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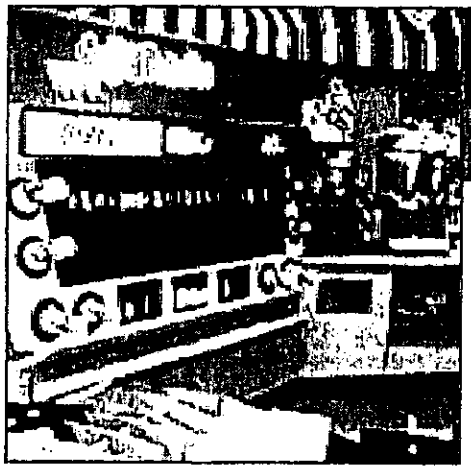
L. I. LARKIN

C-StoreMatrix™

Supplier Preview



The Intelligent Marketplace

NACS®

i2

Pointofsale

INTELLIGENT eBUSINESS SOLUTIONS

Partners in C-StoreMatrix

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Agenda

- Introduction
- Today's Objectives
- What is C-StoreMatrix?
- Value Propositions
- Participation

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C-StoreMatrix™

Introduction

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Introduction

Today's presenters

- Teri Richman.....NACS
- Tom Rhoads.....i2
- Jack Finney.....Point of Sale
- Michael Davis..... C-StoreMatrix

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C-StoreMatrix™

Today's Objectives

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Today's Objectives

- Communicate C-StoreMatrix and Value Propositions for participants
- On board suppliers as early adopter participants
- Explore interest level in an equity position

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What is C-StoreMatrix?

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What is C-StoreMatrix?

Buffalo Springfield:

"There's something happening here, though what it is ain't exactly clear."

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Brief History...

- NACS
- i2
- Point of Sale Ltd.
- ...and your industry experience

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NACS

- Standards
- C-Store Central
- Industry Focus Groups
- Future Study
- E-Commerce Strategy

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i2

- Recognized as a proven B2B leader
- Proven supply chain expertise and leadership
- Technology solutions focus on adding VALUE
- TradeMatrix platform and services
- Partnership strategy
- Currently building more than 90 e-Marketplaces

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C-StoreMatrix Supplier Preview

Point of Sale Ltd.

- 18 years retail automation expertise
  - Supermarkets
  - Convenience Stores
  - Restaurants
- ASP solutions currently in over 500 stores
- Connectivity to i2 TradeMatrix exchange and supply chain software solutions

Clients: Albertson's, Tesco (UK) 500 users with 500 sites in Europe using MS ASP solutions
No hardware, purely SW product

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...Your industry experience

- Manufacturers
- Wholesalers
- Distributors
- Technology providers
- Service providers
- …serving Retailers

…Innovators

…Partners

…Facilitators

…Thought leaders

…Supporters

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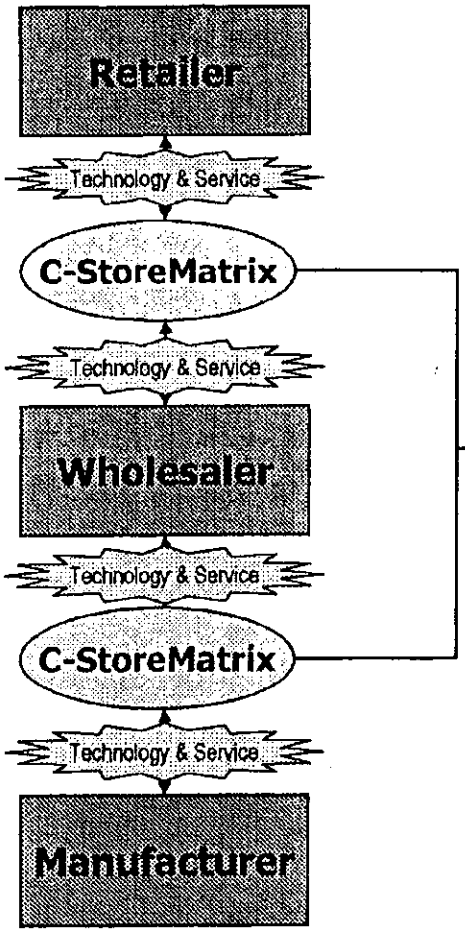
C-StoreMatrix Supplier Preview

C-StoreMatrix Vision Statement



Objective

To create an open and competitive eMarketplace that provides intelligent ebusiness solutions to enable an efficient value chain for the convenience store industry

Offerings

Provide service offerings in five critical areas powered by NACS, Point of Sale. Ltd., i2, and other industry partners

- Hosted Retail Automation Systems
- Commerce Services
- Content and Community
- Collaboration Services
- Connectivity Between Partners & Marketplaces

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Key Differentiators

- Open and competitive Marketplace
- Breadth and depth of product and service offerings
- Strong VALUE offered to all members of the supply chain
- Proven Technology solutions
- Committed to open connectivity through the use of industry standards
- Over 90 current marketplaces in operation / development by the technology partners
- Extensive partnerships through i2
- NACS' reputation for community, content, and connections
- Strong Board leadership, collective 80 years of C-Store industry experience

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C-StoreMatrix *Supplier Preview*

Summary of C-StoreMatrix Business Plan

Strategic Vision

- To establish an open and competitive eMarketplace for the convenience store industry which provides significant value to retailers and suppliers through the value added services of collaboration, commerce, content, community and connectivity

Key Participants

- Manufacturers
- Wholesalers
- Major retailers
- Small to mid-sized retail chains
- Service providers

