SPS COMMERCE

SPS PERFORMANCE ANALYTICS FOR POINT OF SALE AND VENDOR COLLABORATION

SPS will work with the Customer to design, deploy, and support the Retail Performance Analytics and Collaboration Analytics products. Both products are cloud based turn-key analytical solutions that will provide the Customer and its trading partners with a best practice based analytical solution to drive your joint business. Performance Analytics provides the Customer with visibility into item and store level sales and inventory positions across all of its trading partners. Collaboration Analytics will provide the Customer and your trading partners with visibility into this same information specifically focused on the trading partner's products so that they can present fact-based recommendations for localized assortments, fill-ins, in season adjustments, and the like to the Customer for the purpose of increasing the Customer's sales, margin and turn.

SPS Retailer Performance Analytics and Collaboration Analytics: Description
Both SPS Products are delivered via a turn-key analytical solution that stores up to three years of historical data. The Products have been developed to support the analytical needs of your internal users and trading partners and will store the data down to the store UPC level. The Customer is entitled to use the solution with as many users as the Customer prefers; it is recommended that all of Customer's employees that collaborate and negotiate with Customer's trading partners have direct access to the Products. Users will be able to analyze the business using a suite of industry best practice metrics with the key attributes that your company provides e.g. your companies calendar, store identifiers, product classifications, etc.

Customer's users will have access via an easy to use web interface that will provide analysis via a suite of pre-built dashboards and reports. SPS will work with the Customer to configure the standard suite of dashboards for use by the Customer and its trading partners. The Customer users will be able to develop custom dashboards and reports via an easy to use interface or can work with SPS to customize the dashboards or reports on the Customer's behalf should they want dashboards in addition to the standard suite (any such customization request will be documented including any financial impact and signed off by Customer prior to work commencing).

The Customer will be provided with a pre-determined number of user licenses as part of the program. Additional user licenses can be purchased for $50 per user per month. The Customer will be assigned with one or more administrators that will be responsible for setting up and administer the Customer's internal users.

The Customer's trading partner users will be provided with access to pre-built dashboards within Collaboration Analytics that highlight the key areas of emphasis your company wants your trading partners to focus on. Trading partner users will have the ability to develop custom reports that can be shared with you as part of the day to day interactions and routine account planning collaboration between the teams. The Customer will not need to manage the trading partners' users which will be done directly between SPS and the trading partners.

The two parties will work together to Create and Implement a Vendor Enablement Program for the Collaboration Analytics initiative including the following:

• **Trading Partner Messaging:** SPS will provide the Customer with sample communications regarding the introduction of the Collaboration Analytics initiative to Customer's trading partner community. Once approved by the Customer, SPS will engage in reaching out to these trading partners to secure participation in the program.

• **Buyer Education:** SPS will host one or more meetings to educate the Customer's Buyers on the Collaboration Analytics program for the purpose of sharing details about the program and answering any buyer questions.

• **Webcast:** SPS will host and present a webcast for your trading partners in order to formally introduce the   Collaboration Analytics initiative to them and answer common questions related to the program. This webcast will be recorded and a link to the recording will be made available by SPS to trading partners that were unable to attend.

• **Trading Partner Rollout**: SPS will work with Customer to define the rollout rate for each trading partner. SPS' contact process involves a minimum of four contacts (1 per week) with each trading partner to identify the most appropriate solution.

• **Trading Partner Services:** SPS will establish a User ID and Password for access to the SPS Analytics Products. Once signed up vendors will have visibility to their data and associated training and documentation.

• **Enablement Reporting:** SPS will assign a named Program Manager to the Customer who will provide regular status updates relative to the progress of the enablement outreach and implementation activity.

Customer will:

- **Create and send** to SPS on a daily or weekly basis Point-of-Sale and Supply Chain data as specified in the SPS POS Implementation Guide for the purposes of SPS providing access to the Products described to Customer's internal users and its trading partners. While it is recommended that the Customer provide all of the data as specified in the POS Implementation Guide, the Customer may determine what metrics are provided so long as it conforms to the standards described in the POS Implementation Guide. At a minimum, the Customer will provide data that includes the following metrics and attributes at the lowest product level by store:

  - Unique product identifier/UPC
  - Unique vendor ID, vendor style number
  - Retailer style number and other hierarchy information such as department, class, subclass etc that is used to classify the product
  - Retailer style description
  - Sales units
  - Sales retail dollars
  - Item cost and item retail
  - On-Hand units - regardless of activity
  - On-Hand retail dollars
  - On-Order and receipts
  - In-transit – from retailer's DC to the stores
  - Gross margin dollars and gross margin percent
  - Store number, store name
  - Historical information by week for all items listed above

- **Provide** an available resource to answer data related questions during the implementation and on-going support regarding the daily / weekly data SPS receives from the Customer once the implementation project is complete.

- **Create** and deliver an agreed upon weekly or daily set of files containing Point-of-Sale and Supply Chain data at the lowest level by store.

- **Discontinue** internally generated buyer reports and 852s to targeted trading partners making SPS the only source for trading partner access to the Customer's sales and inventory data.