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

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

BILLIONS OF DOLLARS


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