

Know the Drivers...

Retailers are aggressively pursuing enhanced Product Development and Sourcing capabilities:

- ◆ Consumers expect high fashion products that are new, better and faster to market
- ◆ Consumers demand the right value proposition for quality and price
- ◆ Multi-channel and global retailing demands greater product diversity and assortment expansion
- ◆ Global product development, sourcing and fulfillment delivers value and flexibility
- ◆ Market conditions dictate the need to maintain quality assurance and quality control, PLM is an enabling to monitor compliance
- ◆ Retailers drive private and exclusive brand offerings to supplement national brands for profitability and competitive advantage
- ◆ Relationships between merchandising, product development, supply chain and vendor creates a link that must be finely tuned to drive sales and margin, prevent stock outs, optimize prices, operate with lower costs and higher inventory productivity.
- ◆ Leadership and workforce alignment fuel “Best in Class” global sourcing strategies
- ◆ Clearly defined roles and responsibilities promote efficient and effective workforce utilization
- ◆ Organizations look to leverage processes and procedures across the enterprise to reduce costs
- ◆ Product Lifecycle Management (PLM) provides clear visibility and tracking of product from concept & development to store delivery



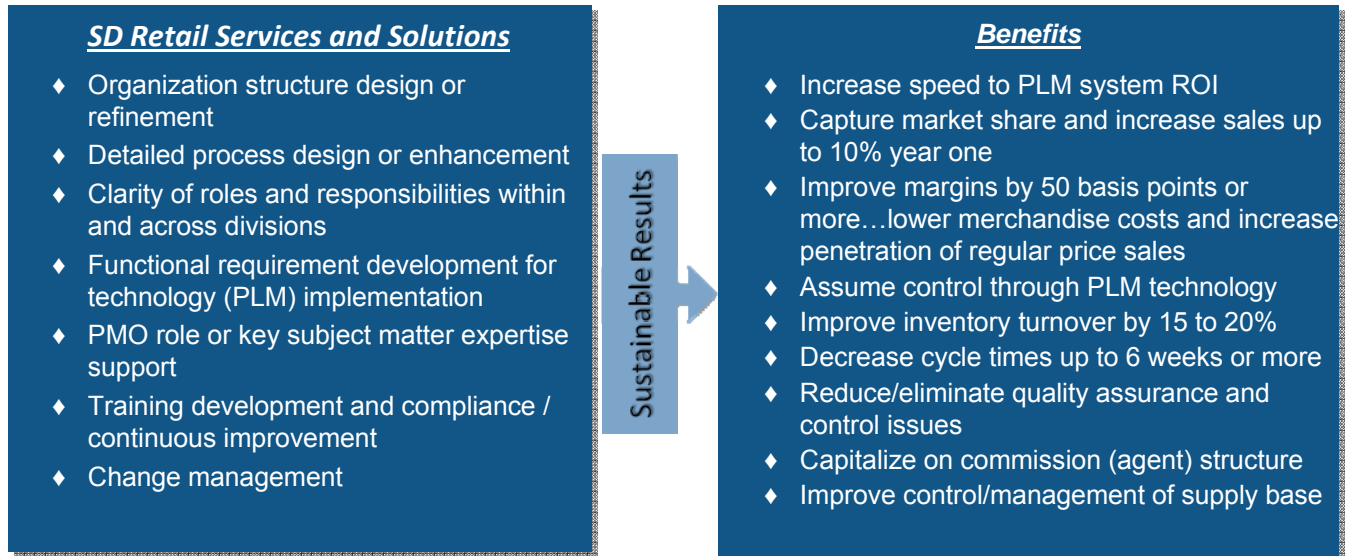
Understand the Challenges...

Internal and external constraints impact Product Development and Sourcing activities:

- ◆ Complex process hand-offs from product development to quality control & logistics lack integration
- ◆ Product development and sourcing groups are “vendors” instead of partners
- ◆ Product development, color management and technical design tools change rapidly
- ◆ Production, quality control, communication, raw materials acquisition, and fulfillment processes have varied levels of maturity
- ◆ Delivering the right product at the right time is complicated by many moving parts during product development; impacting execution costs and placing increased pressure on timelines, sourcing agents, production and logistics
- ◆ Supplier relationships operate on “comfort” rather than business metrics
- ◆ Regulatory compliance requirements and Homeland Security concerns constantly evolve
- ◆ Multi-country, tri-trade arrangements and quotas complicate international sourcing
- ◆ Domestic supply chains are configured to handle throughput vs. value-add services – product must be “right before it leaves the source - increasing the importance of accuracy and integrity at the source

Get the Results YOU Want and YOUR Customers Expect...

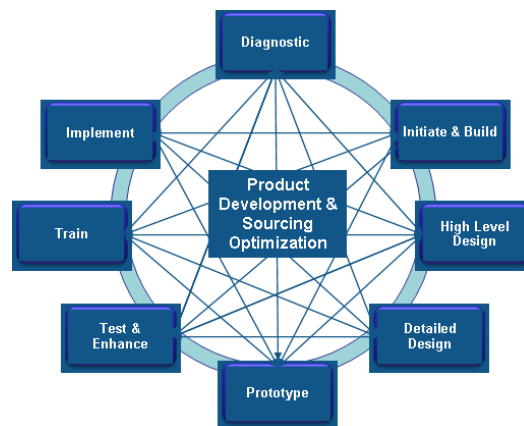
Properly aligned Product Development, Merchandising and Sourcing organizations open additional product channels, reduce lead times, increase revenues and improve margins.



Design and Implement the Solutions with SD Retail...

SD Retail helps you simplify a complex set of processes by leveraging the power of product, supplier, PLM and customer information:

- ◆ **Provide comprehensive, holistic view:** We approach each initiative with the goal of ensuring the end result succeeds in the context of **YOUR** organization, and aligns with **YOUR** overall strategy.
- ◆ **Leverage your talent:** We provide a flexible, customized approach to collaborate with **YOUR** internal team, and ensure knowledge transfer for ongoing, sustainable improvement.
- ◆ **Create measurable, sustainable results:** We partner with **YOUR** organization to design, test, refine and implement customized solutions. We design and implement measures to sustain and monitor results.



Let us help! Contact Practice Lead Gary Beckerman at +973.715.0810 or gbeckerman@sdretail.com