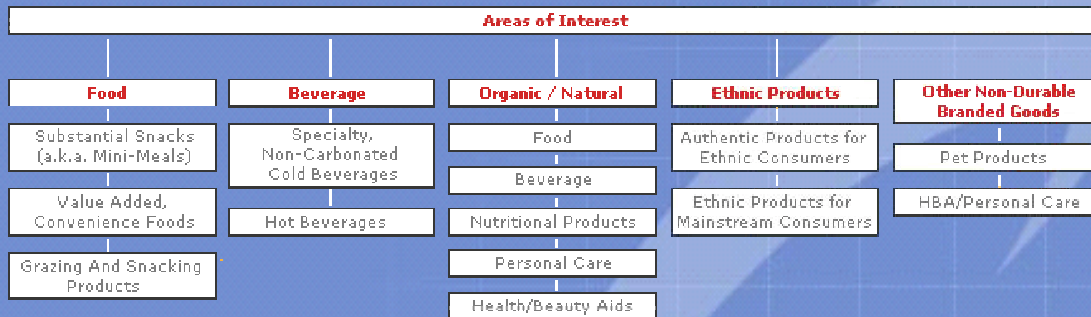
About 2x Management

- Seeking to acquire consumer products businesses capable of growing exponentially via infusion of capital and management expertise.
- Brings proven leadership in building consumer products businesses.

Our formula for success ...



Business Acquisition Profile



Capital Availability

- 2x Management provides capital from institutional partners via ongoing relationship and access to capital from leading private equity firms specializing in consumer product investments.
- Available investment capital totals over \$1.1 Billion.

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