SALIENT® MANAGEMENT COMPANY

Salient for
Retail Link

Automatically integrate
Wal-Mart POS and inventory data
with your in-house sales
for decision-support.

Salient for Retail-Link

Master your Relationship with Wal-Mart using Salient for Retail-Link

Leveraging Wal-Mart® Retail Link™ for integrated performance tracking can be easy and highly automated. Detailed fact tables can be integrated automatically in the background with your in-house sales databases then made available for all aspects of Collaborative Planning, Forecasting & Replenishment (CPFR). Powered by Salient Visual Data Mining (VDM), managers can shape information to exactly the terms of any business situation question and drill in to root causes for actionable intelligence. Concerned about the size, speed and complexity of the resulting integrated data-mart? Don't be; organizing those business activity elements for intuitive business exploitation is our expertise.

The steps are simple:

1. Together we lay out the individual decision-support needs of your team

2. Salient helps create **automated Retail-Link feeds** of raw details by date. (Any roll-up and any drill-down is then available for independent management access.)

3. We work with you to create automated **feeds from your in-house systems** such as: sales, inventory, shipping and related facts

4. We **bridge the sources together** with cross-reference tables so your customer numbers and product numbers reconcile to Wal-Mart codes when necessary.

5. We **provide the means to leverage the information** to maximize margins.
   a. Salient Dashboards—for interactive web building and viewing of consolidated performance facts (drag & drop web 2.0 style interface);
   b. Salient Interactive Miner—an interactive Visual Data Mining system that can let your internal personnel explore beyond the boundaries of typical dashboard systems, and into root causes in the underlying data.

Benefits:

Time Savings—the overhead involved in manual report building with data from multiple places is cut out

Intuitive Analysis—rather than leaving-off with charts & graphs; Salient VDM helps managers identify root causes

Root cause data-mining—see the connections and relationships in the data to easily identify problems and opportunities

Common Problem Example (before & after): List of stores by item where POS varies from forecast greater than 20%. Each item is often divided on different excel sheets, updated and rebuilt manually. Salient handles those filters, the integration and updating without manual steps and supports each person responsible for replenishment of those items.

POS vs Forecast by SKU.xls [Compatibility Mode] - Microsoft Excel

Item #	Description	Wal-mart Week	Traited Stores	Valid Stores	Replen Instock %	Forecast (units)	POS Sales (Units)	Shipped From ABC Company 8 per cs	Comments
9999999	SKU Name 1	200901	550	577	98.25	3,471	2,341	550	
9999999	SKU Name 1	200902	650	578	99.30	2,628	1,871	400	
9999999	SKU Name 1	200903	500	581	98.96	2,504	1,673	1,400	new plan-o-gram start d
9999999	SKU Name 1	200904	335	588	98.96	2,211	1,690	3,000	
9999999	SKU Name 1	200905	333	588	98.79	2,028	1,654	500	
9999999	SK	200					1		Non-Networked Collab
9999999	SK	200					1		without Salient
9999998	SKU Name 2	200					1		(Salient integrates with too as an option)
9999998	SKU Name 2	200909	400	577	97.43	2,628	1,670	1,400	
9999998	SKU Name 2	200910	300	578	98.80	2,504	1,860	550	
9999998	SKU Name 2	200911	650	581	97.94	2,211	1,680	400	EASTER
9999998	SKU Name 2	200912	500	588	98.97	2,028	1,654	550	
9999997	SKU Name 3	200913	335	588	98.97	1,924	1,334	400	
9999997	SKU Name 3	200914	333	588	98.79	1,798	1,509	1,400	
9999997	SKU Name 3	200915	400	586	99.31	1,660	1,327	3,000	Special Event - 2 for 1 /
9999997	SKU Name 3	200916	650	585	99.13	1,632	1,207	384	
9999997	SKU Name 3	200917	500	578	99.48	1,436	1,342	768	

Annotation callouts:
- "ABC" Company: from Quickview Report
- "ABC" Company: from Retail-Link CPFR Report
- "ABC" Company: from Retail-Link CPFR Report
- "ABC" Company: from internal company database

Category Captains:

Salient has experience working with category captains to help you minimize the administrative burden imposed by Retail-Link reporting and analysis. If you need to provide competitor review and category SKU level advice, our solution allows the speed and flexibility to tie all necessary facts together for exploitation by the managers responsible.

