

# The book of Knowledge

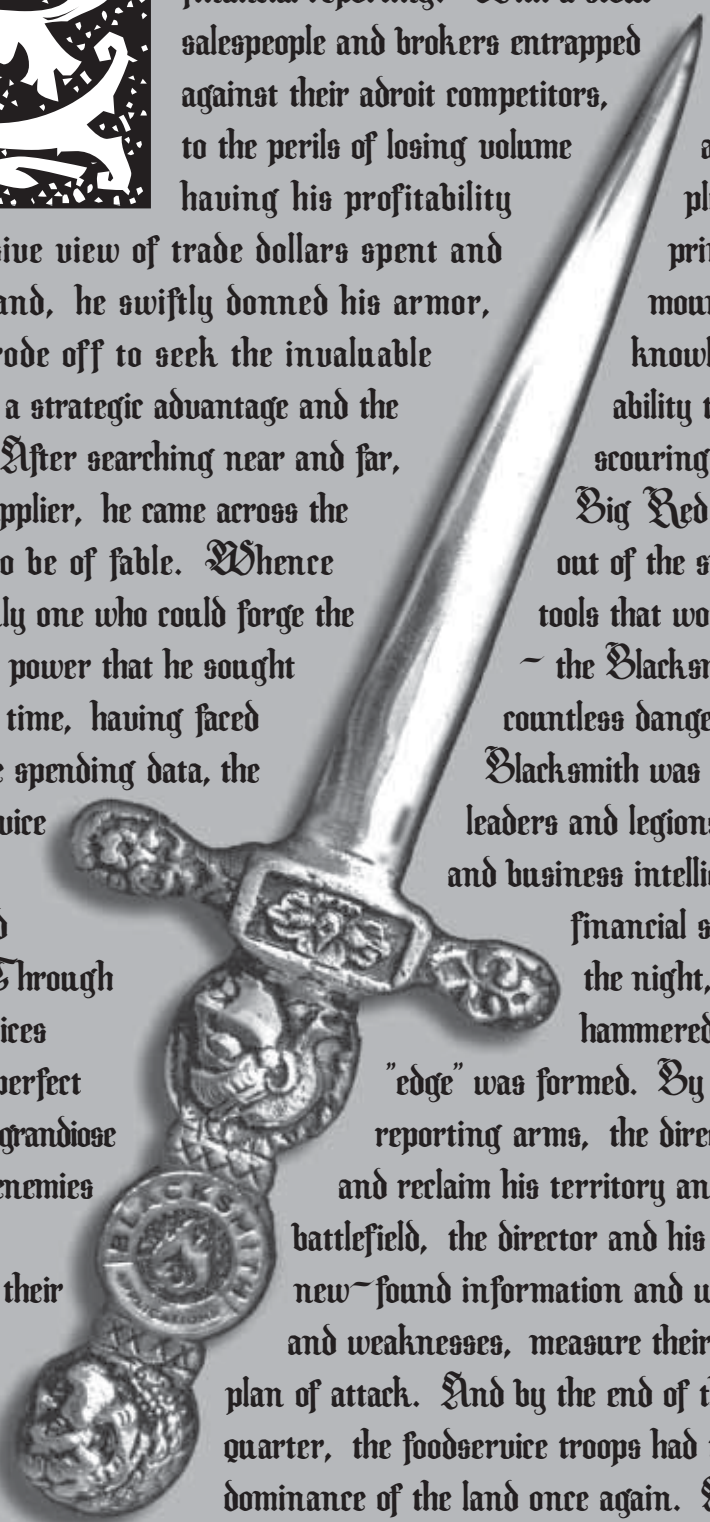


His knowledge that giveth thee the edge.



