

CEO's Corner

Mission Statement: To Help Our Visitors Reach Their Health, Fitness and Appearance Goals Through Information, Motivation, and Supplementation.

Bodybuilding.com: Welcome To Harrisburg, PA!

Congratulations! In case you haven't heard, your company is about to open its third shipping location in Harrisburg, the capital city of Pennsylvania.

As you know, we currently have two warehouses; one in Boise, Idaho and one in Midway, Florida (right outside of Tallahassee). When Bodybuilding.com started, we shipped all our packages from Boise out of my garage. Boise was a great place to start our company, as it allowed us to ship packages quickly to states like Utah, California, Washington, and Oregon. But what about the rest of the country?

We knew right from the beginning that the speed of our shipments would be very important to our future success. Being able to deliver products quickly is important to all e-commerce businesses, but it is more important in our industry than many others. Our customers usually purchase a 30-day supply of their protein, creatine, vitamins and other products, and once they are out, they need more. It's not like buying a watch or something that you may buy once a year.

With this being the case, it's important for our customers to be able to find a company that they can rely on to quickly get them their products so they don't run out. If we cause a customer to run out of their protein, it can severely mess up their fitness program, which obviously is not something that will increase their loyalty to us. They will switch to one of our competitors faster than Ronnie Coleman can beat me in arm wrestling.

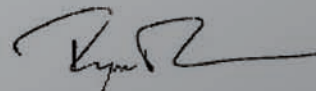
We opened our Florida shipping location back in 2001 (by the seat of our pants), and we worked hard over the next few years to make it work. We made a lot of mistakes, but looking back, I believe that taking this step allowed us to better serve our customers and build customer loyalty, which is the key to our success. With our Florida location, we could deliver our packages much more quickly to the east coast. Florida, Alabama, Georgia and surrounding states received one- to two-day service.

So what are we missing? The answer: The most densely populated area of the US. The Northeast has a huge amount of people, and it is also home to many of our online competitors. These competitors have had an advantage over us when it comes to speed of delivery to New York, Pennsylvania, New Jersey, and surrounding states.

For the last five years, we have dreamed of a shipping location in the Northeast, and in the next few months, it will finally be a reality. We will be able to ship orders to New York City in one day at ground-shipping rates. Millions of people will be within this one-day range, and many millions more will be in the two-day range, when they used to be in the three- to four-day range. For no extra charge to our customers, they will immediately begin receiving double the service.

As we all know, customer satisfaction is worthless. Customer loyalty is everything. Your company just took another big step toward helping our customers reach their health, fitness and appearance goals. This will help our company continue to grow, which provides more jobs and opportunities for everybody that is here.

Idaho, Florida, Pennsylvania... what's next? How far away is Germany or Japan from here? Hmm... sounds like we have a "new" dream. With your help, the sky's the limit!

**Company Notes****Olympia Challenge**

We are having a transformation challenge! The winner gets to work at our booth at Mr. Olympia 2008. This includes an all-expense paid trip to Las Vegas with the Bodybuilding.com Team. The lucky winner will be an integral part of this exciting event. It's a win-win situation — you will look and feel great, plus you will have a BLAST!

Fitness Program

Beginning January, 2008, we will begin the Bodybuilding.com Fitness Program. The basic premise was to create a program that rewards employees for working out and staying fit by utilizing the information and supplements available on Bodybuilding.com. The program not only motivates and rewards employees for having a fit lifestyle, but also familiarizes employees with our products and our website.

So what are the rewards? For starters, you are living a healthier lifestyle. But wait — there's more! Each employee can earn points for fitness activities and behaviors such as: going to a yoga class, eating 5 fruits and vegetables a day, spending a day without smoking, lifting weights, or going for a walk. You can also earn points just by signing up and taking a fitness assessment. The points can be redeemed for Bodybuilding.com items such as supplements, clothing, gym bags, etc. A fitness fanatic will be chosen quarterly and will receive a \$50 certificate for the Select-Your-Gift catalog. More points and prizes are awarded the longer you stay in the program.

So how do you start? Exact details on how the program works will be distributed January 4th. Read through these and call or e-mail Staci McCulloch (208-246-8253) if you have any questions.

W-2 Information

- The Human Resources Department will be mailing out your W-2 documents by January 31, 2008. Please double-check the following information on your current paycheck for accuracy:
 - Correct spelling of your name
 - Verify Social Security number
 - Verify address

Happy Birthday!

Roderick Zanders	1/4
Scott Wilmonen	1/16
Mike McCabe	1/17
Colin Eggleston	1/21
Eddie Farlin	1/23
Greg Grimaldo	1/25
Johnny Walker	1/26
Jennifer Cruz	1/27
Jeremy Summerlin	1/28
Melanie Harris	1/29

January MVPs

Crystal Burgess / Sarah Bennett



Crystal Burgess has been with Bodybuilding.com for four years and has been our Receiving Manager for one year. Her job includes overseeing 9 employees and all inventory received. She is also responsible for accurate counts of the inventory. Crystal played a huge part in designing the floor plan and layout of the new warehouse. Crystal is very experienced in our products and their locations. When she is at her desk, that area is definitely the "information station." Crystal is a dedicated employee and a huge-hearted manager.

Sarah Bennett has been with Bodybuilding.com for three years. She started out scanning, and within a year was our #1 scanner, scanning the most orders with the fewest mistakes. Sarah moved into receiving where, for a while, it was Sarah and Crystal doing all the receiving. She then moved to returns, and has since become our Returns and Receiving Specialist. She is responsible for slotting all new products, contacting vendors, and managing the warehouse DOE report.

We have two MVPs this month, but they work together as one. That was apparent during our recent warehouse move from Steelhead to Vandal Way. Aggressive goals accomplished!

