



**PETSMART**

Investor Day  
October 10, 2007

Sit!

Stay!



This presentation contains forward-looking statements, including statements relating to future revenue growth and goals and future business opportunities that involve substantial risks and uncertainties. Such risks and uncertainties include, but are not limited to, general economic conditions and our ability to manage our operations and growth. Actual results and developments may therefore differ materially from those described in this presentation. For more information about PetSmart, Inc., and risks arising when investing in PetSmart, Inc., you are directed to the company's Form 10-K, and subsequent Forms 10-Q filed with the Securities and Exchange Commission.



**Welcome**

**Phil Francis: Chairman and CEO**



**PET SMART**

 **Leading pet specialty retailer**

**~\$4.7 billion sales estimate  
for 2007**

 **Pet services leader**

**Annual services revenue growth  
of more than 20 percent**

 **Productive national store  
network**

**A compelling format and more  
than 1,000 stores by end of 2007**

 **Industry-leading selection  
and value**

**Competitive, every day  
low price strategy**

 **Superior brand differentiation**

**Industry-leading customer  
connections**

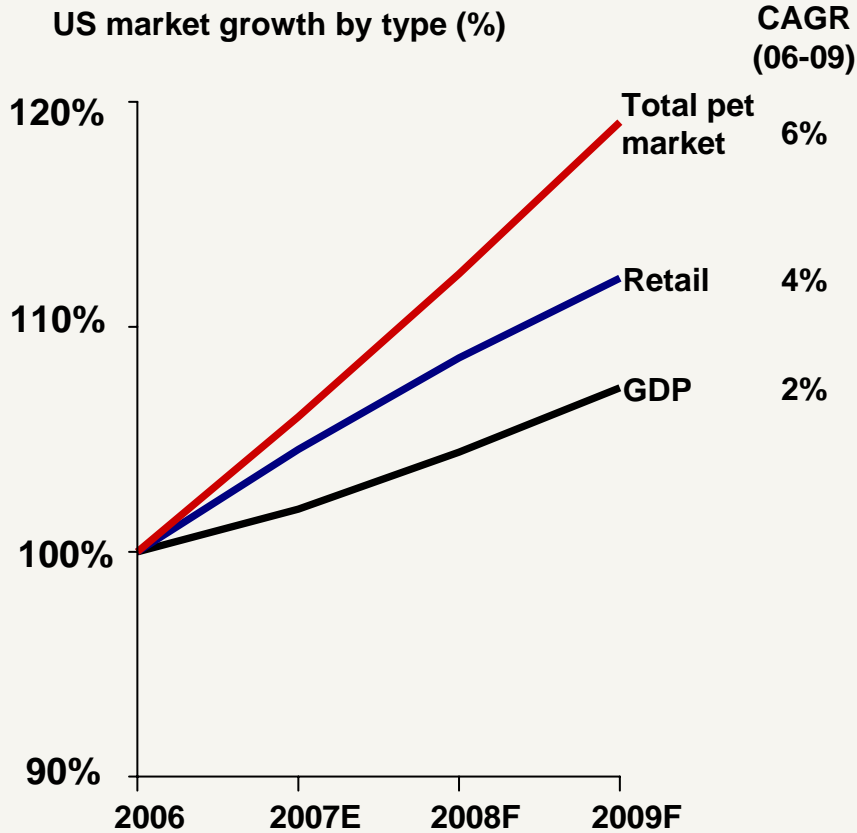
 **Financial flexibility**

**Strong balance sheet and solid  
generator of cash**

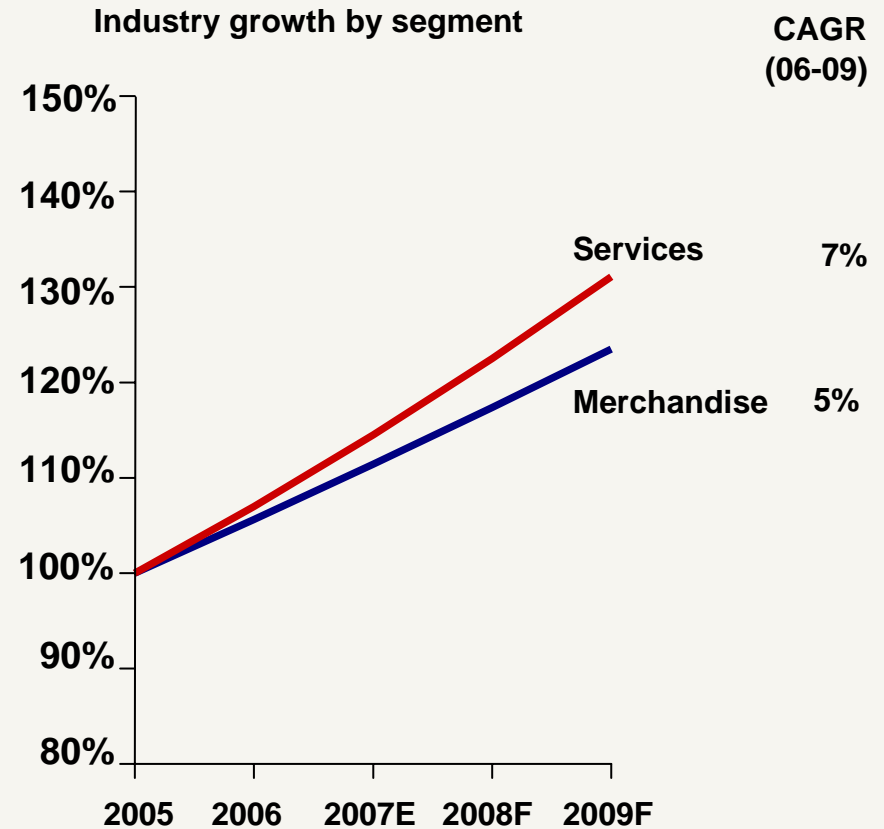


# Market Growth Projections Remain Strong

Pet continues to grow faster than retail



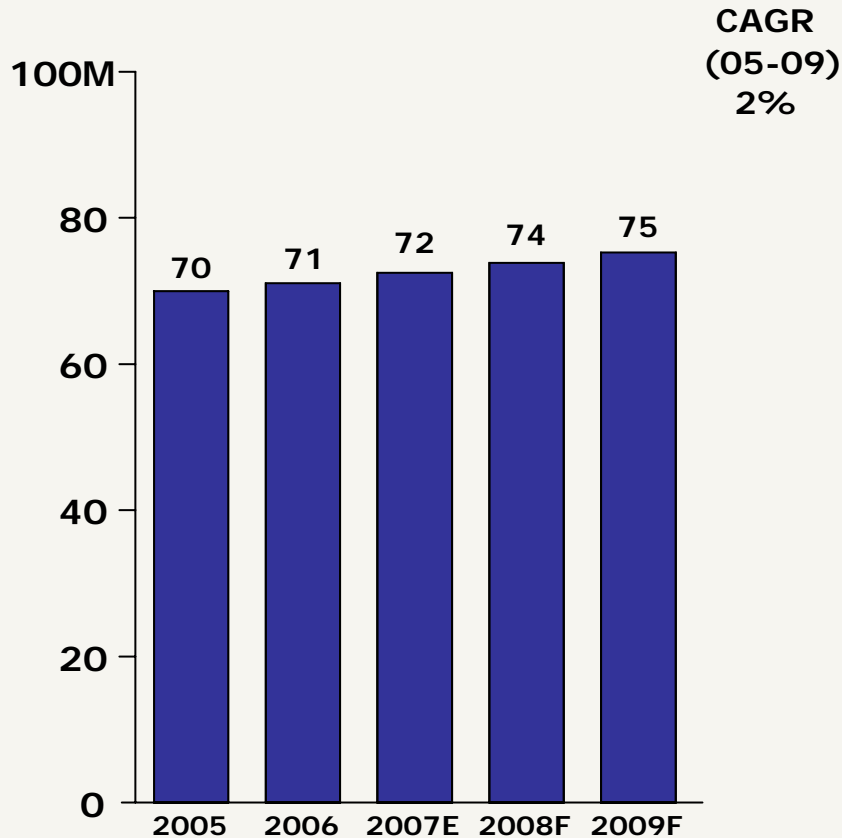
Services is growing even faster than the total pet market



