

August 19, 2007

*(**8/22/2007 – Record for Blue N' Pals Pet Care corrected in table of market data for 30-minute in-home pet sitting visits.**)*

Dear Placid Pet Customer:

Thank you choosing The Placid Pet, Inc. for your pet care needs during the last 12-months.

September 1, 2007 marks the beginning of our second year in business. We'd like to take this opportunity to briefly report on the last year, as well as tell you about some changes and enhancements that go into effect September 1, 2007.

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Sept 1, 2006 - August 31, 2007 – Highlights

Due to the continued support of customers, like you, The Placid Pet enjoyed a strong Rookie Year:

- Number of clients (households) served: 125
- % of customers who hired us more than once: 60%
- Busiest months: November, December, April and July

Placid Pet, Inc. was developed as, and continues to be, an organization that believes in being a part of the community. Some other facts from the last year that we're quite proud of:

- Donations to WHS: \$500
- Donations to AHS: \$450 (to help pay for a life-saving surgery and signage for Dog Education Day)
- Gift Baskets Donated for Charitable Auctions: 3 (Lydia Place, WHS)
- Number of AHS adoptions case managed by Bobbie Ruth: 12 (with 1 adoption pending)
- www.gratefuldogs.org – The official Web site for The Grateful Dogs Off-Leash Association of Bellingham, WA is funded, designed, developed and maintained by Placid Pet staff
- The Placid Pet participated in Blaine's Old Fashioned 4th of July Parade; read our press release and see pictures of the float at www.placidpets.com
- Member of Sustainable Connections (www.sustainableconnections.org)
- Upcoming Event: Booth at Dog Days of Summer 2007 (Sunday Sept 2, 10AM to 3 PM).

Please stop by The Placid Pet booth at Dog Days of Summer 2007 to receive your customer appreciation gift -- a limited edition "MY PET IS A PLACID PET" mug with a unique Placid Pet/Dog Days of Summer logo drawn by graphic artist Les Campbell. Stop by early before we run out! We'll also be selling T-shirts and baseball caps.

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September 1, 2007 – Changes & Enhancements

September 1, 2007 marks the beginning of our second full year in business, and we'd like to take this opportunity to announce some changes and enhancements:

Fee schedule changes: Starting 9/1, the following rates will go into effect:

SERVICE	BASE RATE*
Meet-And-Greet (30 minutes)	\$20
Travel / Add'l Per Minute Driving Fee*:	\$0.22/min
Pet Sitting	
30 Minutes	\$20
45 Minutes	\$24
60 Minutes	\$28
Overnight (Dinner Visit + 9PM to 7AM)	\$65
Bed-time Visit (5-15 min)	\$15
Dog Walking	
30 Minutes	\$20
45 Minutes	\$24
60 Minutes	\$28
90 Minutes	\$40
Langley Home - Small Caged Animals	\$18/night
Pet Sitter Supply Shopping (30 min)	\$20
Pet Transportation (30 min)	\$20
Dog's Day Out! Service	\$35
Key Pick-Up or Return	\$15

**The BASE RATE for services includes 20 minutes of driving time (round-trip) from the pet sitters "home base" to your home. New travel fee example: Monday through Friday, pet sitter Courtney Waites will be attending Whatcom Community College (WCC) studying Veterinary Medicine. Courtney's "home base" on days she attends school, and during regular working hours (8AM-5PM), would be WCC (and not her home in Custer). If Courtney was your regular dog walker, and you lived in Bellingham, and according to <http://maps.google.com> WCC is only 10 minutes from your home, then you would not be charged an additional travel fee.*

Over Night Pet Sitting Clients: If you have already scheduled an overnight pet sitting visit for September or October, then the old Overnight Pet Sitting Fee (\$46) will still apply. (We know that it's difficult to find and establish a relationship with a new overnight pet sitter with only a few week's notice.) However, mid-day visits would be subject to the new rates. As of November 1, the new fee schedule will apply for overnight pet sitting, even for visits already scheduled. If you choose to cancel a previously scheduled service, please do so as soon as possible.

Why did we change our rates? Two reasons: a much needed market pricing adjustment, and the ability to attract and retain really good staff members. Let us explain...

Bellingham's rates for professional in-home pet care are currently significantly below rates charged in other parts of the nation and even other parts of the Northwest. How do we know? Over the last few months, we have begun collecting data for a "pet" project called PetCareRates.com with the goal of being able to provide professional pet care providers and those seeking professional pet care an analysis of rates in their area. (PetCareRates.com is scheduled to be up and running, with reports available for review, by the end of 2007.)

