

PRELUDE

ENTERPRISE SOFTWARE SOLUTION



A FULLY-INTEGRATED SOLUTION
FOR WHOLESAL DISTRIBUTORS

SCALABLE TECHNOLOGY

TO GROW WITH YOUR BUSINESS

“Prelude is constantly evolving into a better product.”

Glenn Shiroff, Director of IT
Rittenhouse Book Distributors



Activant Prelude™ is fully scalable to the largest SMP UNIX-based servers supporting thousands of users.

The architecture of Prelude, coupled with the openness of the underlying database environment, allows for an extensive, flexible, and portable software solution.

Prelude is extremely user-friendly. Employing Next Logical Step event-driven design methodology, Prelude automatically takes the next step if there is no exception requiring human judgment whenever an event occurs that should logically cause an action to be taken. When business rule exceptions do occur, the appropriate person is notified on-line so that judgment can be applied.

	Product	Description	N	R	A	O	A	Linkage	Quantity	U/M	Whse	Price
1	2AD96	Whizard Cut M Resistant Gloves Knifehandler							5	PR	10	17.8700
2	2AF65	Whizard Cut L Resistant Gloves Knifehandler							10	PR	10	17.8700
3	3BC13	Whizard Cut Xs Resistant Gloves Knifehandler							30	PR	10	17.1552
4	6AR22	Whizard Protective Wear Cut S Resistant Gloves Knifehar							50	PR	10	17.1552
5												

US DOLLARS	Quantity	Weight	Profit	Gp%	Amount
	95	28.5000	453.92	28	1,640.47

Activant Prelude fully integrates a distributor's operations. The solution allows immediate transfer of information between departments and permits flexible on-line inquiry into virtually any kind of information. Prelude is a feature rich distribution package with optional integrated modules such as forecasting, integrated customer relationship management, value-added manufacturing, and business intelligence.

PRELUDE FOR BETTER CUSTOMER SERVICE

“Since we took over Dawson Company six years ago, we have doubled the size of our business. Prelude was a critical part of that success.”

Ric Serafin, CEO
Dawson Company

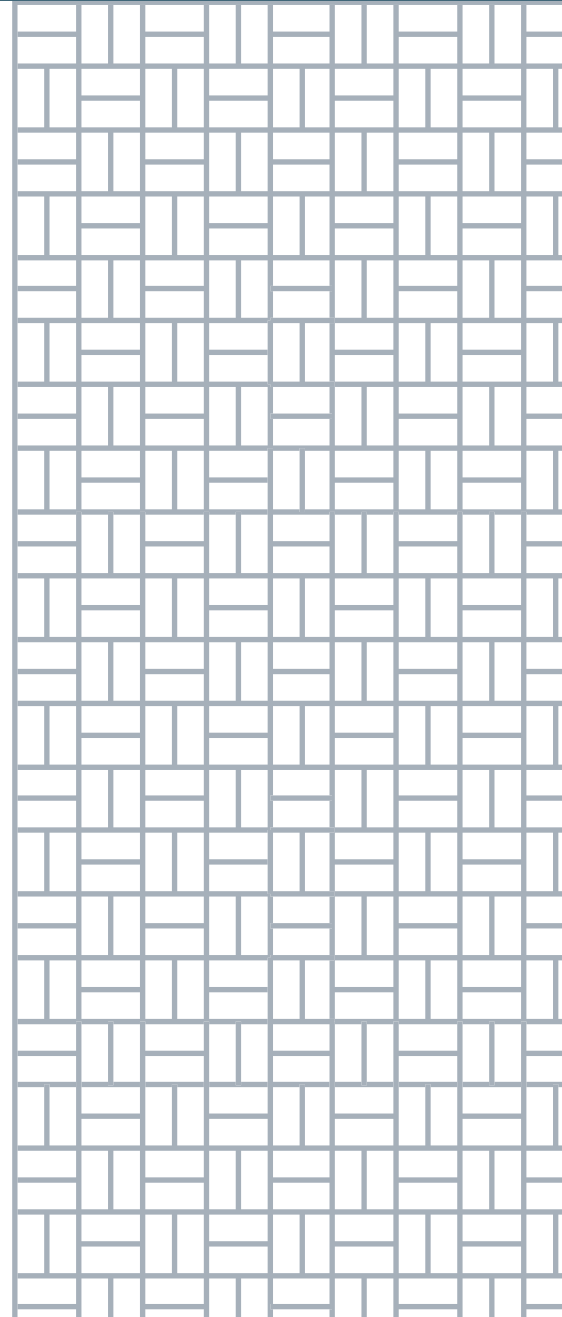
Distributors have a wide variety of requirements, depending on their products, organization, customers, and philosophy.

Prelude is configurable to meet virtually any set of requirements.

A sales order can start as a Quick Quote or a Quotation and be tied to Vendor Requests for Quotation. When the Sales Quotation is converted to a Sales Order, vendor RFQ's can be converted to purchase orders.