Supply Benefits

- Early Detection of Demand Spikes
- Reduce Out-of-Stocks
- Identify Distribution Voids
- Reduce Inventory in the Channel (improving cash flow)
- Improve Forecast Accuracy in Demand Planning
- Reduce Buy-Backs

Merchandising Benefits

- Price Optimization (pre-configured price-point range analysis with standard deviations or user-defined price-buckets)
- Promotion Optimization (with immediate rubber-banding access to bottom-line results - averages and totals, pre, during & post analysis)
- Planning for Seasonality
- Clustering / Segmenting
- Trade-Spend Optimization (with an allocation utility for off-invoice spending / slotting fees and more)
- New Product Rationalization
- Cross-selling based on market basket facts
- Plan-o-gram Optimization (facing by facing tracking and optimization - maintain PAR levels; measure turn rates)

A/R Reconciliation

Used in reconciling the AR with Wal-mart; looking for discrepancies, over 100 PO's weekly.
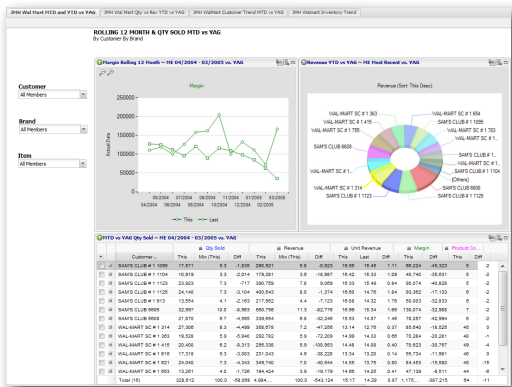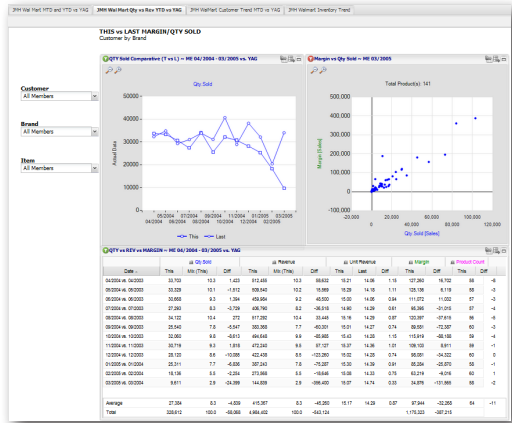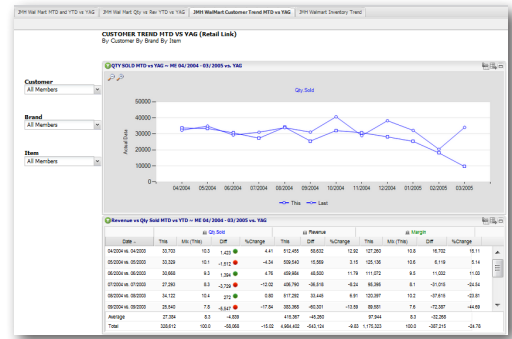
Store Within a Store

Pull extracts from Store Within a Store (SWAS) section of Retail Link. Custom sets of information can be set up or exploited if already defined, to understand important areas such as New Item Forecast Accuracy, Potential Distribution Center Out of Stocks, Rollback Items and more.

52 week POS Forecast

The POS Forecast in Retail Link is hard to consolidate into one meaningful, actionable view and hard to correlate with in-house databases.
Future sales need to be tracked in a 52 week forecast. Private Label needs to be segmented from branded product. We help our clients separate the parts that they need for their focus—such as a particular portion of Private Label sales, so your team can isolate areas of responsibility automatically.

Customer Demographics:

Are you trying to align Wal-Mart "Store of the Community" with other demographics intelligence from Spectra, TD Linx and CrossMark. We can help you bring those facts together based on your customer demographic business rules and match that information to store with cross-reference tables and then leverage Geo-Spatial Location Intelligence to understand patterns and trends early.

Salient Value Added: Linking Supply with Demand

Salient creates the logical linkages between the Wholesale Production facts at the SKU level with the Retail-Link demand feedback on sell-down as well as inventory and related facts like demographics. Salient puts facts from both sides of the supply chain equation into a unified context. SKU level cost information can be aligned with volume sold by price point for improved profit management. Imbedded visual analysis makes it easy to score product lifecycle, improve replenishment, optimize prices, provide dynamic user-defined exception reporting and provide automatic "collections" for individuals who are responsible for certain product groups.

