



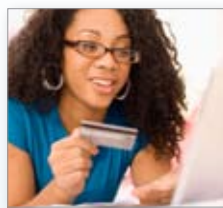
Consumer Industries & Retail

CONSUMER DIRECT SERVICES
Delivering Total Client Value

Behind millions of orders there's the power of anytime, anywhere.

Behind the distribution of countless consumer products and shipments of more than 50 million orders annually, there's an ally. EDS is there with transparent, efficient solutions. When consumer-direct companies seek end-to-end order management, innovative technology integration, fulfillment solutions and scalable customer service, they turn to EDS. Processing millions of direct orders through our contact centers, retail Web sites, mail-order processing and our network of four direct-to-consumer centers in two countries, EDS helps retail and consumer companies put the power of Consumer Direct to work, generating more than \$1 billion in market revenue annually. And worldwide, companies in this industry depend on EDS to provide them with seamless, transparent PCI DSS-compliant and secure payments, order fulfillment and fast shipping – along with quality customer service management. They accomplish this by turning to the world's business ally for the end-to-end capabilities outlined below.

End-to-End View



1

Multichannel Consumers

Consumers place orders for products through various channels.

- Retail stores
- Web sites, kiosks, e-mail, PDAs
- Mail and phone (call centers)



2

Order Management

Orders are captured and processed by order management system.

- Customer records and databases updated
- Stock availability determined
- Orders sent for fulfillment



3

Payment Processing

Various types of payments are processed; funds deposited in bank.

- Cash payments processed when received
- Credit cards pre-authorized, processed when order shipped
- Other payment types: checks, money orders, payment services



4

Warehousing/Inventory Management

Merchandise is received into warehouse from suppliers.

- Items inventoried and put away
- Operational stock levels managed
- Re-supply and tracking managed daily



5

Picking

Orders are broken down into consolidated merchandise pick lists.

- Items located in warehouse and picked
- Items for kits picked
- Picked items conveyed to packing area



6

Packing

Picked items are assembled into customer orders.

- Orders packed for shipment
- Kits assembled and stored for later distribution



7

Shipping & Logistics

Packed orders are prepared for shipping.

- Sorted and bundled for most effective distribution
- Carriers include DHL, FedEx, UPS and USPS
- Orders shipped out

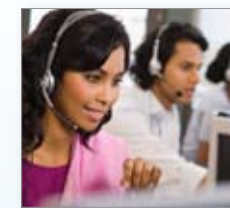


8

Customer Receives Order

Customer receives order based on shipping instructions.

- Receives order confirmation by e-mail
- Views invoice online
- Tracks delivery of order online



9

After-Sale Service/Returns Processing

Customer concerns and returns are handled.

- Merchandise returns processed within the warehouse
- Financial transactions reversed



10

Business Intelligence & Analytics

Customer data is aggregated, analyzed and reported for business intelligence.

- Customer preferences and segmentation further defined
- Related short-term promotions developed or enhanced
- Longer-term marketing approaches developed or enhanced

Current EDS Offerings

- Inbound and outbound sales, marketing and customer service contact centers
- e-commerce design, management and hosting
- Online chat
- Inbound/outbound e-mail
- Self-service channels (speech, IVR)
- Multichannel systems and data integration

- Order entry and transaction management systems
- Multichannel, one-shot and continuity ordering:
 - Online
 - Phone
 - Batch order

- Credit card authorization
- Credit card processing
- Check/money order processing
- Cash processing
- Internet payment services
- Installment billing

- Automated warehouse management
- Product receiving and put-away (pallets and cartons)
- Inventory management
- Cold-storage facilities
- Security
- Cycle counts
- Infrared (IR) scanning

- Pick-to-light systems
- Manual hand-pick
- RF "Gladiator," a hand-held device that supports the pick process
- Pick to Voice (EMEA)

- Product kitting
- Special packaging
- Lettershop services
- Package insert services
- Invoice creation
- Various packing sizes and handling characteristics
- Automated "brown printed matter" packing

- Shipping and handling cost optimization
- Manifesting, sortation and zone skipping
- Discounted transportation rates with major carriers: DHL, FedEx, UPS, USPS

- Order confirmations
- Shipment tracking information via e-mail/links to shippers
- Online order and invoice tracking
- Agent supported order services

- Automated and live customer support
- Returns processing, including Return Merchandise Authorizations (RMAs) and returns handling
- Billing adjustment
- Warranty administration/claims processing
- Restocking and return to supplier

- Customer reporting
- Data warehousing
- Operational analysis
- Customer analysis
- Market segmentation reporting

Outsourcing order management, logistics and payment services are a cost-effective way to improve your direct channel while preparing for the future. They enable you to concentrate your resources on marketing, sales and product management while smoothly scaling up to meet demand. In addition to increasing shopper spending through up-sell, cross-sell and customer saves, your company can:

- Increase sales and profit.
- Improve top-line growth.
- Better manage variable operational costs.
- Reduce fixed costs.
- Increase shopper spending.
- Reduce inventory costs of goods sold.
- Reduce transportation and logistics costs.
- Lower IT investment and support costs.

