

ValueLabs helps Snapfish Reach 9 Million On-line Photo Service Consumers

Atlanta - September 08, 2004

ValueLabs, Inc. a US Based BPO and Software Services company announced today that it recently surpassed five years of providing outsourcing services to Snapfish, the leading online photo services company. In the same five years, Snapfish has grown exponentially to reach nine million users and continues to grow at a record-breaking pace.

ValueLabs provides Software Development, QA & Customer Support with its powerful offshore delivery model, acting as an extended engineering and support arm for Snapfish.

"The fundamental value proposition that Snapfish provides to our customers is everyday low prices for a high quality product. ValueLabs helps us offer that proposition by providing excellent work at highly competitive prices that keep our cost structure down", said Bala Parthasarathy, CTO and co-founder, Snapfish. Recently, Media Metrix, an Internet measurement firm, noted a 25-30 percent increase in web traffic to Snapfish.com from the previous year. "This translated into a significant growth in the volume of emails handled daily by ValueLabs, with response times at four hours or less," said Parthasarathy.

The trends look favorably on Snapfish and promises to continue to keep those at ValueLabs busy. IDC estimated recent year-to-year growth of 300% in the number of online photo print processing, growing to 2 billion by 2007. - haven't seen stats this aggressive; be sure to have back-up. InfoTrends Research Group says 33% of U.S. households will own a digital camera by the end of 2004 - pretty sure 33% was as of end of 2003.

A part of Snapfish's growth since 1999, ValueLabs (with offshore facilities in Hyderabad, India) has provided Snapfish with outsourcing services such as Customer Support, Software Development and QA services. And ValueLabs has grown alongside Snapfish. Indeed, the market for outsourcing via Indian IT services is predicted to grow at least 30% during 2004 and for business process outsourcing (BPO) to grow by at least 60 percent during 2004, according to Forrester Research's Giga Research.

"ValueLabs has played an integral role in our success. They have a well defined process for offshore development, web maintenance and QA, which has been extremely beneficial in seamlessly integrating the Snapfish team with the ValueLabs team," noted the Snapfish CTO.

"In the process, ValueLabs achieved the same quality and productivity ratings of the service center in the USA in less than 6 months. So, no longer is it just about making it seamless to the customer. It's now about improving customer service with outsourcing's inherent benefit of just in time staffing, so

that clients can invest savings realized and revenues gained from increased efficiency back into the business to enhance products and services," said Arjun Rao, CEO, ValueLabs.

About ValueLabs, Inc.

ValueLabs, Inc. is a US based corporation headquartered in Atlanta, Georgia with additional facilities in Kuala Lumpur, Malaysia and Hyderabad, India. ValueLabs goal is to add superior value to their customer's core business by combining their service offerings in the areas of Business Process Outsourcing (BPO), Software Development and QA services.

ValueLabs, Inc. has been highly successful in providing its clients with a sophisticated way of integrating global resources, which gives clients the ability to increase quality and performance at a significantly lower cost. ValueLabs provides their clients with a world-class delivery mechanism by combining highly skilled people, technology, information systems and personalized attention, all working together in perfect sync. Their core competency is in establishing a strategic partnership with clients, built on demonstrated performance, trust, and cost savings. ValueLabs strongly believes that success comes with a proactive and personalized attention to our client's needs. They nurture a strong sense of discipline and ethics in their team as the means to providing this commitment.

With nearly 500 highly skilled engineers and BPO professionals, ValueLabs is the proud recipient of the coveted "Best India SME" award presented by the President of NASSCOM, Mr. Kiran Karnik. ValueLabs is an ISO 9001:2000 company, currently finalizing our CMM Level 5 certification.

About Snapfish

Snapfish is the leading online photo service, with over 9 million members and more than 250 million unique photos online. Snapfish enables film, digital camera and camera phone owners to share, print and store their most important photo memories at the lowest prices - online or off. Digital camera and camera phone users upload photos into a password-protected online album they can use to edit, share and store their photos for free, in addition to ordering film-quality prints, on Kodak paper, for just 19¢ everyday, or as low as 15¢ with their prepaid plans. Customers sending film to Snapfish get a full set of prints on Kodak paper, plus online sharing and storage, for just \$2.99 per roll. Snapfish also received the 2003 Rising Star Webby Award as the site demonstrating the fastest growth on the Internet, as measured by Nielsen//NetRatings. Additional information is available at www.snapfish.com.