no comprehensive view of trade dollars spent and resources at hand, he swiftly donned his armor, stallion, and rode off to seek the invaluable offer his troops a strategic advantage and the in his market. After searching near and far, for a worthy supplier, he came across the thought only to be of fable. Whence appeared the only one who could forge the the wisdom and power that he sought himself many a time, having faced inaccurate trade spending data, the arming foodservice perspective kingdoms and and flourish. Through and his apprentices toiled until the perfect bearing his new grandiose to conquer his enemies Back on the sliced and diced their their strengths assess their financial had proclaimed ending in glory, for the knowledge that gave them the competitive edge, it would have been a losing battle for years to come. Thank the stars, and the Blacksmith, that they had the Vantage.

egend has it that long ago, in a foodservice land far away, a gallant director of trade planning and reporting set out on a lofty quest for accurate and reliable sales data and financial reporting. With a stout army of heroic salespeople and brokers entrapped on the battlefield he was vulnerable and share and plundered. With primitive reporting mounted his trusty knowledge that would ability to gain supremacy scouring the countryside Big Red Flame ~ once out of the smoldering ashes tools that would give our hero ~ the Blacksmith. Battle-tested countless dangers of incomplete and Blacksmith was dutifully skilled at leaders and legions with a commanding and business intelligence to ensure financial states would survive the night, the Blacksmith hammered, shaped, and "edge" was formed. By the light of dawn, reporting arms, the director had raced away and reclaim his territory and precious profits. battlefield, the director and his fellow commanders new-found information and were able to analyze and weaknesses, measure their efforts, and better plan of attack. And by the end of the moon's last quarter, the foodservice troops had the upper hand and dominance of the land once again. It was an adventure growth, and a bounty of profits for all. Had it not been





Sir Robert the Frugal

{Chief de Finance}



ruth be told, battles aren't always won by sheer force alone. And winning in business is no different. You can have the largest sales force, the most extensive product line, and the biggest rebates, but none of that ensures growth or guarantees success. Sometimes being smarter is what gives you the edge.

Foodservice manufacturers spend a lot of money on trade, whether it's against the operator or the distributor, and they spend it through a myriad of avenues. Knowing where, when, and how to spend those dollars most effectively is what generates incremental volume, increases your market share, and positively impacts your bottom line. Having timely and reliable sales, trade, and financial information puts you in a more favorable position to effectively compete, renew existing business, and win new business on a daily basis.

To provide foodservice manufacturers with the relevant data and insight they require to make informed decisions and maximize their sales and marketing efforts, we developed Blacksmith Applications VANTAGE ANALYTICS<sup>SM</sup> reporting software. VANTAGE ANALYTICS<sup>SM</sup> enables sales management, marketing, trade planning, and finance to easily view, report on, and analyze trade spending information in a secure data warehouse to better assist them in making key business decisions that drive the profitable growth of their companies.

VANTAGE ANALYTICS<sup>SM</sup> allows you to access, format, and deliver accurate trade spending information throughout your organization. Via the internet or through a company's intranet, VANTAGE ANALYTICS<sup>SM</sup> users will be able to query, view, and distribute critical information such as:

- Operator and distributor profitability
- Net price integrity by distributor
- Category and SKU profitability
- Workflow key performance indicators

There's no glory in losing. And there's certainly no financial benefit either. So why not put yourself in a position to win every time? Take a VANTAGE of the opportunity to arm yourself and your team with the most sophisticated reporting tools and systems that can give your company the competitive edge it seeks.





## William the Generous

{The Noble Knight of National Accounts}



## Features for thy kingdom.

It doesn't matter what size kingdom you command or live in — the features of VANTAGE ANALYTICS<sup>SM</sup> apply to all across the land. VANTAGE ANALYTICS<sup>SM</sup> is designed to make reporting and analysis quick, easy, and efficient for all users, whether headquarters or remote. Users do not want to be besieged with cumbersome processes and systems that are a royal pain when they need immediate access to accurate reporting.

