



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

Example Deliverables

Table of contents

Business Case On Demand Level 1	Page 2
Business Case On Demand Level 2	Page 3
Business Case On Demand Level 3	Page 5
Sales Process Analysis and Recommendation Report	Page 11
Benefit Definition Matrix	Page 22
Quantifiable Success Analysis	Page 24
Quantifiable Intro Letter	Page 32
Initial Agenda Letter	Page 34
Second Agenda Letter	Page 36
Choreographed Sales Process	Page 38
SCR Worksheet	Page 42
Preliminary Requirements outline	Page 45

EXAMPLE BUSINESS CASE ON DEMAND

LEVEL 1

XYZ Template - ABC Ventures QCS

Equation Worksheet

Revenue/Sales(12 XYZ Stores)	\$5,447,400
COGS (12 XYZ Stores)	\$4,200,000
Next-day-delivery boosts the inventory turn volume by 50%.	$\$350,000$ inventory turn value x 6% cost of capital = \$21,000 $\$21,000$ x 50% improvement = \$10,500 $\$10,500$ [assumes ABC Ventures recovers entire inventory investment within on month or one full turn per month] = \$10,500 interest savings per year.
Promotional product discounts save 10-20% on the monthly cost of goods.	$\$350,000$ per month per XYZ store X 10% = \$35,000 COGS x 10% COGS improvement = \$35,000 x 12 = \$420,000 per year COGS improvement x 1.297 markup = \$544,740 equivalent revenue x 0.061 = \$33,229 net profit impact
Efficient restocking boosts bottom line by 30-35%.	Assume a 6.1% bottom line. Assume an average 29.7% markup. $\$350,000$ per month per XYZ store x 1.297 markup = \$453,950 per month sales revenue x 12 months = \$5,447,400MM sales revenue per year at XYZ stores x 0.061 net margin = \$332,291 x 1.35 bottom line boost = \$448,593 – \$332,291 = \$116,302 per year more profit
Store managers save 10-20% of their time on orders by scanning individual items sku's.	12 managers x 2 hours per week x 52 weeks x \$15 per hour = \$18,720 per year
Prompt notice on product order velocities saves 50 hours a week.	50 hours x \$25 per hour = \$1,250 $\$1,250$ x 52 weeks = \$65,000 annual savings
Putaway time is reduced by 15 minutes per store saving \$2,340 annually.	15 minutes x 12 stores x 52 weeks x 1/60 x \$15 per hour = \$2,340 per year
Net Margin before tax	\$332,291 (w/o XYZ) \$568,757 (w XYZ)

Next-day-delivery boosts the inventory turn volume by 50%.

EXAMPLE BUSINESS CASE ON DEMAND

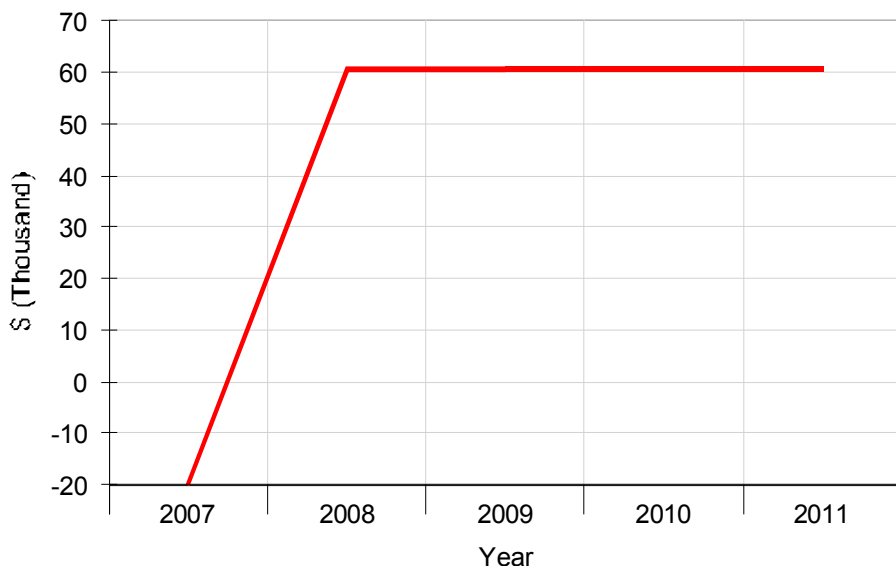
LEVEL 2

ABC – XYZ RESULTS SUMMARY

Assumes even revenue and cost growth rate for ABC.

\$60,750 in XYZ expected generated costs savings will translate to a 5 year accumulated incremental net operating profit impact of \$223,375 due to XYZ products and services.

Incremental Operating Cash Flow



Year	Incremental Operating Cash Flow Impact of XYZ Products and Services on ABC Net Operating Income before taxes	Cumulative Operating Cash Flow Impact of XYZ Products and Services on ABC Net Operating Income before taxes
2007	(\$19,627)	(\$19,625)
2008	\$60,750	\$41,125
2009	\$60,750	\$101,875
2010	\$60,750	\$162,625
2011	\$60,750	\$223,375



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

Every \$1 paid to XYZ will yield ABC \$5.34 in operating efficiencies. According to John Doe of ABC, XYZ, products and services will pay for themselves in 9 months with an expected Net Present Value (NPV) of \$217,095 and an Internal Rate of Return (IRR) of 173.51%

RESULTS ITEMIZED: ABC Equation Worksheet

Revenue/Sales	\$32,000,000
COGS	\$
If they had used XYZ from the start, they would not have had the problem with the injected plastic mold component and would have avoided the \$4,000 extra cost and 4 weeks delay to remake the part.	\$4,000 cost savings
Using XYZ will save 5% of the thermo solution [heatsink, fan, magnetics] which is about \$50 per unit [\$2.50 per unit savings]. Double that for the larger one [\$5.00 per unit savings].	5700 [60 amp] x \$2.50 = \$14,250 3500 [80 amp] x \$5.00 = \$17,500 \$14,250 + \$17,500 = \$31,750 annual cost savings
On the power supply alone, ABC will be able to eliminate one design iteration, consisting of one week for design and three weeks of testing. XYZ will reduce the design time regarding how to deal with reducing the buildup of debris inside the machine.	One engineer at \$50 per hour x 40 hours = \$2,000 for design One engineer and one technician [2] x \$50 per hour x 40 hours per week x 3 weeks = \$12,000 for testing \$2,000 + \$12,000 = \$14,000 in avoided costs
XYZ gives sales people the ability to show prospects, visually, the things you can do for them, increasing the probability of the sale	TBD based on Communication with sales force
Necessity for outsourced design work will be reduced by \$5000 per design (currently working on 3 designs)	\$15,000 per year in saved outsourced costs
Total annual cost savings and increased net profit before taxes	\$60,750 per year

EXAMPLE BUSINESS CASE ON DEMAND

LEVEL 3

XYZ / ABC - Mike Jones*

George Murphy - Bill White

The component Mike Jones focuses on is the air component that goes on the different paper machines. He stated 60% of his stuff is standard and the remaining 40% is custom. They have standard equipment which they retrofit and integrate into the requirements, but other times they have to custom build.

ABC currently sells about 100 systems per year. Their top line number is between \$25MM and \$28MM. The cost component is \$20MM. Four to five million of that comes from over-engineered systems. Mike believes by using XYZ, he can save about \$400,000 [8%] per year simply by having better design. With XYZ, they can run any number of iterations to get the optimal design and eliminate the need to over-engineer because the precise needs are unknown or unclear. Without XYZ, it isn't feasible to run as many iterations and as a result things are over done just to be safe.

They sell direct through 7 full time sales people, five product managers and Mike Jones. The full time sales people spend all of their time selling, the product managers spend 20% each of their time selling and Mike spends 30%. Mike believes his selling time could be reduced by the graphics XYZ provides. He is often brought into the meetings as a 'convincer' and he thinks the XYZ graphics will take care of some of that. He believes he could save 15% of the time he currently spends selling, which equates to \$28,704.

Mike also believes the product managers could each reduce their selling time to 17% rather than the 20% they currently spend. That equates to \$28,704 per year.

When asked what proportion of the dollars generated were attributable to product manager and engineering involvement, Mike said his contribution was roughly \$6,250,000 which equals \$312,500 in profit. This number will be compared to the cost number and the value estimation document will use the



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

best number. Mike said his manager is more inclined towards cost savings and avoidances than he is toward incremental revenue improvements.

Three design engineers at \$92 per hour [Canadian dollars] spend 10% of their time doing engineering design work [post and pre prototype design/verification]. \$57,408 is currently being spent annually for this work. Mike believes they can save half of that, which is \$28,704.

Machine time is a wash, but in the implementation area, they spend two man days per system setting up the air handling part of the paper machine. That equates to 200 man days per year at \$92 CD per hour which adds up to \$147,200. They believe through better design they can reduce that number by 25%. That's \$36,800 savings on labor.

They currently spend \$250,000 on travel and lodging, per year on the implementation schedule. The variable portion is the per diem, which is currently \$70,000 per year. They believe they can save 25% of that as well, which is \$17,700 in annual savings.