EDS Consumer Direct Services for Consumer and Retail Industries Solution Overview

Many direct-to-consumer firms handle order management, logistics and payment services in-house. But when volume grows, so can costs and complexity. And that distracts from what's really important: marketing, sales and product management.

With more than 40 years of experience serving the Consumer and Retail Industries marketplace, EDS' team of IT, Customer Service and Supply Chain experts helps our clients improve their operational efficiencies and offer new products and services - faster and with better customer service. Our end-to-end consumer direct solution facilitates the flow of information and the efficient processing of your sales from order to delivery. We capture customer intelligence, handle sales and service inquiries, process sales requests, and warehouse and distribute products for direct-to-consumer companies around the globe. And we can integrate online, retail, catalog, direct media and other channels into a seamless environment to give you a single view of your customers. Plus, no matter where you go or how fast you move, we have the scale to grow with you.

Your Business Challenges

Managing volume growth, demand variability and global expansion isn't always easy for direct-to-consumer companies. You know the challenges. Customer demand could spike more this season than last. Or an ineffective promotion could leave you with an overstocked warehouse.

When orders and requests flood in, you have to respond immediately with the right information and resources. That means knowing past buying and promotional campaign behavior. Making a powerful, targeted cross-sell. Seeing accurate inventory levels. Moving massive amounts of product from the warehouse or manufacturer out to customers - on time and with very few errors.

How We Can Help

EDS can pull everything together for you. We capture customer intelligence, handle sales and service inquiries, process sales requests, and warehouse and distribute products for direct-to-consumer companies around the world.

Consumer Direct draws on IT excellence and Business Process Outsourcing in the direct-to-consumer market to give you a single solution that manages both business and technology operations. It's backed by decades of close collaboration with clients worldwide. Look to us for global, end-to-end support that helps increase sales and customer loyalty while reducing costs.

SPEED PROCESSING AND INCREASE SAVINGS

Boardroom Inc.

Boardroom Inc. publishes five print newsletters, two e-letters and dozens of books that help people manage their lives more efficiently. To handle an annual sales volume of more than 3 million, the publisher looked to EDS for a high-performance, modern, scalable IT platform to sustain its growth and ensure its position in the rapidly changing media landscape.

In 2007 alone, EDS processed and fulfilled 2.9 million shipments, while handling more than 230,000 customer inquiries for Boardroom, which projects an operational cost savings of approximately US\$1 million per year on postage resulting from its outsourcing relationship with EDS.

Through EDS, Boardroom gained industry-best processes and a scalable business model to ensure continued efficiencies - and access to economies of scale that help contain shipping costs and, ultimately, improve profit margins.

MOVE INTO NEW MARKETS

FranklinCovey

FranklinCovey's burgeoning product line required an extensive warehousing and distribution center and a contact center for ordering and customer service. To meet the company's growing technology needs, EDS found new ways to cut costs, increase efficiency and move into new markets.

EDS' contact center handles more than 700,000 phone calls, nearly 90,000 online requests and more than 125,000 e-mail inquiries for FranklinCovey each year. And with a customer support staff focused on seizing cross-sell and up-sell opportunities, the average number of items in each order has increased by 36 percent in the last two years.

With EDS, the company reduced its IT costs by more than \$2.5 million and freed up \$15 million by transferring ownership of its distribution facilities to EDS. Even with increased sales, the FranklinCovey Distribution Center reached an accuracy rating of 99.9 percent, the highest ever.

SUPPORT MARKET POSITION

Leading Publishing Company

When this leading publishing company sought to expand its offerings and increase market share, EDS delivered a tried-and-true ordering and fulfillment system to maximize its IT investment, reduce costs and improve customer service.

Today, the company handles calls and processes orders faster and at a fraction of the cost. In just 21 months, savings reached \$690,000. Its automated customer-care center handles an average of 40 percent of all calls, freeing agents to manage more orders and complete other administrative duties. And with anytime, anywhere automated self-service, customers receive orders 30 percent faster than before.

What's more? EDS' enhanced business processes transformed what was once a cost burden into new channels for growth and revenue, further supporting the company's position in the market.

DECREASE TURN TIMES & IMPROVE ORDER ACCURACY

Major Mail-Order Company

Over the past 40 years, this mail-order retailer's line of magazine, book, music, gift and food products has generated sales of more than \$2.5 billion. As its sales grew, managing order fulfillment and rising customer-care costs proved challenging. Outsourcing to EDS provided a cost-effective solution - without sacrificing service.

Today, the company provides responsive customer support, with decreased turn times and improved order accuracy. EDS manages the company's entire fulfillment operation - including warehouse, order processing and call center - in our state-of-the-art facilities.

The company freed up millions in capital (previously tied to plant assets) while achieving productivity gains and cost reductions. And EDS helped the company develop new business intelligence solutions that test new products and evaluate their effectiveness faster and more accurately than ever before.