Questions Regarding AA14-GD-4898 Exclusive Beverage Rights

1) Due to the size/ scale of this RFB and to allow us the time needed to put a comprehensive response to the bid, Pepsi would like to request an extension on the RFB due date to April 18, 2014.

The RFB deadline for receipt of bids is being extended to April 10, 2014 at 3 P.M.

2) Can the question period be extended to 3/20/14? Again due to the size/ scale of this opportunity, the extension would allow us to fully clarify any questions to the RFB.

No

3) Is the University open to alternative proposals to the RFB?

We prefer that you submit a response that includes all of the required items in this RFB. You can submit an additional response that includes alternatives. All submittals will be reviewed.

4) RFB Section IX. Vending (pages 9 & 10 of RFB)

a. How many vending machines are Glass Front on campus?
   There are approximately 18 glass front machines currently.

b. How many vending machines are co-branded (UMASS & beverage company logo) today? There are approximately 10 co-branded machines. The University is not requiring co-branding on all machines but would appreciate the opportunity to co-brand on machines that have a POS window. The University does require a service call number in some format on all machines to be approved by the University.

c. How many vending machines sell cans?
   8 machines sell cans

d. UCard program, can you confirm that the university will provide the UCard readers to the winning bidder to be placed on their vending machines? Yes, readers are provided with a rental fee per month.

e. Are there any vending machines on campus with credit card readers? If so how many?
   No, there are no credit card readers on any machines.

5) RFB Section X. Pouring

a. Page 12 provides volume recap. Can you provide any details on volume declines in fountain vs. prior year? A change in students’ beverage preferences. Students preferred non-carbonated, healthier drinks.

b. Page 12 – does the fountain volume provided include juice volume?
   No
c. Page 12 – can we get a breakdown on the fountain volume by brand?
   The chart below shows the juice volume by flavor. We provided the volumes for carbonated drinks in the RFB as the cost is the same regardless of flavor.

<table>
<thead>
<tr>
<th>Description</th>
<th>Pack Size</th>
<th># of Packs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Min Maid Juice Orange Guava Passion 5+1</td>
<td>4/90oz</td>
<td>533</td>
</tr>
<tr>
<td>Min Maid Juice Lemonade Conc 6+1 Fz Tff</td>
<td>4/90oz</td>
<td>3</td>
</tr>
<tr>
<td>Min Maid Juice Orange Conc 5+1</td>
<td>4/90oz</td>
<td>1,386</td>
</tr>
<tr>
<td>Min Maid Juice Grape Conc 5+1 Fz Tff</td>
<td>4/90oz</td>
<td>480</td>
</tr>
<tr>
<td>Min Maid Juice Apple Conc 6+1 Fz Tff</td>
<td>4/90oz</td>
<td>732</td>
</tr>
<tr>
<td>Min Maid Juice Crnby Conc 4+1 Fz Tff</td>
<td>4/90oz</td>
<td>61</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td><strong>3,175</strong></td>
</tr>
</tbody>
</table>

d. Page 12, B. #1 RFB states “All equipment must be new, state of the art, and remain in that condition through the life of the contract.” Is the school requiring the winning bidder to supply all new equipment, including the incumbent?
   No. - Equipment can be in new or like new condition.

e. Can you confirm that FREE CO2 is provided by your current beverage supplier today throughout campus? Currently at no charge

6) RFB Section XI. Sale of Bottled or Canned Products
   a. Can we get a breakdown of cases sold by retail locations across campus?

   UMass can-bottle 2012-13

   18974  UOM CC BLUE WALL
   5768   UOM HAMPDEN MUNCHY
   3289   UOM WORCESTER MUNCHY
   3023   UOM DUBOIS LIBRARY CAFE
   2934   UOM HAMPSHIRE DINING HALL
   2284   UOM WHITMORE SNACK
   2280   UOM CC CATERING
   2191   UOM AUX SERVICES CONCESSION
   1681   UOM FRANKLIN MUNCHY
   1642   UOM LITTLE BERKSHIRE TWO
   1080   UOM FOLLETT BOOKSTORE #790
   661    UOM BERKSHIRE DINING HALL
   609    UOM SU HATCH
   566    UOM CATERING TRUCK
   519    UOM RECREATION CENTER
   455    UOM SOUTHWEST DELIVERY
   450    UOM UMASS FOOTBALL
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396  UOM HERTER CAFE
391  UOM WORCESTER PITA PIT
386  UOM MORRILL SCIENCE CAFE
278  UOM WORCESTER DINING
223  UOM SYLVAN AREA SNACK
130  UOM MARCUS CAFE
 92  UOM ISENBERG SCHOOL
 89  UOM ISB CAFE
 72  THOMPSON CAFE
 59  UNIVERSITY HEALTH SERVICES
 29  UOM FOLLETT TEXTBOOK ANNEX