Collaborative Planning, Forecasting & Replenishment

Provide forecast managers, buyers and suppliers the information to improve in-stock at store level and reduce excess inventory throughout the supply chain. Connect in-house sales and production information directly with Wal-Mart data extracts. Connect historical Wal-Mart sales to other local distribution points to see customer buying trends and compare the profitability of each local retail outlet (even correlating IRI and AC Nielson facts to area stores). It doesn't have to be all about Wal-Mart - it can be all about understanding demand shifts and responding promptly to maximize sales and margins. Create consolidate views automatically, bridging forecast sales, weekly shipments and traited store facts with other sources of intelligence.

Retail Margin can be measured and reported back to Wal-Mart using figures from the Wal-Mart DSS pre-built reports. The summaries are sometimes used when working with Wal-Mart buyers on specific items. Price Management is a very important part utilized here, to keep track of which items are "rolled back" and for how much and how long. Salient can provide regular automate extractions of these facts based on what's important to your Retail-Link team; and help you focus on what do to about the results; not the IT overhead of building views of the results. Areas can include: Detailed Replenishment Analysis; POS forecasts, Seasonal Fine Line Reports, Warehouse and Store Inventories, Valid Items / Stores, and Supplier Performance Scorecards.

Demand Signal Repositories / Downstream Data Repository (Nielsen, IRI, Direct Retail Data)

Do other retailers share data with your organization? We can help you build a comprehensive store-level, SKU level data-mart for your management team. Here is a chart from GMA of other retail information providers.

At market level, chain level or down to the store

Product and Store Penetration

Traited Store/SKU Gaps:
Identify which of your SKU's are traited but not actively being purchased and by which stores.
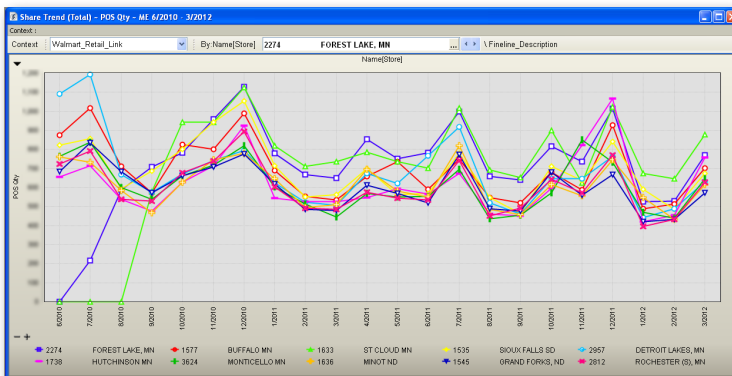
Valid Store/SKU Gaps:
Identify which of your SKU's are authorized for replenishment but not actively being purchased and by which stores.

Future Valid Items:
Identify Future Valid Items by Store by SKU to identify new placement opportunities early.

POS Store Count:
How many stores and which stores are buying your SKU's and which are not?

Trend by store or DC down to the SKU

Identify gains and losses by store or DC down to the SKU
(YTD vs YAG, MTD vs YAG, Season over Seaon…)

Store Sales Performance

POS Sales and Market Basket:
Track POS Sales, POS Qty, POS Price to Consumer, Stores Selling, Unique Products Sold, and the various Market Basket Intelligence calculated by Wal-Mart and supplied through Retail-Link.

Advanced Market, Product and Store Segmentation:
Segment your sales information by "Buyer", by Division Merchandise Manager, by District Manager, by General Merchanise Manager, Planning Manager, Region, Store, Wal-Mart Demographic, merge against internal database information.

## Track Store Sales Performance Trends:
Avg Sales per Store, Avg Vol Per Store; same for Avg sold per Club

MUMD as % of Sales:
Percentage of sales as Markdowns or Markups. (Markdowns + Markups) / Sales

