

## **NEWS RELEASE**

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### **One Network Delivers Multi-Echelon Replenishment for Retail, High Tech and Service Supply Networks**

*\$35 billion retailer uses new pull-based replenishment system to cut shelf out-of-stocks in half while reducing total inventory*

**Dallas, TX – Apr. 18, 2005** – One Network Enterprises, Inc. (ONE) and a Fortune 50 retailer have demonstrated the multi-echelon replenishment capabilities of ONE's on-demand supply chain management system. Replenishing stores based on actual store demand signals, the \$35 billion retailer cut shelf stock-outs 50% on promotional items in 130 stores, while simultaneously reducing inventory in one of its regional distribution networks.

One Network provides the supply network infrastructure and Web applications as hosted networked services. Demand signals reach all parties on the network simultaneously, faster than traditional point-to-point EDI or batch communications. ONE's Intelligent Execution Manager creates and adjusts orders automatically at any "echelon" in the network – stores, distribution centers and suppliers – based on real-time demand and available supply at all echelons.

Users improve service levels and same-store sales by accelerating the movement of inventory and data through the supply network.

"This is the first system for intelligent, pull-based replenishment of supply networks," said Greg Brady, CEO of One Network. "Multi-echelon replenishment reduces out-of-stocks and total inventory costs by moving goods most effectively to where they are needed, from anywhere in the multi-company supply network. We provide the connectivity, real-time visibility and business logic to achieve this in real time. It's one more example of how One Network transforms slow-moving supply chains into responsive supply networks."

In a typical replenishment process, data is relayed from point to point along a supply chain using EDI or batch communications. Users interpret demand and supply signals, and create or adjust orders in response. Order, inventory and transportation processes are managed separately using disconnected information systems. The resulting data and decision latency means that replenishment lags demand, goods arrive too late to prevent stock-outs, and excess store inventory must be sold at discount.

“The problem is particularly urgent with retail promotions, where accurate forecasting at the SKU and store level is nearly impossible and latency in the supply chain can mean that replenishment times are more than half the overall length of the promotion,” said Brady. “One Network enables rapid, nimble replenishment so that retailers can respond to unanticipated demand, capture sales they already ‘own,’ and increase same-store sales through better execution.”

One Network eliminates supply chain latency with many-to-many network connectivity, visibility and real-time decision support. Processes for orders, inventory and transportation management are integrated as flexible, networked services shared by all partners on One Network – including manufacturers, retailers, and transportation providers. This enables “RFID-ready” business processes and next-generation vendor managed inventory (VMI) programs.

#### **About the One Network solution**

One Network created and hosts internet-based supply networks with many-to-many connectivity, built on next-generation technology delivered in a flexible on-demand model. Rather than simply accelerating point-to-point data exchange along a traditional linear supply chain, the One Network is a highly distributed supply network where any participant can see and react to what is happening at any point in the network. Beyond visibility, the solution integrates transaction management with execution and real-time planning. Network participants create and share multi-company business processes, and can quickly adapt them in response to changing conditions. Incremental decision support allows partners to resolve issues as they arise in real-time, and automatically guides operations towards business objectives.

#### **About One Network Enterprises, Inc.**

One Network Enterprises, Inc. provides systems and services that help companies benefit from advancements in supply chain management. For more information, please call **+1 866-302-1936** or visit [www.onenetwork.com](http://www.onenetwork.com).