Key Service Offerings

- Retail automation & ASP services
- Hosted supply chain and retail planning services
- Data aggregation and analysis
- Category management

Value Proposition

- Reduce transaction costs
- Improve service levels throughout supply chain
- Lower inventory investment
- Improve promotion effectiveness
- Quicker time to market
- C-StoreMatrix has potential to generate US$400 - 500 million in annual revenues

Risk Assessment

- Openness in a competitive and dynamic business environment
- Main issues of achieving critical mass and market penetration

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C-StoreMatrix™

Value Proposition

Presented
by Tom Rinaldi
I2

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Issues facing Wholesalers and Distributors

- Declining margins in already low margin business
- Retailer consolidation
- Disintermediation
- Retailers building own DCs
- Increased competition from warehouse stores and wholesale clubs
- Order book management
- Inefficient order management process
- Limited access to consumption data and poor collaboration
- Low investments in IT infrastructure

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Issues facing Manufacturers

- Promotional inventory spikes
- Lack of supply chain visibility
- Fragmented market – higher cost to serve
- Brand equity erosion
- Inefficient new product introduction
- Ineffective promotions
- Inconsistent / limited access to consumer purchase data
- Disintermediation of DSD

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Issues facing Retailers

- Promotional inventory spikes
- Lack of supply chain visibility
- Fragmented market – higher cost to serve
- Brand equity erosion
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- Ineffective promotions
- Inconsistent / limited access to consumer purchase data
- Disintermediation of DSD

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Supply Chain Issues

- High out-of-stocks – 9% to 12%
- Limited collaboration/trust between trading partners
- Limited success of industry initiatives (ECR, CPFR etc.)
- Limited use of industry standards
- Low supply chain visibility
- Excess inventory throughout value chain
- High product obsolescence
- Manual paper-based processes
- Inefficient order management and replenishment processes

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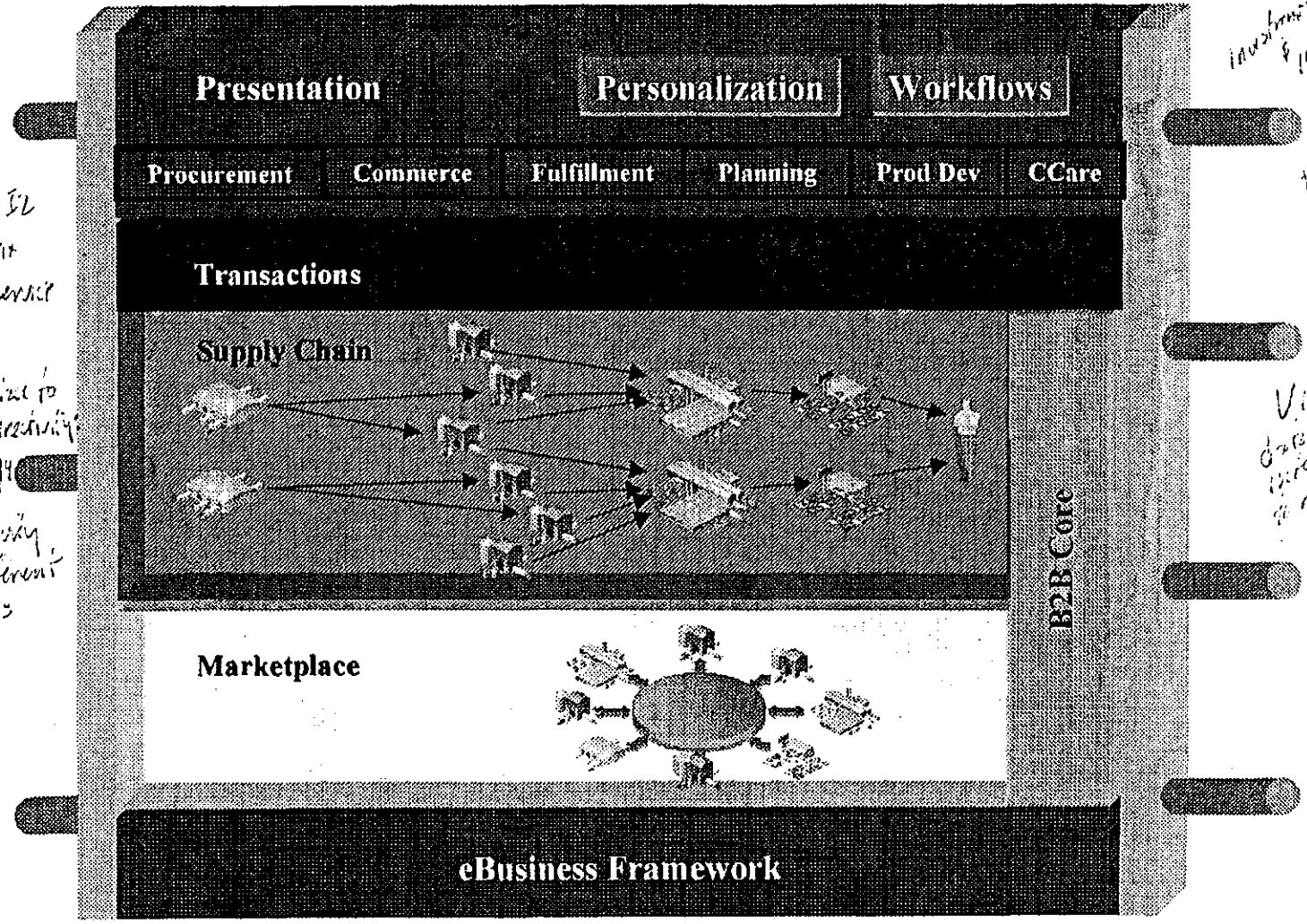
C-StoreMatrix™ *Supplier Preview*

