



February 9, 2000

To the DSA Awards Committee:

ShapeRite faces many legal issues every day. However, rather than hiring an in-house attorney, the company has found it far more cost effective to utilize the services of Grimes & Reese. Even though we use Grimes & Reese as a resource on a *frequent* basis, the attorneys at the firm have such a thorough understanding and grasp of the legal issues facing the dietary supplement and cosmetics industries and the multilevel marketing channels of distribution, as well as the operations of our company, that they are able to respond to our questions and issues in a manner that is quick, thorough, extremely competent, and *highly* economical. For these reasons, we wholeheartedly endorse the Grimes & Reese law firm for the DSA's Partnership Award.

Our relationship with the firm began with occasional questions, but through their comprehensive understanding of our business, and their willingness and desire to assist us in all areas of our organization, it has grown into a relationship where we have almost daily contact with one or more members of the firm. Our dependence upon them has markedly increased over the years. Some highlights include:

- Spencer, Kevin and Steve are concerned with not only solving the particular legal situation at hand, but offer suggesting on growing our business.
- They are very quick to respond to our requests for assistance or information. Our relationship with them feels to be much more than "just another client."
- They proactively provide us with regular information (*at no charge!*) through their publication *SalesWatch Online*. While the topics that pertain to FDA law, consumer protection issues, and direct sales law are always relevant and useful, they also present general business topics that affect our company. We make regular use of their reports, which we find highly valuable information, as we base decisions to comply with regulatory guidelines and move our business forward.
- Several parts of our business process have on their checklist the need for legal input and review. Inevitably, and despite our best intentions to the contrary, we often present these issues to Grimes & Reese on a "need it yesterday" basis. They have always stepped up to the plate for us and made sure that we get the responses we need in a timely fashion. Therefore, Grimes and Reese always serves as the point on business processes that require legal input.

- Of particular benefit to ShapeRite has been their assistance on our company's Policies and Procedures, which govern the relationship between the distributors and the company. Grimes & Reese is our immediate point of contact when a revision or clarification is needed, and they are also a start-to-finish resource when we enforce the Policies and Procedures, including preparing cases for litigation.

As I review ShapeRite's history with Grimes & Reese, and why the company so strongly endorses them for the Partnership Award, one point repeatedly strikes me. It is simply impossible to identify a single objective on which Grimes & Reese and ShapeRite have teamed up that exemplifies a partnership between them. Rather, we have worked through *hundreds* of issues together. Some of the issues were big (such as compensation plan development, FDA compliance, and international expansion), some of the issues small (such as various day to day contracts), and some of the issues were *huge* (such as preparing and handling cases in extremely high-profile distributor discipline situations). In light of this relationship, *the partnership bond between ShapeRite and Grimes & Reese is the result of Grimes & Reese having become integrated into ShapeRite's every day business!* We rely on their input and assistance in so many different areas, and so frequently, that they are in many ways an extension of our business. They have consistently given good advice and working with them has been enjoyable! This is the essence of a partnership, and we at ShapeRite can think of no one who deserves to be recognized for this more than Spencer Reese, Kevin Grimes, and Steve Richards.

Very sincerely,



Mark Petersen  
Senior Vice President