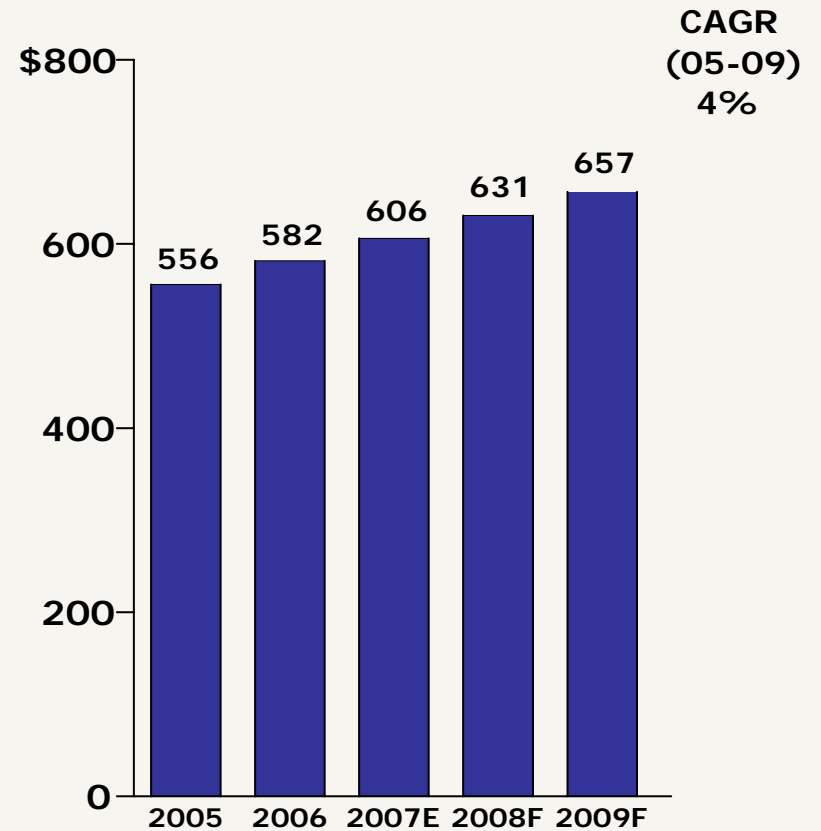


# Households and Spending Continue to Increase

### US households with pets



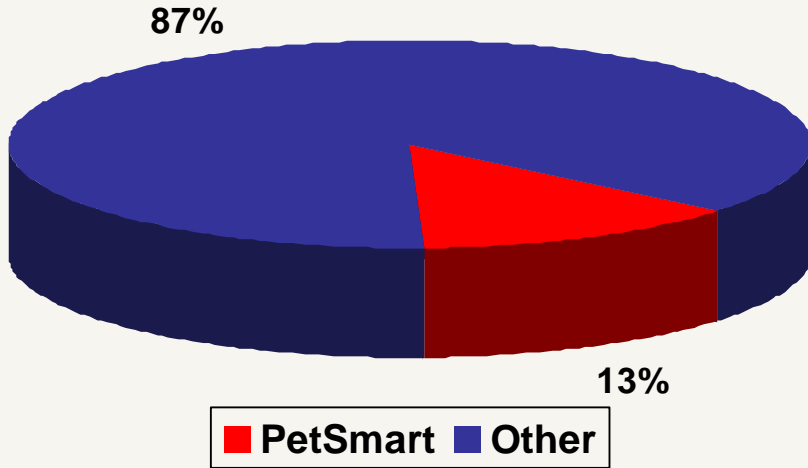
### Total pet spend per household



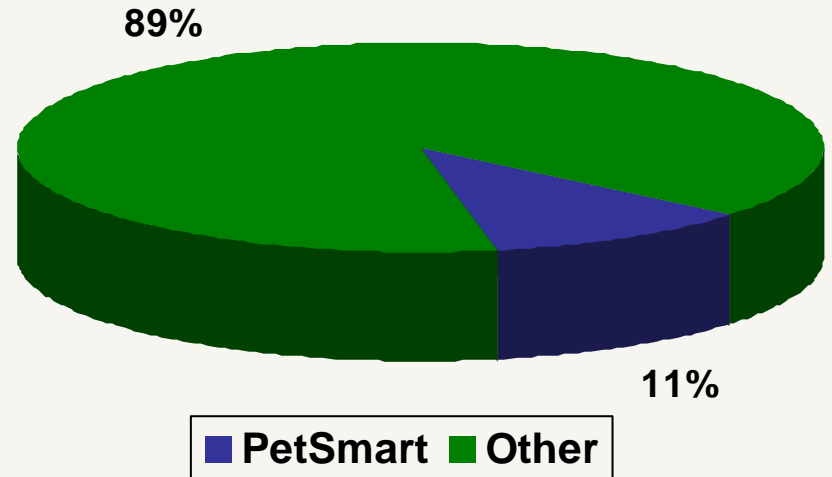


# Ample Opportunity to Gain Share

### Total Pet Supply



### Pet Services





## Chip Molloy: Senior Vice President & CFO

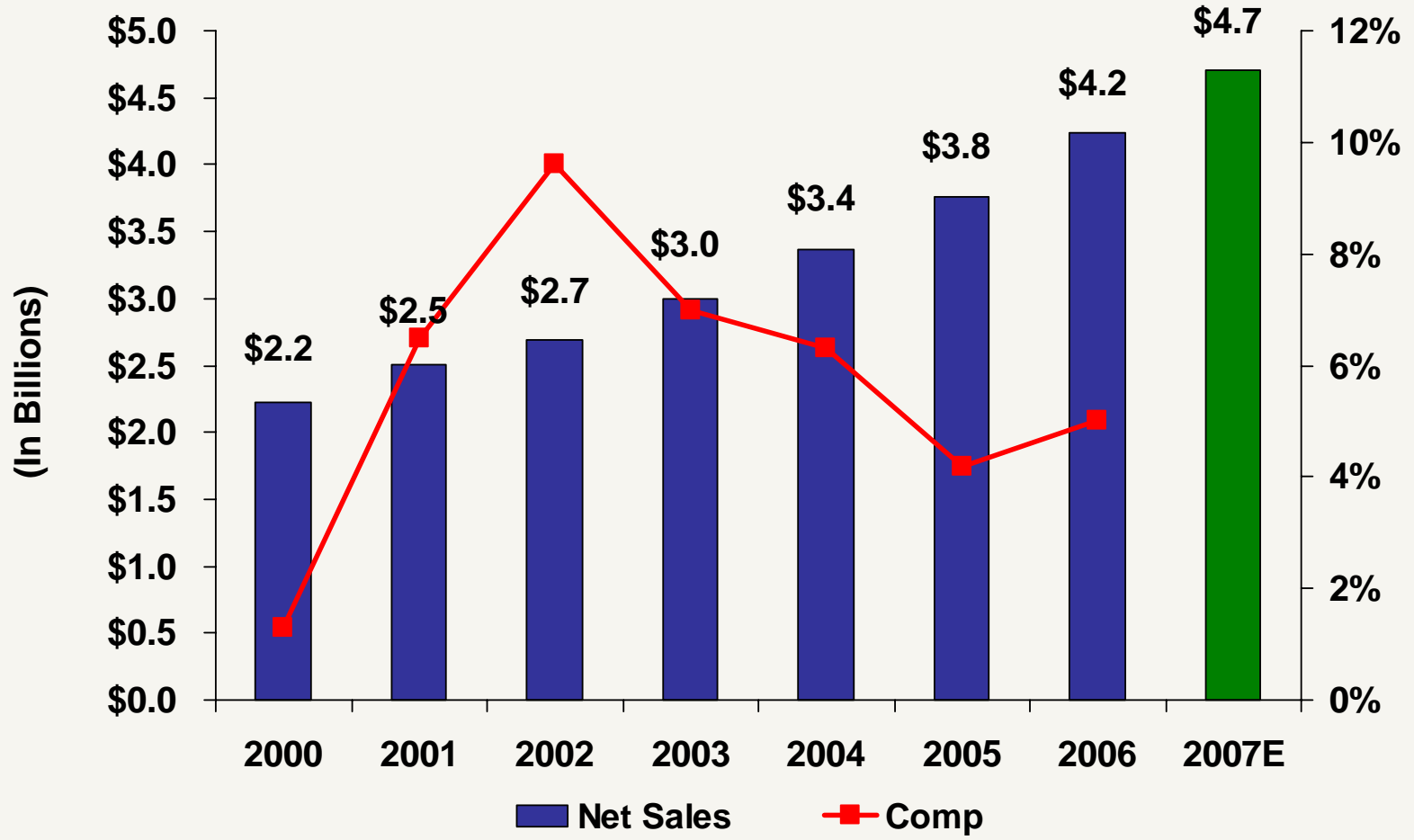


## A Record of Results

	<u>2000</u>		<u>2006</u>
<b>Sales</b>	<b>\$2.2B</b>		<b>\$4.2B</b>
<b>Stores</b>	<b>533</b>		<b>908</b>
<b>Sales per sq. ft.</b>	<b>\$163</b>		<b>\$208</b>
<b>Gross margins</b>	<b>23.3%</b>		<b>30.9%</b>
<b>Services revenue</b>	<b>\$92M</b>		<b>\$376M</b>
<b>EPS</b>	<b>\$(0.33)</b>		<b>\$1.33</b>

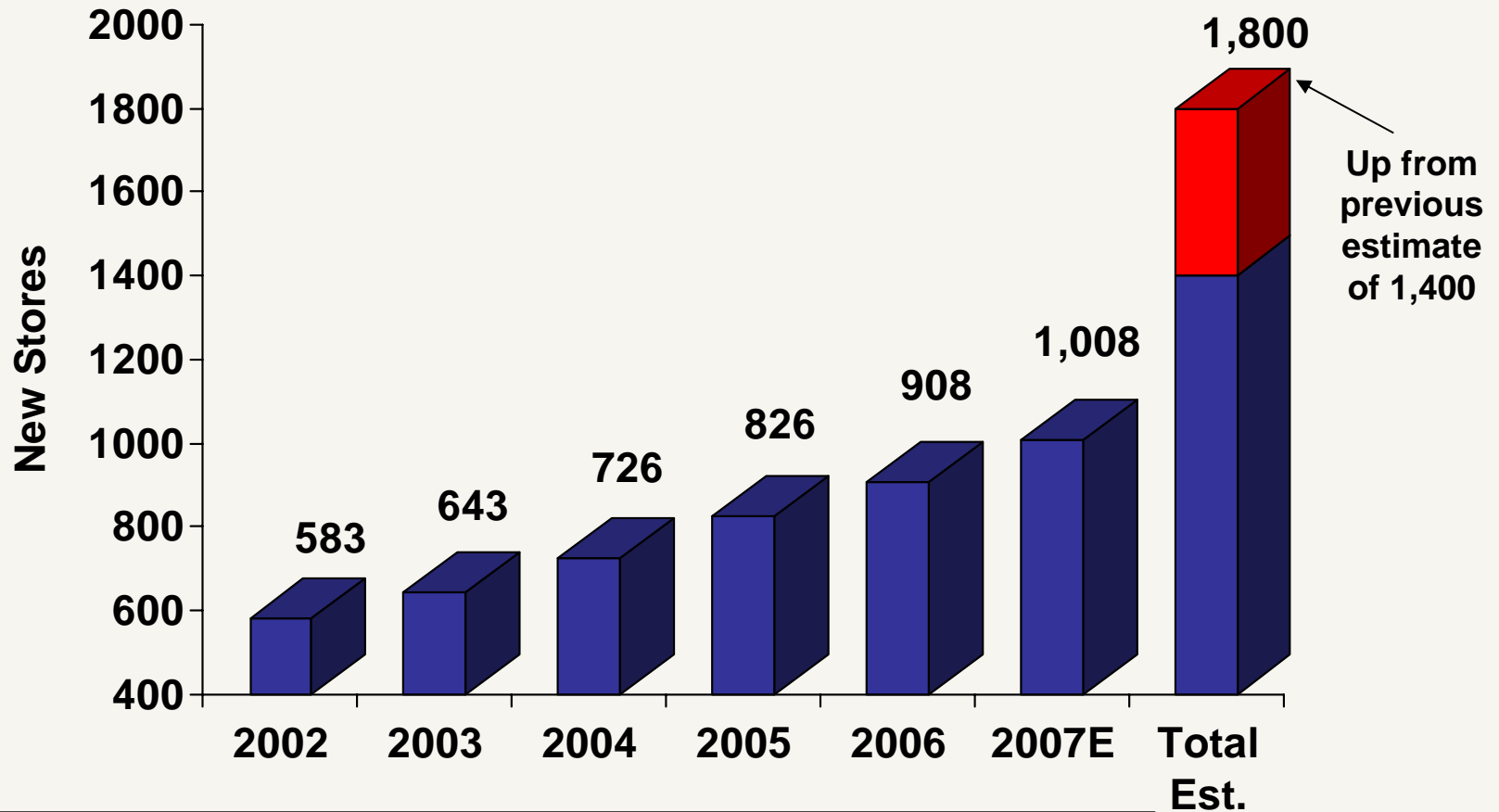


# Continued Solid Top Line Growth





# Meaningful New Store Growth



Net New	23	60	83	100	82	100
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## Investment Requirements

(Dollars in thousands)

**2000-2006**

Capital Expenditures	\$ 820
Net Inventory Investment	250
Pre-opening Costs	90
	<b>\$ 1,160</b>



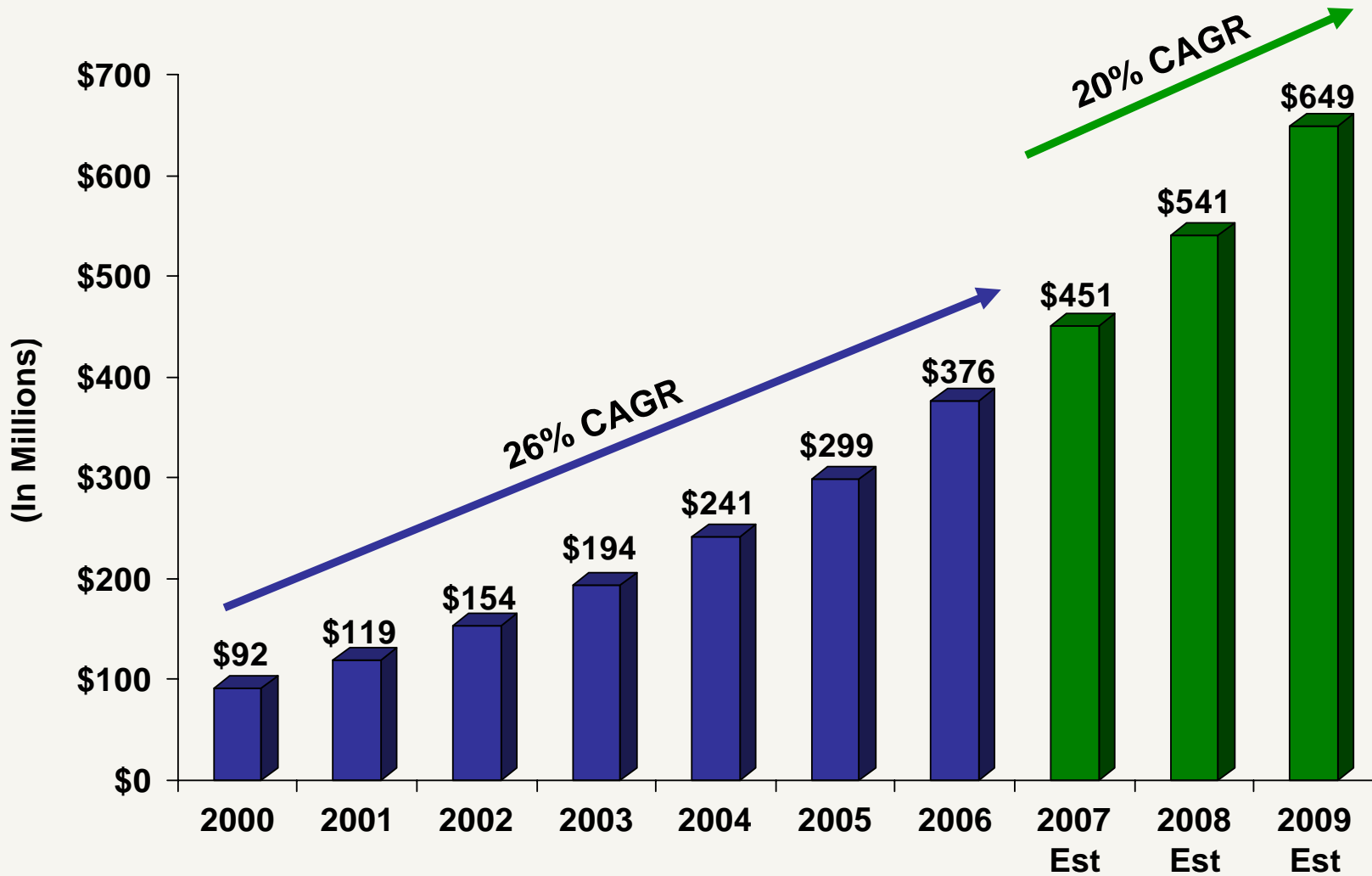
## New Store Model

(Dollars in thousands)

	Year				
	1	2	3	4	5
Total Sales	\$3,000	3,600	4,000	4,400	4,800
Comp %		20	11	10	9
EBITDA Margin%		11	14	16	18
EBITDA ROI%		33	47	61	75