Leveraging TradeMatrix Architecture



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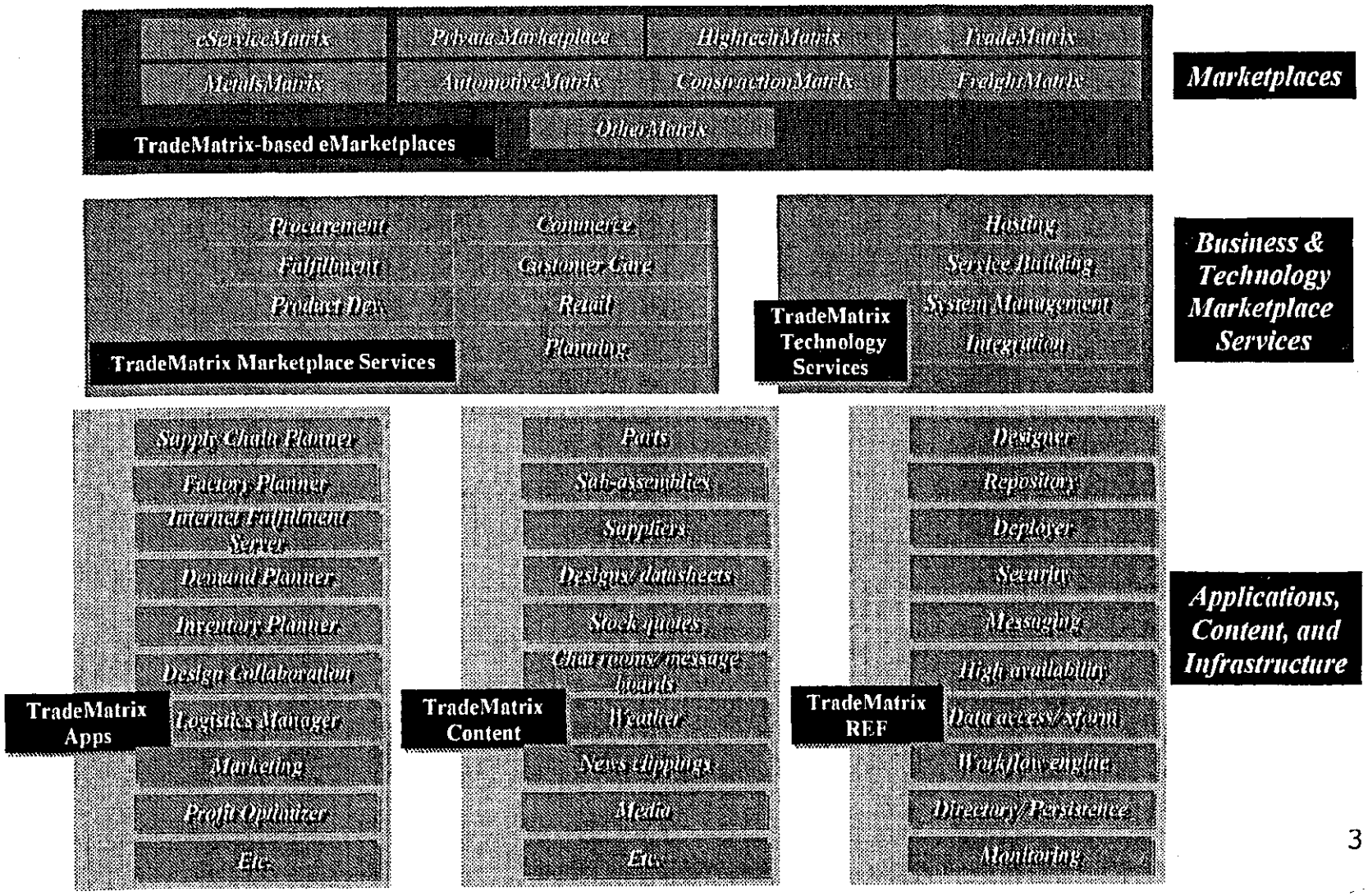
C-StoreMatrix Supplier Preview