- Query, report, and analyze sales, trade spending, and financial information via our powerful, user-friendly Web interface
  - Windows-style interface and menu options
  - Step-by-step simple ad-hoc queries
  - Pre-defined, standardized report types
  - Flexible prompting, filtering, and guided analysis
  - Intuitive design tools
- In-depth, on-report analysis
  - Viewing
  - Refreshing
  - Drilling
  - Slicing and dicing
  - Calculating
  - Ranking
  - Drag and drop
- Print or export reports
  - Download to Excel, Adobe Acrobat PDF, or CSV
  - Publish to portals, e-mail, and other applications
  - Embed and securely share live reports or parts of reports inside Word and PowerPoint
- Automated report scheduler
  - Specified times
  - Recurring schedules
  - Predefined or customized business calendar
  - Schedule to different formats including Excel, PSF, and Word
- Access and distribute documents from home, office, or on the road
- Nightly refreshing of all data
- Utilize personal folders to maintain security
  - Broker, Region, Division, and headquarter functions such as Marketing or Finance
- Highly scalable data integration of invoices, programs, billbacks, and deductions
- Automated, rule-based alerts
- Access to historical data and trending
  - Save multiple historical instances





King Richard Don't-Spendalot  
{Crowned Sovereign of Trade Planning}



## enefits that reigneth supreme.

To the victor go the spoils. Having an empowered sales force and management team that has visibility into consistently reliable trade spending data allows them to act decisively when making key business decisions. Actions become more effectively aligned with overall company strategies for growth. VANTAGE ANALYTICS<sup>SM</sup> lowers your risk and optimizes your competitive advantage by offering better tracking, understanding, and management of your business to improve enterprise performance across all business units.

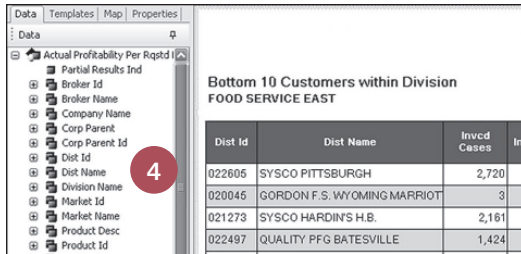
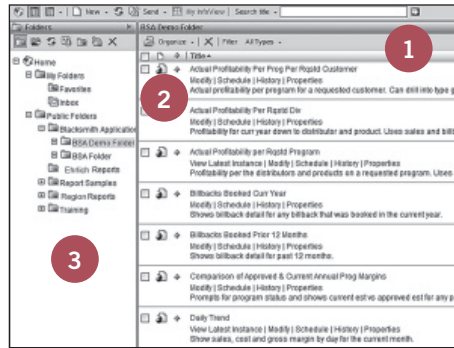
- Measure long-term value and profitability by account, sales rep, channel, segment, program, product group/brand, and SKU
  - Determine profitable trading partners
  - Improve promotion forecasting
- Analyze sales and trade spending patterns for distributors and operators
- Monitor compliance of trade spending initiatives
  - Improve the financial performance of contracts, programs, and deals over time
  - Receive timely alerts to performance issues before the close of the month or quarter
  - Ensure pricing integrity by distributor
- Monitor, control, and reduce sales and marketing costs through improved analysis
  - Control trade funds offered to distributors
  - Minimize invoice discrepancies
  - Ensure pricing integrity
  - Reduce trade funds losses
  - Institute real-time controls on spending for accounting accuracy
- Utilize a single, standardized business intelligence platform for sharing critical information and insight across your organization
  - Integrate management and financial reporting to improve performance
  - Self-serve analysis for all users
  - Answer critical questions confidently when they arise
  - Reduce administrative costs of integrating and supporting multiple data sources
  - Align individual and group sales and marketing tactics and execution with company strategies
- No client desktop installation or components required
- Minimal training required and ease of solution adoption





