

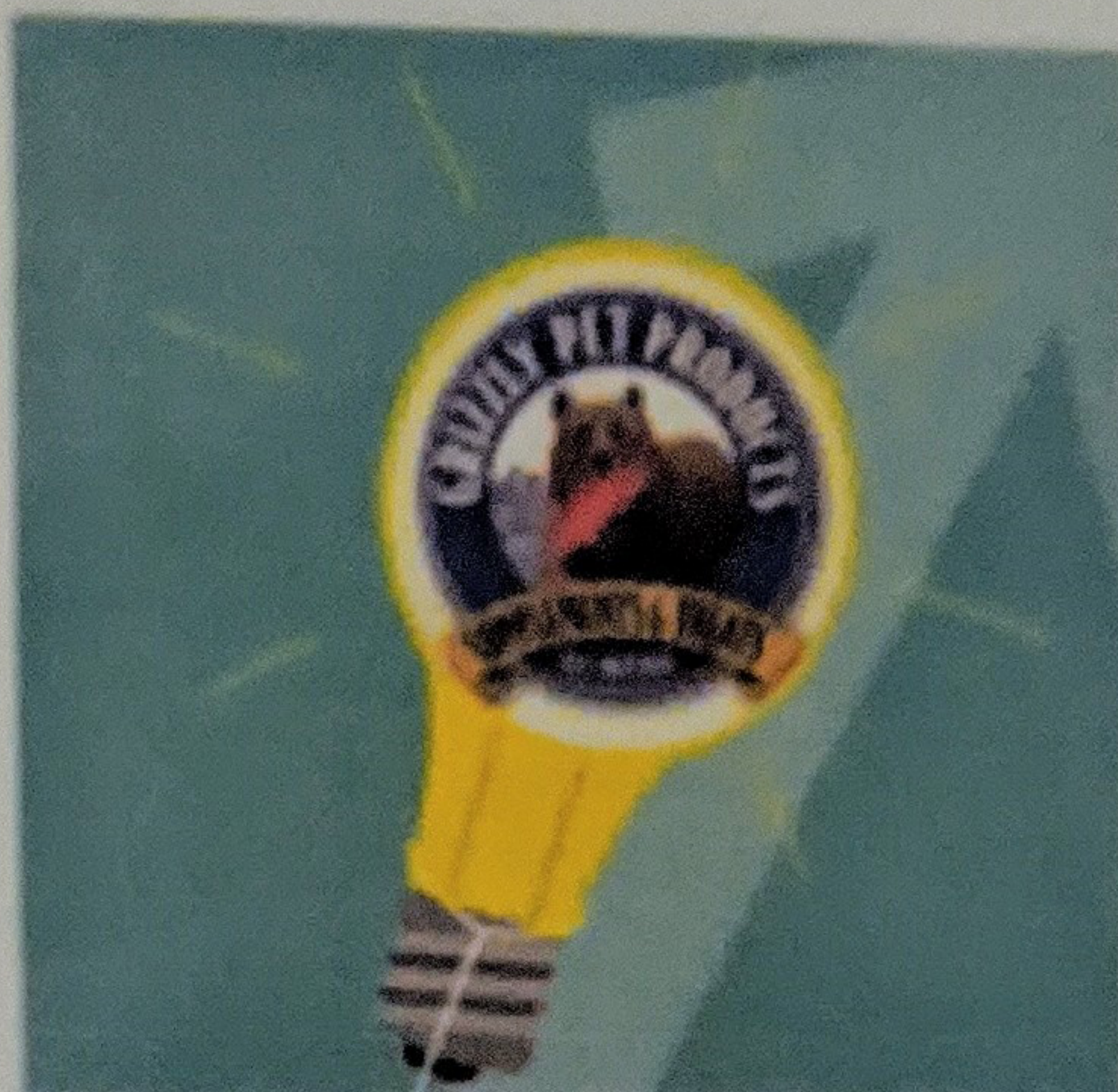
2018 GROWTH DRIVERS

Salmon Oil

Salmon oil is a trusted support for skin and coat, cognition and vision health and it shows amongst retailers who devote valuable space in-store to the category. Pet owners rely on salmon oil to gently and effectively help their pets.