Leveraging TradeMatrix Services



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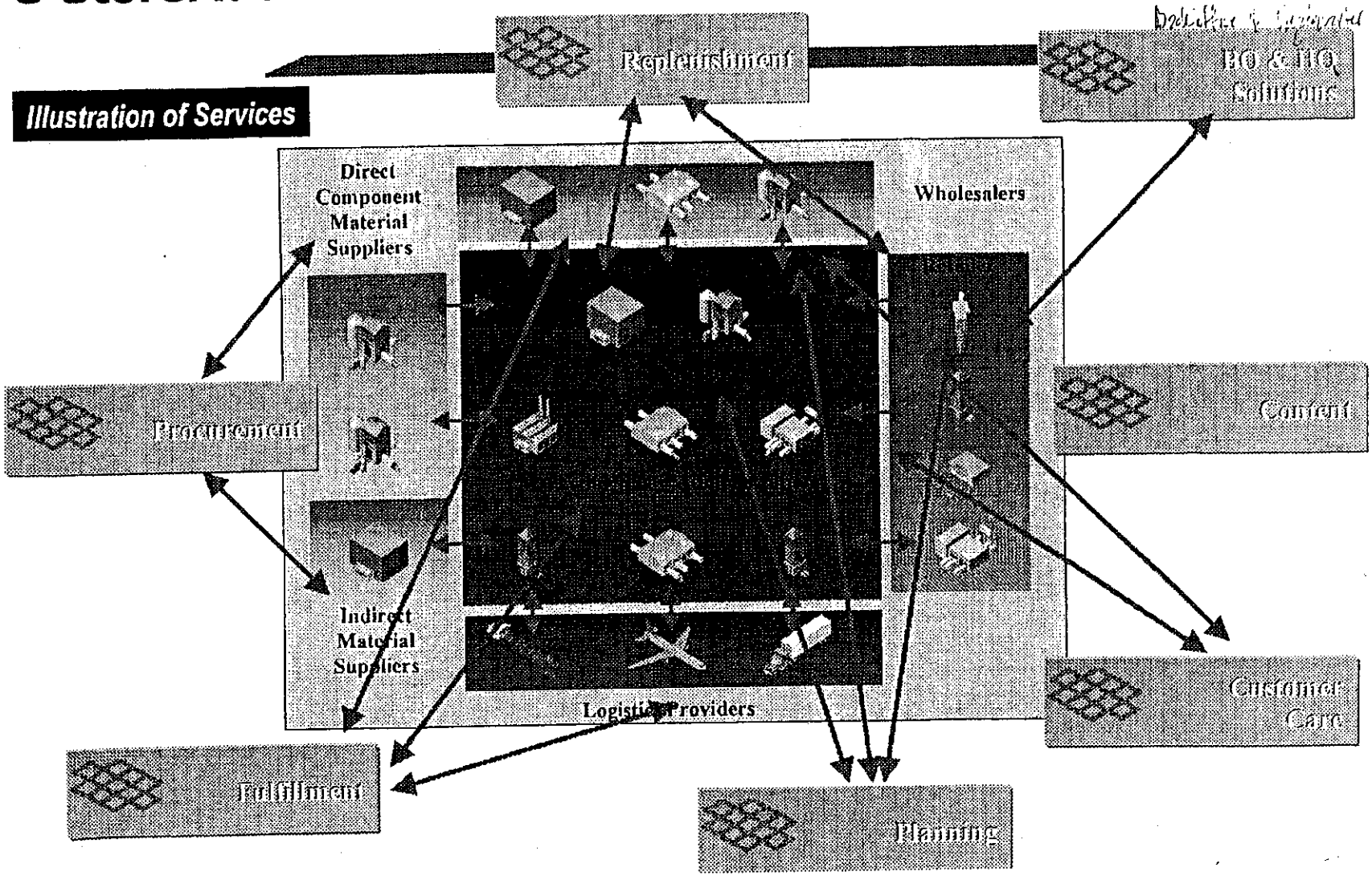
C-StoreMatrix *Supplier Preview*

C-StoreMatrix Addresses All Critical C-Store Relationships

Illustration of Services



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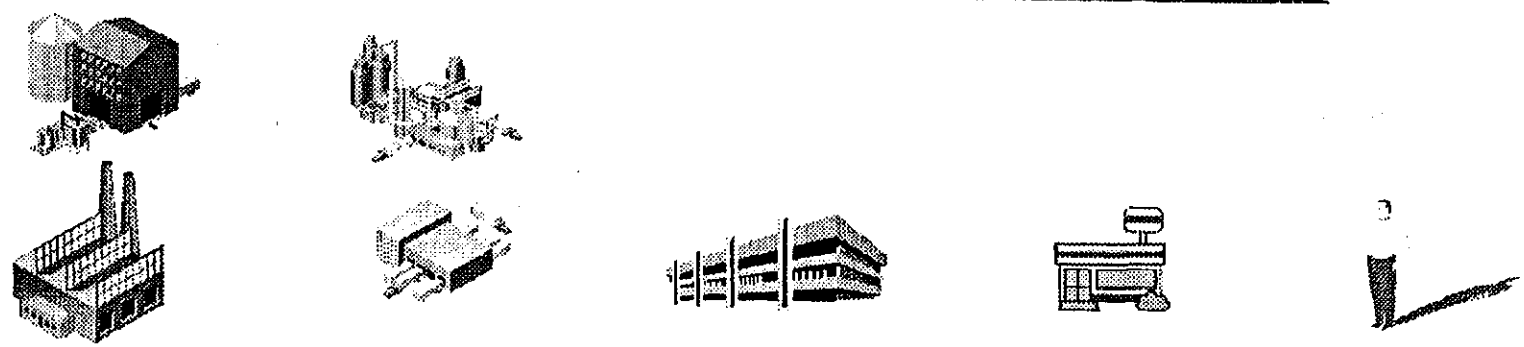
C-StoreMatrix *Supplier Preview*

Wholesaler Value Chain

Collaborative capabilities will connect retailers to mfrs.



Manufacturers & Suppliers | **Bottlers & Wholesalers** | **Retail HQ** | **C-Stores Petroleum Marketers** | **Consumers**

- Price coordination between manufacturer & retailer
- Collaborative forecasting for manufacturers
- Order management (automated)
- Web-based ordering
- Replenishment & logistics planning

Item Catalog Collaboration Network Planning

C-StoreMatrix

As a result of inefficiencies, 00's can reach 50% in C-Stores.