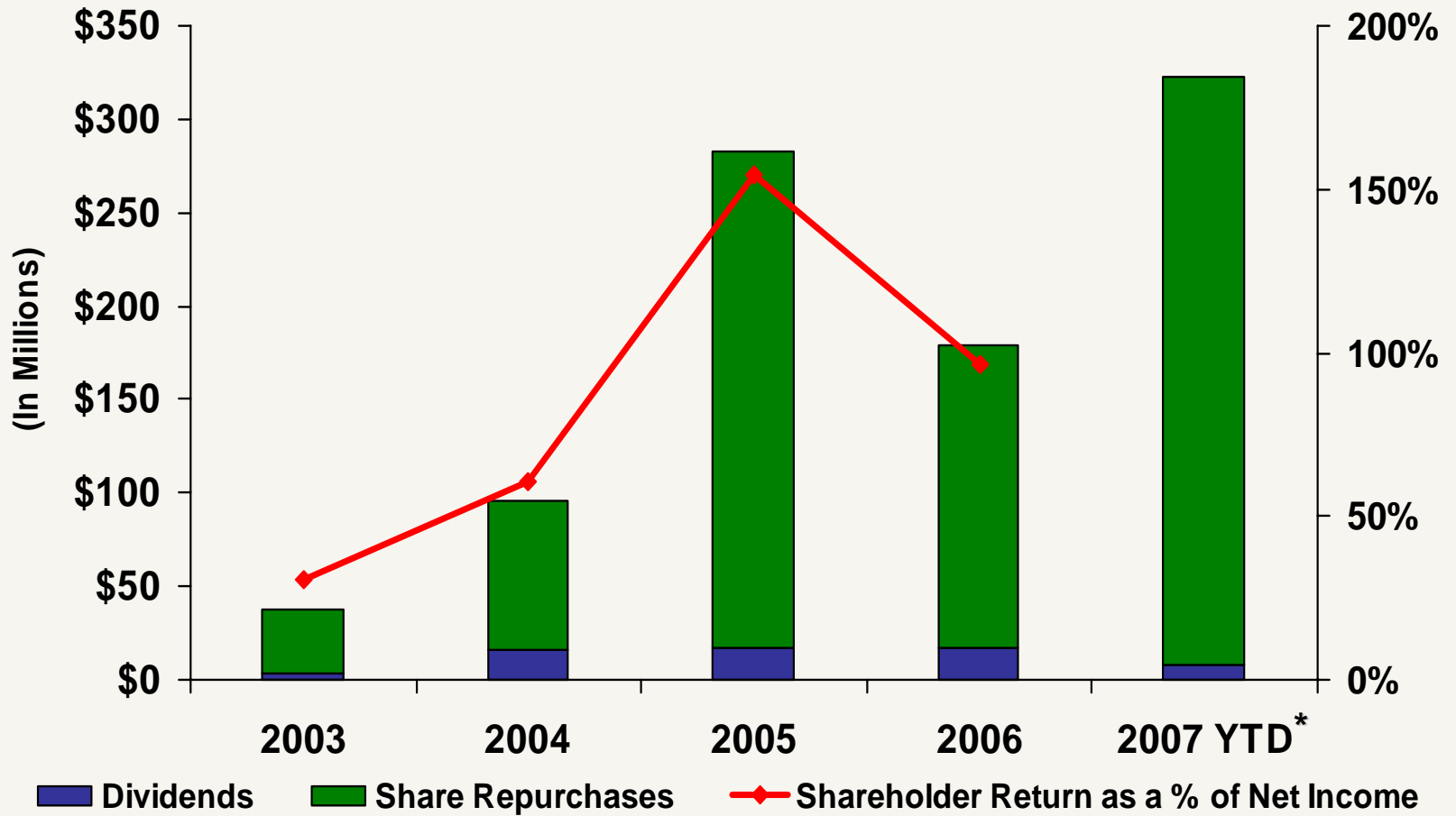


# Pet Services Growth





# Shareholder Returns



\*As of October 8, 2007

**Total Sales Growth**

**Greater than 10%**

**EPS**

**15 to 20 percent growth annually**

**Store Growth**

**Approximately 100 net new per year**

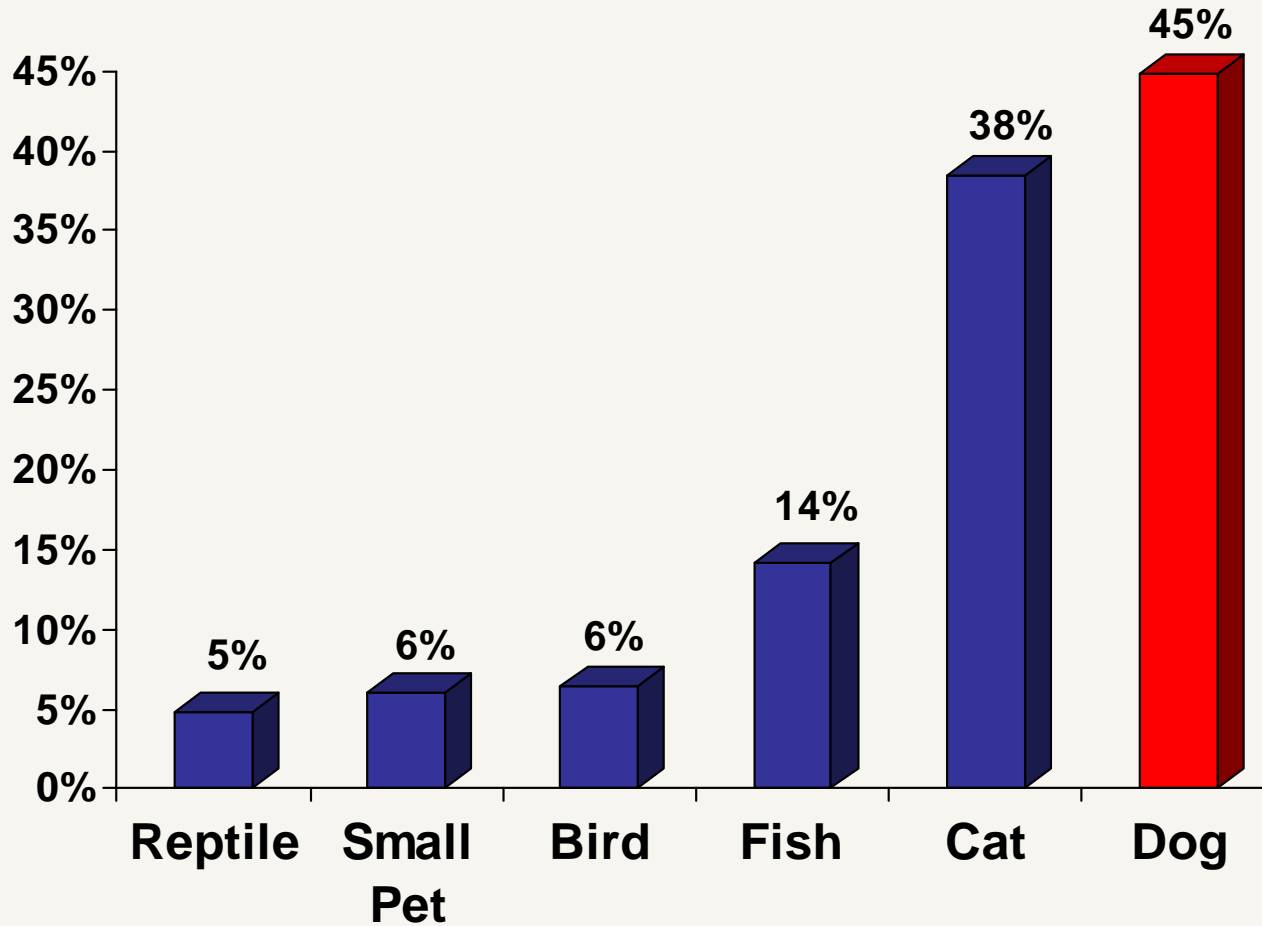
**Services Growth**

**20 percent growth annually**



## **Bob Moran: President and COO**

# U.S. Household Pet Ownership





- Superior customer experience
- Broad national store network
- Flexible, customer-friendly formats
- Industry-leading assortment and innovation
- Superior value proposition
- Opportunity to forge unparalleled connections with our customers





- **Efficiency**
- **Cost management**
- **Strong processes and standards**
- **Flexibility and reliability**
- **A strong, dependable workforce**

- **Grow core grooming and training businesses**
- **Provide quality and consistency**
- **Develop the PetsHotel concept**
- **Capitalize on our unique product/service model**





**Current Focus**

**Deepen Customer Relationships**

**Differentiate our Brand**



**Consistent Execution of the Basics**



# Retail and Services Strategies

**David Lenhardt:**  
**Senior Vice President, Store Operations and Services**



## Deepen Customer Relationships

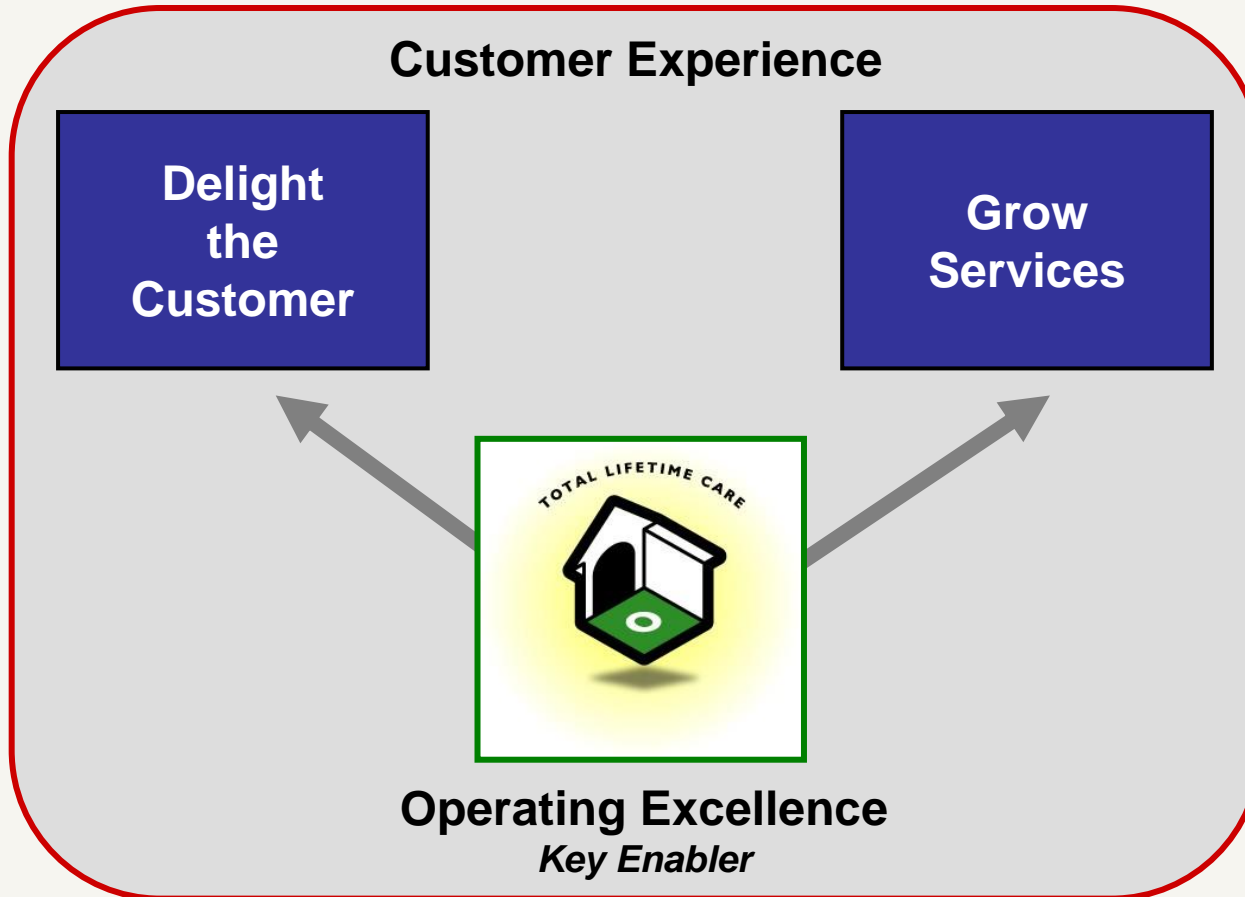
- Create a consistent customer experience
- Build on our customer-focused culture

## Differentiate our Brand

- Grow PetsHotel boarding and day camp concept
- Provide industry-leading grooming and training in every store
- Facilitate the adoption of homeless pets

## Consistent Execution of the Basics

- Create a scalable and efficient model
- Develop our leadership and teams
- Provide tools to drive operational efficiency and consistency

