



**FOR IMMEDIATE RELEASE**

June 11, 2008

**CONTACT:**

Ron Margulis

VICS

Phone: 908-272-3930

Email: ron@rampr.com

**DILLARD'S, CADBURY ADAMS, PROCTER & GAMBLE, BEST BUY,  
GS1 CANADA, AFTERBOT AND RSA HONORED AT  
11<sup>th</sup> VICS ACHIEVEMENT AWARDS**

*Jim McLaughlin, former Vice President of Gillette Receives Career Achievement Award*

**Lawrenceville, NJ** — The Voluntary Interindustry Commerce Solutions Association announced the winners of the 2008 VICS Collaborative Commerce Achievement Awards this evening at the VICS/UConnect Annual Conference in Dallas at the Gaylord Texan Resort. The Awards are designed to identify and reward excellence in supply chain collaboration. Winners of the VICS Achievement Awards were decided by votes of the VICS Board of Directors, which is composed of an elite Who's Who of industry luminaries.

The 2008 VICS Collaborative Commerce Achievement Awards honor outstanding companies for their strategic thinking and leadership, as well as the implementation of GS1 standards and VICS collaborative commerce guidelines that have resulted in more effective supply chain practices and partnerships. The awards recognize the positive results of company-wide dedication to customer satisfaction that have made continuous improvements to the supply chain.

The following are the **2008 VICS Collaborative Commerce Achievement Awards Winners** along with the accomplishments noted by the judges --

**Retail Side Excellence:**

**Dillard's Inc.**

- Dillard's traditional information systems was not designed to support the global collaboration currently required, which includes communication and coordination between product coordinators, designers, technicians, sourcing agents, manufacturers, agents, inspectors and more. Dillard's needed an information system that supports and enhances the product development process, so merchants can focus on the creative process and provide a competitive advantage in the global market.
- After attempting to integrate traditional in house applications and third party applications, Dillard's management determined the Internet was the best platform for this project.

Dillard's Product Sourcing Application provides centralized storage and 24x7 access to all information about the product development process to internal and external users.

- Collaboration between Dillard's and their manufacturing partners is greatly facilitated. All systems users, within their security scope, can view all information about messages, styles, quotes, bill of materials, sample submittals, final inspections and costs. From the implementation of the initial phase, DPSA has received praise for its ease of use and value to the business users both internal and external to Dillard's.

### **Supply Side Excellence (Tie):**

#### **Cadbury Adams**

- Cadbury Adams has established the dramatic value and importance of speed-to-market, at least for product categories in which new products play a critical role.
- In a study involving VICS and Edgewood Consulting Group, Cadbury Adams found that best-practice companies are 13 weeks faster than competitors in achieving full distribution of new products—and that results in higher sales and consumer perception of the retailer as superior (e.g., “Has exciting new items” and “has everything I want”). Sales increased by 2.5% category-wide (about \$100 million in the gum and mints category).
- The study also demonstrated that best-practice retailers and suppliers use CPFR, especially for long-lead-time planning for new product introductions and lifecycle planning.

#### **Procter & Gamble**

- Procter & Gamble (P&G) helped develop tiered business cases, including “EPC Advantaged,” “EPC Testable” and “EPC Challenged” so that value propositions and a path to adoption could deliver early benefits and a positive value proposition to the widest range of supplier companies. The framework helps any company, regardless of product category and business situation, to identify the most effective route to implementing EPC with trading partners.
- This has diminished industry wide skepticism about the business case for EPC/RFID and helped retailers identify the most productive approach to working with trading partners.
- Companies using P&G's rigorous testing and best practices have identified ideal RFID tag placement and integrated EPC data into buyer/seller decision-making processes. They have used EPC to achieve increases in sales from improved in-stocks, non-productive inventory, monitoring dwell time, improving execution of promotional displays.

### **VICS CPFR® Implementation Excellence:**

#### **Best Buy and Best Buy Asia Sourcing Office**

- A more efficient process was needed to communicate forecast information to each supplier from Best Buy US CPFR, merchant, demand planning and private label team to Asia Sourcing Office. The existing process took two people ½ day each to send the information. Every Best Buy US team had a different weekly rhythm so Best Buy Asia Sourcing Office did not know when to expect the forecast information. Information was not always received on a timely basis since it took so long to generate, and the potential for data error was high.