ABC is currently outsourcing thermal and flow to the tune of \$7,000 to \$8,000 per year. If they become proficient in doing it themselves, the cost will be a wash, however the quality will increase. In order to achieve the same quality they will get using XYZ, they would have to spend triple the amount they currently spend on outsourcing. That's a savings of roughly \$15,000.

In the area of Maintenance Warranty, they believe they can save 10% on warranty work. They currently spend \$300,000 so that's a savings of \$30,000.

George has convinced Mike that Bill needs to be present at the meeting with the General Manager.

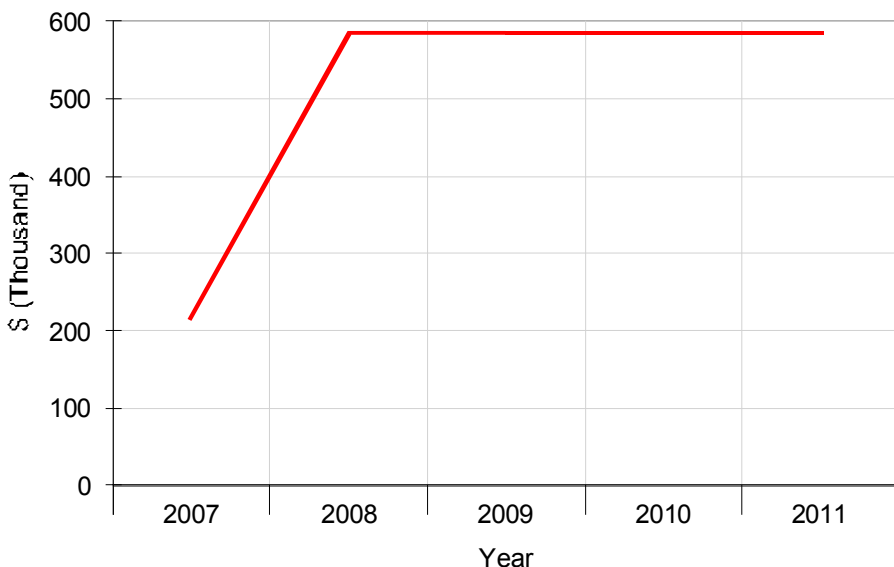
RESULTS SUMMARY



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

\$585,612 in expected XYZ generated costs savings will translate to a \$218,005 incremental net operating profit impact for FY 2007, if you accumulate the expected incremental net operating profit impact from 2005 thru 2009, it will be \$2,560,453 due to XYZ products and services.

Incremental Operating Cash Flow



Year	Incremental Operating Cash Flow Impact of XYZ Products and Services on ABC Net Operating Income before taxes	Cumulative Operating Cash Flow Impact of XYZ Products and Services on ABC Net Operating Income before taxes
2005	\$218,005	\$218,005
2006	\$585,612	\$803,617
2007	\$585,612	\$1,389,229
2008	\$585,612	\$1,974,841
2009	\$585,612	\$2,560,453



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

Every \$1 paid to XYZ will yield ABC \$93.47 in operating efficiencies. According to Mike Jones of ABC, XYZ products and services will pay for themselves in 3 months and generate a Net Present Value (NPV) of \$2,404,123 and an Internal Rate of Return (IRR) of 2,252.35%

XYZ - ABC Worksheet*

Sales Revenue	\$28,000,000
COGS	\$20,000,000
The better design capability provided by XYZ will save 8% of the portion of COGS [\$5,000,000] attributable to over-engineered products.	$\$5\text{MM} \times .08 = \underline{\$400,000 \text{ annual cost avoidance}}$
XYZ's graphics will reduce the amount of time Mike Jones spends selling from 30% of his time to 15%.	$(2080\text{hrs/yr} * \$92 \text{ per hr} * 15\%) = \underline{\$28,704 \text{ annual cost avoidances}}$
Product managers could each reduce their selling time to 17% rather than the 20% they currently spend.	$5 \text{ Product Mgrs} * 2080 \text{ hrs per yr} * \$92 \text{ per hour} * 3\% \text{ time savings} = \underline{\$28,704 \text{ cost avoidance per year.}}$
Three design engineers spend 10% of their time doing engineering design work [post and pre prototype design/verification]. This can be cut in half.	$40 \text{ hours per week} \times 10\% \times 3 \text{ engineers} = 12 \text{ hours per week. } 12 \times 52 \text{ weeks per year} = 624 \text{ hours per year}$ $624 \times \$92 \text{ per hour} = \$57,408$ $\underline{\$57,408 \times 50\% = \$28,704 \text{ annual labor savings}}$
In the implementation area, they spend two man days per system setting up the air handling part of the paper machine. That equates to 200 man days per year. Through better design, that can be reduced by 25%	$200 \text{ days} \times 8 \text{ hours} \times \$92 \text{ per hour} = \$147,200$ $\underline{\$147,200 \times 25\% = \$36,800 \text{ annual cost avoidance}}$
Increased efficiency will reduce the amount of time spent onsite during implementation, thereby reducing the per diem by 25%	$\$70,000 \text{ annual per diem costs} \times 25\% = \underline{\$17,700 \text{ in annual savings}}$
By learning to do thermal and flow internally instead of outsourcing, the actual costs will remain about the same. However, the quality of the product will triple, avoiding the cost to achieve that level of quality if they continued to outsource.	$\$7,500 \text{ current approximate outsourcing cost} \times 3 = \$22,500$ $\underline{\$22,500 \times .67 = \text{Approx. } \$15,000 \text{ in savings}}$
In the area of Maintenance Warranty, they believe they can save 10% on warranty work.	$\$300,000 \text{ currently spent on Maintenance Warranty} \times 10\% = \underline{\$30,000 \text{ in annual savings}}$
Total annual cost savings, cost avoidances and increased net profit before taxes	<u>\$585,612</u>

* All dollar amounts expressed are in Canadian dollars



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

EXAMPLE SALES PROCESS ANALYSIS AND RECOMMENDATION REPORT

January 3, 2007

John Doe
VP Sales and Marketing
General XYZ Corporation Inc.
321 Main Street
Ste. 239
Lincoln, NE 44854

Dear John,

Thank you for your continued interest in eJustifyIt, Sales Performance and Support Where and When You Need It.

So far, we have accomplished the following:

- A quick background of your company
- An overview of Value Realization, Value Estimation and Value Planning
- Value Messaging Analysis and Recommendation report for Wireless Services, Unix Products and Custom Software Services

Summary of What General XYZ Corporation Focuses On

During our conversation, you told me that General XYZ Corporation is a software development company, a consulting company and you provide application services in the employee benefits communication arena. You work with employers to increase employee understanding of company provided benefits through printed or online communications. You also provide enrollment services. You benefit companies who are looking for ways to improve retention or who have specific labor issues.

You feel that you provided services that are nice to have, but not necessary. You have over 3,000 clients ranging from companies with 15,000 employees down to those with 10 or 15 employees. You have a high number of referrals and you also use direct mail with response cards, some print advertising and online advertising to generate your leads.

Once leads come in, they are randomly assigned to sales people and tracked through the sales process. You have a fairly complex sales process, especially for the consulting and Custom Software Services. You have six active sales reps who work nationally. They work with third party agents or brokers, as well as with the end user. They spend 70% of their time actively selling and they each generate about 40 leads per month.

Your average deal size varies with the product line:



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

Unix Products: \$2,500

Wireless Services: \$5,000 – \$10,000

Custom Software Services: \$25,000

You stated you are changing your sales method for the Unix Products so that you can focus more on the printed and Custom Software Services.

You have some ROI tools but in your market you find it difficult to apply them. You use Value Justification in your sales process 100% of the time and present a business case (areas of impact) with your proposals about half of the time. You encourage your sales people to understand where the prospect has a need and explain to the prospect what they must have in place in order for them to meet their goals. We refer to this as “Points of Change” and we can show you how to use them to discover the motivation behind their interest in your product and to help them understand how you can improve their business situation.

Summary Of Proposed eJustifyIt Deliverables To General XYZ Corporation

Our main focus is in understanding “What’s in it for them?”, or simply put, understanding why companies do business with you. In our 2500+ Implementations and 200 man years of experience and research, we have learned that when business discussions turn away from price and toward value, the sales person gains more power in the process [Sales, Delivery and Customer Management]. When you can show the true value of your offering, you have a much better chance of closing the deal in a shorter time. When you are in a situation competing for the same deal, our process differentiates you because you are focused on business drivers instead of just the pricing or technical benefits of your offering.

1) Create The Baseline Value Messaging Documents [February 2 – March 2, 2007]

There are three types of Baseline Value Messaging Documents:

- Value Estimation Business Case Document (QBC) □We can work with you on a current sale in which you feel using value justification would improve your chances of winning the business.
- Value Planning - Quantifiable Implementation Document (QID) □We can work on a project you have recently closed in which the business success metrics need to be defined in order to guarantee customer satisfaction.
- Value Realization - Quantifiable Success Analysis (QSA) If you have a customer who has made a purchase and has been using your offering for some time, but you are unsure of the value you have provided, we can go back to that customer to evaluate the impact of the product and services on their business.