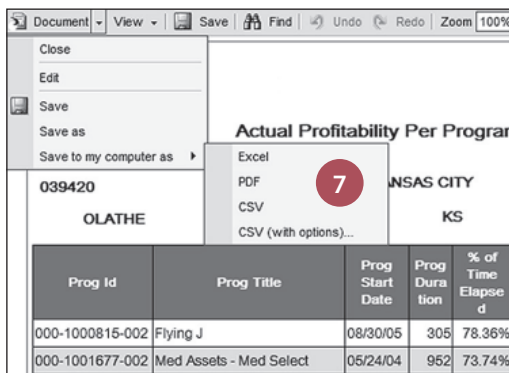
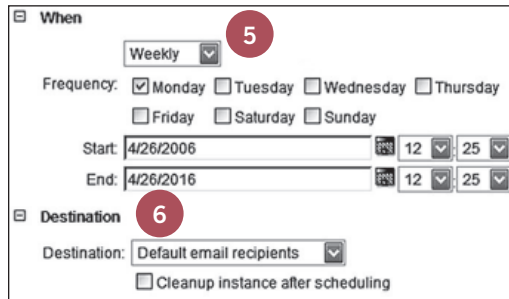
# by Screeneth Shots.

- 1. User-friendly Web interface
- 2. Standardized report types
- 3. Windows-style interface and menu



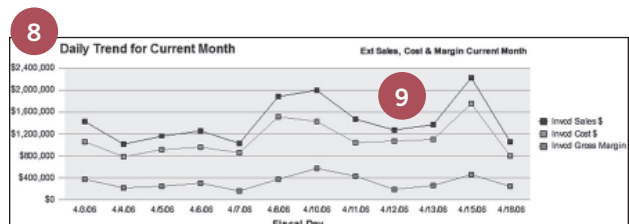
- 4. Drag and drop columns

- 5. Automated report scheduler
- 6. E-mail scheduled reports to remote users



- 7. Export reports to Excel, PDF, or CSV

- 8. Analyze sales patterns
- 9. Utilize graphical displays of information





# Standard Reports for thine pleasure.

- Customer and Brand Profitability
- Trade Program Performance and Evaluation
- Pricing and Promotion Integrity
- Workflow and Point of Control Auditing
- Settlement Summary and Tracking
- Shelter Exclusion Calculations
- Claim Deviations by Customer and Type
- Deduction Aging and Reason Code Monitoring
- Trade "Checkbooks"
- Sarbanes-Oxley Procedural Compliance Report

**Actual Profitability Per Program for a Requested Customer**  
#SYSCO KANSAS CITY

Prog Title	Prog Start Date	Prog End Date	% of Total Volume	Est Prog CS	Invnt Cases	Net Profit/Invnt #	Est Op INC/CS	Act Op INC/CS	Op INC/CS Var	Est Op Marg %	Act Op Marg %	Op Marg % Var	Op Inc Var
Faring J	08/05/06	006	78.99%	22,010	3,880		69.66	69.66	0.00%	40.07%	40.07%		\$37,081
West Azeala - Mat Select	05/04/04	002	73.74%	154	79,045	697.3	65.66	\$10.25	\$4.37	34.66%	51.10%	16.32%	\$609,041
ARMARK - Fixed Pricing - All	03/06/05	076	62.91%	700	53,157	120.66	\$7.75	\$10.15	\$2.40	42.66%	60.30%	17.63%	\$532,949
SySCO Kansas City - Blue Sals	07/01/05	066	81.92%	53,426	20,730	0.47	\$7.86	\$12.26	\$4.50	43.16%	63.70%	20.57%	
HCS	06/01/06	096	83.29%	2,417	41,888	20.78	\$8.31	\$10.12	\$1.81	42.34%	49.94%	7.60%	\$403,004
<b>Sum:</b>				<b>78,710</b>	<b>198,665</b>		<b>\$5.73</b>	<b>\$10.32</b>	<b>\$4.66</b>	<b>43.11%</b>	<b>60.73%</b>	<b>17.62%</b>	<b>\$1,611,894</b>