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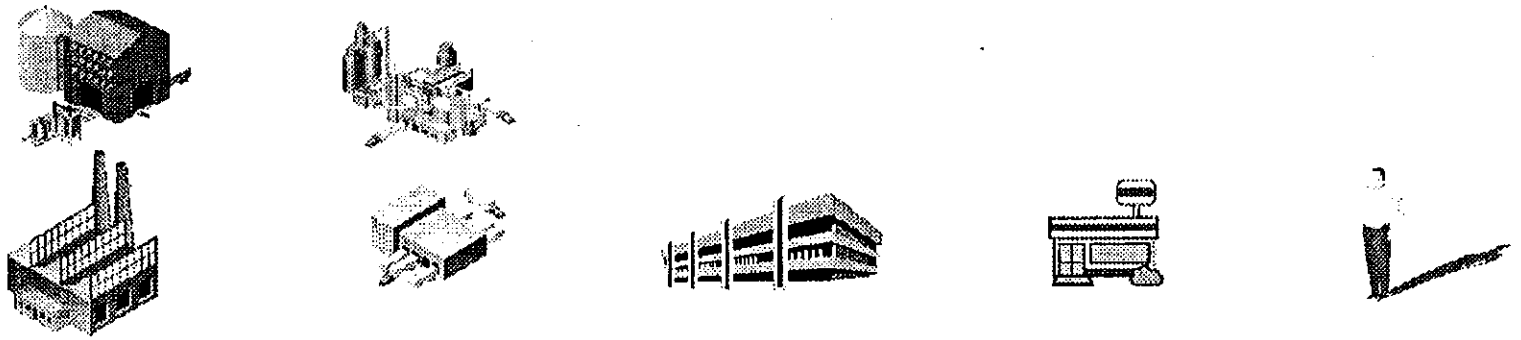
C-StoreMatrix™ *Supplier Preview*

Manufacturer Value Chain



Manufacturers & Suppliers | Bottlers & Wholesalers | Retail HQ | C-Stores Petroleum Marketers | Consumers

- Automated pricing with distributors/retailers
- Accurate & latest demand information
- Supply chain efficiencies
- Reduced stock outs and lost sales

Item Catalog
Collaboration
Network Planning

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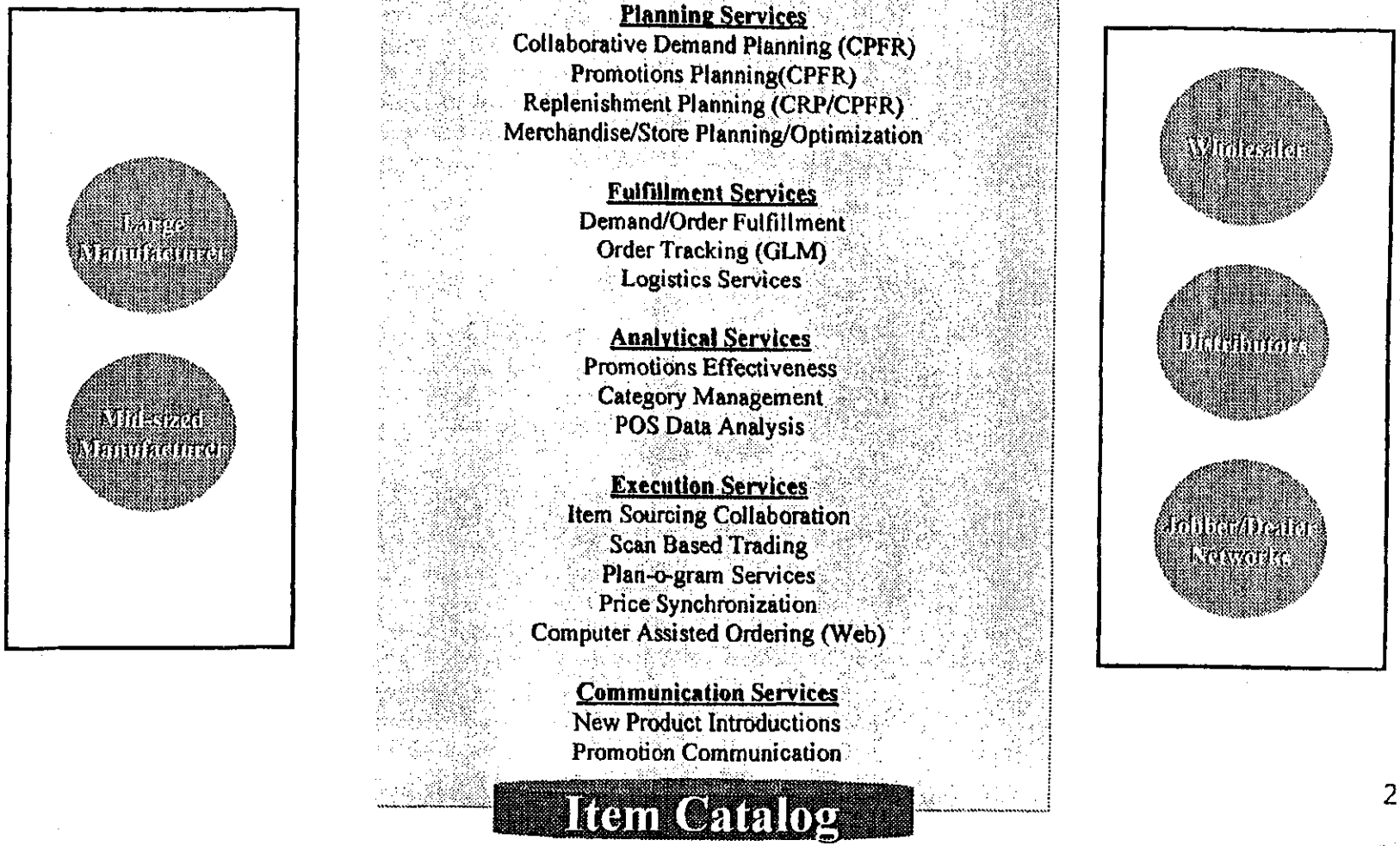
C-StoreMatrix™ *Supplier Preview*