Value Messaging Document Creation Process

Once you decide which combination of customer(s) and prospect(s) that you will START with, we:

- Create Benefit Definition Matrix derived from Your Value Touch Points
- Decide Which Customer(s) or Prospect(s) that we will work together on
- Conduct an Interview(s) with your team to get your team’s perspective on the prospect/customer



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

- Modify Our Question and Answer(QA) process to then approach your prospect(s) or customer(s)
- Decide on who we are going to interview and how best to approach them
- Conduct the Customer Side of the story interview(s)
- Write up the Document(s)
- Get Approval(s)
- Deliver Value Estimation(QBC), or Value Planning(QID) or Value Realization Document(s)(QSA) *

Baseline Value Messaging Documents Examples

We chose these examples because they are representative of companies who sell software products and services that help their customers leverage data to run their businesses better. In each case, we uncovered value that our customers had no idea their product provided.

1. [Quantifiable Success Analysis Raw Deliverable](#)
2. [QSA converted to be used as a handout by your salesforce](#) *
3. [QSA in Audio Format for Sales Meetings, Customer Meetings and Training](#) *

*2 and 3 above are not included in price

2) Decide On and Create An Optimized Sales, Delivery And Customer Management Process [March 5 – May 3, 2007]

Make Value Messaging Part Of Your Daily Sales, Delivery And Customer Management Routine

- Create, document and choreograph current sales process with existing artifacts
- Create, document and choreograph new optimized sales process
- Determine and agree upon artifacts needed for sales force to execute new optimized process
- The foundation for Sales, Delivery and Customer Management Process improvement is now established and agreed upon
- Customize Question and Answer [QA] Process based on agreed upon sales process and roll QA into eJustifyIt Sales Rep Application
- Create customized training around new process and artifacts using eJustifyIt Value Selling™ framework [Please see attached VMAR report for details]
- Provide Customized Training [Online and/or Onsite] around new optimized sales process and best practices

3) Provide Ongoing Training and Coaching On Live Prospects, Implementations and Customers [May 4, 2007 - May 3, 2008]

- Regularly scheduled and on-demand Value Sales Analysis, Reporting and On-going Support

4) Once we complete 1 and 2 above, eJustifyIt can offer additional services which include [TBD]:

- Sales performance improvement which provides further improvements to conversion rate, sales cycle and average deal size



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

- Lead generation, appointment setting which gets higher level, higher quality, and higher quantity leads into your sales pipeline
- Sales Force On Demand which immediately provides sales people who are trained and ready to produce new revenue
- eJustifyIt Deliverables get integrated into your already existing sales force automation tools and processes.

Conversion Rate and Sales Cycle Analysis Before Implementation

Sales Process	Conv. Rate Analysis Wireless Services	Conv. Rate Analysis Online Products	Sales Cycle Analysis Wireless Services	Sales Cycle Analysis Online Products
LEAD GENERATION [Qualified Opportunity] Disqualify. They ask a series of questions. Number of employees, budget, bottom up or top down, is mgmt involved. Union related, Do you have a union is there union involved, changing copays. Outsourcing. Very Rarely CFO, Directors or Managers of HR. If the budget. Primary focus --> Consistent Gap between what people perceive value versus actual value, Turnover, Productivity, Retention, job satisfaction	75	50	21	30
SETUP A SECOND CONVERSATION: Focus on their goals, fact finder [worksheet], Several calls, Want to know the gatekeepers, FIND A SPONSOR[TEAM LEAD] schedule a webinar [COMPETITOR ANALYSIS]*	60	40	21	60
WEBINAR: How many different stake holders are there? Can we get them altogether so that we can do it all at once. NEEDS, Goals, Requirements. Technical stuff is downplayed, Wireless Services. [COMPETITOR ANALYSIS AND STAKEHOLD AGENDAS/TIMELINES]*	50	40	21	30
INCORPORATE ROI: Business case wraps around the webinar above. After that they confirm the pricing variables [prospect requirements] and then send the proposal	40	30	14	60
CONFIRM RECEIPT OF THE ESTIMATE: If they are not working on a.... Priorities change....	30	20	14	60
GET THE ORDER	20	10	30	60
IMPLEMENTATION [implement themselves]. On-Line services[training][90 days 24-36 check points.], Wireless Services[create an engagement timeline, the PSPM, puts together a timeline etc... 45-60 day duration 12-18 different checkpoints in the process	20	10	0	0
Summary	20% conversion rate	10% conversion rate	121 day sales cycle	300 day sales cycle

Conversion Rate and Sales Cycle Analysis **After** Implementation

Sales Process	Conv.Rate Analysis Wireless Services	Conv. Rate Analysis Online Products	Sales Cycle Analysis Wireless Services	Sales Cycle Analysis Online Products
LEAD GENERATION [Qualified Opportunity] Disqualify. They ask a series of questions. Number of employees, budget, bottom up or top down, is mgmt involved. Union related, Do you have a union is there union involved, changing copays. Outsourcing. Very Rarely CFO, Directors or Managers of HR. If the budget. Primary focus --> Consistent Gap between what people perceive value versus actual value, Turnover, Productivity, Retention, job satisfaction	85	65	21	30
SETUP A SECOND CONVERSATION: Focus on their goals, fact finder [worksheet], Several calls, Want to know the gatekeepers, FIND A SPONSOR[TEAM LEAD] schedule a webinar [COMPETITOR ANALYSIS]*	75	55	21	60
WEBINAR: How many different stake holders are there? Can we get them altogether so that we can do it all at once. NEEDS, Goals, Requirements. Technical stuff is downplayed, Wireless Services. [COMPETITOR ANALYSIS AND STAKEHOLD AGENDAS/TIMELINES]*	65	55	21	30
INCORPORATE ROI: Business case wraps around the webinar above. After that they confirm the pricing variables [prospect requirements] and then send the proposal	45	35	14	60
CONFIRM RECEIPT OF THE ESTIMATE: If they are not working on a.... Priorities change....	35	30	14	60
GET THE ORDER	30	20	30	60
IMPLEMENTATION [implement themselves]. On-Line services[training][90 days 24-36 check points.], Wireless Services[create an engagement timeline, the PSPM, puts together a timeline etc... 45-60 day duration 12-18 different checkpoints in the process	30	20	0	0
Summary	30% conversion rate	20% conversion rate	121 day sales cycle	300 day sales cycle



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

AVERAGE DEAL SIZE ANALYSIS

Average Deal Size Increase from \$40K to \$50K for Custom Software Services

Initially the average deal size will increase based on the running average of 10 deal chunks. By adding (2) \$90K deals into the 10 deal mix for inside sales initially, the average deal size will jump from \$40K to \$50K. This is a conservative estimate based on the fact the typical adoption of value messaging. We are assuming that as the awareness of the power of value messaging gets more entrenched your average deal size will continue to go up, but that upward trajectory is not included in this analysis. Other ways to make the average deal size go up, such as better upselling and more targeted products and services which you do not currently have, but could be developed from the knowledge gained from doing Quantifiable Success Stories, is not currently considered in this analysis either.

Metric Description	Current Business Metrics [Custom Software Services]	New Business Metrics With Value Justification [Custom Software Services]
Deal #1 + #2	\$80K	\$80K
Deal #3 + #4	\$80K	\$80K
Deal #5 + #6	\$80K	\$80K
Deal #7 + #8	\$80K	\$80K
Deal #9 + #10	\$80K	\$180K
Average Deal Size	\$40K	\$50K

OPTIMIZED REVENUE MODEL

Activity	BEFORE [Wireless Services] New Customer	AFTER [Wireless Services] new business	BEFORE [CUSTOM SOFTWARE SERVICES] New	AFTER [CUSTOM SOFTWARE SERVICES] New
Number of People at each Level	6	6	6	6
Selling Time BML	20%	20%	15%	15%
Selling Time AML	0%	0%	0%	0%
Non-Selling Time	4%	4%	4%	4%
Total Time	24%	24%	19%	19%
Actual Selling Time %	20%	20%	15%	15%
Actual Number of Hours Per Year Devoted to Selling Per Rep	382	382	96	287
% of Selling Time Devoted to other Tasks	4%	4%	4%	4%
Average Number of Leads Generated From Prospecting Per Rep/Per month	10.00	10.00	5.00	5.00
Average Number of Leads Generated From Marketing Per Rep/ Per month	18.00	18.00	3.00	3.00
Average Deal Size	6,000	6,000	40,000	50,000
Average Sales Cycle in Days	121.00	121.00	300.00	300.00
In the funnel to Sales Conversion Ratio	20.00%	30.00%	10.00%	20.00%
Average Annual Sales Per Rep	\$ 67,274	\$ 100,910	\$ 33,929	\$84,822
Annual For This Sales Team	\$404,642	\$605,463	\$203,573	\$508,932

VALUE MESSAGING ANALYSIS AND RECOMMENDATION SYNOPSIS

General XYZ Corporation’s Process Will Improve With More Emphasis Focused On “What’s In It For Them”