1. Query all programs for a customer
2. View operating margin and variances by program

3. View estimated allowances by customer/program
4. Rank programs by operating income and profitability

**15 Most Un-Profitable Programs of status: Active;Pre-Active;Expiring**  
Sorted by Ascending Operating Income

Prog Title	Est Ann Base Sales	Est Ann Cash Disc	Est Ann Allowance	Est Ann TPA	Est Ann Net Sales	Est Ann Cost	Est Ann Inc	Op Inc %
SySCO Sacramento Bulk Foods Proc	\$91,841,169	\$0	\$27,986,446	\$11,424,338	\$52,430,376	\$58,233,316	\$-5,802,971	-11.07%
Harvest Markets	\$2,764,290	\$0	\$740,351	\$0	\$2,023,939	\$4,452,379	\$-2,428,439	-119.99%
SySCO San Francisco Foods Program	\$2,701,866	\$0	\$310,166	\$0	\$2,391,811	\$3,093,676	\$-701,866	-29.34%
SySCO San Diego Bulk Foods Progr	\$463,203	\$0	\$220,494	\$33,407	\$209,212	\$430,226	\$-221,014	-106.64%
SySCO Dallas - Bulk Foods Program	\$843,287	\$0	\$0	\$0	\$842,464	\$784,238	\$-58,226	-6.92%

5. Compare approved margins with current margins

**Comparison of Approved & Current Estimated Annual Margin**

Apprvd Allow	Apprvd Net Sales	Apprvd Oper Inc	Current Allow	Current Net Sales	Current Oper Inc	Oper Inc Diff	Appr Op Margin %	Curr Op Margin %	Op Margin Var %
\$7,368,727	\$140,005,812	\$43,268,800	\$7,909,277	\$150,276,262	\$53,539,461	(\$10,270,660)	30.91%	35.63%	15.28%
\$3,690,693	\$70,123,168	\$19,775,010	\$4,189,606	\$79,602,515	\$29,254,448	(\$9,479,438)	28.20%	36.75%	30.32%
\$825,987	\$15,693,747	\$4,235,331	\$919,306	\$17,466,820	\$6,008,414	(\$1,773,084)	26.99%	34.40%	27.46%
\$16,474	\$150,567	\$34,694	\$16,474	\$289,368	\$173,406	(\$138,811)	22.98%	59.93%	160.82%

6. Determine least profitable customers by sales area

**Bottom 10 Customers within Division ... based on operating income**  
FOOD SERVICE EAST

Dist Name	Invnt Cases	Invnt Lbs	Invnt Sales \$	Net Sales \$	Invnt Cost \$	Oper Income	Oper Inc/CS	Oper Margin %
SYSCO PITTSBURGH	2,720	43,973	\$18,279	\$18,279	\$24,317	(\$6,039)	(\$2.22)	-33.04%
GORDON F.S. WYOMING MARRIOT	3	0	\$-6,224	(\$6,224)	\$0	(\$6,224)	(\$2,074.6)	-100.00%
SYSCO HARDIN'S H.B.	2,161	42,480	\$12,291	\$12,291	\$18,799	(\$6,508)	(\$3.01)	-62.96%
QUALITY PFG BATESVILLE	1,424	24,054	\$5,150	\$5,150	\$12,306	(\$7,156)	(\$5.02)	-138.93%
SYSCO INDIANAPOLIS H.B.	4,180	83,220	\$28,221	\$28,221	\$37,048	(\$8,826)	(\$2.11)	-31.27%
HUB ONE LOGISTICS, LTD	1,067	26,344	\$-4,090	(\$4,090)	\$9,659	(\$13,749)	(\$13.01)	-336.17%
SYSCO CINCINNATI	2,124	27,438	\$8,108	\$8,108	\$22,711	(\$14,603)	(\$6.86)	-180.10%
SYSCO METRO NEW YORK	4,172	62,364	\$24,940	\$24,940	\$40,399	(\$15,459)	(\$3.70)	-61.94%
PFG HALE	-108	-3,418	\$-24,444	(\$24,444)	\$-1,747	(\$22,697)	(\$208.23)	-92.85%
PFG LESTER	6,078	101,841	\$34,321	\$34,321	\$58,176	(\$23,856)	(\$3.92)	-69.50%
<b>Sum:</b>	<b>23,810</b>	<b>407,096</b>	<b>\$96,560</b>	<b>\$96,560</b>	<b>\$221,667</b>	<b>(\$125,107)</b>	<b>(\$5.25)</b>	<b>-129.56%</b>