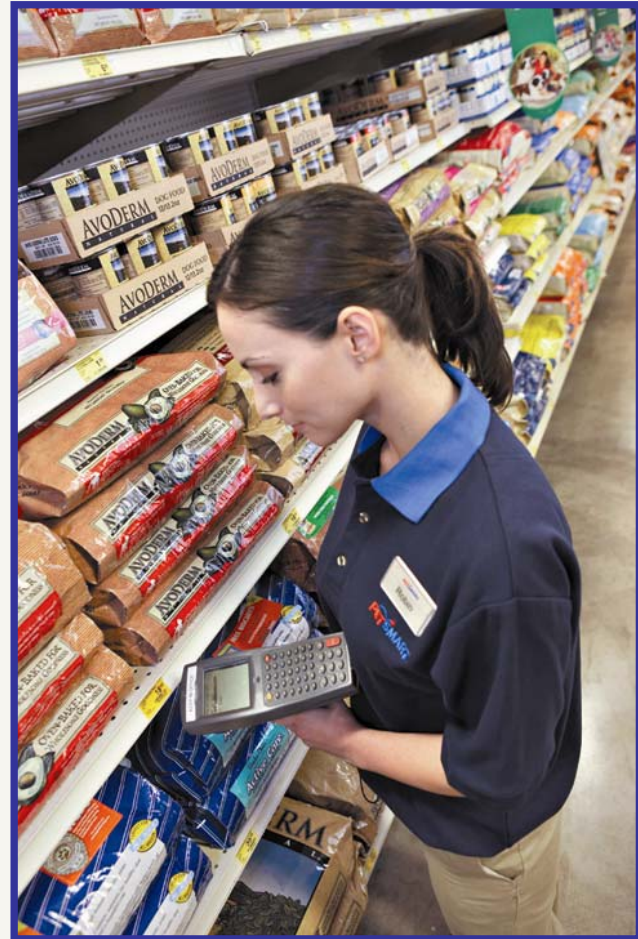




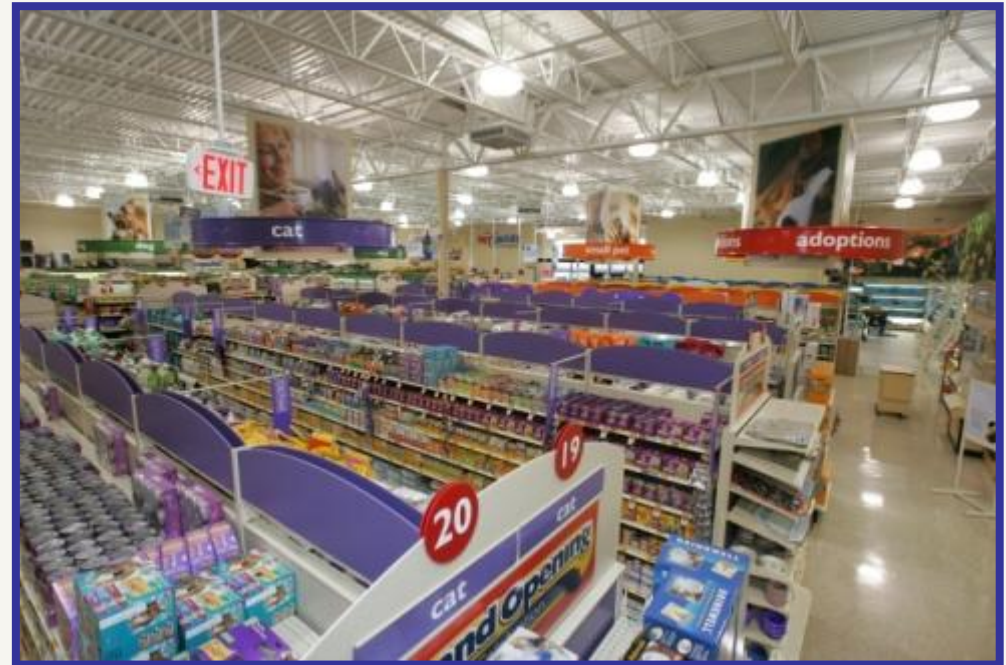
# Labor Management System

Store	Customer experience	Company
<ul style="list-style-type: none"><li>• Automated &amp; optimized scheduling</li><li>• Enhanced accountability</li><li>• Greater store ownership</li><li>• Improved associate satisfaction</li></ul>	<ul style="list-style-type: none"><li>• Improved customer service</li><li>• Better in-stock levels</li><li>• Faster checkout</li></ul>	<ul style="list-style-type: none"><li>• Reduced labor expense</li></ul>

- Provides strong product presentation
- Improves productivity
- Frees up hours to engage the customer



- Defines store standards and points for field review
- Creates focused approach to best leverage visits
- Facilitates coaching and development of store leadership teams
- Provides tools for follow-up and accountability





# Store Performance Scorecard

- Measures financial and customer experience performance
- Compares stores and districts with their regions and across the network
- Identifies best practices of top-performing stores and opportunities in under-performing stores
- Rolled out to District Managers in 2007; to Store Managers in 2008

## Delighting Customers

- Total Sales
- Consumable in-stocks
- Non-consumable in-stocks
- Customer satisfaction
- Unleashed mystery shop
  - Core store
  - Salon

## Operational Excellence

- Shrink
- Total payroll efficiency
- Supplies
- Internal audit score
- Turnover rate

## Grow Services

- Grooming sales
- Training sales
- Hotel sales

## Grow Services – Meaningful Long-Term Potential

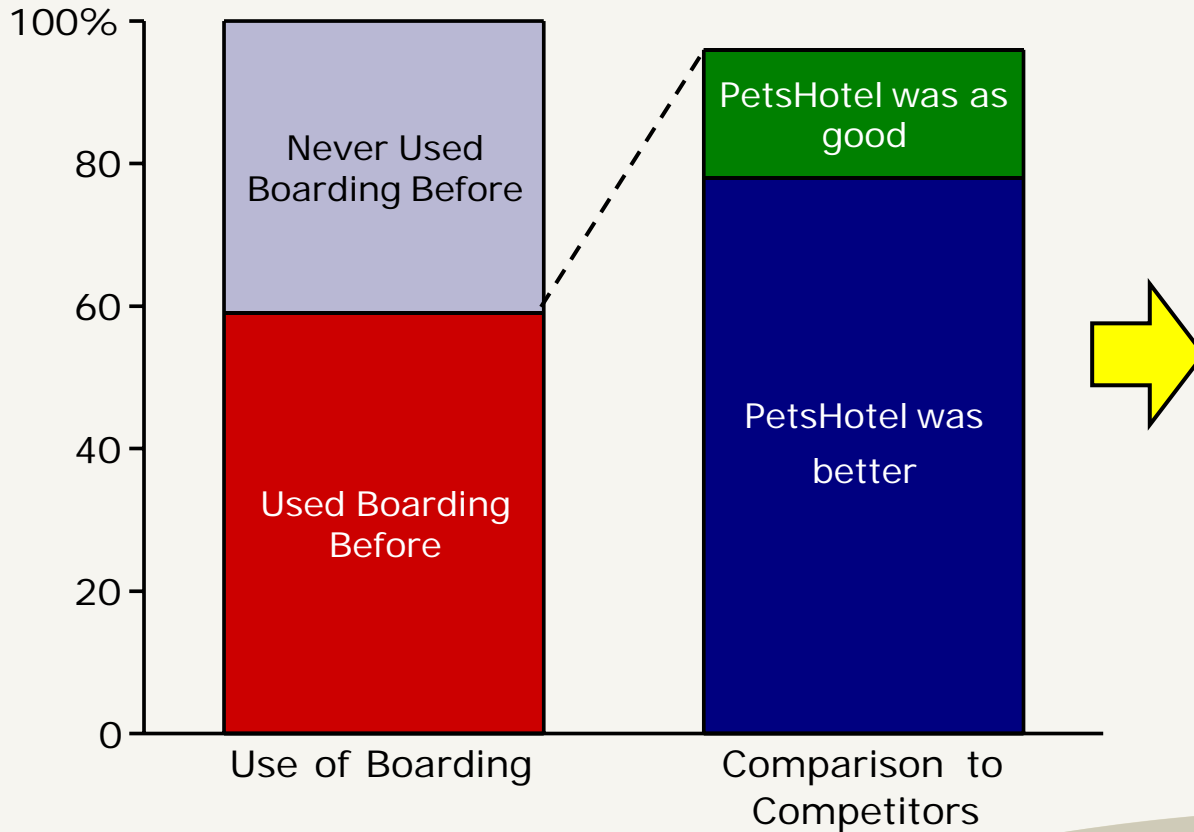
- Education and development
  - Additional academies and a stronger curriculum
  - Technical certification
- Operating Excellence
  - Salon mystery shops
  - Scheduling efficiency
- Eagle 2
  - Increased visibility
  - Professional offering



- Innovative concept that creates differentiation and drives traffic
- A growing, high-profit potential segment
- Creates loyalty and increases our share of wallet
- Significant future potential



59% of PetsHotel customers had previously used a boarding service, with more than 78% rating PetsHotel as better than the competition, 97% as good or better



**New demand is being created with 41% of customers having never used a boarding service**

## “Pawsidental” Service

Morning Stretch

Belly Rub

Bedtime Story

Pillow Gifts





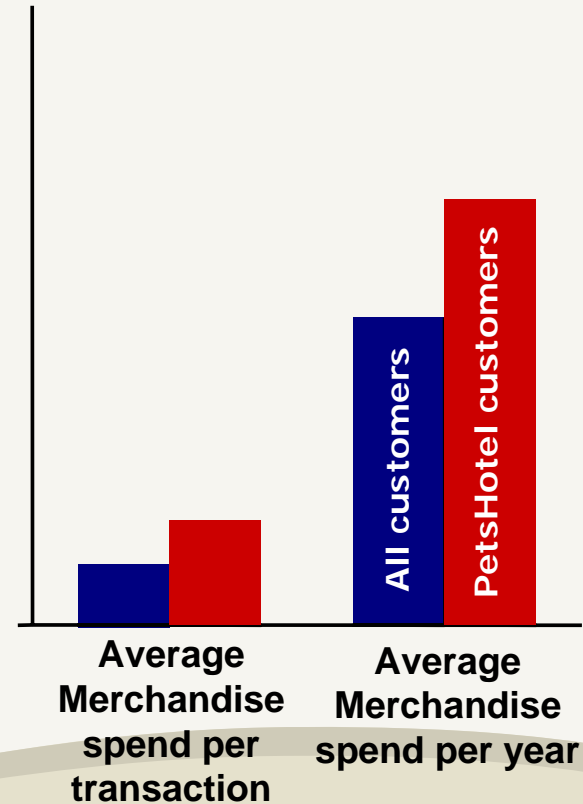
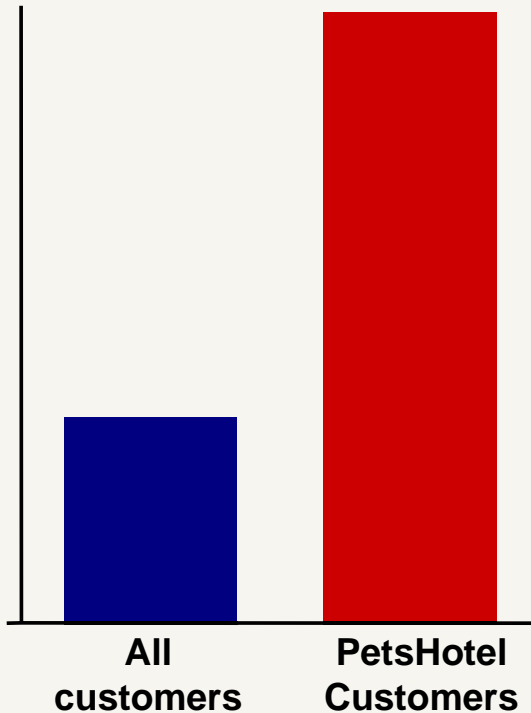
# PetsHotel Customers – A Valuable Segment

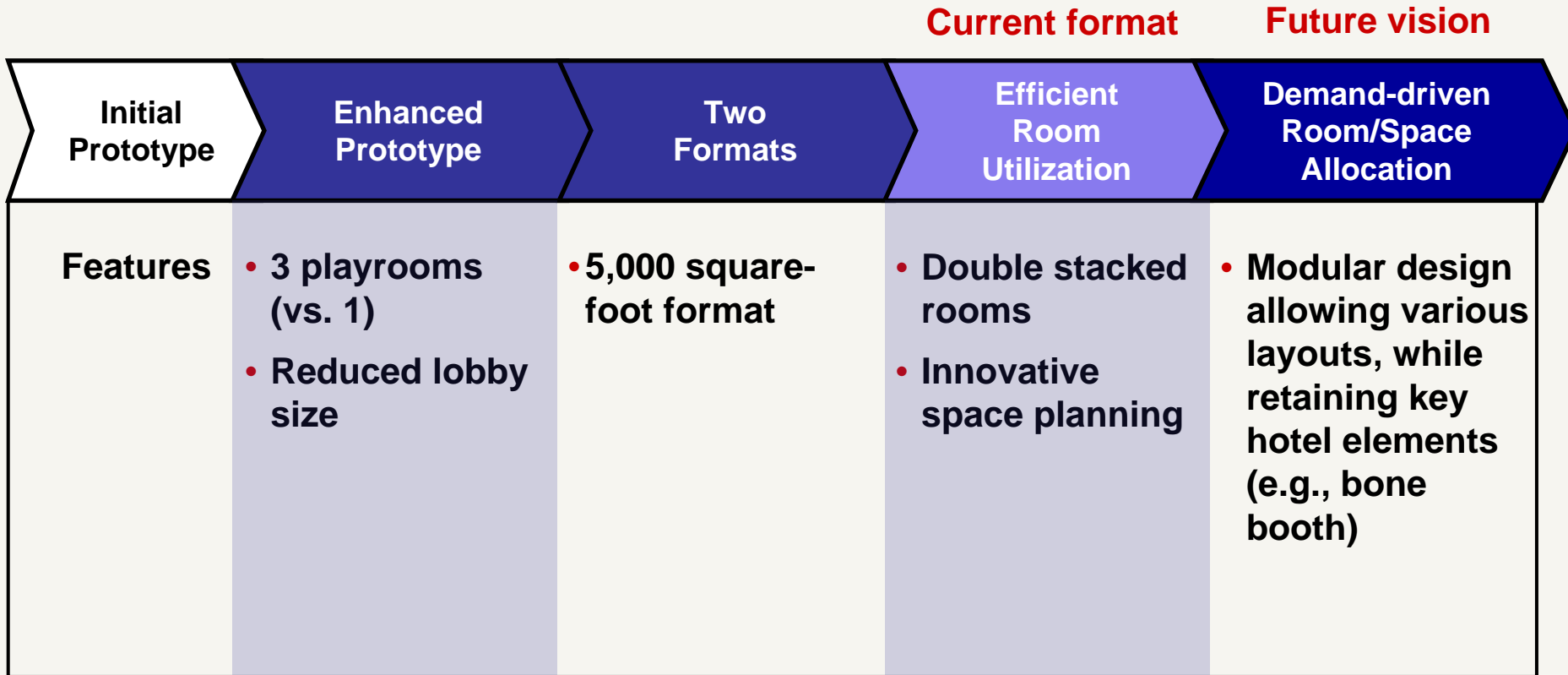
**PetsHotel customers spend three times more . . .**