Sales order line items can include multi-level kits and work orders, repair orders, and rental order line items, among others. Sales orders may be regular, ship complete, ship line item complete, direct, salesperson samples, or consignment, among others. Sales order type can be overridden at the line item level, in most cases. Sales order line items may be sourced from existing purchase orders, new purchase orders, transfers, work orders, or any combination. Line items may be designated as emergency to guarantee priority attention from purchasing personnel.

Features include a powerful customer, contact and ship-to lookup that allows you to search by any combination of criteria, in any sequence. You may access products by using any part of the product number, description, category, competitor's product number, or any other keywords you choose. The Kit processor allows for immediate commitment of component inventory. Automatic prompting occurs for complementary products, accessory products, substitute products, supercedures, and obsolete products. Enter unlimited notes and comments. When the order is complete, you may e-mail or fax confirmations, advanced shipment notices and backorder notices without operator intervention.



TAKE CONTROL OF YOUR INVENTORY



Specifically designed for the needs of distributors, Prelude can provide each user with the current status of any inventory item in any bin location within any warehouse.

Stock receipts allow for real time receiving of inventory. In addition, it permits tracking of container cargo for imported goods, product inspection, and rejection claim generation. Stock receipt discrepancies automatically go into buyer queues for review.

Inventory is allocated automatically to sales orders, transfers, and work orders to maximize customer service.

Price and cost maintenance is thoroughly automated.

Surplus inventory in other warehouses is identified and displayed to inventory control personnel to avoid unnecessary purchases.

As part of the inventory control module, Prelude offers a comprehensive solution to distributors that import product from overseas.

Prelude readily handles such variables as currency exchange rates, brokerage fees, duty calculations, ocean and inland freight costs, on-the-water tracking, insurance, and other details associated with international commerce. It uses sophisticated distribution requirements planning methods to project replenishment scenarios months in advance.

PUT YOUR MONEY TO WORK FOR YOU

ACCOUNTS RECEIVABLE

Prelude's Accounts Receivable module supplies distributors with comprehensive tools to effectively manage this critical asset. Users are provided tremendous flexibility while maintaining accurate balance and audit control.

Cash Receipts allows for fast, accurate entry. This feature-rich module allows entry of on-account cash, earned/unearned discounts, general ledger write-off, charge-back invoices, correction of freight charges, and sales tax information. A deposit slip may be generated upon completion of the cash receipts batch.

The Collections Subsystem permits monitoring and follow-up for overdue invoices.

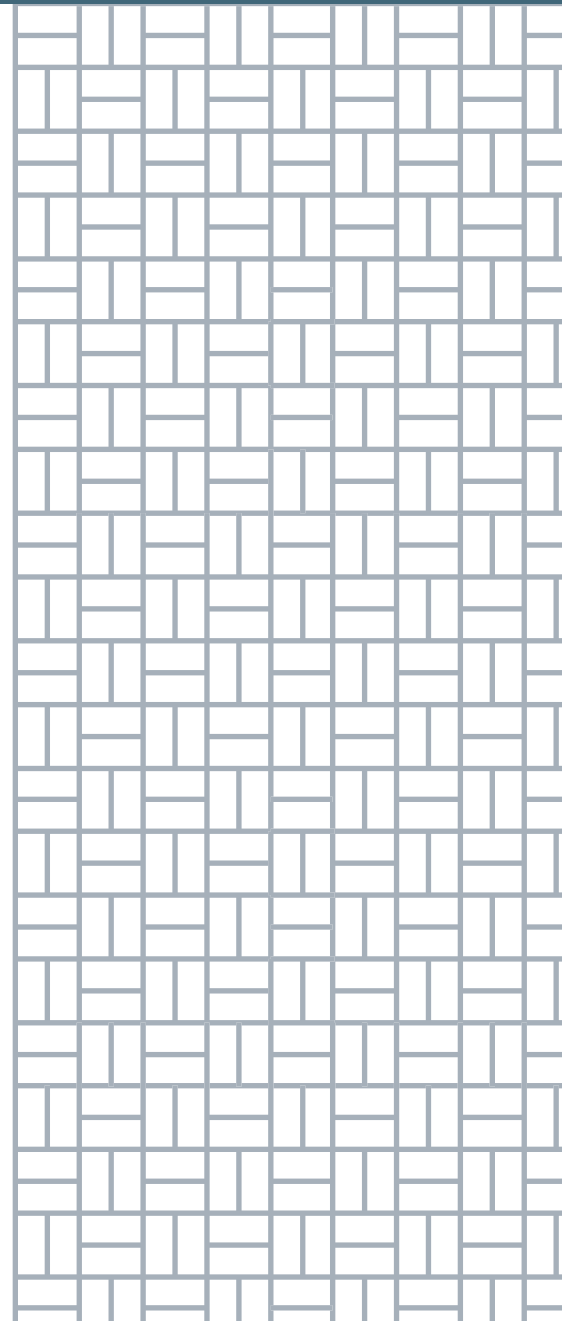
Monitoring activities include review queue, automatic letter and fax generation, and unlimited collection notes.

