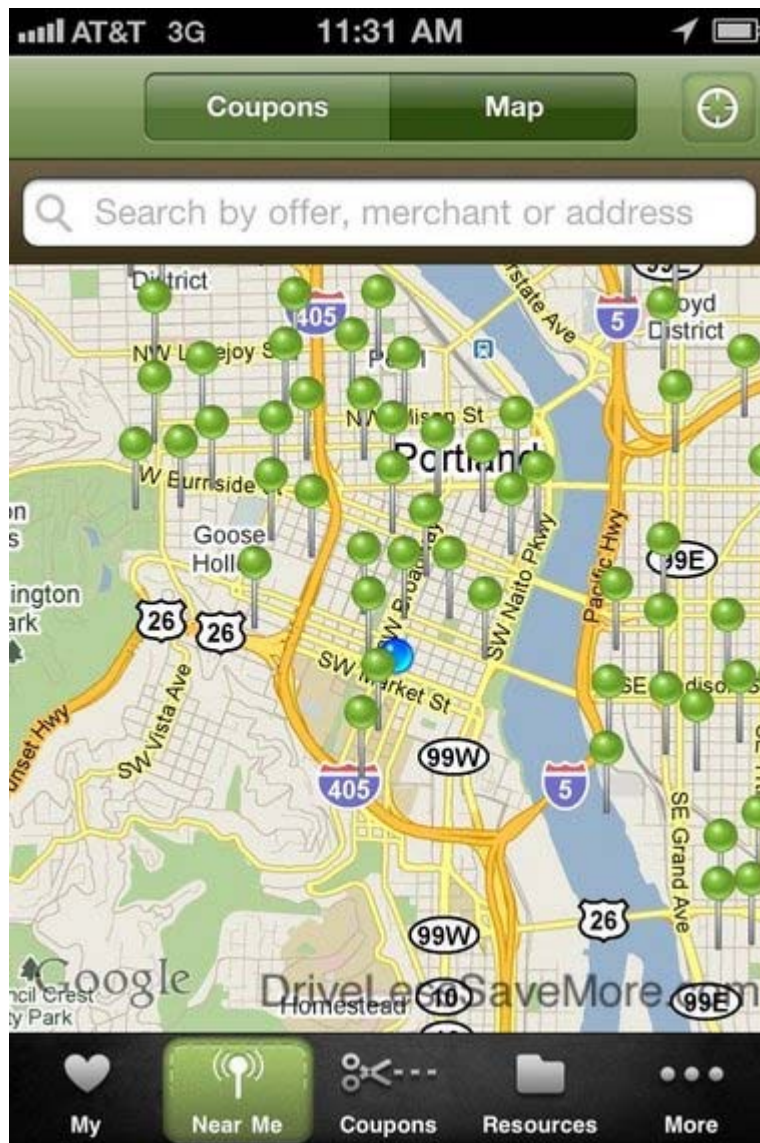


**OregonLive.com**

Everything Oregon

Chinook Book adapts its coupons for the iPhone

Published: Monday, October 04, 2010, 6:08 AM Updated: Monday, October 04, 2010, 7:20 AM

**Mike Rogoway, The Oregonian**

The Chinook Book app displays coupons valid at nearby merchants.

It's the Chinook Book, without the book.

The popular coupon collection, peddled as a fundraiser by schools and nonprofits across the Northwest, has just launched an iPhone app as it adapts its old school business model to a new era.

Electronic coupons have opened new frontiers for consumers and merchants. They also invite new questions as

businesses try to adapt tried-and-true marketing technique to a new technology.

Chinook Book's app uses the iPhone's mapping tools to point out coupons that can be redeemed at nearby merchants. It's easy to search for specific categories (garden stores, for example). And since it's on the phone, customers are less likely to forget it at home.

But Chinook Book didn't want to change its basic business model, which allows each coupon to be redeemed just once.

So it worked with Small Society, a nationally known iPhone app developer in Portland, to produce a coupon that expires when you redeem it.

Other online coupon providers, notably Groupon, put coupons on mobile phones. To redeem a coupon, and prevent it from being used again, users show their phone to the cashier and press a button on the screen that invalidates the coupon.

When customers redeem a Chinook Book coupon, tiny images of people pop up on the screen and then sway gently. The motion indicates it's a valid coupon, not a screen shot.

But will cashiers know what they're seeing, and recognize a coupon on a mobile phone

"There is always a learning curve when we have as many customers as we have, as many restaurants as we have," said Michele Mather, marketing manager for Burgerville, which has a free milkshake coupon -- good at 40 restaurants -- in the Chinook Book.

But she said the Vancouver-based chain is eager to try mobile coupons, and hopeful they could help it reach more customers.



Chinook Book coupons are valid for one use only. When customers redeem one from the iPhone app, they're instructed to show the redemption screen to the cashier. The people at the bottom of the screen move to demonstrate it's the actual app, not a screen shot. Afterward, the coupon is invalid.

"It's great that they figured out a way for this to work," she said.

Chinook Book is run by a company called Celilo Group Media, owned by company president Nik Blosser and private investors.

Those backers include Blosser's mother, Susan Sokol Blosser, founder of the Sokol Blosser winery in Dayton. Other investors include the Oregon Angel Fund.

Celilo raised an additional \$645,000 to fund its mobile app, led by Sustainability Investment Funds in Portland.

The mobile app costs \$16 by itself, or comes free with the purchase of the \$20 print version. It includes 275 coupons, but excludes about 90 grocery coupons that are print version exclusives.

Celilo also markets coupon books in Seattle, Denver, the Bay Area, and the Twin Cities in Minnesota.

For now, though, the mobile app is available only for the Portland and Seattle editions. Celilo hopes to expand next year, and add an app for other mobile phones, too, after it gauges the response from retailers and shoppers.

"It's a brand-new behavior, certainly," Blosser said. "It's going to be interesting for the next couple weeks."

-- **Mike Rogoway**; twitter: **@rogoway**

© 2010 OregonLive.com. All rights reserved.