Totals  50551

b.  Can total annual Bottle & Can case volume (24 count and 12 count cases be broken out by 20oz, 12 oz, 32 oz, liter, 24 oz, 16.9oz, 9 oz, ...Carbonated and Non-carbonated sold through retail, café, c-store/athletic outlets that fall under the RFB? Please refer to page 17 of the RFB for this information.

7) Section XII. Special Programs & Opportunities
   a.  Page 20, #8, point d. states Trademark cups.
      i.  Does the current beverage supplier provide free cups today? Are they compostable? The cups that we are currently using are branded compostable cups that we pay for. We do not currently receive any free compostable cups.
      ii.  How many cases for this past year were provided FREE of charge?
           Between July, 2012 and April, 2013, 636 cases of free product was provided.

8) Section XIII. Definitions of Exclusivity
   a.  Page 21, point B. paragraph 6 talks about markets operated by students that are excluded from the bid
      i.  Can you provide a list of those locations that are excluded by the bid?

      Current Student Operated Markets and Snack Bars:
      
      People’s Market – Student Union Building
      Greeno Sub Shop – Greenough Residence Hall
      Sylvan Snack Bar – McNamara Residence Hall, Sylvan Residential Area
      Sweets and More - Field Lounge, Orchard Hill Residential Area.
      Earth Foods - Student Union Building
9) University of Massachusetts Athletics
   a. Can you provide the inventory that the current beverage provider receives today for athletics in terms of signage, tickets, etc...?
      The inventory that the current beverage provider receives was determined 10 years ago in the 2004 RFB - and was carried over for the last 5 years. Times have changed, and we understand that marketing ROI is critical. Our plan is to work with the RFB winner to truly ‘customize’ a mutually agreed upon combination of athletic marketing assets that will best deliver on the winner’s strategic marketing objectives. Winner and Learfield Sports will mutually agree upon final inventory of athletic marketing assets.
   b. Does the $325,000 “Official Beverage Provider” investment include the inventory listed on pages 34-35 of RFB - Items A through H? Yes. As noted above in answer to 9a, the winning beverage provider will have access to any/all athletic marketing assets. The exact customized inventory combination will be mutually agreed upon between winner and Learfield Sports.
   c. RFB requests support for Official Protein Drink ($50,000). Who has those rights today?
      The last time an Exclusive Beverage Rights RFB went out, it was 2004. The protein drink category didn’t even exist in mainstream America back in 2004, but it does today. It is a huge category, and carries significant need and importance in the training regime for collegiate sports programs. Therefore, this is a brand new opportunity for the beverage providers. This is the one chance the winner will have to strategically block “Muscle Milk” and other brands in this space from locking up UMass Athletics.
      RFB requests support for the Official Protein Bar ($25,000). Who has those rights today?
      The last time an Exclusive Beverage Rights RFB went out, it was 2004. The protein bar category existed, but was very small, so no actual category ‘designation’ was awarded. Today, this is a huge, growing category with significant importance in the training regime for collegiate sports programs. Therefore, this is a brand new opportunity for the beverage providers. This is the one chance the winner will have to strategically block “Quest Nutrition” and other brands quickly expanding in this space from locking up UMass Athletics.
   d. Can you provide a list of sideline items the current beverage supplier provides the athletics each year (coolers, cups, towels, etc...)?
      The current beverage supplier provides a sufficient supply annually of: beverage jugs, cups, bottle carriers, sideline carts, and towels.

10) What is the company’s proposal for handling competitive products currently in stock when Responsibility is assumed. Please explain

   In the event that the beverage provider selected as a result of the RFB is not the current beverage vendor, the University is requesting that bidders provide a plan on how they intend to manage the competitive product the University has in stock and/or on shelves.
11) Equipment – All machines must be equipped with a mechanical non-reset meter or an electronic totalizer device. If equipped with a mechanical meter, the University may, at any time while the contract is in force, require that the meters be replaced with an electronic totalizer device. What is this device? All machines currently contain both devices, the electronic totalizer counts all of the money that is put into the machine. The University would prefer that both devices are used on all machines.