The Abstract Goals and objectives of the eJustifyIt Value Selling Process integrated with your future Sales Model	Current General ABC Corporation Sales Process Steps	Proposed General XYZ Corporation Tactics
<p>Qualify to understand prospects “points of change”</p>	<p>LEAD GENERATION [Qualified Opportunity] Disqualify. They ask a series of questions. Number of employees, budget, bottom up or top down, is mgmt involved. Union related, Do you have a union is there union involved, changing copays. Outsourcing. Very Rarely CFO, Directors or Managers of HR. If the budget. Primary focus --> Consistent Gap between what people perceive value versus actual value, Turnover, Productivity, Retention, job satisfaction</p>	<p>Q</p> <ol style="list-style-type: none"> 1) Schedule 30 min initial discussion. 2) Send Introductory letter that gives overview [custom if possible of GENERAL XYZ CORPORATION capabilities and successes.] 3) Send Agenda Letter w/GENERAL XYZ CORPORATION Qualification Worksheet 4) Conduct Initial Web-Meeting[follow agenda]. 5) Schedule 2nd Web-Meeting. 6) Send Out Agenda Letter[2nd].
<p>Unify buyers “points of change” with buyers “motivation for change.” Align buyer’s motivation for change with company success stories and experiences.</p>	<p>SETUP A SECOND CALL Go into more detail about their pain, their goal, what they want to change. Get a "fact finder" out to find out the number of employees, what their benefits are, whats been done before, whether it was successful, why... Try to "push back" and not give to much information so there is a reason to talk again. Schedule a webinar to show them. This step may take several calls.FIND A SPONSOR[TEAM LEAD] schedule a webinar</p>	<p>UA</p> <ol style="list-style-type: none"> 7) Conduct 2nd Web Meeting [Credibility Building meeting and Nail Down a Base Line Understanding for GENERAL XYZ CORPORATION-SCR Report]. 8) Schedule On-site Presentation and meetings with CEO, Engineering Mgmt, Product Mgmt, Marketing VP Sales 9) Send Agenda letter [3rd] 10) Write up GENERAL XYZ CORPORATION SCR
<p>Negotiate GNR high and wide. Top Priority GNR validated through quantification Integrate Top Priority GNR into Solution</p>	<p>WEBINAR. How many different stake holders are there? Can we get them altogether so that we can do it all at once. NEEDS, Goals, Requirements. Technical stuff is downplayed, Wireless Services</p>	<p>NTI</p> <ol style="list-style-type: none"> 11) Schedule Meeting with “Business Value Stakeholders to determine their Goals Needs and Requirements (GNR) 13) Send Agenda letter



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

<p>Presentation/Demo/ Proof of Concept</p>	<p>Address the issues that have been identified. Ask "Based on what you've seen so far, do you think this will meet your needs?" During the presentation, the prospect is asked what their process is. Prospect is asked to get the primary stakeholders together for the presentation so they must only do it once. Sometimes it happens and sometimes it doesn't. Tell the prospect that the needs, goals, changes they want have been identified. The main issue is the solution rather than the technology behind the solution.</p>	<p>14) Conduct On-Line/On-site meetings that nail down BVS GNR 15) Schedule Presentation/Proof of Concept 16) Send Agenda Letter 17) Conduct Presentation/Proof of Concept 18) Nail down prospect timeline 19) Schedule Meeting to present options 20) Send agenda letter</p>
<p>Focus on Success metrics</p>	<p>INCORPORATE ROI/BUSINESS CASE Wraps around the webinar above. After that they confirm the pricing variables [prospect requirements] and then send the proposal CONFIRM RECEIPT OF THE ESTIMATE and if working with a request for a proposal, then the timeline is established. If there is not already a timeline, they try to construct one.</p>	<p>F 21) Present a requirements document with the prospect's Timeline from BVS perspective. 22) Modify Requirements to reflect findings from previous meetings and expected business value impact. 23) Schedule Timeline-Requirements Alignment meeting. 24) Send Agenda Letter 25) Conduct Timeline-Requirements Alignment Meeting. 26) Schedule Draft Proposal Presentation</p>
<p>Yes equals win-win * GNR – Goal, Needs and Requirements</p>	<p>Get the order</p>	<p>Y 27) Send Agenda Letter 28) Conduct Draft Proposal Presentation. 29) Refine Draft on the spot and close the sale</p>

HOW RESULTS WILL BE DERIVED FOR THIS PROJECT

SALES REVENUE ANALYSIS

New Business Revenue will Jump 84%

All these issues have an impact on revenue. Changing only the average deal size, the conversion rate and sales cycle your average sales for each sales person will jump from \$101,203 to \$185,732 for Wireless Services and Custom Software Services New Customers only



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

Metric Description	BEFORE [Wireless Services] New Customers	AFTER [Wireless Services] New Customers	BEFORE [Custom Software Services] New Customers	AFTER [Custom Software Services] New Customers
Number of Sales Reps	6	6	6	6
Non-Selling Time	80%	80%	85%	85%
Number of Leads Worked and Qualified per Month per Sales Rep	28	28	8	8
Average Annual Contract/Account Size	\$6,000	\$6,000	\$40,000	\$50,000
Average Sales Cycle in days	121	121	300	300
Qualified Lead to Sale Conversion Ratio	20%	30%	10%	20%
Estimated 12 month Sales per sales rep	\$ 67,274	\$ 100,910	\$ 33,929	\$84,822
Estimated 12 month Sales for General XYZ Corporation	\$404,642	\$605,463	\$203,573	\$508,932

You also mentioned that you wanted to consistently execute an optimized message and a “quantifiable reference ready”, delivery to all of your prospects and customers. This consistency would serve to improve your overall sales volume from \$608,215 to \$1,114,395 with the same sales force and lead generation volume. With a further understanding of your sales process method there are other opportunities to increase sales volume with minimal impact on sales expense.

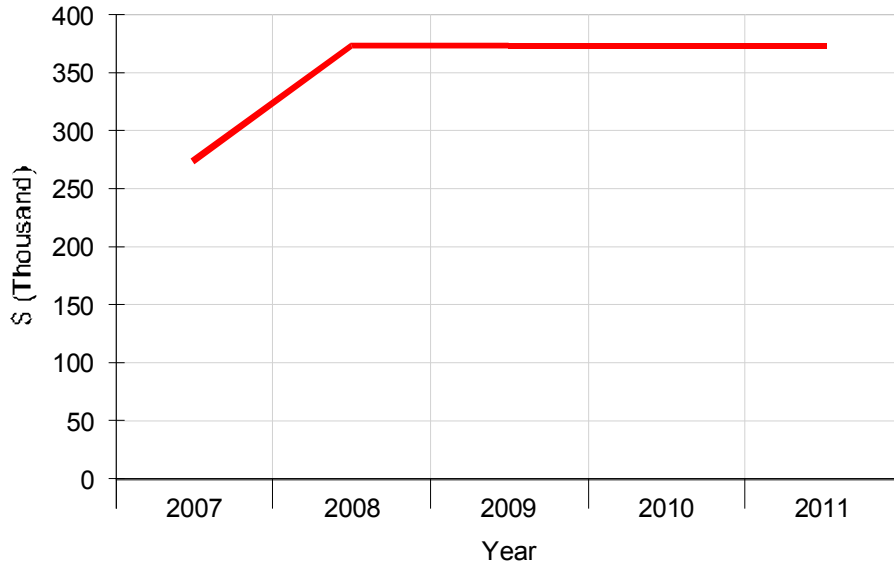
By having a consistent best practices road map at your fingertips, any new hire will be able to come up to speed quickly and will benefit from previous successes, through your “Quantifiable Reference Database”.

BUSINESS VALUE ESTIMATION
For Every \$1 Invested You Will Receive Back \$19.25

THE BUSINESS IMPACT THAT WILL OCCUR WHEN YOU ACHIEVE YOUR STATED GOALS

If General XYZ Corporation and eJustifyIt! Achieve the goals of the project and as a result increase your incremental operating cash flow by an average of \$354,249 per year over the next 5 years, you will receive \$19.75 to the bottom line for every \$1 invested in eJustifyIt! Products and Services. You will receive a 5 month payback on this project with an NPV of \$1,406,425 and an IRR of 479.48%.

Incremental Operating Cash Flow



Should you have any questions, please feel free to give me a call at 603-589-1814. I look forward to speaking to you January 3, 2007 at 1:00 pm CT and welcome the opportunity to help your organization increase sales, improve your deliverable profitability and turn your quantifiable success stories into results.

Sincerely,

George Murphy
eJustifyIt
HQ: 603-589-1814

Example Benefit Definition Matrix

Benefit Definitions Matrix for XYZ CORP

GENERAL DEFINITIONS EXAMPLE START

Current Condition:

Current Condition: Order Entry

Impact:

Change in how order entry is completed

Supporting Factors:

Physicians have always been able to build an order using either a paper process (i.e. T-Sheets from T-Systems), write a note for a nurse or order entry person to enter it into the system or transcribe their orders into a transcription service. This is multi step process that is plagued with inefficiencies and inaccuracies.

EXAMPLE PRODUCT Order Entry allows for an easy to use touch screen application for one-touch entry, expressed in clinician friendly terms with minimal prompting, enables physicians to begin patient care at the bedside.

- Workups guiding best practices
- One touch orders at bedside
- Risk Management with First DataBank
- Interfaced to your Lab & Rad to provide results with interpretations

Patient Safety is enhanced with allergy and interaction alerts, elimination of transcription errors and real-time notification of abnormal lab values.