Tracking Signal Register (TSReg)
A record of tracking signal exceptions for the last 13 update weeks. A '1' indicates the tracking signal exceeded a limit (up or down); a period (.) indicates a normal condition. By setting parameters in the system, you tell Inforem at what point you want to be notified about the trend.
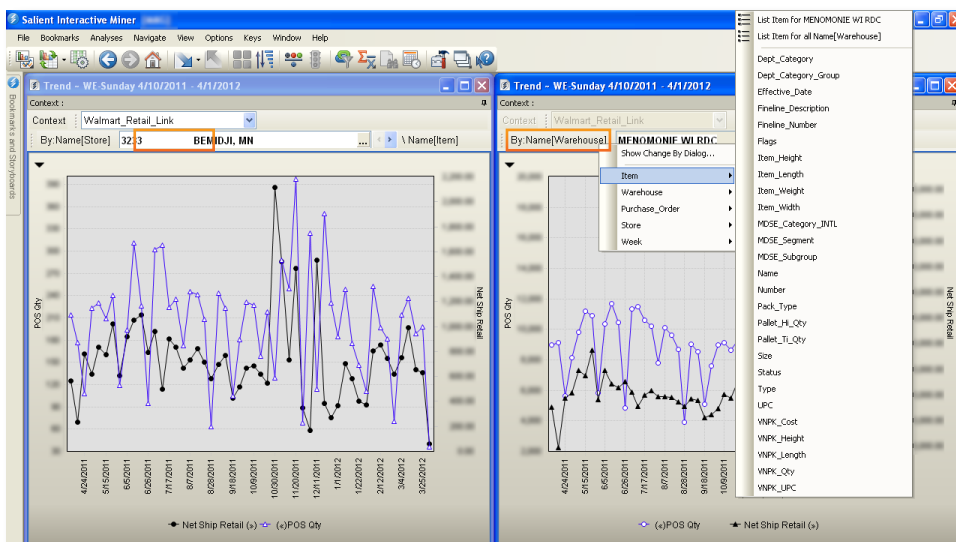
Identify detailed trends for any store or DC comparing price, volume, margin and inventory levels.

Inventory Management / the Wal-Mart & Sam's Supply Chain

Supply Chain Monitoring:

Track each phase of the Wal-Mart supply chain including what's On-Order, In-Transit, On-Hand in Store vs On-Hand in Warehouse.

Balance Sales & Inventory:

Combine POS Qty with Inventory Inventory On-Hand to Identify optimal stock balances based on seasonality, promotions and other events.

Wal-Mart & Sam's Quarterly Scorecards:

Monitor your GMROII % improvement, Warehouse Turns, MABD Lead Time Compliance, Margin after Coop, Instock% and more

Fill Rate and On-Time Percent:

Gain visibility into whether or not shipments are on-time according to what the order date is.

Order Point Qty:

When a stores' available stock is equal to or less than the order point, the system must order to avoid running out of stock.

Suggested Order Qty:

As Wal-Mart becomes more sophisticate, suppliers will need to closely monitor the calculation delivered via Retail-Linkn that factors inventory in transit, in store and in warehouse and depletes levels for that region then compares vs forecast to provide a suggested order value to maintain optimal inventory levels.

Safety Stock Qty:

Safety Stock being used in the order point/order up to level. It will be the greater of Inforem calculated safety stock or Counter stock (c-stock). Counter stock is a value set by the Replenishment Manager. Safety stock is calculated by Inforem and is driven by the difference between forecasted sales and actual sales.

Monitor "Weeks of Supply"

Based on Retail On-Hand / POS Sales Number of Weeks Worth of Inventory Available in Stores

Max Shelf Qty:

Compare your store stock to the reasonable shelf holding capacity. Initially set on the modular. Some replenishment strategies use a % of Max Shelf to set a minimum counter stock (c-stock) to set a minimum presentation value.

Short Shipped Cases and %:

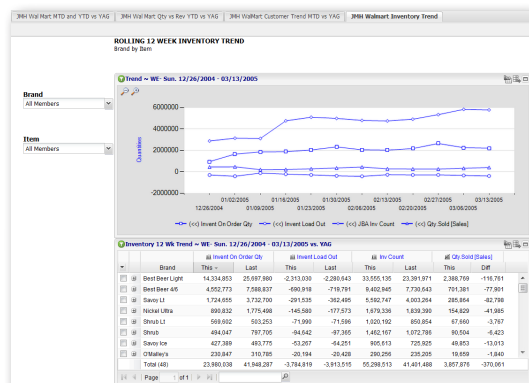Quantity recorded as 'Short' at PO level, by the club or DC at time of receipt.

Inventory Level

- at the Store and by Distribution Center (Wal-Mart and Sams)

Inventory Required

- flag by Warehouse or by Store by SKU

Item Flags: Linked Item vs Obsolete Items

About Salient

Salient Management Company offers business and government a new solution for efficient management. Drawing on diverse data from multiple sources, Salient technology measures how business activity creates value, quality, financial efficiency, and productivity, while the user interface eliminates barriers to using this knowledge for continuous process improvement.

Salient is a worldwide provider of advanced performance management and decision support systems for a wide range of industries and the public sector. Founded in 1986, Salient today serves more than 115,000 users in 61 countries.

For more information, visit www.salient.com.

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