An online, interactive process displays credit exceptions and related messages from sales personnel to credit managers. Numerous online inquiries and follow-up mechanisms support the credit manager's timely resolution of exception conditions. Messages from credit managers are then communicated to sales personnel for on-line display.

ACCOUNTS PAYABLE

Accounts Payable provides a wide range of features and options to help accounting personnel achieve and maintain control over accounts payable information and cash disbursement activities. Accounts Payable provides the ability to match open receiver transactions to vendor invoices for verification. The system can generate a vendor debit memo as a result of a discrepancy.

Corrections entered through Accounts Payable can automatically correct inventory costs. Freight can be automatically allocated to inventory cost. For overhead invoices like telephone and electric bills, the system will allow for transaction





entry and automatic distribution to General Ledger accounts specified by vendor, allowing percentage distribution between accounts or departments. The system also provides for recurring vendor invoices.

In addition, the Accounts Payable module provides a variety of detailed and summarized reports designed to help accounting personnel maximize financial control.

GENERAL LEDGER

The General Ledger module helps distributors maintain complete control over their financial information. Providing users with an extremely flexible account number structure, the chart of accounts can be tailored to the user's specific organization structure. The General Ledger system provides for company, division, region, location, department, and cost center levels. These levels can be included or omitted to match the organization chart.

The Financial Report Generator enables users to create financial report formats that are completely independent of the Chart of Accounts structure. Users can create their own customized financial reports for specific needs. Reports can automatically summarize information from lower levels to higher levels of the organization.

FIXED ASSETS

This module's ease of use provides the user with effective tracking of the value of assets through various depreciation options.

Fixed Assets enables users to effectively manage and control assets. Unlimited depreciation schedule may be maintained for an asset, allowing for book, state tax, federal tax, alternate minimum tax basis, etc. The system provides users with the ability to calculate standard depreciation methods manually or automatically.

Future depreciation methods can be incorporated with minimal effort using table and formula-driven parameters.

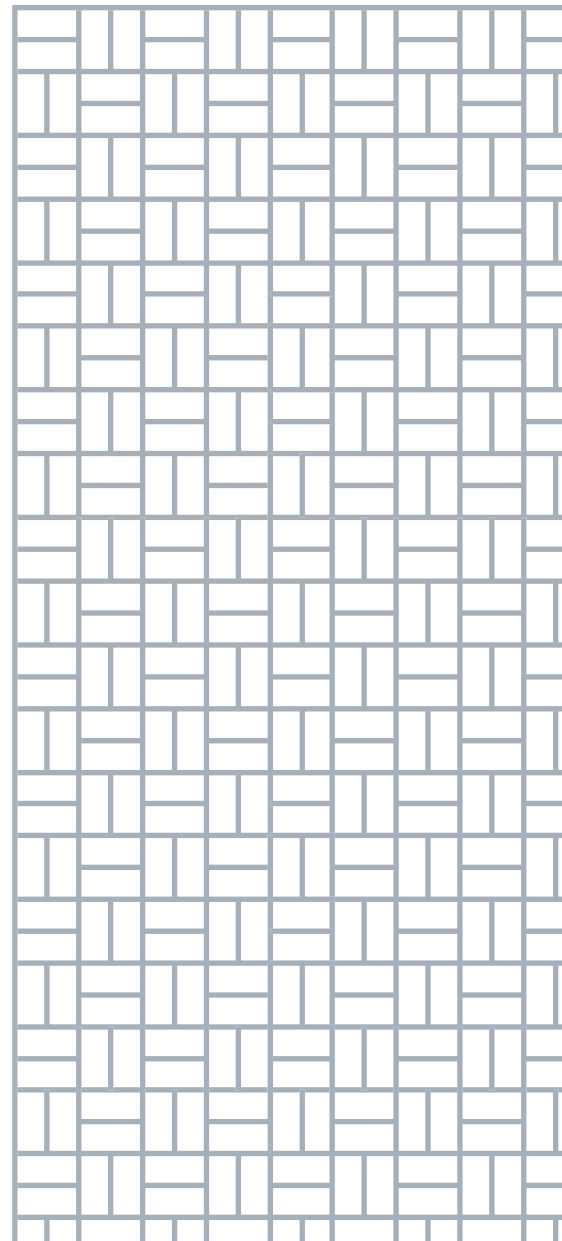
ABC ACCOUNTING

Many managers have the difficult task of evaluating the cost of doing business with individual customers. The use of ABC identifies these high cost customers.

Activity Based Costing, also known as ABC Accounting, provides management with the ability to monitor the profitability of customers, products, product lines, and vendors after considering various non-inventory transaction costs. For example, personnel work hard to satisfy the requirements of a major customer account thinking that the resulting gross profit indicated that the customer is profitable.

However, if the customer is placing numerous small orders resulting in frequent deliveries, is slow in paying invoices, and is causing the distributor to incur other expenses, the account may not actually be profitable.