- Best Buy created a standardized business process through our existing CPFR process, which was specific to our private label items and Asia Sourcing Office using the same processes that are deployed for national brands.
- The biggest success of the new process is that it is the most widely adopted CPFR process in the company and has become the way forecasting information is communicated between Best Buy US and the Asia Sourcing Office. Because of this adoption Best Buy has improved forecasting to the factories, reduced lead-times and controlled expenses devoted to the process. It has also allowed the team to work more efficiently and focus on forecasting and replenishment rather than data integrity and communication issues. Other benefits include greater internal collaboration, timesavings for both Best Buy US team and the Best Buy Asia Office in sending and receiving information, more consistent process and timelines and fewer “Fire Drills” than with the previous process.

### **Supply Chain Excellence:**

#### **GS1 Canada – Pharmaceutical Industry Data Sync**

- GS1 Canada’s ECCnet Registry provides data for data synchronization of pharmaceutical-related (Rx2) products, and has blossomed to cover more than 10,000 OTC, 11,000 prescription (Rx) and 500 BTC products.
- Pharmacy retailers have incorporated product listing through ECCnet Registry as part of their standards term and condition of trade, eliminating non-value-added costs, enhancing data integrity and strengthening patient safety.
- ECCnet Registry has expanded pharmaceutical-related data fields, which will enhance product tracking and product recall leading to improved patient safety. New areas also include Homeopathic Medicine, expanded dosage coverage, and type of application unit.
- This success in pharmaceuticals lays the foundation for future e-commerce initiatives, including EPC/RFID.

### **Best Third Party Service Provider: afterBOT, Inc.**

- The primary business challenge was an inability to effectively access and use POS transaction data to run the business. There were islands of information with limited ability to quickly provide specific answers to a host of customer service and store operations issues. The result was a plethora of applications; each focused on solving a specific problem; each operating in a slightly different fashion and / or delivering information in a slightly different format.
- The solution consists of 3 major components; Enterprise Connect, Customer Connect and Supplier Connect each supported by an Alert subsystem designed to deliver meaningful information instantly. Leveraging a fully integrated web environment, afterBOT’s TransAccess™ improves customer services, drives operational efficiency, increases marketing effectiveness and enables a supplier collaboration environment focused on store level execution.
- For vendor collaboration, access to sales data in real time enabled a bread vendor to reduce OOS by 18%; resulting in a 10% sales increase. An ice vendor reduced costs by 5%; increasing margins by \$240,000. Used also as a POP application for Credit Card

Dispute resolution, TransAccess™ enabled a retailer to lower costs from approximately \$35 per incidence to \$5; resulting in a annual savings of \$250K.

### **Best Third Party Technology Provider:**

#### **RSA**

- To encrypt credit card numbers for PCI compliance across a diverse range of technology platforms (including AIX, CICS, DB2, Windows and z/OS) for Dillard's, RSA developed an encryption and encryption key management system.
- The approach encrypts customers' credit card and other personal data for the life of the data, while providing secure and fast decrypting online and offline.

### **Roger Milliken Career Achievement Award:**

Jim McLaughlin, Former Vice President, Process and Services Management, The Gillette Company

Jim McLaughlin worked for Gillette from 1992 to 2006, during which time he held the positions of CIO, North Atlantic Group; Vice President, Process and Services Management, and Director, Supply Chain Process and Applications. Jim was a member of the VICS Board of Director from 1997 to 2006, serving on the Executive Committee from 2004 to 2006. During his tenure on the VICS board, he chaired the VICS CPFR Committee for five years and was Integral in launching Gillette's CPFR program with CVS, which eventually won the VICS CPFR Achievement Award in 2003.

"This was an excellent year for the awards and the winners show how critical collaboration is in our industries," said Joe Andraski, president and CEO of VICS. "The VICS Board of Directors applauds the winners, the finalists and the nominees for this year's awards, and extends a special congratulations to one of our former members, Roger Milliken Career Achievement Award winner Jim McLaughlin. Throughout his career, Jim has devoted time and energy to advance the implementation of many of the standards we take for granted today."

The 11th annual VICS Collaborative Commerce Achievement Awards program was sponsored by Hewlett-Packard Company.

### **About VICS.**

The Voluntary Interindustry Commerce Solutions (VICS) Association has enabled companies in the retail and consumer-focused industries to eliminate billions of dollars of waste and delay. By creating voluntary guidelines, often referred to as "standards," VICS has created new best practices that ultimately lead to lower costs and better availability of products for consumers. VICS' volunteer members improve the flow of products and information throughout retailing and the consumer-focused industries that supply retail. The Association provides leadership and an environment in which executives can make a difference in their industry, their company performance—and their personal commitment to make the world work a little bit better. VICS' members help define the next best practices in the industries and thus anticipate and optimize business processes and costs. Additional information can be found at [www.vics.org](http://www.vics.org).