**. . . and allocate more of their spend on products**

Average total sales, including services

Average merchandise sales





## Investment Requirements

(Dollars in thousands)

<b>Cap X</b>	<b>1,050</b>
<b>Pre-Opening</b>	<b>30</b>
	<b>\$ 1,080</b>



## PetsHotel Model

(Dollars in thousands)

	Year					
	1	2	3	4	5	10
<b>Total Sales</b>	<b>\$601</b>	<b>\$793</b>	<b>\$982</b>	<b>\$1,110</b>	<b>\$1,221</b>	<b>\$1,542</b>
<b>Comp Change%</b>		<b>32%</b>	<b>24%</b>	<b>13%</b>	<b>10%</b>	<b>2%</b>
<b>EBITDA Margin%</b>	<b>-13%</b>	<b>8%</b>	<b>17%</b>	<b>23%</b>	<b>27%</b>	<b>30%</b>
<b>EBITDA ROI%</b>	<b>-8%</b>	<b>6%</b>	<b>17%</b>	<b>24%</b>	<b>31%</b>	<b>45%</b>



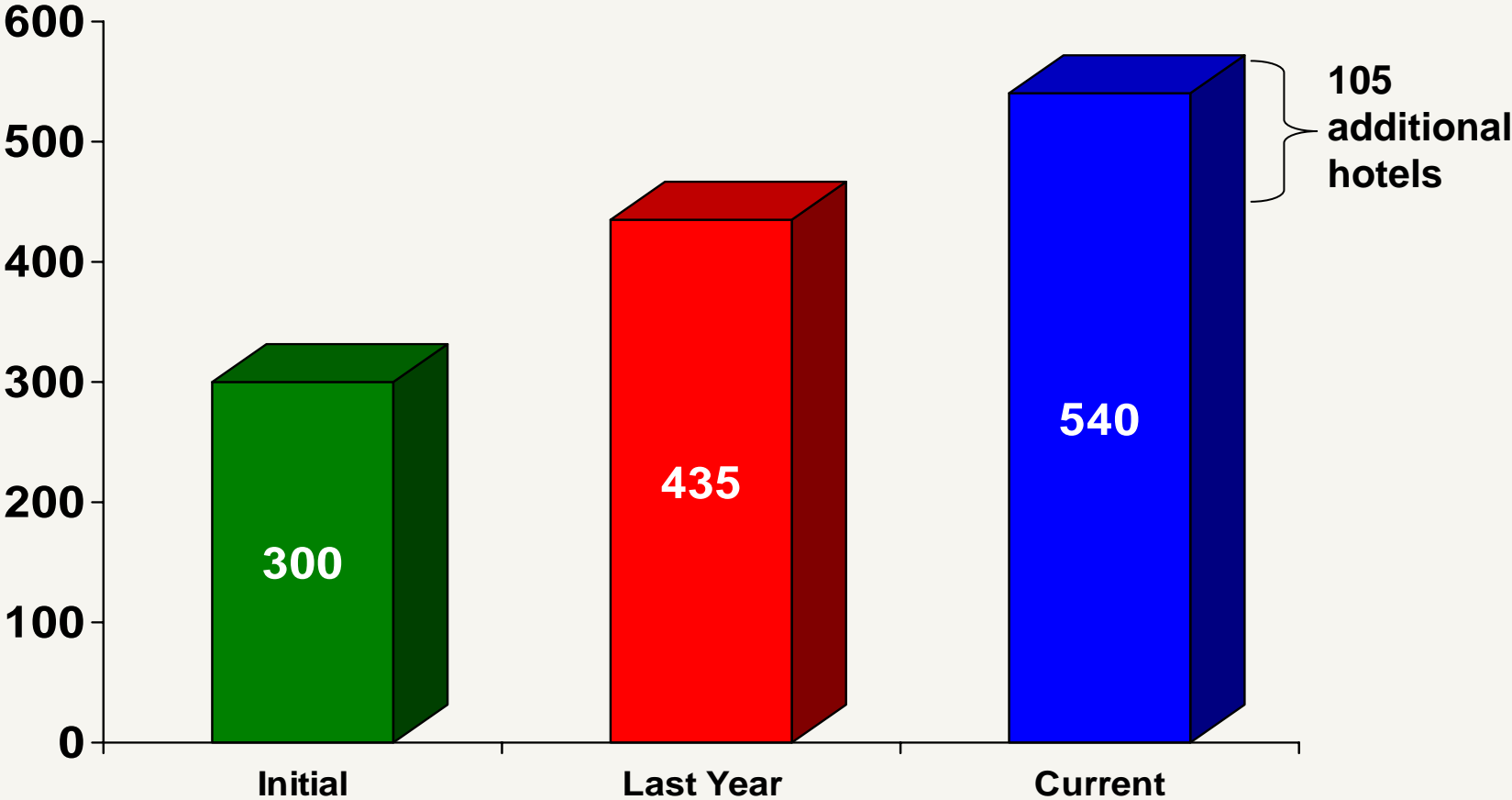
## PetsHotel – Drives Store Profitability

### PetsHotel – Impact on Existing Store

<b>Revenue</b>	<b>Pro-Forma <u>Store</u></b>	<b>Pro-Forma <u>w/Hotel</u></b>	<b><u>Variance</u></b>
<b>Merchandise</b>	<b>\$5.4M</b>	<b>\$5.6M</b>	<b>\$0.2M</b>
<b>Grooming/Pet Training</b>	<b>\$0.3M</b>	<b>\$0.4M</b>	<b>\$0.1M</b>
<b>PetsHotel</b>		<b>\$1.2M</b>	
<hr/>			
<b>Total Revenue</b>	<b>\$5.7M</b>	<b>\$7.2M</b>	<b>27%</b>
<b>Revenue per sq. ft.</b>	<b>\$217</b>	<b>\$275</b>	
<b>Pre-Tax Income</b>	<b>\$472K</b>	<b>\$906K</b>	<b>92%</b>
<b>Pre-Tax Income per sq. ft.</b>	<b>\$18</b>	<b>\$35</b>	
<b>Pre-Tax Margin</b>	<b>8.4%</b>	<b>12.7%</b>	<b>432bp</b>



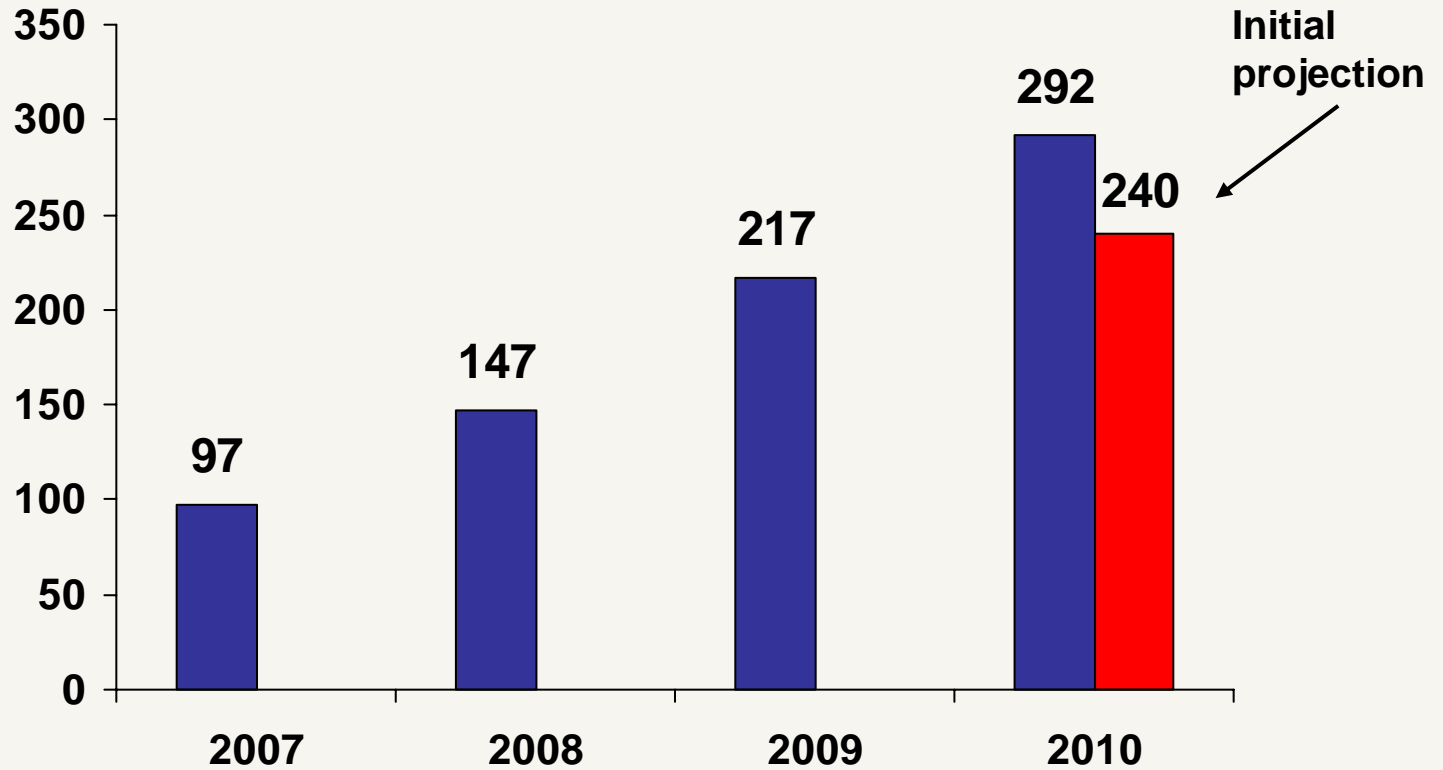
# PetsHotel – Projected Build Out





# PetsHotel Rollout Plan – Accelerating Growth

## Number of PetsHotels



**New PetsHotels**

**35**

**50**

**70**

**75**

**PetsHotels as % of  
PetSmart Stores**

**10%**

**13%**

**18%**

**22%**

# Providing a Consistently Great Customer Experience





### **Francesca Spinelli, PhD: Senior Vice President, People**



## Deepen Customer Relationships

- Deliver training that drives customer engagement and consistency

## Differentiate our Brand

- Provide solution selling training
- Proprietary services accreditations

## Consistent Execution of the Basics

- Build on our strength in hiring quality associates
  - Increase retention
- Develop our leadership and teams