Activity Based Costing involves defining cost drivers that are used to reallocate costs for analysis purposes from overhead to the customer or vendor that was responsible for the costs. Reports and inquiries are provided to permit the vendor to identify customers, products, and vendors that are unprofitable after considering all of the costs of doing business.



SEE THE FUTURE WITH FORECASTING CAPABILITIES

“Prelude has helped us grow and succeed by giving us the information we need to make good decisions.”

Diane Humke, President/Owner
Ken R. Humke Co.



ADVANCED FORECASTING

The Activant Prelude Forecasting System can significantly reduce inventory requirements while improving customer service. The Distribution Requirements Planning (DRP) component permits personnel to plan purchases and logistics months in advance.

DRP and formula-based forecasting with exponential smoothing allow distributors to move beyond traditional inventory control to maximize customer service while controlling inventory investment.

Formula-based forecasting is the most advanced requirement planning method in the industry. An accurate forecast is essential for purchasing, transferring or manufacturing the right product in the right place at the right time. Formula-Based Forecasting offers twenty standard formulas, which should handle virtually all forecast situations. In addition to the twenty standard formulas, the user can enter additional formulas as required. Historical daily usage patterns are analyzed against the formulas to determine which formula would best explain the behavior of the product's random demand. The user can decide to accept the system's recommendation to automatically switch formulas.

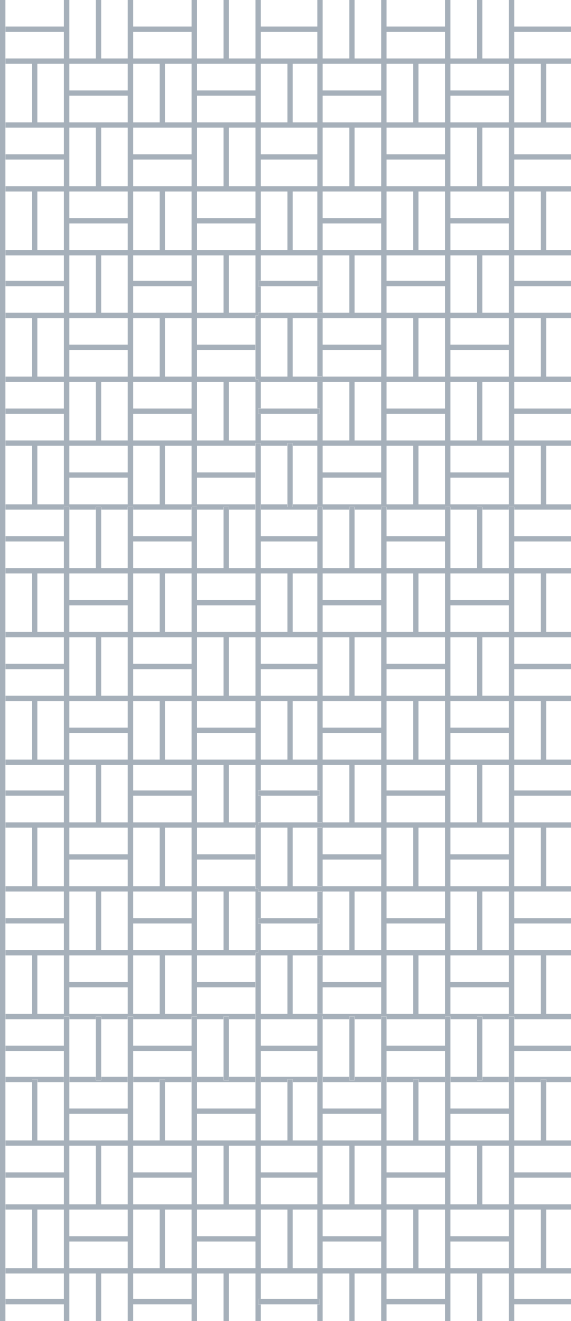
ACTIVANT PRELUDE PERFORMANCE DRIVER SUITE

When key, timely information is readily accessible, decision-makers are better equipped to identify challenges and recognize opportunities.

Prelude's Performance Driver Suite is a powerful, intuitive solution that allows organizations to easily analyze complex operational and customer data for improved business performance. Through its intuitive dashboards, the solution provides an interactive interface with rich graphs and charts to allow users to quickly identify trends and relationships hidden within their data.

INTUITIVE DATA ANALYSIS

The solution may be deployed through both Web and desktop client interfaces, providing decision-makers from various areas of the organization with access to the critical information they need to interpret the key performance indicators that drive business success.



What's more, the live connection to the relational database ensures a link to up-to-the-minute data. And in today's competitive environment, rapid access to data is key.

Customized dashboards can easily be designed using the solution's wizards – with the Performance Driver Suite, there is no need to learn complex SQL commands. In addition, the system is highly scalable, to grow with your needs.

This Performance Driver Suite gathers data from multiple sources, providing a more complete picture of your business operations than your core system data can. For example, the solution seamlessly links to data contained within Prelude and extracts key decision support data. Moreover, the solution easily taps into other data sources, including MS Access, external OLAP cubes, and other Prelude solutions.

