

Sustainable Food for Thought

We are currently using our planet's resources at an unsustainable rate. Using our natural resources to produce all of the products we consumed in the past year required the energy and resources provided by one and a half planets. Do you know of a spare planet we can borrow?

The average American has an ecological Footprint of 9.0 global hectares (23 acres) – the size of 17½ American football fields. If everyone on Earth lived like an American, we would require the resources of five planets. The average European has a Footprint of 4.5 global hectares, half that of the average American, but still well above both the world average and what is sustainably available per person.

On the other end of the scale are Malawi, Haiti, Nepal, and Bangladesh, with Footprints of about .5 global hectares (1.25 acres). These countries have more biocapacity than they use and are ecological creditors, whereas those that use more biocapacity than they have are ecological debtors.

The U.S. now has a total Ecological Footprint of more than 140 percent greater than biocapacity. More than 80 percent of the world's people now live in countries that use more biocapacity than the ecosystems within their borders can produce. It is clear that developed nations need to reduce their rate of consumption and unsustainable use of our natural resources. Now is the time for us ecological debtors to go on a diet and live a simpler life reducing our consumption on all levels.

Portfolio Company Updates

CleanFish CleanFish will achieve record sales of \$19 Million for the current fiscal year ending March 2010. In the current recessionary climate where most elements of the restaurant and food trade have been challenged with a 15%-20% decline in sales, CleanFish grew top line revenues 14% and improved Gross margins from 14% to 18%. *fish you can trust.*

In November 2009, Mindful Investors participated in a follow on investment of a \$2 million round of financing for the Company. This financing supports the Company's efforts in expanding its reach to new restaurant venues and mainstream retail grocery accounts, including regional retailers who have been requesting CleanFish to provide comprehensive sustainable seafood programs in their stores. Strength in the Brand value of the CleanFish Alliance is also evidenced by the concerted effort of several seafood industry leaders seeking to have CleanFish expand our reach into Europe.

CleanFish currently provides over 40 varieties of sustainable seafood to our loyal and growing customers in 800 fine dining restaurants throughout the U.S. The branded products we have created: Loch Duart Salmon, Fisherman's Daughter Shrimp and Laughing Bird Shrimp are proudly listed on the menu of these fine restaurants. The market is expanding nationally as awareness and demand for sustainable seafood selections is becoming better understood and appreciated by consumers. The company is looking to grow over the next year into new markets within our current trend of growth through institutional food services and chef networks. We will take on additional accounts as production and expansion of our artisan networks permit. CleanFish is the industry leader providing sustainable seafood to an ever increasing US consumer market and is well poised for continued growth into the future.



Big Idea Holdings achieved a record year in 2009, with 15% revenue growth and sales of \$155 million. Cash flow from operations improved markedly, with an increase of \$5 million from 2008 levels. Profitability in the last quarter of the year was slowed by a disruption in green onion supplies. The green onion business, second in importance to value added salads, resumed by year-end.

In the fourth quarter of 2009, Big Idea Holdings raised an additional \$10 million in equity capital at a premium valuation to our investment. Corporate Partners, a large New York-based private equity fund was the sole investor in this round. The proceeds will be used for working capital to expand the Company's distribution and sales growth in 2010. The addition of a new contract processing facility in South Carolina positions the company to aggressively compete for new business from super-regional and national grocery chains on the East Coast. Major new customer wins during the year included the private label salad programs for SuperValu ("Wild Harvest") and Kroger ("Fresh Selections"). Branded organicgirl salads were launched at Publix, Raley's, and 3 additional regions of Whole Foods Market. While the company decided to stop selling to Walmart, due to low profit margin from this account, organicgirl salads were recently added at Sam's Club outlets. The current year is off to a strong start as the organicgirl brand is gaining distribution and increasing consumer recognition.

The leading U.S. Private Equity fund investing in **sustainably focused** companies



In 2009, Seventh Generation focused on broadening their customer reach into main stream, mass retail markets. They invested heavily in infrastructure and deepening their management team to support their expanding account base. Revenues were flat last year, as the company focused on current customer retention and establishing the strategy and team to expand their brand into new markets for 2010. Chuck Maniscalco, our new President, is positioning the company to effectively compete with Proctor and Gamble, Clorox and S C Johnson to win the loyalty of mass consumers. Last month, Seventh Generation launched their first national advertising campaign in the Company's history, themed "Protect Planet Home." The TV, print and online advertising focuses on Seventh Generation's role in helping consumers protect our world and our bodies from hazardous chemicals. This message comes to life in the media campaign which shows loyal consumers who choose Seventh Generation products to remove unhealthy and hazardous products from their homes.

The Company continues to innovate and lead the market on the healthy product front by introducing a new, proprietary line of disinfectant, germ free cleansers. Of course they're all natural, in fact, the ingredients are "100% food grade" rated by the FDA. This product line qualifies for the lowest toxicity category allowed by the EPA, while eliminating 99.99% of all household germs, including Salmonella, Influenza A, the H1N1 virus and E. coli. We're very excited by the broad market opportunity the Company is taking to bring its healthy living message to mass market, conventional retailers and consumers. The first quarter of 2010 has benefited from the new advertising campaign, generating strong sales and growth.



The US housing market continues to confront the most difficult residential construction market since the Great Depression. In spite of this challenge, Ecohaus has sourced new, energy efficient products and creatively targeted their consumer marketing efforts to generate increased store traffic and sales.

The Seattle store achieved positive yearly results since mid-2009 and the Portland store has followed suit in recent months. For 2009, revenues were down 15% to \$9 Million. In line with the soft economy, we closed the Bellevue, Wash. store and reduced total head count and operating expenses by over 20%. Our flagship Seattle store remained profitable for the year, while Portland operated at a small loss.

We are very enthusiastic for the recent Grand Opening of our new San Francisco location. Opened in early April 2010, this newly designed, model store is the foundation for our expansion into large, high traffic regional metropolitan areas with strong demand for green, energy efficient building products. This new location has a 400% larger target market than our current locations and provides the pathway for our West Coast expansion. While it's challenging to project how soon the housing market will turn around, we do see early signs of stabilization. Consumer preferences for more energy efficient, healthier homes, coupled with new (LEED) green building code requirements in West Coast municipalities, provide optimism that Ecohaus' green building products will vastly increase their market penetration in the next building and remodeling cycle.

ABOUT MINDFUL INVESTORS INVESTMENT FUND

Mindful Investors Fund I is a growth-stage private equity fund that invests in fast-growing, consumer-facing companies in the rapidly expanding \$60 billion natural, organic, and sustainable consumer products industry. The Fund's focus is to provide growth capital to companies enabling them to expand distribution of their products into mainstream retailers and to reach scale to become compelling targets for strategic acquirers. The Fund has had a first close with investments in four successful portfolio companies which are leaders in their sector. The combined sales of the four companies are over \$300 million and have achieved 30+% annual growth rates over the last 3 years.