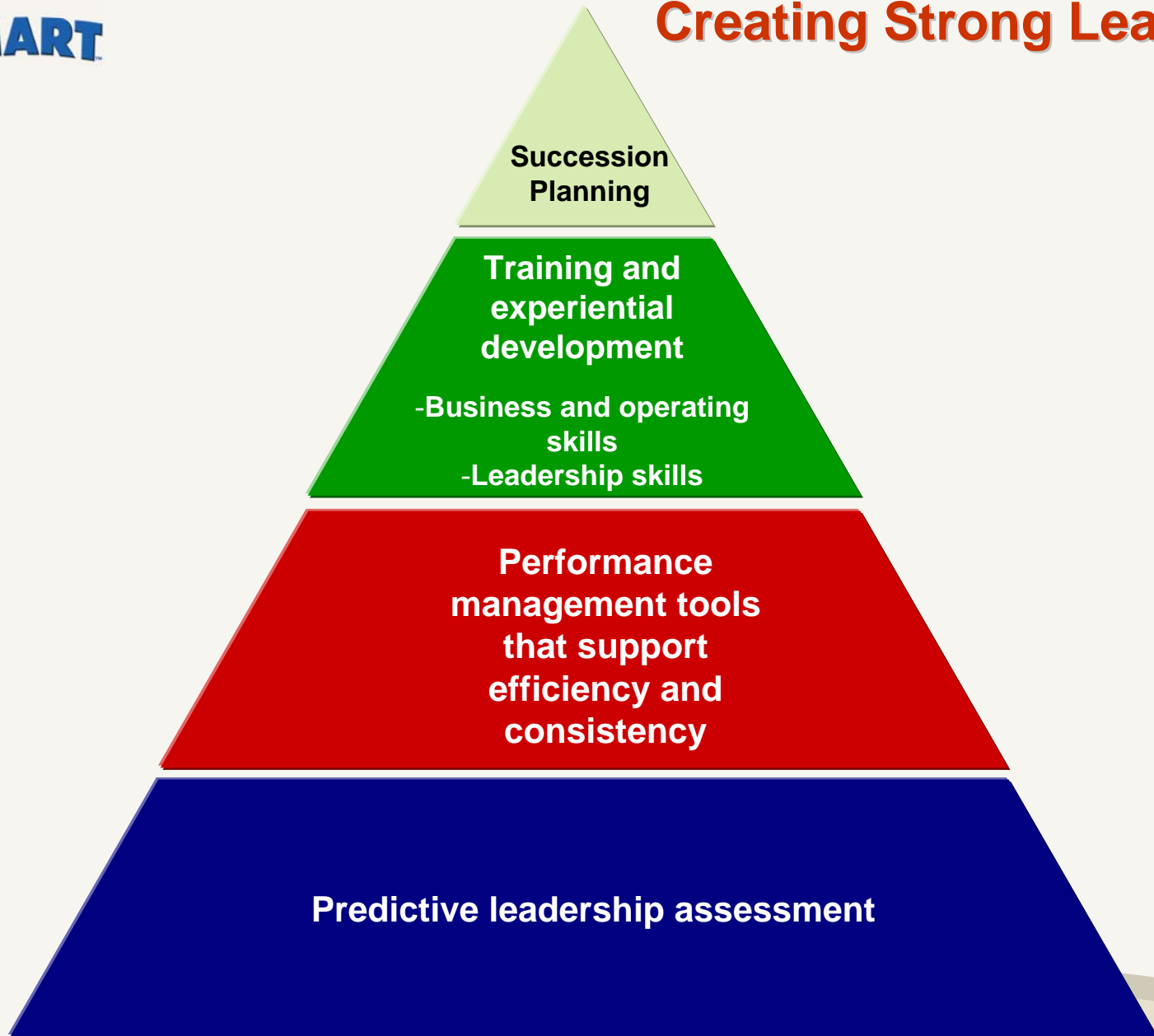
- An emotional, pet-passionate category
- Strong, positive culture
- Deep strategic awareness and alignment
- High levels of associate pride
- Demonstrated commitment to customers and the community



## PetSmart stores are staffed to support our growth

- Ample flow of quality, pet-passionate applicants
- Strong tools, processes
  - Clearly defined competencies
  - Web-based screening
  - Interviews conducted on the sales floor
- Continuing to focus on retention







# Training: A Curriculum for Consistency

## Store Leadership

- Store operations
- Leadership skills and development

## Operational Knowledge

- Pet safety certification
- Store and department process certification

## Product & Services Knowledge

- Category-specific knowledge
- Services academies
- New product training

## Selling Skills

- Solution selling
- Cross selling

## Brand & Strategy

- Orientation
- Associate communications

## Customer Engagement

- Unleashed training and refresher courses
- Building customer relationships



## Creating Selection and Value

**Ken Hall: Senior Vice President, Merchandising**

## Deepen Customer Relationships

- Value messaging
- Compelling and differentiated assortment
- Proprietary brands



## Differentiate Our Brand

## Consistent Execution of the Basics

- In stocks
- Price optimizations
- Supplier collaboration

- 12% of pet parents changed the way they feed their pet
  - 6.0% shifted brands
  - 2.4% stopped feeding wet food
  - 2.2% switched to home cooked food
- Majority of PetSmart primary shoppers said we did a good job handling the recall – higher scores than any competitor’s primary shopper graded them
- PetSmart and vendor partners are focused on regaining lost customers and sales through incentives and programs
- Heightened awareness and focus on improving controls and assuring product quality
- About one-third of the recalled SKUs have returned to the shelves with the rest anticipated back by spring 2008



Example: PetSmart Vendor Coupon

## Merchandise Assortment

- **Industry-leading selection and variety**
  - Large, differentiated assortment
  - Channel-specific brands
  - Category management

## Price and Value

- **Every day low prices**
  - Within 3-5 percent of the cheapest discounter
  - Price optimization work

## Strong Processes

- **Strong in-stocks**
  - Robust replenishment and store processes



**Consistently Meeting Customers' Basic Needs**

## Merchandise Assortment

- **Compelling, highly relevant assortment**
  - Assortment optimization
  - Proprietary brands

## Price and Value

- **Strong value perception**
  - Pricing optimization enhancements
  - Value messaging

## Strong Processes

- **Efficient operations and a consistent customer experience**
  - Supplier relationship management
  - Optimize inventory



**Aligning the Offering Around the Needs of the Customer**

# A Compelling, Differentiated Assortment



- Aligned with current and emerging customer needs
- Optimal breadth, depth and range for each product category
- Improved merchandise productivity

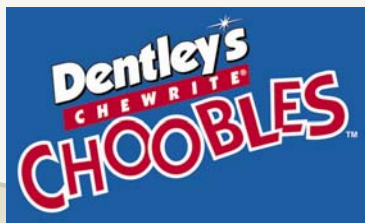
# Natural and Organic Foods



- Emerging trend
- Important niche
- First chain to offer certified organic food in all of its stores
- Fastest growing food category



# Proprietary Brands



**e-PetPerks**  
September 2007  
Your way to save with your PetPerks® Card

**BIG brands EVENT**  
save up to **15%**  
on hundreds of items with your PetPerks card

Click anywhere to view our in-store specials  
Find a store

**SPECIALS FOR DOGS**  
save \$4  
**Nature's Miracle® Stain & Odor Remover**  
1 gal. jug  
Eliminates stains and odors from pet accidents permanently—even urine odors other products fail to remove—with no perfume cover-up.

**SPECIALS FOR CATS**  
save \$1  
**Tidy Cat Scoop Cats Litter**  
27 lb. bucket  
Long Lasting or Immediate Odor Control. Now with Tidy Lock technology to neutralize ammonia odors on contact.

**SPECIALS FOR FISH**  
**NEW**  
save up to 15%  
**Top Fin® Tanks**  
20 gal. or larger

**GROOMING SALON SPECIAL**  
**\$5 off**  
a salon purchase of \$10 or more  
Print coupon

**Not a PetPerks® Member?** Go to any PetSmart store & ask an associate for a PetPerks enrollment form. It's easy, FREE and takes only a minute to sign up. Plus, you'll get savings in the store as well. [Learn more](#)

Unsubscribe | Privacy Policy | PetSmart.com | Find a Store | Contact Us  
PayPal® | Bill Me Later®

To ensure you continue receiving our emails [Add us to your address book](#)

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- Committed to Every Day Low Price strategy
- Developing enhanced tools and resources
- Strengthening customer value perception
- Solidifying our competitive position

## Clear and consistent communications

- Store signage
- Advertising
- Direct mail
- Associates



## Vendor collaboration

- Continue to work with largest vendors to develop traffic-driving promotions on top SKUs

# Supplier Relationship Management

- Strengthening collaboration with top vendors
- Improving forward-looking sales and shipment forecasts
- Improving scorecards to improve supply chain effectiveness and store execution



- Reliable supply and in-stocks
- Compelling, well-executed product promotions
- Strong inventory management

- Deeper and sharper assortment
- Differentiating and brand building
- Strong value messaging



- More than 1,300 holiday-themed products, not available anywhere else
- Exclusive holiday-themed loofa toys (Bobo) are seasonal stars

- Expanded apparel line
- Coordinated ensembles of collars and leads, bowls, beds and placemats
- Humanization of pets drives new product lines













# An Efficient Supply Chain

**Joe O'Leary: Senior Vice President, Supply Chain**

Deepen Customer Relationships



Differentiate our Brand

## Consistent Execution of the Basics

- Provide consistent, reliable, accurate service
- Create flexible capacity, infrastructure and systems
- Develop talent and establish PetSmart supply chain as a great place to work
- Drive productivity, reduce costs and leverage the model



# Consistent, Reliable and Accurate Service

**Transportation network**

Transportation service based on store size and volume drives consistently on-time deliveries

**Organized, quality product presentation**

Delivering merchandise by category (Dog, Cat and Specialty) and by aisle (Grocery, Bridge, Premium, Super Premium) makes stocking more efficient

**Accurate store deliveries**

Accurate and complete deliveries help drive strong, consistent in-stocks

**Vendor collaboration**

Working with key vendors improves on-time and complete deliveries and receipts at DCs



**Providing a consistent customer experience**

**Making stores easier to run**

**Driving expense leverage**

# Opportunity for Working Capital Reductions

## • Vendor collaboration will improve performance:

- Sales and Operations planning
- Supply Chain scorecards
- Store execution of promotions

## • Improved supply chain practices:

- Cross docking
- Economic order quantities
- Reduced lead time from vendor to stores



## DC Network

**Standardized infrastructure that is fast, flexible and ahead of the business**

- Continue to build out our DC Network
- Flexibility to support all concepts – small stores, new services



**Systems**

**Complete the successful roll-out of  
warehouse and labor management systems**

- Improve inventory visibility
- Better accuracy
- Enhanced and defined standards
- Structured training
- Real-time feedback



**Improved productivity  
Cost leverage**

## People



### Strong, experienced leadership

- Two corporate vice presidents
- Strengthened DC leadership

### Focus on safety

- Dedicated team
- DC safety program delivering results

### Emphasis on hiring practices and associate relations

- Hire capable associates and management
- Open communications
- Recognition and team building activities



**Cost  
Reductions**

**Vendor integration**



Collaborative planning and improved inventory management

**Conversion to combo facilities**



Bringing truckloads to full capacity and consolidating loads

**New DCs**



Minimizing mileage and optimizing network capacity

**Productivity**



Warehouse and performance management systems, process improvement and workforce

## Making the Business Easier to Run

- Consistency, reliability, accuracy
- Flexibility, infrastructure and systems
- Associate development and work environment
- Productivity and cost reduction





**Be Better Together**

**Mary Miller**  
**Senior Vice President, Chief Marketing Officer**



## Deepen Customer Relationships

- Brand advertising
- Online content and community
- PetPerks

## Differentiate our Brand

- New national advertising for PetsHotels

## Consistent Execution of the Basics

- Deliver consistent message of value and selection
- Drive traffic to the store





# What We Learned from Being a Mart



***"MART"***  
**Efficiency Model**



**PETSMART**  
you & your pet are  
**Invited** to our  
**20<sup>th</sup> Birthday Party!**  
April 24, 6pm-8pm  
at PetSmart\*

**FREE** party hat  
and goodie bag\*

Quick tricks taught  
by our Pet Trainers

Fun party games  
with prizes\*

**FREE** photo  
& frame\*

**20<sup>th</sup> birthday celebration**  
(that's 140 in dog years)

\*While supplies last. See store associate for more details. 1-800-451-9295

## 20<sup>th</sup> Birthday Party

Driving traffic to our stores and building bonds between pet parents and store associates





# Email Circulars and Newsletters

## E-Perks monthly email link to circular

Drive immediate action and build brand image and engagement

Questions? Call 1.866.PetPerks  
Caring Associates 24 Hours A Day

**PETSMART**  
Be Better Together.

May e-details

[Shop Online](#) | [Find a Store](#)

**Summer Time Fun**  
at PetSmart® with special products & offers.

**NEW EXCLUSIVE**  
Companion Road Summer Dog Apparel  
Available online & in-store  
Cool clothes for the dog days of summer.  
[Shop summer apparel](#)

[Shop all dog items](#)

**NEW**  
Cat Kennel Cab  
In-store only  
Hard carrier for multiple cats. Durable construction stands up to plenty of use. Quick latching assembly.  
[Shop all cat items](#)

**EXCLUSIVE**  
Top Fin® Betta Color Bits  
Available online & in-store  
Color-enhancing food for bettas.  
[Shop now](#)

**EXCLUSIVE**  
Top Fin® Betta Conditioner  
Available online & in-store  
Formulated to protect your betta.  
[Shop now](#)

**Male Betta**  
In-store only  
Solitary fish with vibrant colors.  
[Shop all fish items](#)

**Exclusive Online Offer**  
**20% off** all Dog & Cat Collars & Leads\*  
[Shop dog collars & leads](#)  
[Shop cat collars & leads](#)  
\*Expires May 27, 2007.

**Flowers helping pets**  
PetSmart Charities receives 10% of every flower order when you place your order through PetSmart Charities flower program  
[Learn more](#)

**Not a PetPerks® Member?** Go to any PetSmart store & ask an associate for a PetPerks savings card enrollment form. It's easy, FREE and takes only a minute to sign up. Plus, you'll get savings in the store as well. [Learn more](#)

## E-details monthly newsletter

Enables relevant information and news to be targeted to customers

September 2007

**PETSMART**  
Be Better Together.

**e-PetPerks**  
Your way to save with your PetPerks® Card

**save up to 15%**  
on hundreds of items with your PetPerks card

[Click anywhere to view our in-store specials](#)

[Find a store](#)

**SPECIALS FOR DOGS**

**save \$4**  
Nature's Miracle® Stain & Odor Remover  
1 gal. jug  
Eliminates stains and odors from pet accidents permanently—even urine odors other products fail to remove—with no perfume cover-up.