Comprehensive Supplier Services



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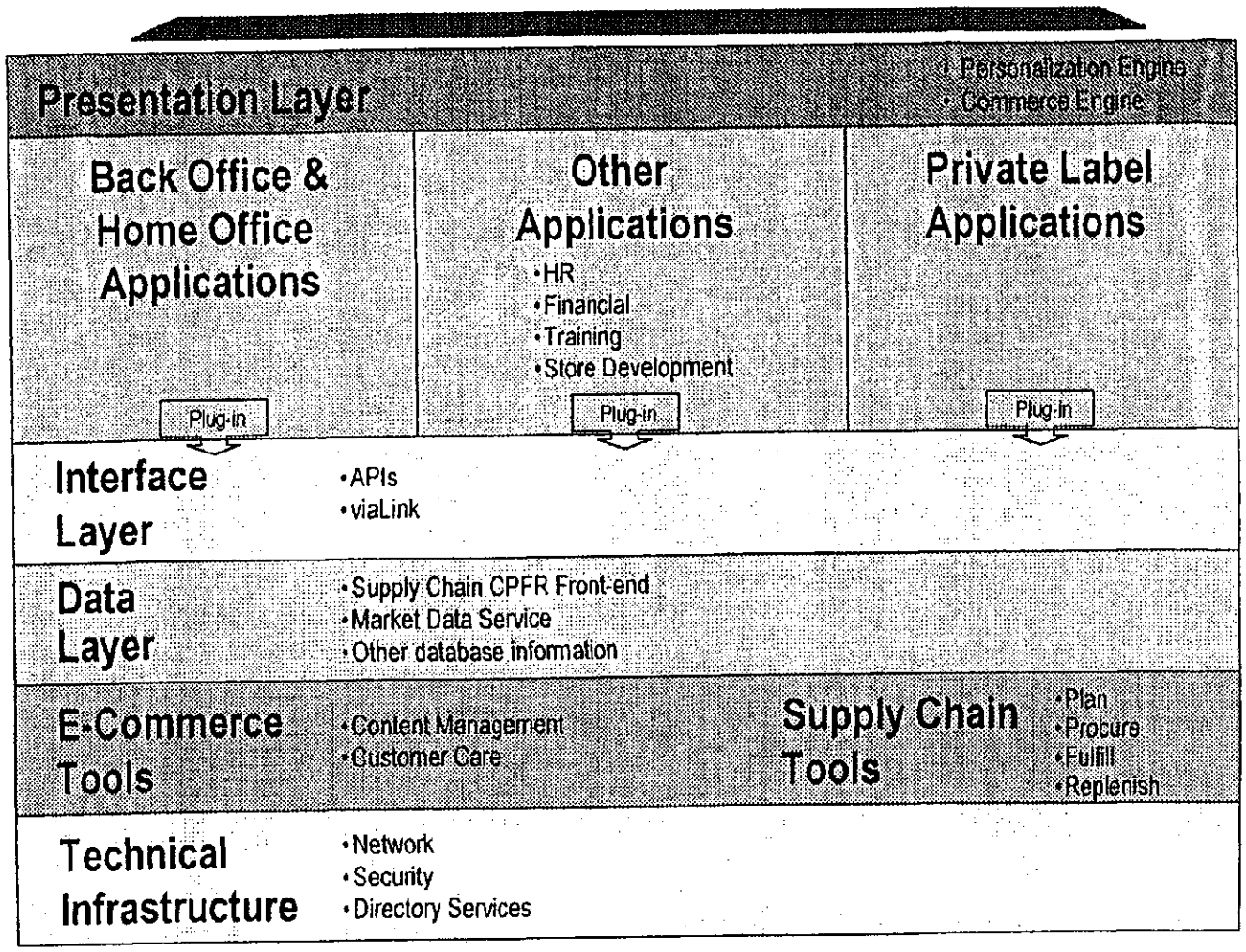
Presenter: Jack Finney

C-StoreMatrix™ *Supplier Preview*

Business Architecture



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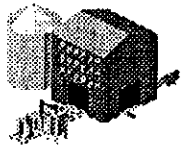
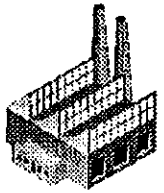
C-StoreMatrix™ *Supplier Preview*

Retailer Value Chain





Manufacturers & Suppliers

Bottlers & Wholesalers

Retail HQ

C-Stores Petroleum Marketers

Consumers

- Basic level services
- Intermediate services
- Advanced services

Store Automation
- POS|Scan, PC, BO, HQ
- Internet connectivity
- Web-based ordering

- Consumer satisfaction
- Consumer loyalty
- Web store front

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ASP Services Alliance Partner Services