This year, Grizzly highlighted its two flagships to drive growth in 2018. "Grizzly Joint Aid is now our second best-selling product after our Grizzly Salmon Oil," said Grizzly Pet's Chad Tillman. In fact, Grizzly promoted its Alaskan Wild Salmon Oil and Wild Krill Oil-infused products at Global Pet Expo, in addition to promoting new programs to support brick-and-mortar stores. "We are focusing on what we offer and how we support them 'as a whole brand,' and not simply just with our products," Tillman said.

Another area of focus for Grizzly has been on solidifying relationships with its brick-and-mortar retailers. "Grizzly Pet is a market-leading, US-made, family-owned company and that's what



consumers want," Tillman said. "We are incorporating more ways of getting in contact directly with store-specific consumers, to help drive consumers back into those stores," he said. "Grizzly Pet is not only a category leader, but we are also a brick-and-mortar and pet specialty supporter. We support the very same independent retailers that have helped build us into a market-leading brand."

Educating retailers about Grizzly's latest developments to provide pet owners with safe and effective solutions is

important to them. "We love questions," Tillman said. "We are a scientifically factual company and we love to give real, honest and scientific answers regarding supplementation and nutrition," he said. "Additionally, we love working with our retailer partners as the Grizzly brand focuses on high-margin products with fast turns and sales, and all from a smaller shelf-space or footprint than most other brands out there," Tillman added.

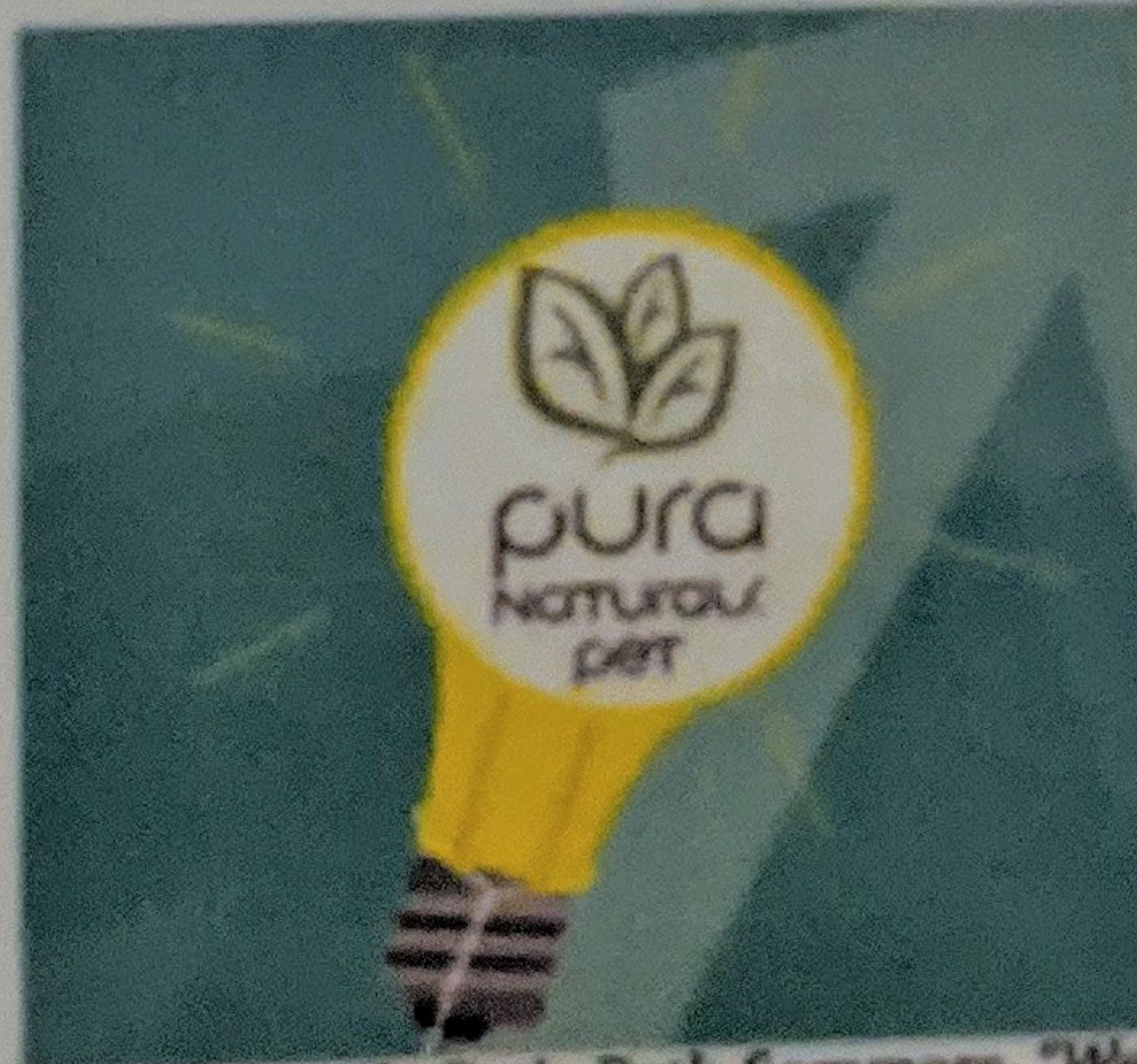
Grizzly Pet sought opportunities with other fish oils with a Krill Oil-based calming aid, launched at the SuperZoo Show. "Grizzly's hemp-enhanced product line is unique from other CBD products as we are a market-leading supplement brand and have the expertise to launch such a product line," Tillman said. "We are a part of NASC, our dosages are established by a veterinarian, our products contain 0 percent THC guaranteed and our products have the necessary lipids to actually absorb the cannabinoids naturally present in hemp."