**SPECIALS FOR CATS**

**save \$1**  
Tidy Cat Scoop Cats Litter  
27 lb. bucket  
Long Lasting or Immediate Odor Control. Now with Tidy Lock technology to neutralize ammonia odors on contact.

**SPECIALS FOR FISH**

**NEW**  
**save \$15**  
Top Fin® Tanks  
20 gal. or larger

**GROOMING SALON SPECIAL**

**\$5 off**  
a salon purchase of 10 or more  
[Print coupon](#)

**Not a PetPerks® Member?** Go to any PetSmart store & ask an associate for a PetPerks enrollment form. It's easy, FREE and takes only a minute to sign up. Plus, you'll get savings in the store as well. [Learn more](#)

[Unsubscribe](#) | [Privacy Policy](#) | [PetSmart.com](#) | [Find a Store](#) | [Contact Us](#)  
[PayPal®](#) | [Bill Me Later®](#)

To ensure you continue receiving our emails [add us to your address book](#)

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**“MART”**

**Efficiency Model**



- Supplier of products
- Sells premium food
- Strong value
- Lots of toys
- Corrective training
- Boarding and kennels
- Grooming
- Associates



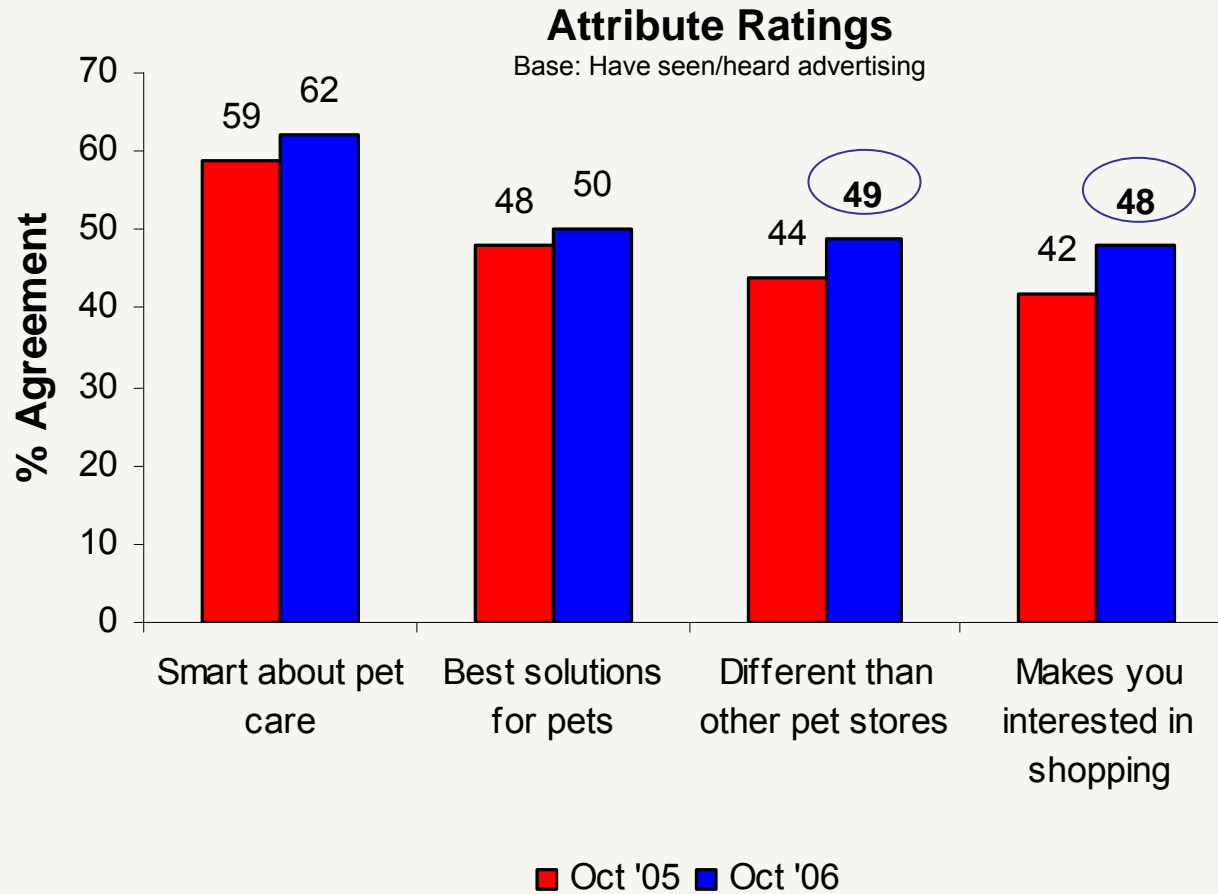
**“SMART”**

**Intimacy & Passion Model**



- Facilitator of care
- Recommends the right diet
- Smart prices, strong value image
- Helps you find the perfect toy
- Connective training
- PetsHotels
- Customized grooming
- Pet Specialists





<u>Functional Benefit</u>	<u>Emotional benefit</u>	<u>Consumer Participation</u>
<b>New Pet Center</b>	<i>Helps you start off right</i>	Pet Community
<b>Pet Food Resource</b>	<i>Helps you have a long life together</i>	Smart Nutrition Selector
<b>PetsHotel</b>	<i>Peace of mind when you can't be together</i>	On-Line Video Tour

## *"The Gift"*

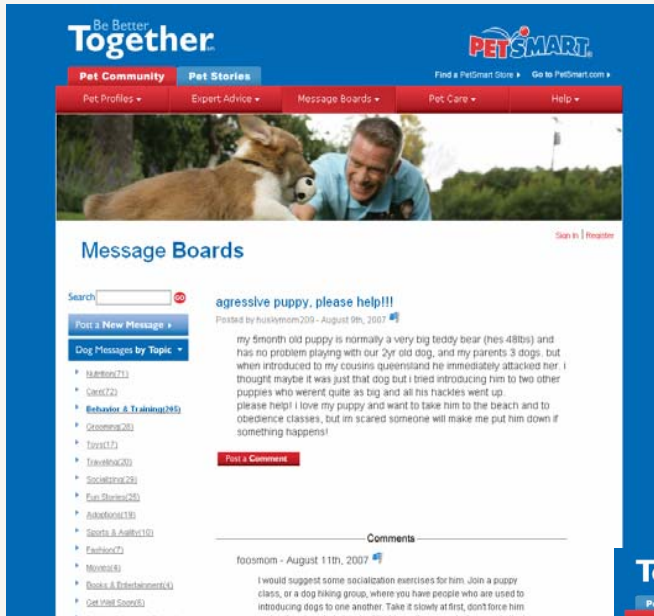


- Communicates the Smart solution of the new pet center
- Drives awareness and participation through TV advertising and online marketing



# Pet Community – Consumer-Driven Engagement

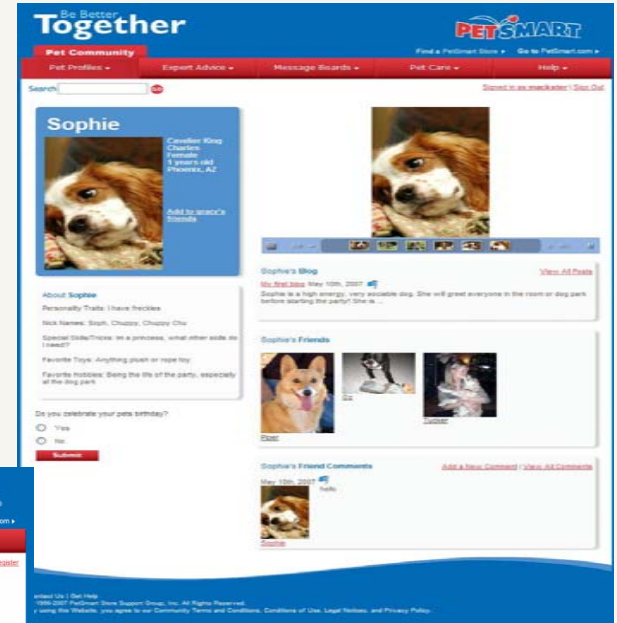
Message Boards allow Pet Parents to dialogue about topics of interest



Pet Stories let Pet Parents share bits of their pets' lives through photos



Pet Profiles provide an opportunity to showcase pets and make new pet friends



[in-storespecials](#) [giftcards](#)  
[My Account](#) | [Order Status](#) | [Help](#) | [Store Locator](#)

Search  for 
Sign-in **CART:** 0 Items \$0.00

DOG
CAT
BIRD
WILD BIRD
FISH
REPTILE
SMALL PET

## Announcing PetSmart's new online **Pet Community**

**Connect with PetSmart experts & pet lovers just like you**

- Access message boards
- Create pet profiles
- Get expert advice

Visit the PetSmart® Pet Community

### STORE LOCATOR

Find a Store

from over 900 locations

FEATURED CATEGORIES
FEATURED PRODUCTS
GIFTCARDS

**Dog food** for every breed & any lifecycle.

Shop Puppy Food  
Shop Adult Food  
Shop Senior Food

See All

**Dog treats & biscuits** from nutritious to delicious.

biscuits  
natural  
treats

See All

**Rawhides, bones, & chews** in shapes, flavors, & sizes galore.

bones  
chews  
rawhide

See All

**Cat food** to suit your kitty's needs at any lifecycle.

Shop by brand  
Shop by lifecycle  
Shop by need

See All

Website Tools

Smart Nutrition Selector  
Find the ideal nutrition for your pet

In-store Specials  
View our in-store specials

Photo Center  
Print, Share & Store your special memories

[See All Tools](#)

### SMART PET PATH

for everything pets

- PET ARTICLES
- CARE GUIDES
- PET SERVICES
- TOOLS
- PET COMMUNITY

SMART PET OF THE DAY

August 30, 2007

Daisy is a bundle of energy!  
[Read full story](#)

**PETSMART SERVICES:** [PetsHotel](#) | [Doggie Day Camp](#) | [Grooming](#) | [Training](#) | [Adoptions](#) | [Charities](#) | [Banfield](#)

## "Couch"



- **Communicates the Smart solution of advanced nutrition and the emotional benefit of a long life together**
- **Brings together the Smart Nutrition Selector online and the in-store shopping experience**

Be Better Together

Pet Community | Pet Stories | **Solutions Center** | Find a PetSmart Store | Go to PetSmart.com

Stain & Odor | Care | Nutrition | Behavior | Help

Start Over | Previous | Print | Email

### Fleas & Ticks Solutions

Fleas on your dog mean there are countless more in your home & yard. Check with your vet for use on puppies.

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### In-Store Service Solutions

PetSmart Pet Grooming - The gentle, professional grooming staff at PetSmart will help your pet look and feel its best!

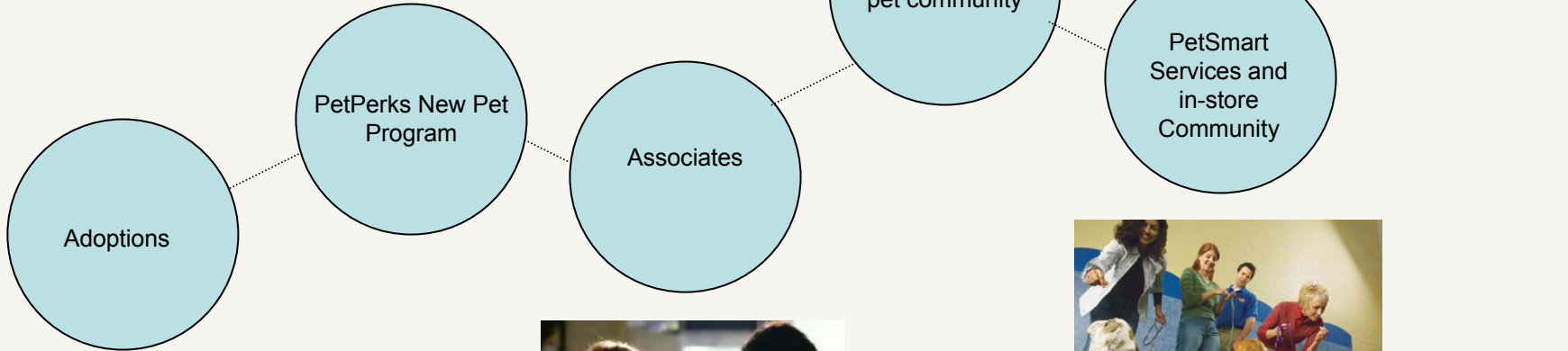
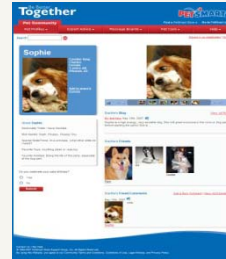
[More info](#)

### Recommended Products

	<b>Biospot</b> Flea & Tick Mist 1.5 lb.		<b>Zodiac</b> Flea & Tick Spray 16 Fluid oz.		<b>Sergeant's</b> Sentry PRO Flea & Tick Spray 16 oz.
Available in store Available online		Available in store Available online		Available in store Available online	

[Contact Us](#) | [Get Help](#)  
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 By using this Website, you agree to our [Community Terms and Conditions](#), [Conditions of Use](#), [Legal Notices](#), and [Privacy Policy](#).

