

PRESS RELEASE

**American Association of Franchisees & Dealers
P.O. Box 81887
San Diego, CA 92138-1887**

For press interviews or more information contact:

Robert L. Purvin, Jr., Chair, Board of Trustees

Phone: 800-733-9858

Fax: 619-209-3777

E-mail: benefits@AAFD.org

Internet: www.AAFD.org

FOR IMMEDIATE RELEASE

Advertising Super Bowl XLII: No Upset for Franchising!

For the 20th time in the past 21 years the percentage of Super Bowl ads purchased by franchisors dominated non-franchised enterprises. Unlike the football game that enticed the marketers, the betting favorite franchisors didn't disappoint. During Super Bowl XLII, companies engaged in franchising outspent all other combined enterprises by an estimated \$11 million dollars.

These numbers are even more dramatic when 24 FOX network promotional spots and five NFL spots are added to the mix. Both FOX and the NFL have franchised affiliates, and if the value of these 29 ads are factored in the amount balloons to \$89 million. In all 62% (82 ads) of some 131 ads that aired during the 4 hour game broadcast came from businesses engaged in franchising.

According to American Association of Franchisees and Dealers (AAFD) Chairman Robert Purvin, who launched the organization's Advertising Super Bowl survey 21 years ago, "Super Bowl advertising continues to demonstrate the power of franchising. How else can small business owners afford to share their messages with almost 100 million households at one time?"

FOX reportedly charged a record average price of \$2.7 million per 30-second spot (\$90,000 per second). The higher cost didn't seem to impact advertiser demand as FOX had reportedly sold its available inventory a week before Super Bowl XLII game day. The total number of spots played during the game earned FOX an estimated \$270 million dollars. Budweiser again led all advertisers with 9 spots, earning it exclusive rights to broadcast during the game and shutting out competitors Miller Brewing and Coors for the first time in years.

Yet for a single spot of \$2.7 million, the advertising cost for a ubiquitous franchise such as McDonalds (who aired just one ad this year) breaks down to under \$180 per store when divided between the approximate 15,000 US restaurants in the chain. "The collective marketing power among franchised businesses is formidable," adds Purvin.

After Anheuser-Busch, only six advertisers ran more than one or two commercial spots. PEPSICO was second to Budweiser, buying several minutes of ad time among its franchised soft drink brands and its non-franchised Frito-Lay brands (primarily Doritos). Ford ran several spots during the game as well during the Pregame show. General Motors, Honda and Toyota (all product franchisors) each ran three spots for various brands. Just one cooperative network, California Cheese, advertised; in the past cooperatives like Ace Hardware and the Almond Growers Association have been active, but this year they stayed away.

Business format franchisors -- those of which consumers traditionally associate with franchising -- accounted for just 11 commercials (one fewer than in 2007, but down more than 50% from prior years), including spots from McDonalds, Taco Bell, Pizza Hut, Cars.com, and regional entries (on the West Coast where the survey was conducted) from Jack-in-the-Box. The business format segment was far more active in the pre- and post-game markets.

Franchisors were even more dominate in the pre and post game markets, including a strong showing of business format franchises (who ran 29 spots out of the prime time slots, and increase of 20% from the prior year). The AAFD survey counted 135 spots during the 4 hours of programming before and after the game presentation. 82 ads were placed by franchisors compared to 53 by non-franchisors. Subtracting 20 FOX pregame promotions and a dozen political ads in advance of Super Tuesday primary elections, there were 21 more franchise related spots than non-franchised, the highest ratio in several years.

Between 2:00 p.m. and 10:00 p.m. Eastern time, consumers were 'treated' to almost 2 hours and fifteen minutes (approximately 266 thirty-second ads), 62% of which were placed by companies engaged in franchising (164 30-second spots, compared to 102 non-franchise sponsored spots). This was about the same ration as 2007.

Manufacturers led the non-franchised segment with 15 ads, with several from pharmaceuticals. Motion picture promos ballooned to 17 spots during the pregame and game periods, up significantly from last year. Nine retail businesses aired ads during the 7 hours of broadcast—this was a virtually non-existent segment the last two years.

During the game approximately 57 different companies advertised, plus three public service announcements. Bridgestone Tires sponsored the half time show, while Amp Energy Drinks (Pepsi, Salesgenie.com, Chase Bank, Chevrolet, Taco Bell, Pizza Hut, and State Farm Insurance each sponsored segments of the 4-hour pregame show. Cadillac sponsored the short post game festivities.

This year's crop of ads were less striking than past years, with no candidate seemingly destined for the Super Bowl Ad Hall of Fame, although E-Trade's infant stock trader was quite clever. Three other memorable ads were delivered by Budweiser (with a Clydesdale 'Rocky Balboa') and by Coca-Cola.

About the AAFD

The American Association of Franchisees and Dealers is the oldest and largest direct member non-profit trade association representing the interests of franchisees and independent dealer networks throughout the United States. Stressing market solutions and franchisee empowerment through independent franchisee associations, the AAFD has grown to represent more than 60,000 franchised businesses nationwide.

Formed in 1992, the AAFD is focused on market driven reform to achieve its mission to define and promote collaborative franchise cultures that the AAFD describes as Total Quality Franchising. Since its formation the AAFD has grown to represent more than 50,000 franchised businesses throughout the United States. The AAFD currently has members in all 50 states and represents more than 100 different franchise systems.

The AAFD's Fair Franchising Standards, Fair Franchising Seal, Trademark Chapters, and emphasis on Marketplace Solutions led to the Association's recognition as a growing force in franchising. The AAFD's Branded Partner programs add a new dimension to the value of AAFD membership. The AAFD provides a broad range of member services designed to help franchisees build market power, create legislative support of interest to franchisees, provide legal and financial support, and provide a wide range of general member benefits.

For more information about the conference or the AAFD, please call toll free - 800-733-9858 or visit www.AAFD.org.

Advertising Super Bowl XLII Final Game Day Stats follow:

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	2008	2007	2006	2005	2004	2003	2002	2001
Franchise-related ad totals	82	82	82	74	78	62	75	84
Beer & Liquor	9	10	11	13	10	14	13	11
Auto/Truck	17	13	12	14.5	14	7	11	17
Soft Drinks	14	9	4	6	8	5	7	7
Business Format (Fast Food)	11	12	12	9	6	10	23	8
Product Franchises (other)	46	37	38	36.5	33	0	0	5
Traditional Franchises	57	49	49	51	39	36	54	48
Network Promos	24	33	31	21	29	26	21	30
Cooperatives	1	4	1	2	3	0	0	0
Total # Franchised Brands	21	19	29		20	15	20	24
Budweiser	9	10	10	12	10	12	12	8
GM Brands	3	4						
Honda Brands	2	3						
Toyota Brands	2	4	6					
Ford	4	1	1	6				
Pepsi-Frito Lay Brands	9	8	4	6	6	4	7	5
National Football League	5	5	9	5	7	4	6	6
Non-franchise-related ad totals	49	38	38	42	38	36	44	64
Dot.Com	10	8	7	5	10	7	8	11
Investment Firms	3	5	4	0	0	3	4	15
Movies-Entertainment	10	8	10	10	10	8	12	9
Retailers	4	1	0	1	6	9	9	14
Manufacturers	15	14	10	13.5	12	7	6	6
Other	9	2	7	10.5	27	n/a	n/a	n/a
Total Non-franchised Brands	25		20	53	n/a	n/a	n/a	n/a
Carreerbuilder.com	3	3	n/a	n/a	n/a	n/a	n/a	n/a
Public Service Announcements	3	2	3	3	4	5	6	4

