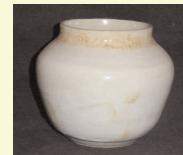


Home Furnishings Monitor™

A quantitative style-tracking tool for home furnishings marketers and product developers



Design Research Reports, Inc.
84 Franklin Corner Road
Lawrenceville, NJ 08648
609 896-1108
www.designres.com

YES! Please contact me about your Home Furnishings Monitor™ service.

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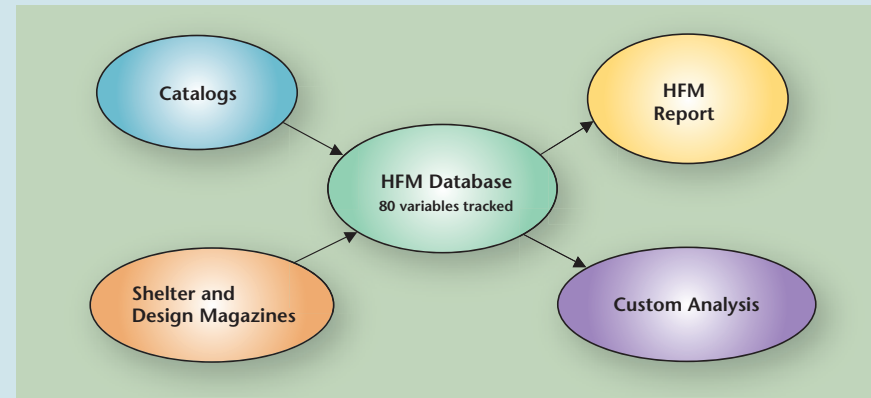
Home Furnishings Monitor™ is a service of Design Research Reports, Inc., the only custom quantitative and qualitative research firm that caters exclusively to the home goods industries. With more than 40 years of industry experience, our principals know the industry like no one else. We have spent countless hours interviewing consumers, and have extensive experience testing new products, tracking sales in upstairs categories and following consumer trends.

To learn more about HFM or about Design Research Reports, Inc., please visit our website at: www.designres.com or call 609 896-1108.

Anyone can make predictions about the direction of future product styles when there is no way to check the accuracy of those statements. But making a product decision based on hearsay can be costly in today's marketplace.



That's why Design Research developed the Home Furnishings Monitor™ (HFM), the first market research tool that quantifies style trends in the home furnishings industry. Its development is based on the premise that future product success must be predicated on a clear understanding of past and present consumer preferences.



Design Research's HFM provides marketers with factual trend information on product attributes such as colors, themes and styles, materials, brands, designer labels and prices from dozens of home furnishings catalogs and popular life style and home décor magazines.



Our growing list of publications includes magazines such as Elle Décor and Metropolitan Home and catalogs such as Pottery Barn and Crate & Barrel.

Collected data are summarized in a report that highlights trends for all variables. Custom reports allow marketers to drill down to specific product categories. The collection of specific style data in one place makes HFM a unique and time saving tool for designers and marketers who no longer have to search through many publications in order to get a balanced sense of style trends.

HFM's comprehensive database of trend information gives marketers quick access to reliable information on home furnishings style trends.



Getting the facts about the HFM database

The HFM database contains more than 12,000 product entries, and can accommodate up to 30 variables on each product. Data have been collected from magazines since 1998 and from catalogs since 2001. HFM's key variables and the number of descriptors include:

Variable	Number of different descriptors for that variable	Number of entries of this variable in database	Example of variable	Accumulated to higher reporting levels?
Product Type	3	12,281	Candleholder	Yes – 3 levels
Theme/Style	5	13,922	Americana	Yes – 3 levels
Visual Design Type	1	4,236	Stripes	No
Visual Design Weight	1	3,458	Lght/Md/Hvy	No
Material	3	18,773	Marble	Yes – 1 level
Manufacturer	1	2,157	Wedgwood	No
Designer	1	233	Vera Wang	No
Purchase Price	1	16,616	\$100	Summarized through averages and ranges
Sale Price	1	2,149	\$80	Summarized through averages and ranges
Vendor Color	8	8,742	Cadet Blue	Yes – 2 levels
HFM Color (Pantone Cross-reference #)	8	24,518	Primary Hue Blue, Cool, Light	Yes – 3 levels, plus 3 dimensions

(Data as of 3/05)

Some variables have multiple data fields to accommodate the number of descriptors. For example, the materials variable for lamps might have descriptors indicating a marble base and a crystal body.

The HFM database captures as many as eight colors in a single item. The custom developed HFM color-segmentation scheme is summarized in six dimensions:

- Primary color groups — Consists of 12 broad color groups
- Secondary color groups — Consists of 39 color groups
- Individual level colors — Consists of 282 colors
- Intensity — Vivid vs. dull colors
- Temperature — Warm vs. cool colors
- Hue — Light vs. dark colors



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