

February 2009

Dear Hands-On Health Professional Partner:

Thank you for your support of the Biofreeze® Pain Reliever brand! Hands-on health professionals are the sole source for Biofreeze – and we intend to preserve this. Many of you are aware that in the past few months, CVS, a major national drug store chain, began selling Biofreeze. Performance Health/Hygenic Corporation **HAS NOT** sold product to CVS and **DOES NOT** support offering our Biofreeze Brand through traditional retail stores. We are working diligently on the following items in order to rectify this situation and *ask for you to stand with us in this fight*:

1. How can Biofreeze be removed from CVS shelves? We met with CVS and advised them that the transactions that put Biofreeze on their shelves violate both our Authorized Dealer Agreement and our policy of selling only to and through hands-on health professionals. We are negotiating with them to discontinue selling Biofreeze product. While our negotiations with CVS continue, we must also stop the flow of Biofreeze inventory to them.

2. Can we effectively stop CVS from purchasing more Biofreeze? Since we are not selling Biofreeze to CVS, determining their source of supply is critical. Our initial investigation revealed a dealer who, we believe, knowingly sold product to CVS via a sub-dealer. We have since cancelled all open purchase orders this dealer had with us. However, CVS has significant expertise in sourcing “diverted” product through unauthorized distribution and, while we have shut down one clear source, we are confident that they continue to pursue unauthorized Biofreeze access from other sources. We have enlisted our entire dealer and sub-dealer network in an all-out effort to ensure that Biofreeze is only sold to legitimate hands-on health professionals. This battle is increasingly challenging, even as we increase our vigilance. It is not realistic to believe we can always prevent retailers from gaining unauthorized access to Biofreeze, evidenced by our current CVS dilemma. We are pursuing new strategies to win this fight going forward.

3. What can you do to join the fight in support of Biofreeze while we negotiate a resolution? We know that you had to work hard to gain your education, to establish your practice and to always provide excellent patient care. You are healers and fighters! Please join us in this fight by supporting as many of the following as possible:

- Display Biofreeze prominently in your practice so that your patients / clients know the product is available from you. If you need a countertop unit to display Biofreeze, contact us at 1-877-493-6734 and we will send you one immediately at no charge.
- Take full advantage of the Patient Education Program, which we provide to you at no charge. This program gives you brochures, with an attached gel sample, introducing Biofreeze Pain Reliever to your patients or clients. Brochures can be customized by us to include your practice’s name and contact information, providing referral of the services you offer in your community as well as the fact that you offer the Biofreeze Brand. Contact us at 1-877-493-6734 to order your free, customized brochures with Biofreeze Gel samples.
- The product that CVS was able to secure is being sold for about \$15.00 each (4 oz. Gel Tube at \$14.99, the 3 oz. Roll-On at \$14.99 and the 4 oz. Spray at \$15.49). Check your prices to see how you measure against what CVS is charging to ensure your patients receive a competitive offer from you.

We remain committed to upholding the statement that appears on every label of Biofreeze Pain Reliever: *“Formulated for authorized distribution through hands-on health professionals for the patients, clients, and athletes under their care.”* Thank you for your continued support of the Biofreeze Brand! Together we will resolve this issue.

Sincerely,

Marshall Dahneke
President & CEO
Performance Health / Hygenic Corporation