

ENHANCED MARKET ACCESS THROUGH ELECTRONIC COMMERCE

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ENHANCED MARKET ACCESS THROUGH ELECTRONIC COMMERCE

- What is an efdex?
- E-Commerce Defined
- The Food Industry: Ripe for E-Commerce Solutions
- Market Opportunity: Size and Scope
- From Commerce to E-Commerce
- Benefits of E-Commerce



WHAT IS AN efdex?

- B2B Electronic Trading Community for the Food and Beverage Industries
- Global, Multi-channel
- Enables revenue growth and efficiencies across entire supply chain
- Live network in UK, US launch mid-2000

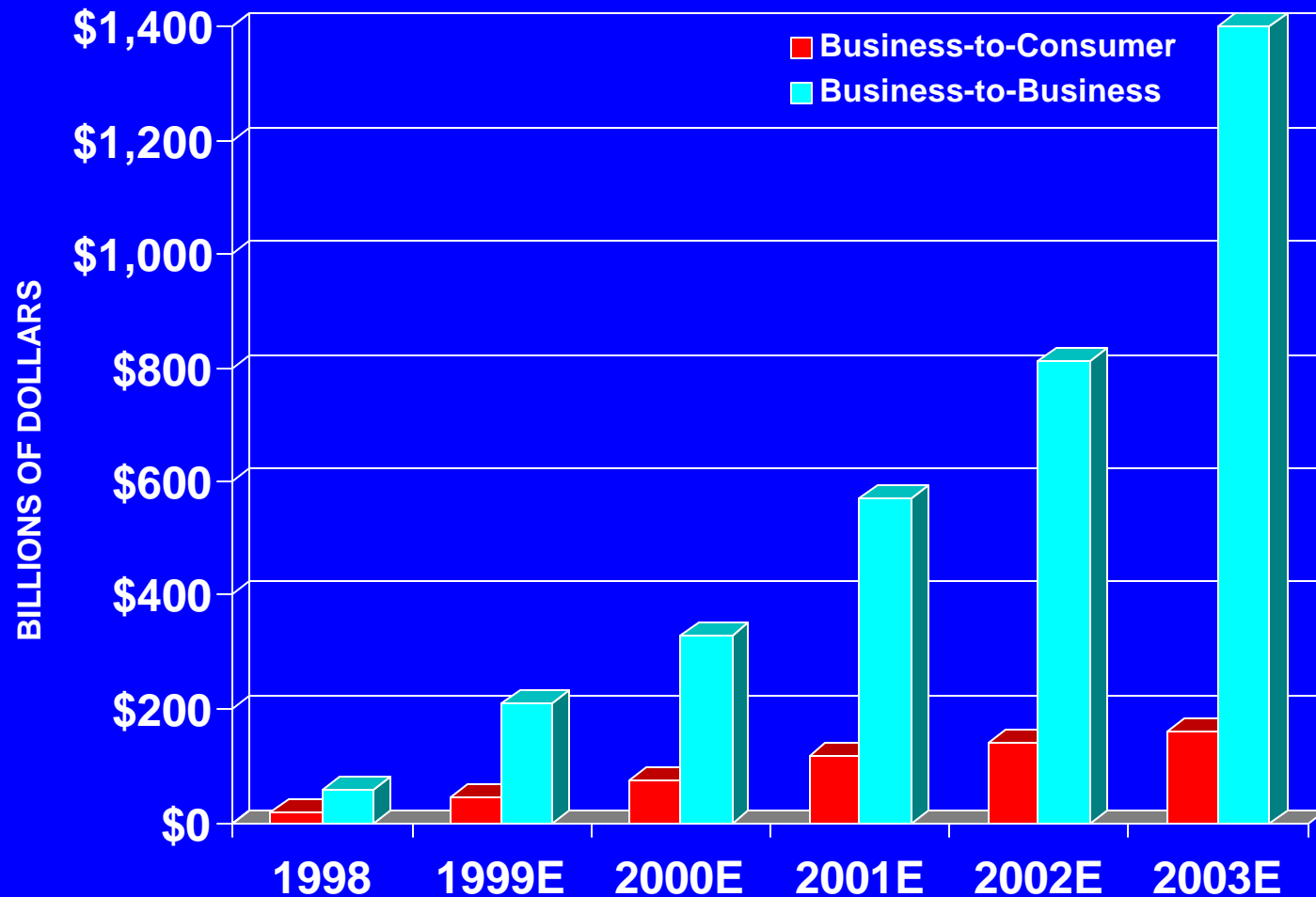


DEFINING E-COMMERCE

- Business-to-Business, real-time information exchange and transactions conducted over the internet
- Integrated end-to-end solutions: Demand Creation ⇔ Purchase Order Fulfilment and Invoicing ⇔ Inventory Management ⇔ Financial Systems
- Multiple potential interfaces
 - one-to-one
 - one-to-many
 - many-to-one
 - many-to-many
- It's about driving growth and profitability, not technology