- **Smart Selectors**
- **Product recommendations**
- **31 how-to videos**
- **Generating 14,000 on-line visits per month**



**save \$10**

Bring in this coupon and your PetPerks® savings card for \$10 off your purchase of \$30 or more.

To find a store near you, call 1-877-473-8762 or visit [petsmart.com](http://petsmart.com).

**PETSMART**

Be sure to use your PetPerks® savings card every time you shop at PetSmart® to maximize your benefits, including:

- Save. Save. Save. Get great offers via e-mail, direct mail, online or even in-store!
- You're in the know. Receive advanced e-mail notice of sales, promotions and events, as well as promptly e-mail updates.
- Birthday Card Program. Let us know your pet's birthday and we'll mail out a special card to celebrate!

**Your Exclusive Savings Are Here**

This \$10 coupon is just one of many benefits you'll receive for being a PetPerks® member.

See back for details.

**PETSMART**

## Welcome Program

Forming a relationship with new customers

## Dog and Cat Birthday Program

Making customers and their pets feel special

Here's a special offer from PetSmart to help you celebrate your dog's Birthday - Message (11/18)

From: PetSmart [mailto:petperks@petsmart-mail.com]  
 To: Joyce Kempton  
 Subject: Here's a special offer from PetSmart to help you celebrate your dog's Birthday

A special invitation for PetPerks® members and their pets

Say "Happy Birthday!" to your best friend with a **FREE treat\*** on us! with your next in-store purchase of \$15 or more

**PetSmart® Coupon - REDEEM IN-STORE ONLY**

**In-store FREE dog toy or treat\* with \$15 purchase**  
 Hurry in - offer expires 07/31/07

**Instructions:** Print this page and bring to your nearest PetSmart® store.

4/14/07

Dear PetSmart Rep,

I want to thank you so much for my cute toy. It was a praying teddy bear. I really love it!!!

most of all I want to thank PETSMART for remembering my birthday. You're so thoughtful!!!

Rambo!

**"I want to thank PetSmart for remembering my birthday. You're so thoughtful!" - Rambo**



# Business Partnerships

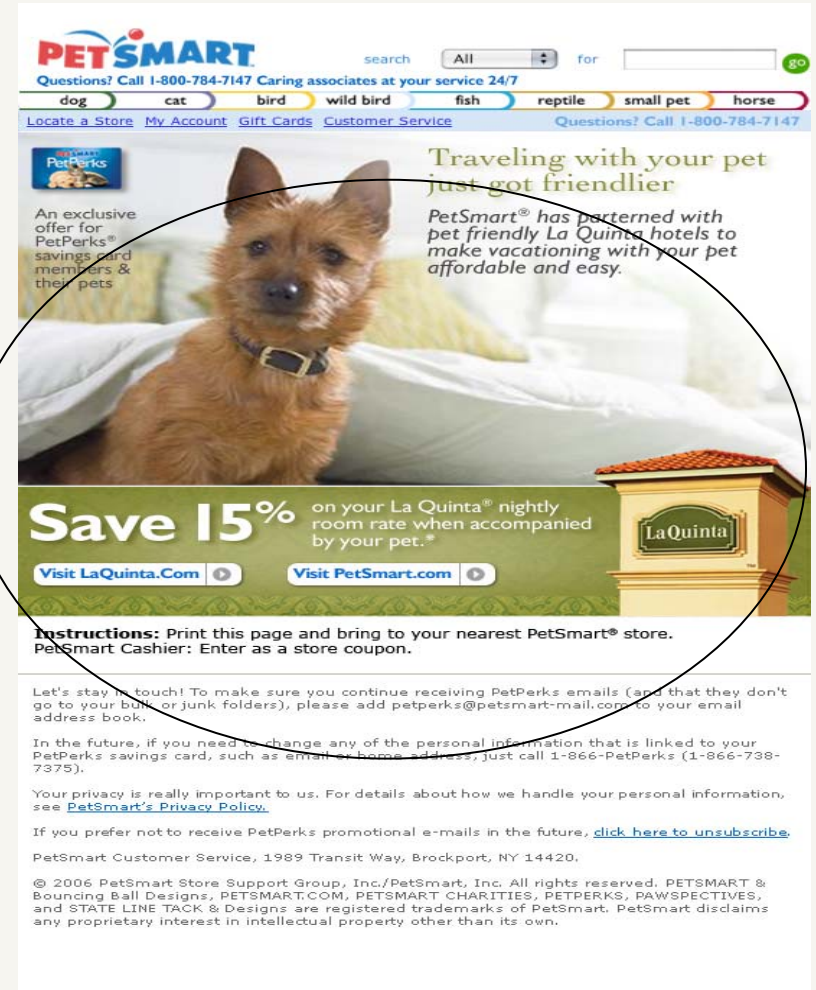


**Save 15%**  
when you stay at a La Quinta® hotel, where pets are always welcome. It's an offer especially for PetPerks® savings card members, like you.



**La Quinta**

La Quinta: Spanish for "Have dog, will travel."



**PETSMART** search All for

Questions? Call 1-800-784-7147 Caring associates at your service 24/7

dog cat bird wild bird fish reptile small pet horse

Locate a Store My Account Gift Cards Customer Service Questions? Call 1-800-784-7147

**Traveling with your pet just got friendlier**

*PetSmart® has partnered with pet friendly La Quinta hotels to make vacationing with your pet affordable and easy.*

**Save 15%** on your La Quinta® nightly room rate when accompanied by your pet.\*

[Visit LaQuinta.Com](#) [Visit PetSmart.com](#)

**Instructions:** Print this page and bring to your nearest PetSmart® store. PetSmart Cashier: Enter as a store coupon.

Let's stay in touch! To make sure you continue receiving PetPerks emails (and that they don't go to your bulk or junk folders), please add petperks@petsmart-mail.com to your email address book.

In the future, if you need to change any of the personal information that is linked to your PetPerks savings card, such as email or home address, just call 1-866-PetPerks (1-866-738-7375).

Your privacy is really important to us. For details about how we handle your personal information, see [PetSmart's Privacy Policy](#).

If you prefer not to receive PetPerks promotional e-mails in the future, [click here to unsubscribe](#).

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# Targeted Offers

## New pet program

Engaging new pet parents with our Services



**Want the very best for your new best friend?**

**Come in for all the best we have to offer.**

**Groomings: better overall health**  
 Let a PetSmart® PetSista start your puppy on a regular grooming schedule today. Bathing, nail clipping, ear cleaning and teeth brushing can help prevent health problems later on or stop them from becoming more serious. Our Puppy Bath, Brush & More packages were created exclusively for puppies up to five months old and use only the gentlest products and procedures. Plus, our PetSistas are caring professionals and safety-certified, so you know your pet is in capable hands. And of course, a professional groom will make your pup look and feel great, too.

**Veterinary Care: better for life**  
 The medical team at Banfield, The Pet Hospital® is dedicated to providing your puppy with human-quality healthcare. From vaccinations and flea control to dental care and surgery, your pet's health is Banfield's priority. We also offer Optimum Wellness Plans, our preventive care packages that allow you to be a proactive Pet Parent. There's even a puppy plan that includes spay or neuter surgery – all the care necessary to get your new best friend off on the right paw.

Call 1-800-768-9859 for the Banfield location near you.



**\$15 in Savings on PetSmart® Training**

any 6-8 week training course

**save \$15**

Bring this coupon and your PetSmart card to PetSmart to receive offer.

**PETSMART**

1-888-985-6666

**\$10 in Savings on PetSmart® Grooming**

any Full-Service Groom or Bath, Brush & More package

**save \$10**

Bring this coupon and your PetSmart card to PetSmart to receive offer.

**PETSMART**

1-888-985-6666

**\$5 in Savings on These Advanced Nutrition Foods**

**save \$5**

any 6-8 week training course

**save \$5**

Bring this coupon and your PetSmart card to PetSmart to receive offer.

**PETSMART**

1-888-985-6666

**save \$10**

on any Full-Service Groom or Bath, Brush & More package

Present this coupon with card to receive offer.

**PETSMART**

1-888-985-6666

**save \$25**

on your puppy's first visit or the enrollment fee on a Wellness Plan

Present this coupon to receive offer.

**Banfield**  
 THE PET HOSPITAL

**Come in for all the best we have to offer.**

**Training: better together**  
 Our accredited instructors are here to help you achieve positive, consistent behaviors from your dog so you're able to communicate successfully and enjoy a better relationship. And your satisfaction is 100% guaranteed!

**Grooming: better overall health**  
 Our PetSistas are PetSmart® academy-trained and safety-certified. They're caring professionals, treating each pet like their own. With our state-of-the-art equipment and full array of customized services for all breeds, your pet is sure to look and feel great.

**Advanced Nutrition: better for the long run**  
 Try one of our Advanced Nutrition foods and see the difference real quality makes. No artificial ingredients, preservatives, colors or flavors. You'll find a formula tailored to your dog's special needs and size, so you can be together for a long, long time.

**PETSMART PetPerks**  
 Help us maximize your PetPerks benefits. Just call us with your current e-mail address at 1-888-985-6666.



# Attracting New Customers

**\$5**  
save 5  
on your next  
purchase of \$10  
or more.

Bring this coupon to a PetSmart store to save \$5 on your next purchase of \$10 or more.

Valid through 12/31/11 only at U.S. PetSmart stores with coupon. Not valid on online purchases, for international use, for resale, for promotional use, for credit purchases, for cash, for returns, for purchases made with any other discount offer. Cannot be used for alcohol.

**PETSMART**

**A Smarter Place to Shop. See for Yourself!**

At PetSmart, we understand that when it comes to your pet, you want more than the basics. Advanced nutrition and natural foods? Product recommendations and advice? Accredited pet training? At PetSmart, you'll find them at our guaranteed unbeatable prices! We offer all this and a whole lot more, including professional grooming by safety-certified PetStylists.

**See you soon!**

Ready to come on in? Now you can get instant savings and special offers when you sign up for our PetPerks savings card. Apply in store.

**PETSMART**  
19601 N. 27th Ave.  
Phoenix, AZ 85027

**POST OFFICE POSTAGE PAID**  
Permit No. 1000

**We can't wait to have you over!**

Special introductory gift on back.  
Save \$5 off any \$10 purchase.

That's Smart.  
**PETSMART**

## Customer Acquisition Mailing

## The Pet Food Recall

- E-mailed more than 6 million customers
  - Included opt-outs due to informational topic
  - Offered to provide purchase history
    - Fulfilled over 5,000 customer purchase history requests



“We always wondered what good the information gathered on store computers would do - boy, did you show us! Not only do you keep our purchasing history for the past year, but used it to show us you cared.”

MANUFACTURER'S COUPON EXPIRATION DATE: 7/30/17

Save \$3.00  
ON ONE (1) package of  
**PURINA® PRO PLAN®**  
MADE BY CAT FOOD  
any size, any variety



89146



Redeemable only at  
**PETSMART.**

CONTENTS: Required purchase necessary. Coupon may not be copied or transferred. No other coupon may be used to purchase the same product(s). Prerequisite: activation or receipt code must be in legal nation or jurisdiction where federal mail and/or consumer fraud statutes. \*OFFER: Purina PetCare Company, CMS, Dept. #7260, 1 Fenwick Drive, Oak Ridge, TN 37830 will redeem this coupon per our Coupon Redemption Policy, available upon request (in the case of the printed offer only). Coupon must not expire on 04/01/2017. ©2017 Purina. All rights reserved. Purina PetCare Company, 1000 North Lincoln Street, St. Louis, MO 63102. \*Offer valid where applicable. See store for details. \*Restrictions apply. See store for details. Purina PetCare Company, 1000 North Lincoln Street, St. Louis, MO 63102.

MANUFACTURER'S COUPON EXPIRATION DATE: 7/30/17

BUY THREE (3) cans of  
**PURINA® PRO PLAN®**  
MADE BY CAT FOOD  
any size, any variety  
GET THREE (3) same size  
cans of **PURINA® PRO PLAN®**  
MADE BY CAT FOOD  
**Free** (up to  
\$4.17)  
any variety



89147



**PETSMART.**  
19601 N. 27th Ave.  
Phoenix, AZ 85027

PSRT STD  
US POSTAGE  
**PAID**  
PetSmart

.....

First and Last Name  
0000 E. lane st.  
City, State Zip

**PURINA.**  
**PRO PLAN® Selects®**

PURINA® PRO PLAN® SELECTS® offers a wide selection of all **NEW** natural cat food formulas.

- Made with real chicken, turkey or fish
- Formulated without ground corn, animal by-products or artificial colors or flavors
- Made with wholesome grains and accents of sweet potatoes, blueberry pomace and leafy greens

Available in Natural Chicken & Brown Rice and Natural Salmon & Brown Rice dry formulas for adult cats, plus four all new varieties of canned entrees.

Visit [ProPlan.com](http://ProPlan.com) for more information.

**PETSMART.**

DOING MORE™  
to meet her needs.



Look on back for an exclusive offer for PetSmart® PetPerks® savings card members



# Peace of Mind When You Can't Be Together

## *“Away from Home”*



- Raises consumer awareness of this highly differentiated offering
- Drives customers to [PetsHotel.com](https://www.petshotel.com) to find the nearest PetsHotel location and to take a virtual tour



**PET SMART**



**PETSMART**

**Investor Day  
October 10, 2007**