Looking at two benchmarks: **30 minute pet sitting** and **overnight pet sitting**, the results are remarkable. Here is an extract of data recently collected from pet sitters in Washington State who are also members of Pet Sitters International (PSI) – yep, that’s us at the top (cheapest end) of the list for a 30 minute visit. Note that the current average for the following pet sitters in WA is *over* \$20 (our new rate).

Company	Web Site	30 Min
The Placid Pet, Inc.	www.placidpets.com	\$15.00
ABCD Pet Sitting	http://abcdpets.com	\$15.00
It's A Dog's Life Pet Services	http://www.dogslifepetsit.com	\$15.00
2 Dogs & A Cat	http://www.2dogsandacat.net	\$16.00
Le Pouf Luxury Pet Care	http://www.lepouf.com	\$16.00
Walkin' The Dogs & Pet Services	http://walkinthedogs.com	\$16.00
Kelly's Creature Comforts	http://www.kellyscreaturecomforts.com	\$16.00
StallMaids, LLC	http://www.stallmaids.com	\$16.95
Pet Sitting by Lisa	http://petsettingbylisa.homestead.com/petsitting1.html	\$17.00
Little Wet Noses Pet Sitting	http://www.littlewetnoses.com	\$17.00
Janice's Critter Care	http://www.janicescrittercare.com	\$18.00
Petropolis	http://petropolis-seattle.com	\$18.00
Salty Dog Pet Services	http://www.saltydogpetservices.com	\$18.00
AlderWoof Pet Services	http://www.alderwoof.com	\$18.00
Mark's Pet Pals	http://www.markspetpals.com	\$18.00
Cloud Nine Canine Care, LLC	http://www.cloudninecanine.com	\$18.00
LuvPetsLife.Com	http://www.luvpetslife.com	\$20.00
Creekside Critter Care, LLC	http://www.creeksidecrittercare.com	\$20.00
PAWSitive Outings	http://www.pawsitiveoutings.com	\$20.00
O Happy Dog	http://www.ohappydog.com	\$20.00
Donna's Pet Care	http://www.donnaspetscare.com	\$20.00
Off the Front Porch Pet Services	http://www.offthefrontporchpet.com	\$20.00
PugetPets	http://www.pugetpets.com	\$20.00
Dawg Day Afternoon	http://www.ddafternoon.com	\$20.00
Bright Eyes Pet Companion Services	http://www.brighteyespets.com	\$20.00
Blue n' Pals Pet Care	http://www.bluenpals.com/	\$21.00
Home Turf Pet Sitting, LLC	http://www.hometurfpets.com	\$21.00
Lucky's Affordable Pet Services	http://www.luckypetservice.com	\$22.00
Bristol's Buddies	http://www.bristolsbuddies.com	\$22.00
Tabby Taxi - The Pet Concierge	http://www.tabbytaxi.com	\$24.00
City Kitty Cat-Sitting LLC	http://www.citykittycatsitting.com	\$24.00
Case by Case Pet Services	http://www.casebycasepetservices.com	\$25.00
Alligators to Zebras Pet Sitting	http://www.alligatorstozebras.org	\$25.00
Northwest Pet Companion	http://www.nwpetcompanion.com	\$25.00
Personal Pet Care Services	http://www.ppcspetsitting.com	\$25.00
PPSS Pet Sitting	http://ppsspetsitting.com	\$25.00
Rain or Shine Pet Care	http://www.rainorshinepetcare.net	\$25.00
Urban Dog Walker	http://www.urbandogwalker.com	\$25.00
Dog-gon' Urban	http://www.doggonurban.com	\$30.00
Happy Puppy	http://sitekreator.com/happypuppy/1.html	\$30.00
	Average:	\$20.41

So what about overnight pet sitting fees? Well, here is an extract of pet sitters in WA state:

Company	Web Site	Overnight
Pet Vacations, Inc.	http://www.petvacations.net	\$30.00
Happy Puppy	http://sitekreator.com/happypuppy/1.html	\$40.00
2 Dogs & A Cat	http://www.2dogsandacat.net	\$40.00
Le Pouf Luxury Pet Care	http://www.lepouf.com	\$40.00
Petropolis	http://petropolis-seattle.com	\$40.00
Teacher's Pet Dog Boarding and Walking	http://www.teacherspetdogboarding.com	\$40.00
The Placid Pet, Inc.	www.placidpets.com	\$46.00
Jennifer Osborn	http://home.comcast.net/~osbornfamilyfarm	\$50.00
Walkin' The Dogs & Pet Services	http://walkinthedogs.com	\$50.00
Case by Case Pet Services	http://www.casebypetservices.com	\$50.00
StallMaids, LLC	http://www.stallmaids.com	\$55.95
ABCD Pet Sitting	http://abcdpets.com	\$60.00
AlderWoof Pet Services	http://www.alderwoof.com	\$60.00
O Happy Dog	http://www.ohappydog.com	\$60.00
What Up Dawg?		\$60.00
Fantastic Dog & Cat Sitting Services	http://www.fantasticdogandcatsitting.com	\$60.00
Dotty's Pet Sitting Service	http://www.dottyspetsitting.com	\$65.00
PugetPets	http://www.pugetpets.com	\$65.00
Dawg Day Afternoon	http://www.ddafternoon.com	\$65.00
Tabby Taxi - The Pet Concierge	http://www.tabbytaxi.com	\$65.00
City Kitty Cat-Sitting LLC	http://www.citykittycatsitting.com	\$65.00
El Gato Alegre	http://www.elgatoalegre.com	\$70.00
Blue N' Pals Pet Care	http://www.bluenpals.com	\$70.00
Off the Front Porch Pet Services	http://www.offthefrontporchpet.com	\$75.00
	Average:	\$55.08

And a few random selections from other areas of the country:

Company	Location	Overnight
Case by Case	Seattle, WA	\$80
Buckhead	Atlanta, GA	\$75
Park Cities Pet Sitters Inc	Dallas, TX	\$75 - \$85
Petaholics	New York, NY	\$70 (\$30 per extra dog)

These are certainly not the highest rates we've seen. East coast (and not necessarily Manhattan, NY) basic overnight pet sitting can climb as high as \$129. And it's important to note that many of the prices above are for services provided from 9PM to 7 AM – the dinner time visit is extra!

Also worth mentioning: There has been little to no distinction in price in the Bellingham area between pet sitters who are licensed, bonded and insured and those who are not. We have heard, more than once, from a new client that they were "shocked" that our prices were the same as other pet sitters who were not "above board." Frankly, we simply don't understand why other professional/licensed/bonded/insured pet sitters in the area have allowed rates to stagnate over the last few years. We also don't understand how in this day-and-age of identity theft that anyone would risk hiring a pet sitter who was not licensed/bonded/insured and who required criminal background checks for staff members.

The Placid Pet provides high quality, professional, pet sitting and dog walking service, and we strive to get better all the time. To our knowledge, no other pet sitter in the area comes close to providing the detailed checklists

that the Placid Pet provides, nor do they spend the time and money to run extensive criminal background checks on staff members, encourage and fund continuing education, or make a commitment to “give back” to pet rescue organizations like we do.

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Other changes/enhancements:

Web Based Scheduling System: We are currently in the process of migrating to a secure on-line scheduling system that will allow you – the client – to make reservations on-line and review your pet sitting or dog walking schedule at any time. More information will be sent once the migration of data is complete.

Professional Trainer For Dog Walking Clients: Placid Pet staff members recently trained with a local professional/certified dog trainer on how to deal with dogs who have a tendency to pull on their leash. We wanted to learn what we could do to make the experience of walking with challenging clients more enjoyable for us and the dog. Barb Kennedy has been kind enough to make herself available to Placid Pet staff for one-on-one consultation. This is a service that the Placid Pet would pay for – we consider it continuing education for our staff, but the benefit for our regular dog walking clients should be obvious.

Pet Sitting Contract: Existing and new clients will be asked to sign a standard (widely used) professional pet sitting contract starting 9/1.

Cancellation Fee Schedule (For Pet Sitting Clients): We have chosen not to implement a cancellation fee schedule at this time. We kindly ask for as much advance notice as possible.

Holiday Surcharge: The new holiday surcharge is 50%. See www.placidpets.com for a list of holidays.

Renewed Commitment to WHS & AHS: We have renewed our commitment to make a monthly contribution to WHS, and have added AHS to this benefit as well. From September 1, 2007 through August 31, 2008, 1% of monthly gross receipts will be donated to each organization.

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Thank you, once again, for taking a chance on The Placid Pet. We hope you will continue to give us the opportunity to care for your pets in 2007-2008.

Regards,

Bobbie Ruth Langley
President
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www.placidpets.com