On May 2nd Build-A-Bear-Workshop (BBW) announced earnings which far exceeded consensus analyst expectations. BBW traded up about 30% for the day. BrandLoyalties.com, an independent research data provider to institutional investors, correctly anticipated this positive surprise. Using only online consumer-tracking data, the trend data provided by BrandLoyalties.com metrics clearly showed accelerating interest in February, resulting in a "Buy" signal to their clients on March 11th and a "Strong Buy" on April 2nd. The improving customer loyalty can be clearly seen in the April 30th BrandLoyalties.com chart of Build-A-Bear-Workshop Corporation's brand loyalty rankings:

![BBW (Build-A-Bear Workshop, Inc.) BrandLoyalties.com Rankings and Correlations](image-url)

To learn more about BrandLoyalties.com's research and services, or for a quick demo presentation or trial subscription, please contact Tony Seker (simply reply to this e-mail or e-mail him at Tony@BrandLoyalties.com).

How Does BrandLoyalties.com Do This?
They track over 100 million daily online consumer choices and identify which equities are likely to be impacted (positively or negatively) by changing consumer sentiment in those brands. The key criteria for coverage include a significant online presence for the brand names of those equities (called the brand name's web "luminosity") and a reasonably strong link between on-line brand name citations and consequential revenue for the corporation (referred to as the "signal relevance" for that corporation's brand names).

**BrandLoyalties.com** uses a proprietary algorithm to determine the velocity of change in consumer brand loyalty ranking the 500+ stocks on this measure from top to bottom each day. Signals derived from this analysis are generated well before earnings announcements and generally before guidance are provided. Each equity exhibits a unique lag time between when a signal is generated from the online data and subsequent price movement in the stock. The 'best fit' lag times are also provided to clients for each security in order to help optimize their buy or sell decisions.

The firm provides institutional subscribers with their unique proprietary metrics. This data helps investors easily identify those stocks exhibiting the characteristics of winners or losers. Clients may also choose to opt-in for daily email alerts which highlight the equities exhibiting the most significant trends. While investors are naturally interested in identifying equities with growing brand loyalty, users may also mitigate risk in existing portfolios by monitoring or avoiding stocks which display fading customer loyalty.

**How Have BrandLoyalties.com Signals Performed?**

A simple long-only "proof-of-concept" portfolio consisting solely of the top 10% of these 500+ ranked stocks would have produced an average annual ROI over the past 7 full calendar years in excess of 25% as compared to the S&P 500's 3.33%. (Results from over 1,500 one-year Monte Carlo portfolio simulations covering January 2006 through December 2012, each portfolio blindly chosen on only brand loyalty rankings, then equally-weighted and reallocated when composition of the top 10% changes.)

It is highly likely that **BrandLoyalties.com** clients have experienced even greater alpha when they overlaid their own internal fundamental or quantitative research on top of the simple brand loyalty metrics used in the proof-of-concept portfolios.