Definition:

Act of entering orders for patients.

Typical Questions Currently Being Asked During Sales Process:

- a) How many physicians work in the Emergency Department
- b)What % of their time is spent entering orders?
- c) How many Physician’s Assistants/Nurses and other support staff work in the Emergency Department



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

- d) What % of their time is spent entering orders?
- e) Is coding done internally, outsourced or combination
- f) How much time does coding spend correcting errors?

GENERAL DEFINITIONS EXAMPLE END*****

Example Quantifiable Success Analysis

XYZ Company Quantifiable Success Analysis

ABC Wholesale

“We really feel like we could grow in the next few years to \$200 million and the XYZ software will grow with us,” confides Bob Smith, President of ABC Wholesale.

For every \$1 dollar invested in XYZ Company, ABC Wholesalers received back \$4.41

BACKGROUND

ABC Wholesale is a wholesale distributor of products to almost 600 convenience stores and tobacco and smoke shops in southern Ohio, western West Virginia and Eastern Kentucky. It sells more than 4,500 products, including candy, cigarettes, tobacco products and general merchandise, as well as automotive, concession and grocery items.

THE CHALLENGE

ABC Wholesale used to monitor inventory with a computer system that had severe limitations. It could only track inventory in two places and frequently allocated inventory for pick-up that was no longer in stock. Before automating its warehouse operations, ABC Wholesale couldn't track individual worker productivity. The company also couldn't tell if return items presented for refund were their own or had been purchased from competitors.

System delays slowed inventory turns and receivables collections- and it was tough for ABC to enforce its credit policies uniformly. Orders were tediously organized, by hand, into delivery routes. ABC Wholesale couldn't track when it was owed vendor rebates and its shipment



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

scheduling was antiquated. In the long run, the shortcomings of the outdated software would restrict how much ABC could grow.

ABC Wholesale decided to install a more sophisticated automation solution to enable it to compete with larger wholesalers. The functionality that XYZ provided paid both tangible and intangible benefits to ABC:

- Order picking is more efficient.
- A newly-installed warehouse automation function will measure each worker's productivity.
- ABC saved on the cost of labor to receive, shelve and restock inventory.
- The problem of paying refunds for items stocked by competitors was eliminated.
- The accuracy and speed of cycle count inventory improved.
- More inventory is being turned over more quickly.
- Receivables collection time was reduced.

Sales totals grew an average of 17.76% each year, vs. the industry average of only 4-5%.

So, instead of limiting ABC's growth, XYZ has facilitated the company's expansion. **"We really feel like we could grow in the next few years to \$200 million and the XYZ software will grow with us,"** confides **Bob Smith, president of ABC Wholesale.**

THE SOLUTION

NEW SYSTEMS TIGHTEN INVENTORY CONTROL, SPUR SALES

Before: ABC Wholesale's successive computer versions couldn't accommodate the amount of information it would need to expand and compete with its larger wholesaler rivals. ABC's



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

existing systems couldn't track multiple inventory locations, nor pre-allocate inventory as orders came in. The company didn't match inventory with incoming orders until it invoiced the orders, so it frequently sent pickers to retrieve inventory that was no longer in stock. While it could measure the output of work teams, it couldn't gauge the productivity of individual workers since it didn't have an automated warehouse operation.

Today: XYZ's software systems, implemented in September 1998, modernized ABC's inventory, billing, purchasing, and accounts receivables and payables programs. Now it could pre-assign inventory in tandem with orders: the pre-booked items are keyed in and then shipped when the orders arrive. That saves half a clerical person's time, or about \$15,000 a year and improved picking efficiency by 25%. Within the past eight months, ABC Wholesale also incorporated in the warehouse automation program that tracks individual, as well as group productivity, and will be followed by performance incentive systems that could increase productivity by 40%.

Ten months after XYZ's initial systems were in place, in 1999, company sales were \$35 million. Seven years later, sales are at \$109 million, meaning sales went up an average of 17.76% per year. Growth in tobacco taxes over time contributed to that improvement, but without XYZ's software, Smith estimates that company growth would have been much closer to the industry average of 4-5% per year. **"My suspicion is we would have reached a point where our software system would limit us to how much we could grow our business with new customers, now we don't have to worry about our systems constraining our ability to grow"** he adds.

THE LABOR-SAVING DIFFERENCE

Where the new software made a big labor- and cost-saving impact was in accounts payable and receivable, and picking. After ABC moved into a new warehouse, the software created a matching interface from warehouse to accounts payable. Receipts were funneled into accounts receivable,



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

and the system checked pricing on processed invoices so that they could be quickly matched on a dollar basis. The inherent efficiency in this operation has let ABC Wholesale employ just one AR and AP employee apiece, despite the growth in business in both functions, and in purchasing. Without the new software, Smith figures he'd need two additional employees, at a \$65,000 annual cost.

The XYZ programs eliminated the need to hire four more people to receive, put away and restock inventory. That's an additional \$55,000 annual savings. Instead, ABC has only had to grow that workforce by two people since 1999. ABC saved an additional \$110,000 in picking, where it would have needed four more people here, too, without the new software. ABC posted a few other economies, too, in return items (\$15,000 in annual savings), shipping confirmation (\$15,000) and general ledger (\$5,000). The system records each purchase of an ABC item by a customer, so it successfully prevents fraudulent attempts to get credit for purchases from other wholesalers. Shipping now is confirmed automatically when an order is merged. There's also no need to re-key data, which makes it available more quickly.

MORE INVENTORY TURNS, GREATER INVENTORY VALUE

Before: Back in 1999, ABC averaged 18 inventory turns per year on a \$2-million inventory. Its in-stock rate was 94-95%. The inventory carrying cost savings was \$3,000 annually.

Today: Cycle and physical inventory counts have become much more accurate, and while they didn't create direct dollar savings, they paid off in orders that were realistic instead of speculative (Accuracy in ordering is 90% due to the software, in Smith's view.); in customer satisfaction at finding the desired product in stock; and efficient deployment of pickers. The most dramatic benefit involved turns. Today, \$4.5 million worth of inventory turns over 24 times a year. Smith attributes that entirely to the new software from XYZ. The in-stock rate is up to 97% -- worth



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

\$500,000 in sales -- and the inventory carrying cost savings was up to \$5,400 annually. Those extra turns also reduced the receivables balance since 1999 by \$750,000; the \$63,750 interest on that balance is pure savings to the company – an economy Smith attributes to “**a combination of stricter credit policies and the new technology**” from XYZ.

MORE BENEFITS: REBATES FUTURE SAVINGS

Before: In the past, ABC Wholesale only found out about any rebates it was owed if the vendors provided that information. There was no way to track this information, other than manually. In the Internet age, ABC also had no capability in place to let customers shop online for items. It has one employee spending up to 40% of his time just putting reports and catalogs together.

Today: The XYZ software automatically tracks rebates and notifies ABC about them. ABC is in the process of rolling out an e-commerce capability, called its Customer Web Portal, which would let customers access reports and catalogs online. Smith figures the potential savings there to be \$12,000-\$15,000 per year.

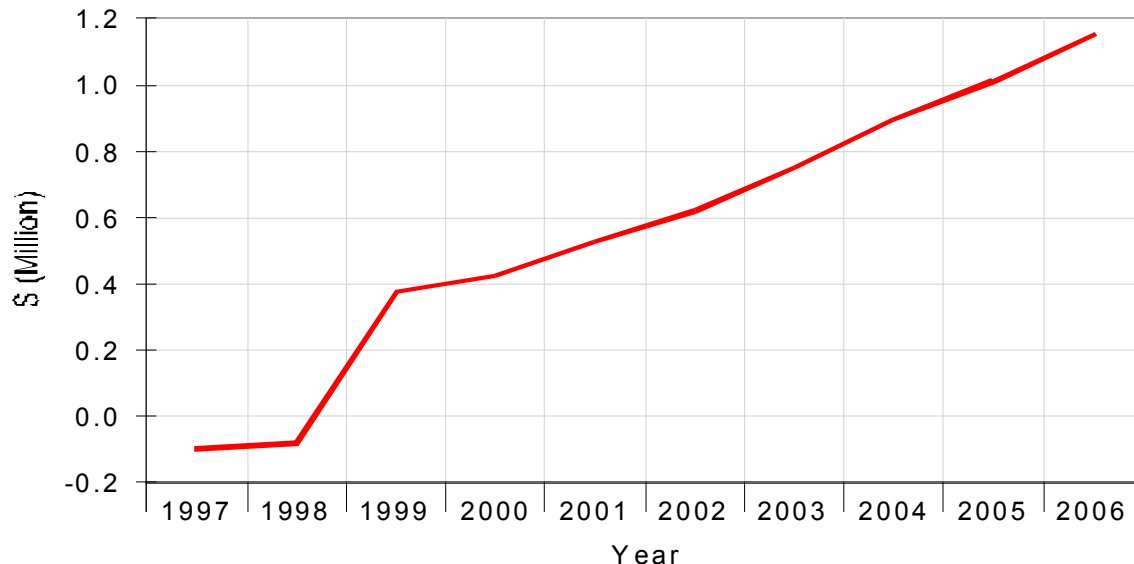
THE RESULTS

In dollars, cents and percentage terms, XYZ literally lived up to its name in delivering product and service results to ABC Wholesale.

