

News Release

For Immediate Release

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Enterprise Data Management Announces VMI Feasibility Service

- New Service analyzes business environment and defines potential VMI benefits

Cincinnati, Ohio, September 9, 2004 – Enterprise Data Management (EDM) today announced a new *Vendor Managed Inventory Feasibility Service*. Through this fee based service, EDM will use their extensive Vendor Managed Inventory (VMI) industry experience to help companies analyze their specific business environments to determine the feasibility and potential benefits of implementing VMI with their trading partners. Many companies are evaluating VMI as VMI gains widespread acceptance across a variety of industries.

Carl Hall, president of EDM, states, “VMI has delivered significant business benefit to many suppliers and their customers. However, VMI isn’t for everyone. The decision to move forward with VMI can be difficult for companies that do not have VMI experience or their experience is limited to one or two trading partners. Our new VMI Feasibility Service is the perfect tool for those companies that need to gain a better picture of the potential benefits of VMI prior to making a substantial VMI commitment.”

With VMI, suppliers benefit from smoother demand and consistent orders while customers benefit from reduced administration costs and the elimination of any need to place, manage or follow-up on orders. Lower inventories, better in-stock positions and increased sales are the three biggest benefits associated with VMI.

EDM’s VMI Feasibility Service is comprised of four major steps:

- 1) **Goal and Objective Definition** - EDM business and technology experts help define realistic VMI goals and objectives.
- 2) **Operational Analysis** - During this step, EDM works with the organization to assess their readiness for VMI. This step includes an analysis of operational areas such as: order fill rates, on-time performance, inventory turnover, demand variability, data validity and timeliness, and sales volume. A review of current business practices such as volume purchase agreements, minimum order parameters, and sales/purchasing compensation is also conducted at this time.
- 3) **Trading Partner Analysis** - At this point, EDM works with one of the company’s trading partners to assess their ability to support VMI. Parameters analyzed in the Operational Analysis will also be discussed and reviewed with the trading partner.
- 4) **VMI Feasibility Report** - Given the information acquired in the first three steps, EDM will provide a report that documents the potential VMI benefits for both the supplier and their trading partners. Metrics derived from over 500 VMI trading relationships will be used to estimate these potential benefits. EDM will also identify critical factors in the VMI relationship and business practices that could have a significant impact on the results.

About EDM and Datalliance

Enterprise Data Management is an Application Services Provider with over 10 years of experience designing, developing and executing mission critical supply chain systems for Fortune 500 companies. As a result of our extensive industry and technology experience, EDM has developed Datalliance, a comprehensive VMI-based e-commerce service. Datalliance enables suppliers and their customers to establish effective VMI relationships quickly and easily as well as facilitating collaboration across the Internet. Datalliance customers include companies such as: Rockwell Automation, Goodyear Tire and Rubber Company, ArvinMeritor and Chicago Rawhide. For more information about Datalliance and VMI, please visit: www.datalliance.net.