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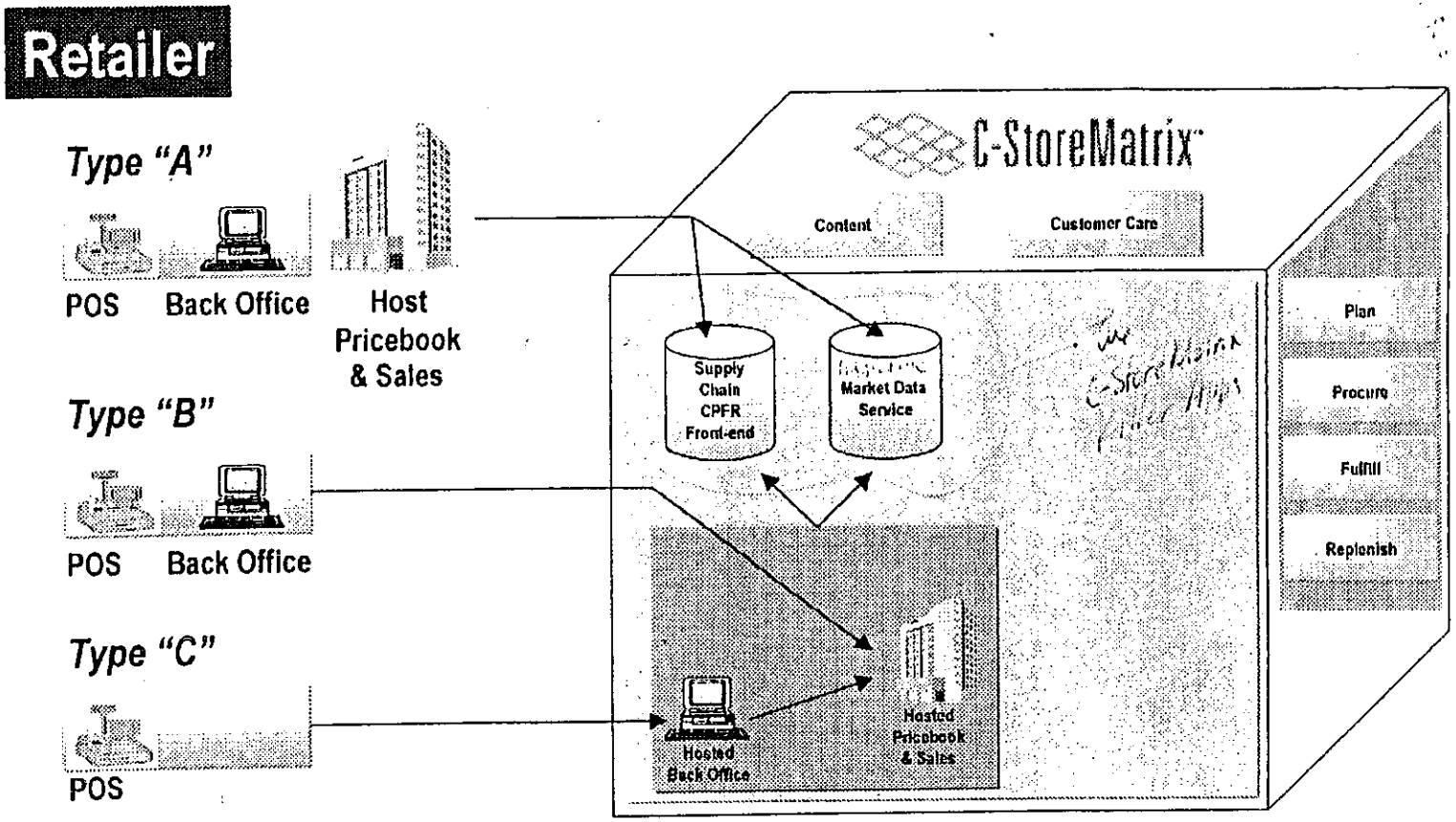
Retailer Entry Points



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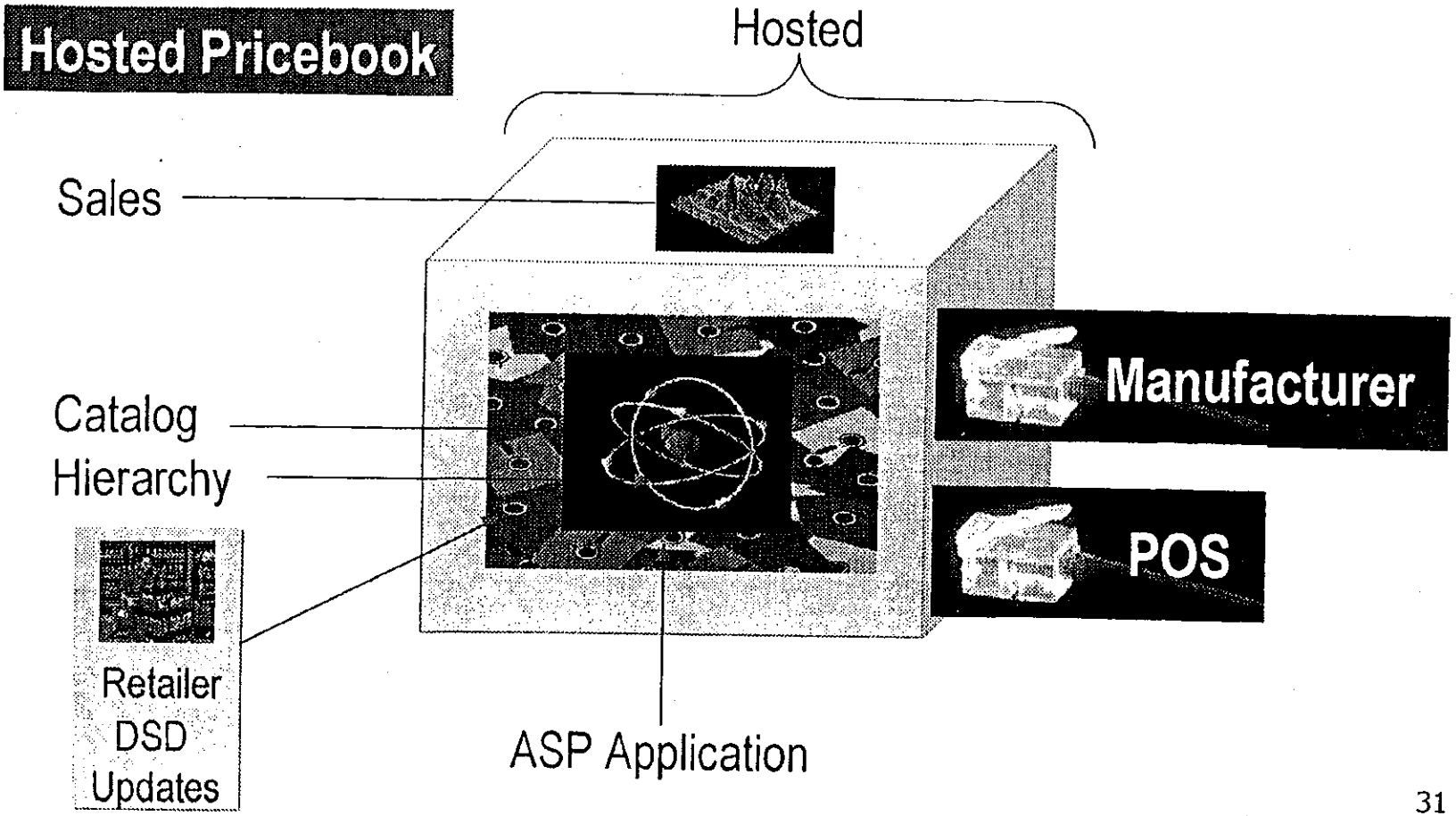
Retail Entry Points