RESULTS SUMMARY

\$1,365,401 in XYZ Company generated costs savings translated to a \$1,150,121 incremental net operating profit impact for FY 2006, if you accumulate the incremental net operating profit impact from 1997 thru 2006, it was \$5,569,170 due to XYZ Company products and services. The cumulative value impact was \$6,574,191.

Incremental Operating Cash Flow



Year	Incremental Operating Cash Flow Impact of XYZ Company Products and Services on ABC Wholesalers Net Operating Income before taxes	Cumulative Operating Cash Flow Impact of XYZ Company Products and Services on ABC Wholesalers Net Operating Income before taxes
1997	(\$98,280)	(\$98,280)
1998	(\$82,580)	(\$180,860)
1999	\$375,947	\$195,087
2000	\$422,924	\$618,011
2001	\$527,216	\$1,145,227
2002	\$619,577	\$1,764,804
2003	\$749,777	\$2,514,581
2004	\$893,411	\$3,407,992
2005	\$1,011,058	\$4,419,049
2006	\$1,150,121	\$5,569,170

Every \$1 paid to XYZ Company has yielded ABC Wholesale \$4.41 in operating efficiencies.

According to Bob Smith, President of ABC Wholesalers, XYZ Company, products and services paid for



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

themselves in 2 years and 10 months and boasted a Net Present Value (NPV) of \$3,427,878 and an Internal Rate of Return (IRR) of 74.74%.

RESULTS ITEMIZED

- Sales have grown from \$35 million to \$109 million between 1998 and 2006 – an annual rate of 17.76%, vs. the industry average of 4-5%, This translates to an FY 2006 impact of \$932,684 on Incremental Net Operating Profit Improvement due to the higher volume enabled by XYZ Company.
- Pre-booking items saved \$15,000 per year and boosted picking efficiency 25%.
- Accounts Payable and Receivable functions need one less worker each – a \$65,000 annual savings in salary and benefits.
- The inventory receive, put away, picking and restock operations need six fewer employees – a \$165,000 annual savings.
- Return item, shipping confirmation, and general ledger savings involved \$15,000, \$15,000 and \$5,000 per year, respectively.
- Order Processing and Delivery \$14,000 per year
- Marketing and store reset costs were reduced by \$20,000 per year
- Inventory value and the number of inventory turns have risen from \$2 million and 18 to \$4.5 million and 27 turns per year, respectively.
- The in-stock rate grew from 94-95% to 97%, saving \$39,200 per year.
- Inventory carrying cost savings is up from \$3,000 to \$5,400 per year.
- The receivables balance is down by \$750,000, saving \$63,750 in interest charges.

CLOSING

The bottom line is that XYZ positioned ABC Wholesale to grow into its future, realize its potential, and compete with its larger rivals. System capabilities of the XYZ software will expand to meet ABC's need to exploit ongoing growth opportunities. **"XYZ's been a very good and very**



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

responsive partner” Smith praises. “They try to please and make changes when you request them. If you have a problem in the middle of the night, you call their helpline and they call right back. So they’re there when you need them.”



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

SAMPLE QUANTIFIABLE INTRO LETTER

January 1, 2007

John Doe
Vice President of Engineering
ABC Company
118 American Way
Los Angeles, CA 90025

Dear John:

Thank you for your interest in XYZ Corporation, the leading virtual flow and thermal test bench for leading manufacturers worldwide. The quickest way to get started is a free 20 minute meeting with one of our consultants. Within these 20 minutes, we'll quickly determine whether we can provide your company with the same time and money saving benefits realized by our current customers.

There are four main ways in which we help companies like yours:

- **Product Development Time Savings** – Superior design capability allows for much greater accuracy during development, drastically reducing the amount of time needed to complete a product design.

“...After we installed XYZ software, we shaved three months (\$135,000 per year) off of our development cycle time.” Kylene Cruise - VP of Product Development – PQR Industries

- **Increased Sales** – The ability to clearly get your message to your prospect using our XYZ software makes it easier for you to demonstrate value and differentiate yourself from the competition

“Just having that visual will help support what we’re saying. Our sales force was telling customers ‘well, you need a certain percentage of the uniformity or a certain percentage of [air flow] to protect an opening from a certain amount of wind velocity.’ Whereas now, we’re able to visually show it to them, thus increasing sales by 1% this year.” Jim Clinger – Vice President of Marketing at MNO Hyperforce

“We get a certain amount of bids every month, and we used to have a rate at which those bids were hit – actually turned into orders. We’re seeing a 10% increase in that, resulting in \$3.2MM more in sales this year.” Jack Mueller - President at Taos Lighting



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

- **Prototype Cost Reduction** – The precision of the prototype measurements that XYZ software produces lets JKL Raptors tell clients exactly what they need instead of chancing an unnecessary expenditure on a larger item

“By opting for XYZ Corporation’ XYZ software option in 2005, JKL Raptors avoided two-thirds (\$147,525 per year) of the engineering, production, testing and assembly time versus what they would have spent on its project prototypes.” Tim Arbella – VP Engineering at JKL Raptors

- **Reduction in Cost of Goods Solds** – During our implementation process, we will focus on reducing your Cost of Goods Sold

“They had a heatsink under a ballast that was overkill, way overkill, and we were able to reduce the content of that heatsink and save the company \$473,000...this year.” Tom Hackney - Senior Engineer at GHI Innovations

Berner’s product costs for its finished items fell by 15% (\$315,000 per year) because of its superior design capability. Sam Johnson – Senior engineer at DEF International

- **Customer service/faster response time equals more total value**

“What really jumps out at me is when they first came in and talked to us about this software. They asked me to send them some of our current Pro E models and I sent that to them at probably 9:00 in the morning. By 1:00 in the afternoon, they had them analyzed and had us on a same-time conference. That was impressive. I mean, that was outstanding.” Arnold Salvator Senior Engineer at GM Fittings

Should you have any questions feel free to give me a call at 505-555-1111. I look forward to speaking with you January 22, 2007 at 10:00 am ET and welcome the opportunity to help your company increase sales, reduce costs, increase productivity and shareholder value, and achieve a great return on investment.

Respectfully,

Bill Smith
XYZ Corporation



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

SAMPLE INITIAL AGENDA LETTER

This letter serves as a summary of the last meeting as well as an agenda letter for the next one.

Subject Line: ABC Company – XYZ Corporation initial discussion 01/22/2007 at 10:00 am PT

January 4, 2007

John Doe
Vice President of Engineering
ABC Company
118 American Way
Los Angeles, CA 90025

Dear John:

I'm looking forward to speaking with you on 01/22/2006 at 10:00 am ET.

SUMMARY OF WHAT XYZ FOCUSES ON

XYZ Corporation provides products to save our customers time and money in their product development processes. Our typical customers manufacture mechanical, thermal and aerospace based products and are in practically every industry. We dramatically impact product development, sales, prototype costs and cost of goods sold. Our product, XYZ software, is easily used by mechanical engineers, sales, marketing, production and operations personnel so there is no need to have a specialist on hand.

SUMMARY OF OUR NEXT MEETING

First thing, we will sign in at:

<https://www.gotomeeting.com/join/435484361>

Conference Call: Dial (319) 256-0210, access code 435-484-361

Meeting ID: 435-484-361

This will enable us to share screens and get information across more efficiently.

Then we will follow this agenda

- Discussion around Current Process Worksheet [attached] – 10 minutes
- An overview of XYZ software and XYZI – 10 minutes
- Discuss next steps – 5 minutes



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

Should you have any questions feel free to give me a call at 505-555-1111 ext. 108. I look forward to speaking with you January 22, 2007 at 10:00 am ET and welcome the opportunity to help your company increase sales, reduce costs, increase productivity and shareholder value, and achieve a great return on investment.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Bill Smith', with a light blue shadow effect.

Bill Smith
XYZ Corporation
Direct Line: 505-555-1111 ext. 108



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

SAMPLE SECOND AGENDA LETTER

This letter serves as a summary of the last meeting as well as an agenda letter for the next one.

Subject Line: ABC Company – XYZ Corporation baseline discussion and confirmation 01/22/2007 at 10:00 am PT

Date, 2006

John Doe
Vice President of Engineering
ABC Company
118 American Way
Los Angeles, CA 90025

Dear John:

Thank your for your continued interest in XYZ Corporation, the leading virtual flow and thermal test bench for leading manufacturers worldwide.

So far, we have accomplished the following:

- Discussion around Current Process Worksheet
- An overview of XYZ software and XYZ I
- An initial Web-Meeting

During our meeting [summary of what occurred during meeting]

SUMMARY OF WHAT YOUR COMPANY FOCUSES ON

- Ordering
- Frequency
- Delivery
- Merchandising
- Marketing

[This is a summary of your prospects' company, especially in the areas involving your area of expertise.]

I understand that ABC Company is a leading U.S. manufacturer of air doors and air curtains for commercial, retail, food service and industrial applications. Your core competency is creating and applying a uniform air stream in a variety of environments. You have been in business for 50 years.