BUSINESS-TO-BUSINESS OPPORTUNITIES DOMINATE E-COMMERCE



SOURCE: DELOITTE RESEARCH AND FORRESTER RESEARCH

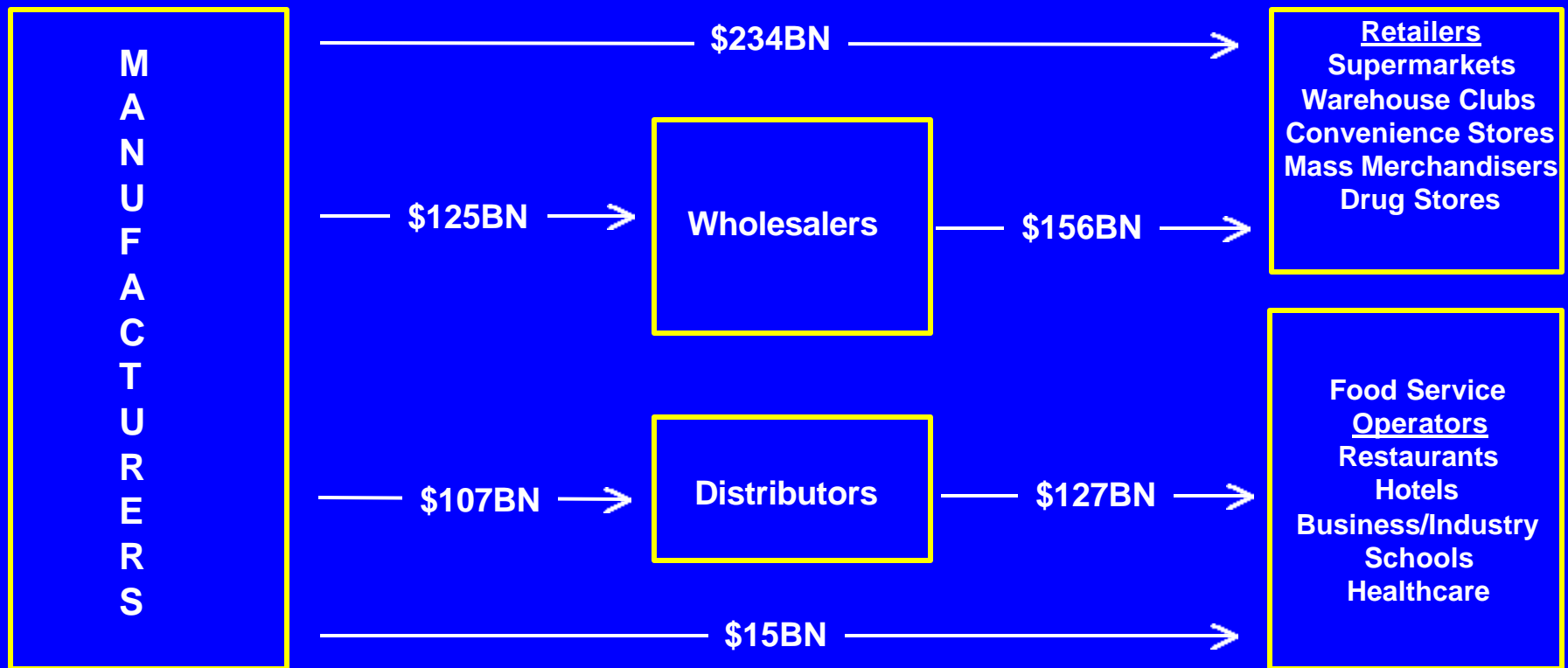


THE FOOD INDUSTRY: RIPE FOR E-COMMERCE SOLUTIONS

- The supply chain is highly fragmented
- Processes are inefficient and costs are high
- Competition is intense
- Margin pressure is intense
- Barriers to market reach/trading constraints exist
- Information flow and communications are constrained



US FOOD AND BEVERAGE MARKET OPPORTUNITY: SIZE AND SCOPE



TOTAL OPPORTUNITY = \$764 BILLION



FROM COMMERCE TO *E-COMMERCE*

COMMERCE

Paper product catalog and price book



Product and price changes, new product information faxed, mailed, or verbally communicated to trading partner



Promotion information mailed, faxed, verbally communicated



E-COMMERCE

Online catalog and price book

Product and price changes, new product information electronically communicated instantaneously, becoming data-of-record

Promotions communicated electronically, becoming data-of-record



FROM COMMERCE TO *E-COMMERCE*

COMMERCE

Manual, time delayed tracking of product movement



Paper purchase orders, invoicing and record keeping



Constrained Market Reach



Sales calls focused on order taking and invoice dispute resolution



E-COMMERCE

Product movement data captured and tracked electronically, real time

Electronic purchase orders, invoicing and record keeping

Reach all networked current and potential trading partners simultaneously, instantaneously

Sales calls focused on strategic selling, business development



BENEFITS OF E-COMMERCE

- **Improve market reach, grow revenues, gain market share**
- **Reduce costly inefficiencies: invoice errors/deductions, administrative processes**
- **Targeted, dynamic information improves decision-making**
- **Accelerate time to market and customer responsiveness**



BENEFITS OF E-COMMERCE

- Improve market reach, grow revenues, gain market share
- Reduce costly inefficiencies: invoice errors/deductions, administrative processes
- Targeted, dynamic information improves decision-making
- Accelerate time to market and customer responsiveness
- Collaborate with trading partners in real time
- Accelerate inventory turns
- **COMPETE MORE EFFECTIVELY**
- **IMPROVE PROFITABILITY**