Prelude's Performance Driver Suite boasts a number of advanced security features. For example, access to dashboards can be limited, to enable each user to view only the data that is relevant to him or her. What's more, your suppliers and business partners can even enjoy limited access to your dashboards. Prelude Performance Driver Suite is quite simply a complete snapshot of your business – when and where you need it.

Prelude's Performance Driver Suite solution is specifically designed to address the unique challenges that industrial distributors face. At the heart of the solution are customized key performance indicators (KPI).

As high-level snapshots of your business, KPIs include real-time views of sales figures and trends over time, supply-chain data, inventory levels, or any other information deemed critical to your success. By viewing KPIs graphically displayed through intuitive dashboards, decision-makers have access to vital information at a glance.

EXTEND YOUR REACH

VIA THE WEB

E-commerce defined broadly includes EDI as well as XML marketplace connectivity, which are “givens” in today’s distribution software environment.

With Prelude’s Virtual Information Access (VIA) module, the customer’s buyer can have multiple shopping carts, perhaps one for each open job quoted to the customer’s customer. Large MRO customers may want to have a monthly budget for each of their buyers or plant managers, with exception reporting and predefined approval processes if budgets are exceeded.

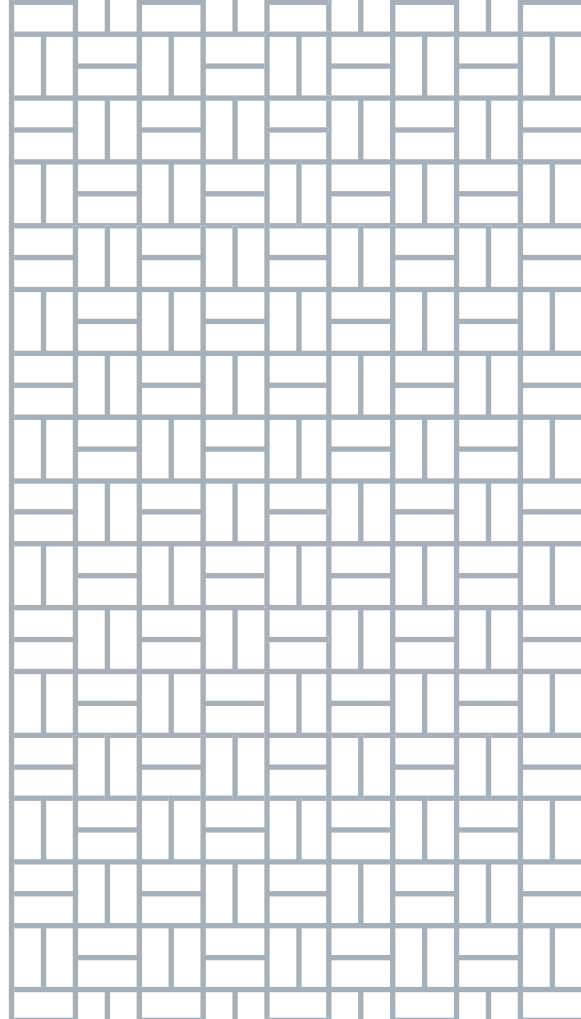
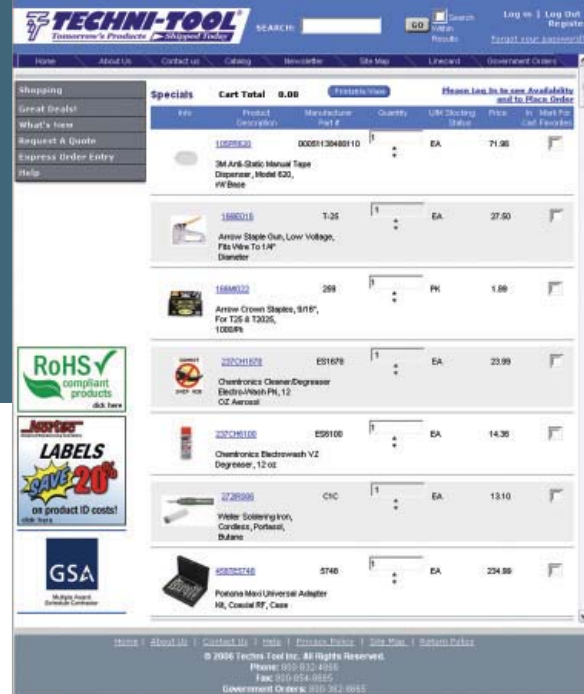
You can use VIA as a promotional tool. The customer may review purchasing history and replicate previous orders, request current quotes on items previously purchased, or review lists of favorite items, promotions and clearance products. Product configurators and structured searches help customers locate the desired product. Customers can also access pictures, manufacturer specifications, schematics, and other graphical information about products.

VIA can also be configured to provide you with a unique Web site. The look and feel, color, layout and every graphical element within every view is configurable according to the your preferences. In addition, the individual user can tailor the interactive experience to satisfy personal preferences.

