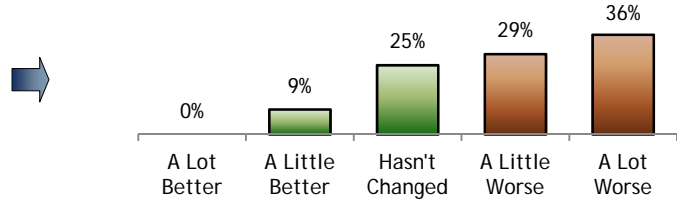


Russell Research is tracking the impact of current economic conditions on U.S. Consumers and their Households - including how the economy is affecting purchases of product and service categories. Surveys are conducted online once a month among a sample of 1,000 U.S. adults (with samples matching the population in age, gender, ethnicity and region). Wave I was conducted February 2-3, 2009. When reading results, keep in mind that survey respondents are answering for their entire HH and not just for themselves.

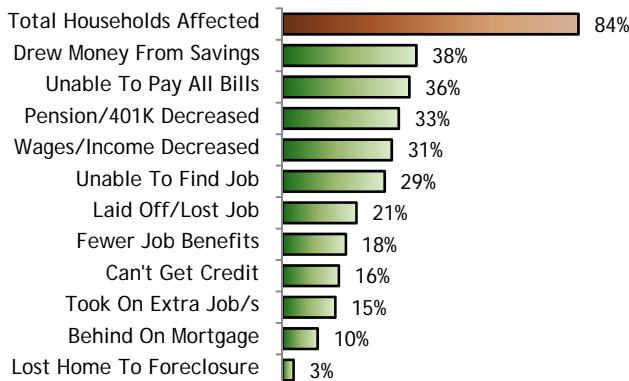
Wave I of *U.S. Households & The Economy* shows that **66% of Consumers believe the economy has declined over the past month**, with 38% saying it is now "a lot worse". (Totals Do Not Add To 100% Due To No Answers.)



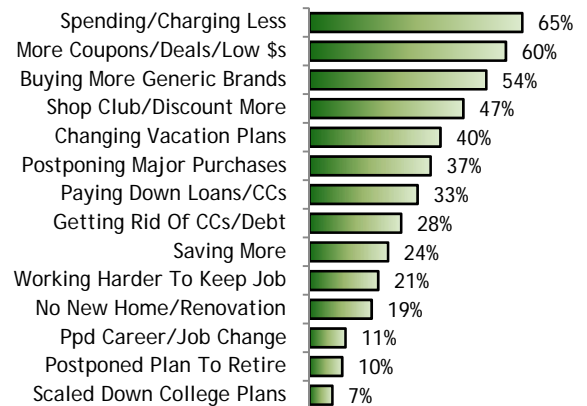
86% say that their household has been negatively affected by the current economy (and the larger the HH, the greater the chance of impact). Top reported effects are that someone in the HH was *Unable To Pay All Bills, Had To Draw Money Out Of Savings, or Had Decreases In Retirement/401K Savings*, followed by mentions of impact on *Employment and Income*.

How are Consumers coping? By *Spending Less/Charging Less On Credit Cards*; by *Focusing More On Coupons, Deals, And Low Prices*; by *Buying Generic/Private Label*; and by *Shopping More At Lower-Cost Club And Discount Stores*. Others cope by *Changing Vacation Plans, Postponing Major Purchases (Cars/Appliances/etc.)*, and by *Paying Down (or Paying Off) Loans/Credit Cards*.

How Consumers Are Being Affected

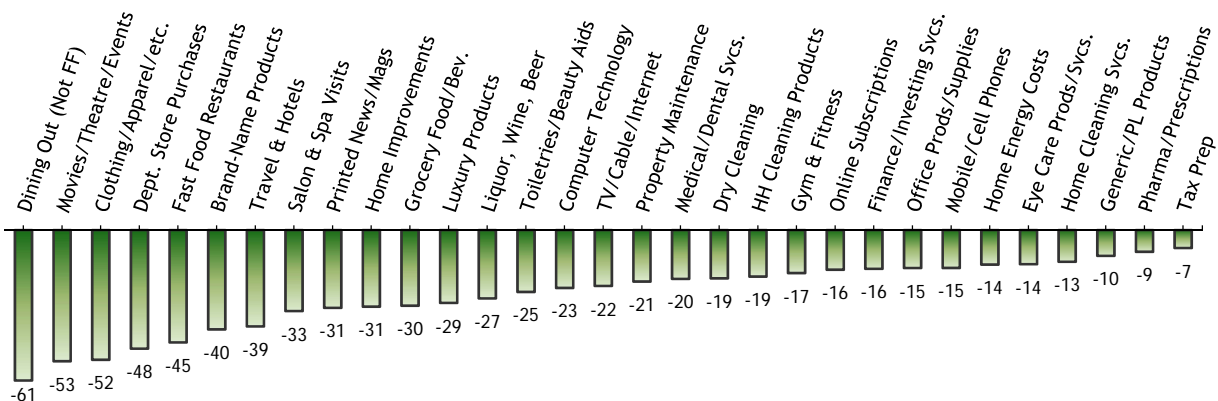


How Consumers Are Coping



Finally, the economy is affecting purchase behavior. Consumers report that they now spend LESS on every product and service covered in the survey, with the most affected being *Dining Out, out-of-home Entertainment Activities, Clothing/Apparel, Fast Food, Department Store Purchases, Brand-Name Products, and Travel & Hotels*.

Net % Of HHs Now Spending LESS On Each Product/Service Because Of Economy



The above *Total Sample* data tell only a part of the story, with economic impact varying across >60 demographic segments. For more information about the survey or participation in future waves, talk to a Russell representative.