You told me that you find it difficult to demonstrate your product and its capabilities to your prospects because it is essentially invisible. Once you do get a project, you find it difficult to quickly and efficiently design new prototype doors, or to thoroughly explore all the performance capabilities of those designs. This often results in overcompensation in design and outsourced testing.



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

SUMMARY OF WHAT XYZ FOCUSES ON

XYZ Corporation provides products to save our customers time and money in their product development processes. Our typical customers manufacture mechanical, thermal and aerospace based products and are in practically every industry. We dramatically impact product development, sales, prototype costs and cost of goods sold. Our product, XYZ software, is easily used by mechanical engineers, sales, marketing, production and operations personnel so there is no need to have a specialist on hand.

SUMMARY OF OUR NEXT MEETING

In our next meeting, 01/22/2007 10:00 am ET, first thing we will sign in at:

Please join my meeting at

<https://www.gotomeeting.com/join/780977131>

Meeting ID: 780-977-131

Then, we will follow this agenda:

- Nail down baseline understanding
- Arrange discussion around future goals
- Discuss next steps

Should you have any questions feel free to give me a call at 505-555-1111 ext. 108. I look forward to speaking with you January 22, 2007 at 10:00 am ET and welcome the opportunity to help your company increase sales, reduce costs, increase productivity and shareholder value, and achieve a great return on investment.

Sincerely,

Bill Smith
XYZ Corporation
Direct Line: 505-555-1111 ext. 108

XYZ Corporation Choreographed Sales Process

The Abstract Goals and objectives of the eJustifyIt Value Selling Process integrated with your future Sales Model	XYZ Corporation Current Sales Process	XYZ Corporation “Artifacts” and tactics that will be delivered to support the goals and objectives
<p>Qualify to understand prospects “points of change”</p> <p>Unify buyers “points of change” with buyers “motivation for change.”</p>	<p>Lead Qualification (Qualified Opportunity). Leads come from online sources, tradeshow, and a new business development group. During the qualification, XYZ Corporation determines the prospects’ current design process, CAD/CAE environment, greater than five seats of 3D cad. They learn whether the prospect does physical testing or outsourcing to an external consultant.</p> <p>Q) Proposed Value Messaging Integration Points:</p> <p>Integrate "Business Points of change and Preliminary "Motivation for Change" language and questions into the qualification process. This properly sets the stage if you can NOT get an immediate audience with Management, and gives you a process and questions to focus on when you do get an audience with management. Dedicated phone based/targeted lead qualification can make a big difference here.</p> <p>Qualification Worksheet should contain questions for ALL potential areas of Impact [Selected from BDM] and directed at the appropriate audience[Management, Sales and Marketing, Product Mgmt, Field Mtc, Engineering Design]</p> <p>A XYZ Corporation staff member does analysis on need and desire (pain).</p> <p>U) Proposed Value Messaging Integration Points:</p> <p>Unify buyers "points of change" with buyers "motivation for change". Unify company goals (management goals) with the organization’s ability and willingness to make those changes.</p> <p>Across the ENTIRE benefit spectrum not just Engineering Design</p> <p>A) Proposed Value Messaging Integration Points:</p> <p>Align buyers’ motivation for change with YOUR company success stories and experiences. The MORE quantifiable evidence that you have of your success the more credibility you have when</p>	<p>QU</p> <ol style="list-style-type: none"> 1) Schedule 30 min initial discussion. 2) Send Introductory letter that gives overview [custom if possible of XYZI capabilities and successes.] 3) Send Agenda Letter(1ST) w/XYZI Qualification Worksheet 4) Conduct Initial Web-Meeting[follow agenda]. 5) Schedule 2nd Web-Meeting. 6) Send Out Agenda Letter (3RD). <p>A</p> <ol style="list-style-type: none"> 7) Conduct 2nd Web Meeting [Credibility Building meeting and

<p>Align buyer's motivation for change with company success stories and experiences</p>	<p>discussing your Goals, Needs and Requirements</p> <p>By now you have a good picture of the entire organization from a business value and "XYZI FIT" perspective. In addition you have a clearer understanding of the impact points your products and services are likely to have on the prospect's organization.</p> <p>This understanding is used to prepare and XYZI-Sanity Check Report. This report will be the foundation of your initial discussion with the Business Value Stakeholders(BVS)</p>	<p>Nail Down a Base Line Understanding for XYZI-SCR Report].</p> <p>8) Schedule On-site Presentation and meetings with CEO, Engineering Mgmt, Product Mgmt, Marketing VP Sales ("Business Value Stakeholders-BVS) to determine their Goals Needs and Requirements (GNR)</p> <p>9) Send Agenda letter (4TH)</p> <p>10) Write up XYZI SCR</p>
<p>Negotiate GNR high and wide.</p> <p>Top Priority GNR validated through quantification</p> <p>Integrate Top Priority GNR into Solution Presentation/Demo/P roof of Concept</p>	<p><u>N)Proposed Value Messaging Integration Points:</u></p> <p>You need to understand How Much, By When, Strategy, Who's responsible from the Entire BVS Spectrum.</p> <p><u>T)Proposed Value Messaging Integration Points:</u></p> <p>Once each BVS has shared their vision of success, it is up to you to quantify that success from their perspective and help them prioritize. These priorities and these individuals will need to be present during your presentation proof of concept(s)</p> <p>Prior to doing a live custom presentation, the XYZI Sales team will conduct a series of on-line/on-site meeting(s) with the BVS. These (this) meeting(s) will be focused on THEIR(the BVS's) goals needs and requirements. You will use YOUR XYZI-Sanity Check report to show that you have done your homework. The XYZI-SCR will evoke more candid discussion from the BVS and will aid in prioritizing their GNR's through quantification.</p> <p>2. Web Based or Onsite Presentation (60-90 minute presentation). Preferably, a 2nd or 3rd line engineering manager will be in the room. They typically meet with 4-5 engineers and spend 15-20 minutes answering questions and touring the lab. This is followed by a 5-10 minute company overview usually using only a whiteboard. They draw a pyramid and place their competition at the top as product offerings that serve and cater to analyst. XYZ Corporation is placed in the middle as a tool better suited for companies who want a product usable by mechanical engineers. A 40 minute introductory demo on a relevant application is next. A third of the time after the intro, the prospect will send them a pro-engineer model. XYZ Corporation then</p>	<p>NT</p> <p>11) Conduct On-Line/On-site meetings that nail down BVS GNR</p> <p>12)Schedule Presentation/Proof of Concept</p> <p>13) Send Agenda Letter(5TH)</p> <p>14) Conduct Presentation/Proof of Concept</p>

	<p>spends 15 minutes showing them some representative results and a custom demonstration. A discussion on the next steps takes about 15 minutes. 95% of time there is interest and the prospects are excited and ready to move to the next level.</p> <p><u>I) Proposed Value Messaging Integration Points:</u></p> <p>When you present your solution you will want to customize your presentation to your audience and link your capabilities to their Top Priority GNR. It is very important that you get their reaction. These reactions are going to be summarized and used to validate their timeline.</p> <p>Focus on THEIR Refined Requirements and Internal Timeline and how they see this project being a success and how it will be measured.</p> <p>Avoid handing over the reins if at all possible. Granted your prospects will go through a technical validation stage. The best way to handle this is to cover it during the proof of concept/custom demo. Demonstrate that you are there NOT just to show product capabilities, BUT to associate those capabilities with the achievement of BVS Goals.</p>	
	<p>3. Technical Validation Stage (They want to evaluate the software, kick the tires/tour of the product). Sometimes they get to do the 30 day trial, sometimes they don't. It won't be allowed unless they get approval from a 1st to 3rd level engineer. If he is willing to commit some money and time for training, then a trial may be granted. The Custom piece of the demonstration gets around this problem.</p> <p><u>I2) Proposed Value Messaging Integration Points:</u></p> <p>Link Technical with/Prospects GNR, stay focused on BVS timeline and control evaluation by offering support and Present a requirements document with the prospect's Timeline from BVS perspective.</p> <p>Keep BVS aware of the implications of delay and the value that they could be achieving with your products</p>	<p>15) Nail down prospect timeline</p> <p>16) Schedule Meeting to present options</p> <p>17) Send agenda letter (6TH)</p> <p>18) Present a requirements document with the prospect's Timeline from BVS perspective.</p>
<p>Focus on Success metrics</p>	<p>4. An Internal process occurs (Black out period).</p> <p><u>F) Proposed Value Messaging Integration Points:</u></p> <p>FOCUS ON SUCCESS METRICS: Control this through TIME LINE Integration and Focus on Business Value Success Metrics (Define the Business Case). By this stage of the sales process, you should know in detail the prospects GNR's and understand clearly how what you have can help them achieve those goals AND have demonstrated a targeted presentation that focuses their attention on a solution that will provide capabilities that will enable that change. Out of this will come a Draft Proposal with the agreed upon business case integrated into it.</p>	<p>F</p> <p>19) Modify Requirements to reflect findings from previous meetings and expected business value impact.</p> <p>20) Schedule Timeline-Requirements Alignment meeting.</p> <p>21) Send Agenda</p>