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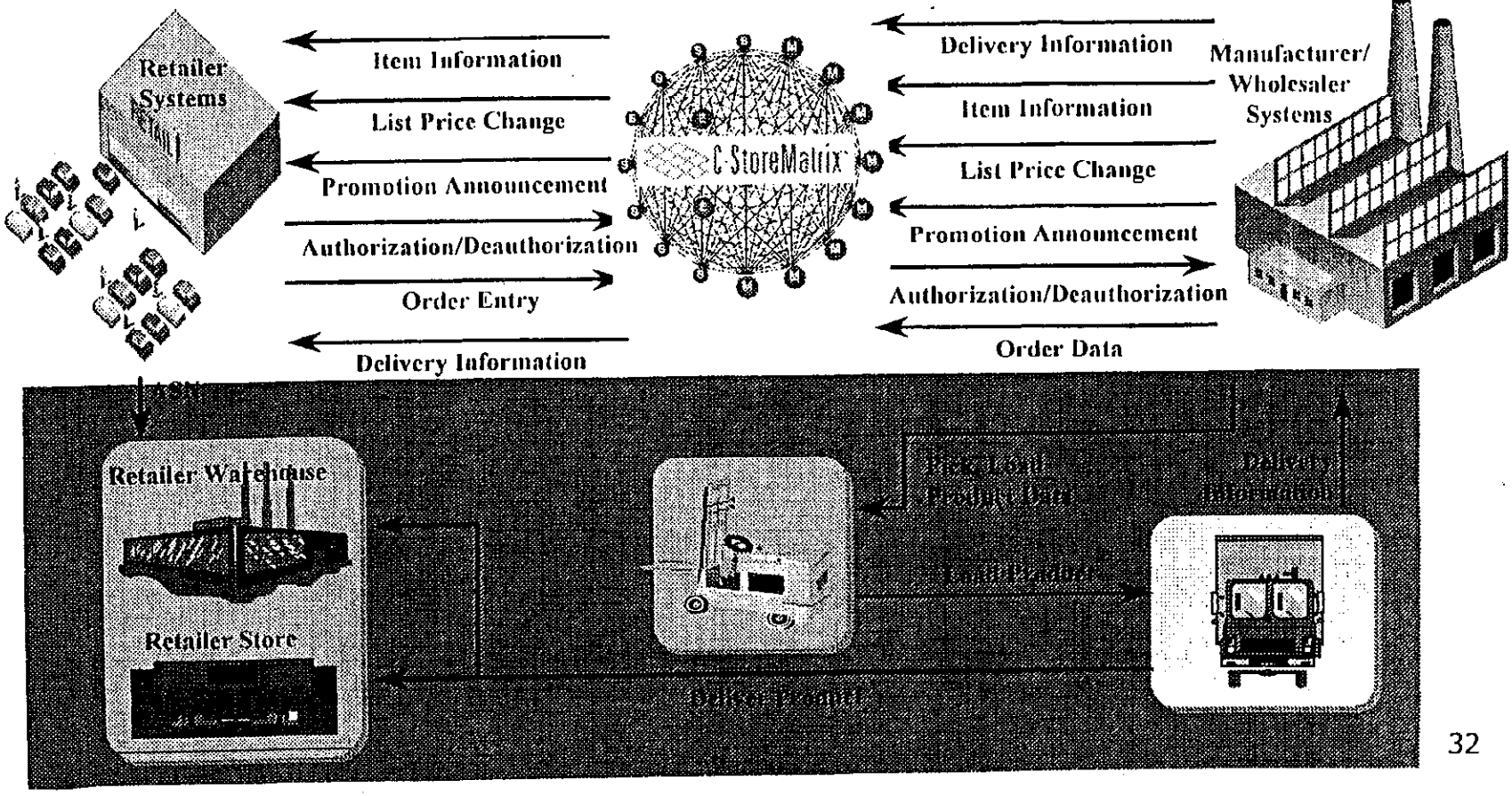
C-StoreMatrix™ *Supplier Preview*

Retail Entry Points

Price Book Synchronization: Process Flow



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