With VIA, Internet e-commerce becomes an integrated CRM asset that permits customer personnel to start a transaction on the telephone and conclude it through Internet e-commerce or vice versa, with the customer choosing the time, place and method of interaction.

Beyond that, VIA becomes the gateway to your trading community, where Vendors can acknowledge purchase orders and provide product and pricing information.

VIA allows your customers to seamlessly display your e-commerce Web site within their Web site, so you become their supplier of choice for entire product groups. Marketplace communications are satisfied through the VIA Supply Chain Module.



CREATE VALUE

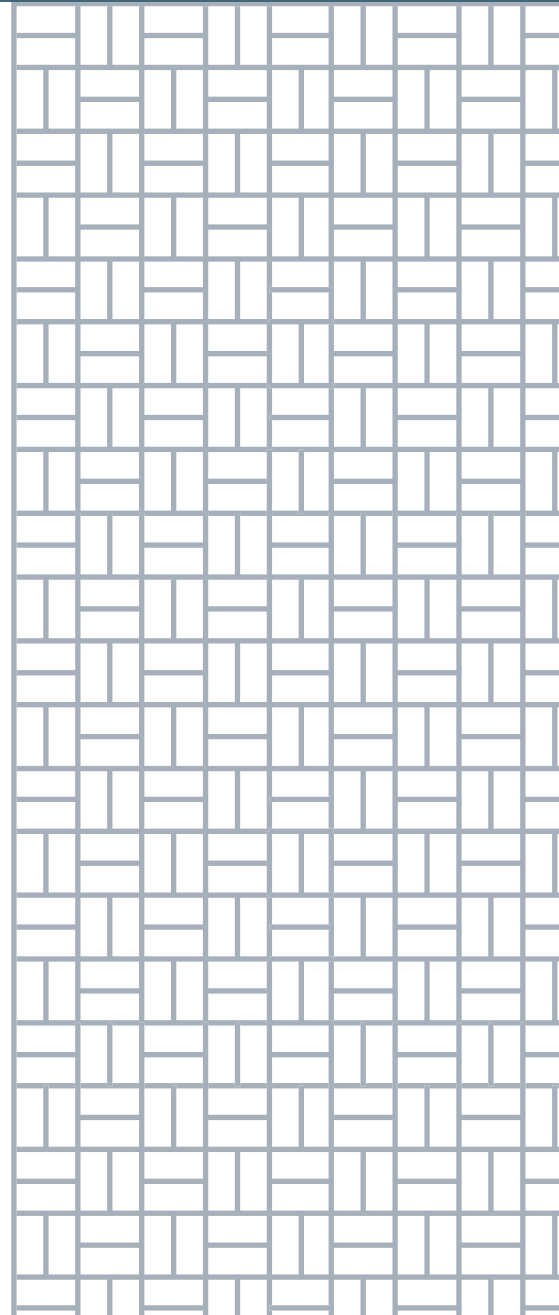
WITH ADDED SERVICES

Providing customers with value-added services, such as manufacturing or work order processing, can help build customer loyalty and increase sales.

Within Prelude, bills of material can have up to nine levels and work orders can be automated for stock products. Special order products can start with a standard bill and then be modified for individual customer requirements. Regardless of the type, all work orders can be entered and modified within the Sales Order Entry module and Prelude will automatically initiate replenishment of components through subordinate work orders, purchase orders, and transfers.

You can also create work order quotations to help operations and sales personnel communicate repair costs to customers based on the labor, materials, and overhead required. Prelude can track when the quote was sent, when it was accepted and by whom, and then can track the work through each stage of the work order production process.

For both build and repair work orders, cost accounting helps management improve profitability. Reporting and on-line inquiries indicate whether there were any variances in expected costs, materials, labor, or time. With this information, standard estimates can be changed to improve accuracy in the future, or corrective action can be taken for on-going operational errors.



GO BEYOND DISTRIBUTION

WITH RENTAL AND SERVICE FUNCTIONALITY



“When you make an investment in software, you make an investment in the people who support and develop it. The people who support Prelude have never dropped the ball.”

Chris Weitzel, IT Manager
C&E Sales Inc.

Until now, distributors could find a good distribution software solution or a good rental solution, but not an excellent distribution package that is also an excellent rental solution.

Prelude satisfies both of the distributor's rental-related requirements. The Rental System meets the requirements of distributors that rent tools and other equipment. In addition, the Equipment Control System satisfies the fleet management and utilization information requirements of distributors that rent construction and other heavy equipment.