	<p>F2) Proposed Value Messaging Integration Points: Be involved, because you have more insight on how your products and services impact the "Big Picture" than they have. The black out period will be a black out period for the competition, but not for you because you will be meeting with the different beneficiaries to discuss the magnitude of the expected business gain and WHEN it is the most likely to happen.</p>	<p>Letter (7TH) 22) Conduct Timeline-Requirements Alignment Meeting. 23) Schedule Draft Proposal Presentation</p>
Yes equals win-win	<p>Current Sales Process: 5. Send a Proposal with licenses and training</p> <p>Y) Proposed Value Messaging Integration Points: YES equals WIN-WIN. The Draft Proposal will be a document collaboratively generated between you and the prospect. There is nothing in this document that will not have already been agreed to. There will be NO surprises at this point</p> <p>Current Sales Process: 6. Closed</p> <p>Once The On Site Meeting Is Finished, XYZI Currently Sends A Proposal</p>	<p>Y 24) Send Agenda Letter 25) Conduct Draft Proposal Presentation. 26) Refine Draft on the spot and close the sale</p>
* GNR – Goal, Needs and Requirements		<p>XYZ Corporation “Artifacts” and tactics that will be delivered to support the goals and objectives</p>

Sales Process Deliverables and Examples

- 1) Introduction Letter *
- 2) Agenda Letter Format 1 and 2*
- 3) Qualification Worksheet →
- 4) Initial Presentation Powerpoint ?
- 5) XYZI-SCR * → Outline from ej
- 6) Process for Demonstrations [Powerpoint combined with product demonstration]
- 7) Example Prospect Timeline → Outline from ej
- 8) Requirements Documents → Filled out XYZI-SCR
- 9) Requirements Aligned with Prospect Timeline → Filled out XYZI-SCR w/timeline
- 10) Draft Proposal → Filled out XYZI-SCR w/timeline and pricing
- 11) Q&A Process → The Questions asked throughout the sales process

EXAMPLE SCR WORKSHEET

Business Process	Current Conditions	XYZ Corporation Future Goals
Customer Service		
Number customers	400	
Number of Sales People 3 currently, the principals in the business.	Call list on spreadsheet, print out on Monday. Got to update info for customer in different places Peachtree, their pricing spreadsheets, call sheets, etc. Sales commissions done manually only pay on cigs/tobacco.	We can print up a customer call list for each time. We have commission reports. Premium sales reps. 1 coming Jan 1
Number Customer Service	0	
Average Cost Labor	5800 week payout sales . 1900 wk per person	
Describe ordering process	Called or faxed in. Manual intensive. One person write up order, another punch in. Two people time, need cut in half.	Web order entry for customers
Biggest customer service issues e.g. incorrect invoices, stock outs	Manual delay creates mispicks, shipping wrong product, re-pick, reship. Cost is high.	Need in stock rate as percentage. Fill out order wrong. How many items handled that are wrong, does he know what cost is. We'll use \$150 per mispicks. 5 – 10 times a week. Pays in gas to re-deliver.
How Handle Returns	Issue with mispicks.	
Describe Price Change process	90% customers have different price for each product. Use spreadsheet to look up price for each customer. TIME. Price change updates done on spreadsheet, update each customer individually for that product. 50% improvement in time here at 1500 week in cost.	Contract pricing would reduce manual lookups. Price would be updated for whole contract too based on dates How much time spent in price maintenance between Brian & Rusty and cost. 2 hours a week
Describe Promotions		
Credit Management/COD		
Describe how rank customers (profit, sales, etc)		
Anything else to note		Would like alert system when customer hasn't ordered in a say 14 days, 21 days, etc.

Warehouse	5500 sq ft	
Number items	5,000 95% tobacco	
Make up of staff. Numbers for Picking, receiving, put away, replenish.	3 staff	
Average cost labor	1200 week all three. \$400 per person	
Describe pick, receive, put away, replenish cycles/process	Pick from memory. Pretty small warehouse. . Could still do in PP	
Number Shifts	1 shift	
Describe staging/routing		
How many drivers	6 trucks. 3 drivers a day.	Average cost per driver. Similar to warehouse or 400 week.
Average Cost		
Describe cycle and physical counting process. How many times		
Current inventory value		
Turns for key products cigarettes, candy , etc		
Stock Out rate		
Do you use substitute items, back orders, etc		
Describe evaluate inventory (profit, velocity, etc)		
Anything else to note	No perpetual inventory which creates the problems with mispicks etc.	
Purchasing		
Number of Buyers	Brian & Rusty	
Describe Purchasing process	Guess work. Buy extra because of price increase.	
Average cost labor	1500 each per week. 50% purchasing time.	How much time spent in purchasing between Rusty and Brian. 4 hours a week total. Use \$44/hour as cost, save \$88/per week or \$4,576 per year.
How determine how much to buy	Guess	
Describe the SOQ	No SOQ	SOQ

How handle promos		
Utilize diverter buy techniques	Primarily for Coke right now.	
AP/PO Match	They don't catch vendor price increase sometimes when item received until after they sell items costing them money.	Need update prices in real time How much money leaving on the table in this scenario. 20K per year.
Finance		
How many in AR, AP & GL		
Average Cost Labor		
Describe how systems get updated from OE, Purchasing, Returns, inventory adjustments, etc		
Big Picture		
Sales	7M sales Current 138,000 week	200K sales week a year from now is \$10.4M sales going into 2008.. How expect to get to this number this is 49% growth. This time next year 200K week not starting Jan 1, 2007
COGS	Use 8% is \$6,440,000	
Gross Margin	6-10% = \$560,000	
Fixed Expenses	About 546,000 Salaries year current	
Profit	Net profit is 4%.	Need profit margin
Total Employees	8	
Sales per Employee	\$875,000	
Sales Growth	10% a year	
New Strategies or Tactics	Beverage soda and water. More items.	
Biggest Challenges		

A.H. STU

XYZ Corporation acts as a sales agent for STU in Cincinnati. A QDN sort of arrangement so XYZ Corporation can sell premium cigarettes. XYZ Corporation would like an automated solution (handheld best) that would take the order for the customer, come into their computer, then send that to STU. STU ships the order to XYZ Corporation, XYZ Corporation delivers it and STU invoices the customer. XYZ Corporation needs a commission report on these transactions as well. Right now all manual and eats up a lot of time. Their working with Dave Oswald at STU. XYZ Corporation sees this as a growth area for them.

Brian: Wants check and balances. How many cartons go out, daily register (cash) should map to it (AR) and cash payments against accounts.



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

PRELIMINARY REQUIREMENTS OUTLINE

SERVICES OFFERED

<p><u>Quantifiable Success Analysis [Step 1]</u> We take your current success stories and improve them by adding quantifiable information, or choose a customer or prospect to identify and communicate the benefits you provide</p>	<p><u>Choreographed Sales Process with Artifacts [Step 2]</u> New information obtained from Quantifiable Success Analysis is used to build an optimized sales process, including literature and other artifacts, that is easily customizable for each of your prospects.</p>
<p><u>Performance Based Strategic Appointment Setting [Step 3]</u> This service utilizes our team’s experts to get you a set number of appointments per YOUR requirements with the Business Value Stakeholders right from the beginning instead of starting with someone lower in the chain of command and working your way up.</p>	<p><u>Strategic Appointment Setting Training and Coaching [Step 4]</u> This service trains and coaches your team to get appointments with the Business Value Stakeholders right from the beginning instead of starting with someone lower in the chain of command and working your way up.</p>
<p><u>Integrated Value Based Sales Training [Step 5]</u> We show you how to weave value messaging into your existing sales process, and once you begin using that method, we are there to help you continually improve and customize your process.</p>	<p><u>Value Based Sales Coaching and Analysis [Step 6]</u> We help companies improve sales performance and we focus on communicating and documenting value in the sales process, implementation/delivery process and the customer management process.</p>
<p><u>Executive Analytics and Automation Integration [Step 7]</u> We help companies leverage their existing processes and put them into scalable online software tools. Much of what we do requires change in the sales process, but those changes must be in alignment with the processes already in place and be supported by up to date CRM, ERP, and MRP systems such as Salesforce.com, Microsoft CRM, SAP and others.</p>	



ON DEMAND ROI AND VALUE SELLING TOOLS AND SERVICES

STANDARD DEPLOYMENT OPTIONS

STEP 1:QSA			
STEP 2:CSP			
Lead Generation, Appointment Setting, Lead Qualification	STEP 3:SAS(on-demand) or STEP 4:SAST (training)	SAME AS TODAY	STEP 3(on-demand) AND/OR STEP 4)(training)
Get The Sale	SAME AS TODAY + MORE LG, QA,QL in the pipeline	STEP 5:IVBT, STEP 6:VBCA AND STEP 7: EAAI (training) + VE and VP	STEP 5:IVBT, STEP 6:VBCA AND STEP 7: EAAI (training) + VE and VP
Generate Repeat Revenue from Quantifiable References	SAME AS TODAY	Same + VR + STEP 6:VBCA and STEP 7: EAAI (on-demand)	Same + VR + STEP 6:VBCA and STEP 7: EAAI (on-demand)

- VE= VALUE ESTIMATION
- VP = VALUE PLANNING
- VR = VALUE REALIZATION