Crystal and Sarah spent endless nights and long hours together preparing a plan that would separate them until moving day. Crystal would be at the Vandal Way location meeting with contractors and working with her team to prepare for the incoming product from the Steelhead warehouse. Sarah was at Steelhead Way where she organized and delegated a plan to get all products labeled, boxed, palletized and ready to move to the new location.

Both of these women did an excellent job orchestrating and executing plans to reach their goals. Thanks ladies!

Nominated Department MVP's

FL Warehouse	Cotennie Sailor
Web Supersite	Scott Wilmonen
Marketing	Jamie Whinery
ID Warehouse	Jim Vissotski, Bill Baldry
Customer Service	Matt Halcomb
Finance	Staci McCulloch

Department MVP's are awarded with a \$5 lunch gift certificate to an area restaurant.

Department Spotlight: Video Team

Department Mission:

Our mission is to provide information and motivation to help people achieve their fitness goals through quality audio-visual content.

Facts/Stats:

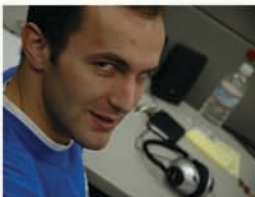
- 2 employees
- Disk Space: 5 Terabytes (That's more storage space than 1000 DVDs!)
- Programs Used: Adobe Premiere Pro, Adobe After Effects, Adobe Photoshop, Apple Final Cut Pro, Apple Motion, Autodesk 3ds Max, Soundtrack Pro, Final Draft, Final Draft AV
- Tasks include writing, storyboarding, directing, lighting, cinematography, photography, motion graphics, 3D animation, editing, color correction, music, sound effects, formatting, and exporting around 21 video shows with over 100 total episodes
- Hundreds of exercise video demonstrations, product video demonstrations, product commercials, contest video clips, and article videos

Department Employees:



Tyler Williams Video Production

Tyler is self-taught in several non-linear video editing programs on both the PC and Mac. His specialty is Apple Final Cut Pro. He also enjoys the art of cinematography. His first job in the film industry was as a production assistant for the film Sin City. Tyler enjoys making music videos for local bands in his spare time.



Craig Roberts Video Production

After getting his Bachelor's Degree in Finance and Economics from Utah State University, Craig went back to school at ITT Technical Institute to study multimedia. He specializes in 3D animation using Autodesk 3DS Max. Craig was actually turned down for the first job he applied for at Bodybuilding.com as a graphic designer. He tried again after almost two years of school and working at KTRV Fox 12 to get hired on to the growing video department.

Other Bragging Rights:

We helped create the first-ever video series following the pros through their contest prep for the 2007 Olympia. Special guests included Olympia champions Ronnie Coleman, Jay Cutler, and Adela Garcia.



Promote Bodybuilding.com ANYWHERE!

So, besides handing out business cards and telling your friends and grandma about Bodybuilding.com, how else can you "spread the word"? You'd be surprised all the different places and situations where your place of employment will come up. Recently, Sarah Jones was in a car accident (don't worry, no serious damage). While waiting for the police officer to arrive at the scene, the other person involved in the accident noticed the Bodybuilding.com decal on her back windshield. This prompted a conversation, and now he's emailing her, asking about fat-loss products! So keep in mind that staying fit and healthy can be appropriate anywhere.

Kind words from our customers



Employment Anniversaries

Thank you for your continued hard work and loyalty to Bodybuilding.com!!!

- o Stephen Diggs ID Warehouse 1 Year
- o Kelly Householder Web Development 1 Year
- o Eric Davis Web Store 2 Years
- o Josh Robertson ID Warehouse 3 Years
- o Greg Grimaldo ID Warehouse 3 Years
- o Andy Kazmaier IT 3 Years

Changing Faces

A warm welcome to our Newest Employees!!

- o Brian Crawford Product Order Specialist—ID Warehouse
- o Ronda Hammermeister Product Order Specialist—ID Warehouse
- o Bo Perkins Customer Service Representative
- o Chelsey Hill Customer Service Representative
- o Amy Gratiot Customer Service Representative

This Month's Book Program Beneficiaries

- o Alicia Lease
 - "Lipservice"
- o Brandi Eller
 - "Good To Great"
 - "Perfect Phrases"
 - "Tales To Knock Your Socks Off Service"
- o Debra Olive
 - "151 Ways To Get New Customers"
- o Erin Hogue
 - "The Janitor"
- o Jamie Towle
 - "Customer Service For Dummies"
- o Jason MacFarlane
 - "The Power of a Positive NO"
- o Jeran Dahlquist
 - "BrandSimple"
 - "Zag"
- o Matt Biss
 - "How To Win Friends & Influence People"
 - "I Am America (and so can you)"
 - "Anabolics 2006"
- o Melanie Harris
 - "Who Moved My Cheese?"
- o Scott Wohlrab
 - "Built To Last"
 - "Attitude Is Everything"
 - "Execution, The Discipline of Getting Things Done"
 - "Communicating Effectively"
- o Eric Davis
 - "Don't Make Me Think"
- o Anthony Martin
 - "Zig Ziggers"

I started working out heavily and on a regular basis about a year and a half ago. I went from 145 to 175. The thing that impresses me the most is that after I put on that weight, I ran into somebody that has known me since I was born and they didn't even recognize me! When I went to talk to them, the first thing out of their mouth was "You've put on weight, and GOOD weight". That's right, no fat here just straight muscle.

Bodybuilding.com is AWESOME. Your prices are great, selection is amazing, and shipping is out of this world. I have had some people ask me what I take and where I got it, and the first thing I tell them is go to Bodybuilding.com. I tell them all about your site, and how awesome it is.

Keep up the good work!
Thank You,
Marquis Lamp