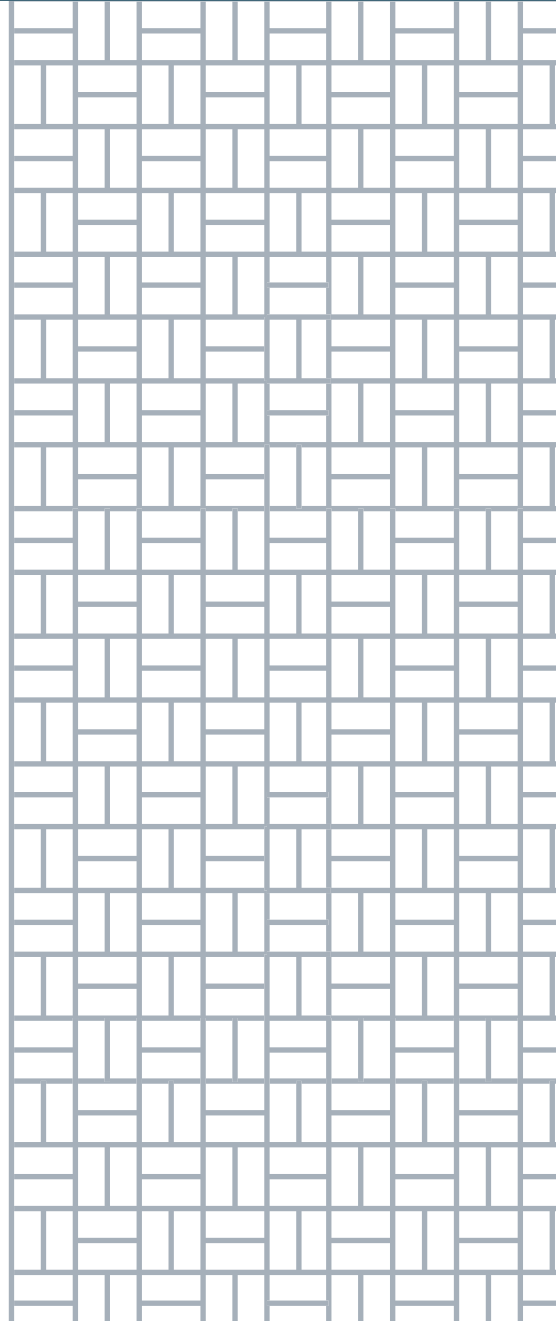
Prelude also provides an integrated full featured Repair System, which allows easy review of all repairs done on equipment, plus detailed history of sales and purchases related to that equipment. Many features such as “Rental Exchanges, Overtime, and Periodic Billing” were designed just for the rental industry.

The Service Module provides the ability to set up service agreements on customer-owned machines as well as providing on-site service utilizing field technicians and service trucks. Service repairs, including all labor and parts, can be tracked within Service Order Entry. Special purchase orders can be initialized for non-stock or out of stock products.

In addition, Service Agreements can be established for multiple machines at multiple customer sites. Using system-generated machine ID's, equipment can be defined, contract beginning and ending dates established, and standard repair components can be listed. Once a service order is opened, a technician is assigned and a pager message is sent automatically.

SHOP REPAIR

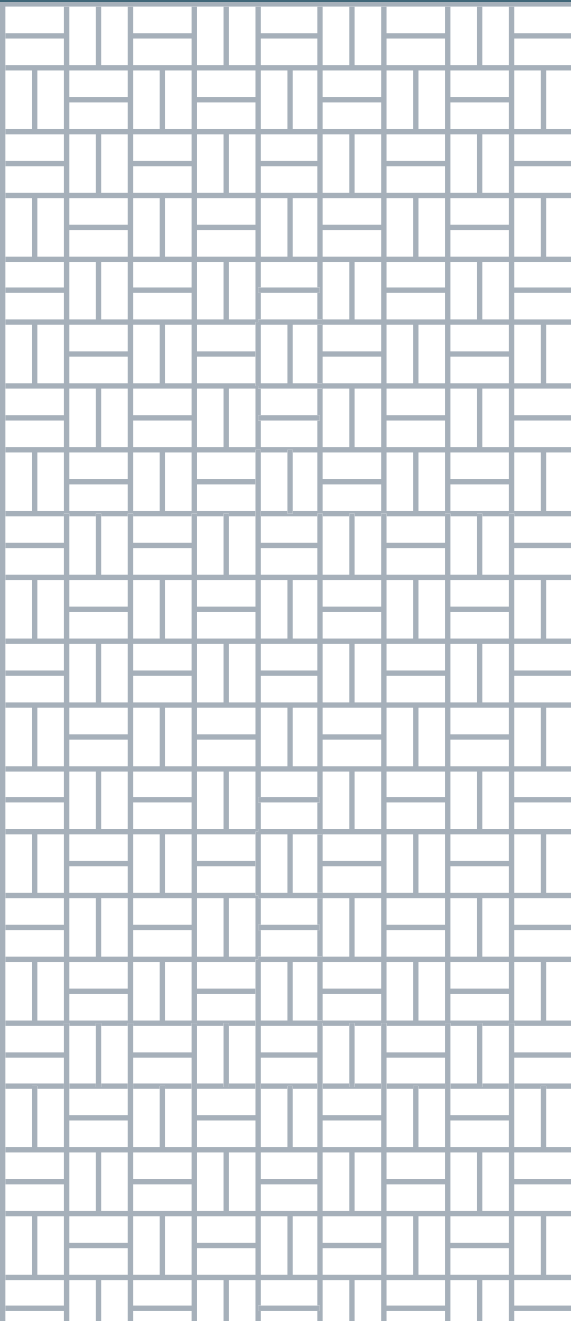
The Shop Repair Module enables your company to manage service and repair operations professionally and efficiently. Products originally sold through the regular Sales Order Entry process can be linked to a Shop Repair order for setup and repairs. A single order can automatically maintain multiple repair or setup jobs while keeping track of additional part requisitions, technician repair time, extra repair costs, and service requirements. When entering an order, you have access to warranty information, repair cost/time estimates, and repair history on specific model and serial numbers. The status of a job and the productivity of the technicians can be viewed at any time. Once a repair job is complete, the order can be invoiced immediately, expediting the billing and cash flow for your company.