Grooming Solutions

Understanding what the ingredients in grooming products are before applying them is key to push pet owners to try new solutions and to earn their confidence, as pet owners continue to try to understand what is in grooming products and how they will impact their pets.

Pet owners want to feel comfortable with the products crafted to address skin-and-coat issues and see a noticeable improvement in their pet's condition. For pet parents avoiding heavy chemicals used by previous generations, there are natural solutions at their fingertips to effectively address vexing skin-and-coat issues.

Pura Naturals Pet's latest innovation within the grooming arena was guided by last year's particularly troublesome flea & tick season. The company's natural shampoo line is intended to offset this year's flea & tick season. "Last year was a difficult flea & tick season and customers were looking for solutions without toxic chemicals," said



Pura Naturals Pet's Beth Sommers. "We launched our Flea & Tick Natural Dog Shampoo this year in conjunction with our already proven Flea & Tick Spray, and it's received numerous awards and turning into a top SKU for us," Sommers said.

Pura's latest solution reflects pet parents' demands who wanted to alleviate their pets' symptoms and help them find relief. "Customers had been requesting a natural solution for fleas and ticks that were DEET-free and free of other

toxins," Sommers said. "While the USDA will not certify anything labeled 'flea & tick,' our new Flea & Tick Natural Dog Shampoo is as natural as you can get," she said. "I was very particular with the ingredients. Our formula is made with certified organic oils; peppermint, cedar, rosemary and cinnamon. Ingredients that together effectively kill flea and ticks and are safe for you, your pet and the environment."

The rise of retailers offering grooming services and dedicating more space in store to the category has helped to promote awareness and exploration, particularly of natural solutions. "Retailers with in-store grooming quickly become a one-stop shop for their pets' needs," Sommers said. "Generally speaking, products and brands that they use for their in-house grooming services can be purchased by the end consumer as an add-on sale for any home grooming or wellness needs," she said. "They also serve as a referral for a lot of the wellness products we manufacture."