**Billbacks Booked per Corp Parent in Prior 12 Months.**

Corp Parent	Corp Parent Id	BB Paid \$	Percentage
***BAUGH SUPPLY CHAIN COOP,INC	900003	\$1,732,338	54.05%
***BAUGH SUPPLY CHAIN COOP INC	900004	\$1,446,351	45.13%
***U.S. FOODSERVICE	900258	\$11,838	0.37%
***U.S. FOODSERVICE-PHOENIX	900064	\$4,056	0.13%
#FOOD SERVICE OF AMER-OMAHA	029885	\$2,215	0.07%
VIRGINIA FOODSERVICE-PFG	029567	\$1,937	0.06%

7. View current billbacks paid by distributor
8. Determine percentage of billbacks by customer





Armeth thy self.



We strongly believe that in order to fully prepare yourself to fight the opposing forces, inefficiencies, and complexities of contract, trade, and deduction management, you need to arm yourself with the most advanced “weapons” known to foodservice manufacturers.

We’ve been in your armor before. We’ve fought the good fight many times, and truly understand your unique business challenges. That’s why we’ve applied our first-hand foodservice knowledge to create easy-to-use, intelligent foodservice-specific software to help you control spending, make educated decisions, and manage your business more effectively and profitably — right now.

Besides VANTAGE ANALYTICS<sup>SM</sup>, our arsenal includes these weapons of choice that have been successfully battle-tested by our customers — including Heinz, McCain Foods, PACTIV Corporation, and ConAgra.

### FORGE<sup>SM</sup>

Contract and trade management software that streamlines and standardizes the contract and program lifecycle, from contract creation, approval, and notification to bill-back validation, payment calculation and reconciliation. By utilizing standardized program templates, profit-based program approvals, and line-item billback validations, manufacturers can increase their speed to market, execute strategic, profitable deals, and gain the necessary visibility into their trade spending, while eliminating “double-dipping”, overspending, and inefficient manual processes.

### SHIELD<sup>SM</sup>

Deduction management software that automates the entire deduction resolution process for manufacturers by integrating with FORGE<sup>SM</sup> and by utilizing a centralized deduction repository, resolution workflows, scorecards and reminders, and correspondence templates. Manufacturers can prioritize, investigate, follow up on, and clear deductions more quickly and efficiently, thus providing a more accurate account of trade spending and profitability.

### GAUGE<sup>SM</sup>

Offline sales reporting that provides all remote users, as well as headquarters personnel such as sales planning, marketing, and finance, with standardized on-demand reporting and analysis of sales volume and financial performance for distributor trade deals, operators programs, and national and regional chain contracts. Salespeople and sales management can view sales information across customer, company, and product hierarchies for a wide range of time-based and volume-based metrics.





## **Iron is full of impurities that weaken it:**

through forging, it becomes steel and is transformed into a razor-sharp sword. Decision making often develops in the same fashion. Business decisions can be based on incomplete and inaccurate data that increases the risk of lost volume, reduced revenues, and shrinking profitability. Only by utilizing the tools which are forged to give you complete insight and visibility into your business can you then develop a razor-sharp competitive edge.



THE **muscle** IN THE MARKETPLACE

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