CHOOSE THE ACTIVANT ADVANTAGE

“As we continue to grow, we know Activant will be there to support us – we’re in good hands.”

Douglas Miles, President
Miles Distributors

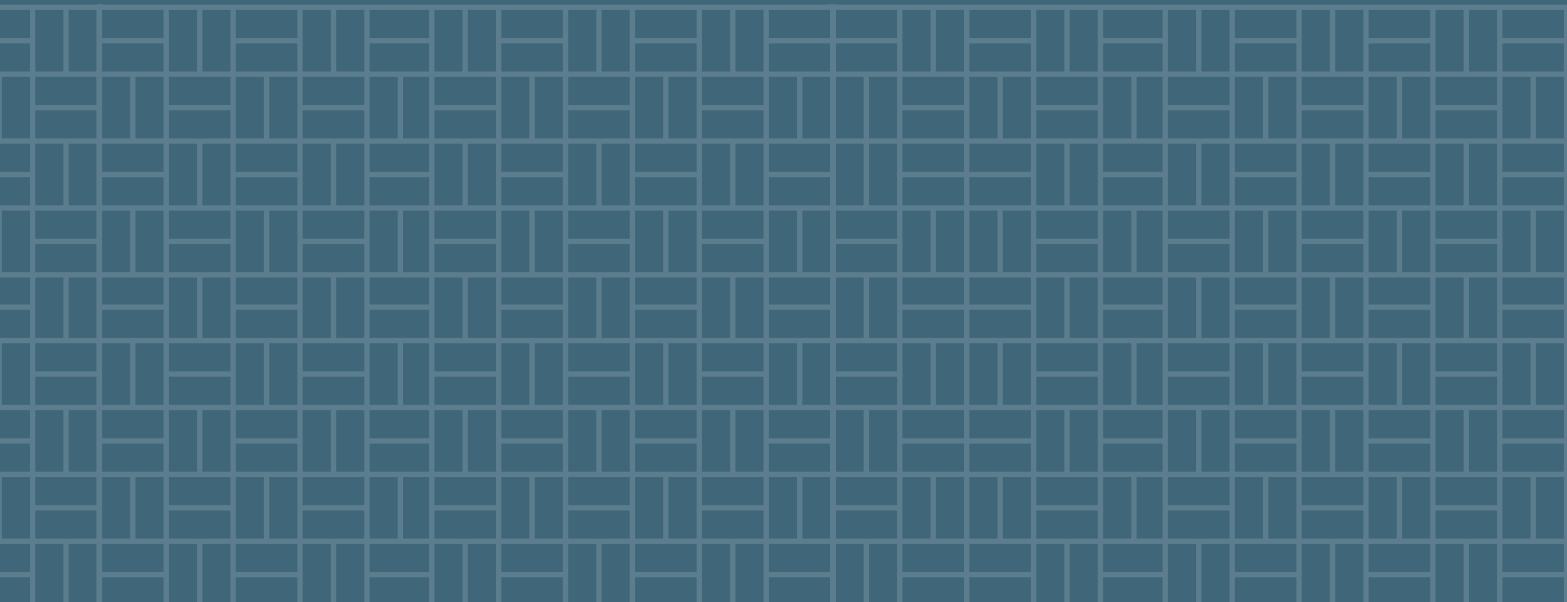


Activant® provides technology solutions and services to more than 3,800 wholesale distributors throughout North America. A leading technology provider for the distribution industry, Activant develops comprehensive enterprise software solutions to help distributors improve customer service and maximize the return on their technology investment. In addition, the company offers an Internet trading network that expedites sourcing, expands geographic reach, and streamlines transactions between distributors and manufacturers. Activant solutions are backed by a host of professional services, including support, consulting, and educational programs.

Activant Solutions Inc. (“Activant”) is a leading technology provider of business management solutions serving small and medium-sized retail and wholesale distribution businesses in three primary vertical markets: hardlines and lumber; wholesale distribution; and the automotive parts aftermarket. Founded in 1972, Activant provides customers with tailored proprietary software, professional services, content, supply chain connectivity, and analytics. More than 30,000 customer locations use an Activant solution to manage their day-to-day operations. Headquartered in Texas, Activant has operations in California, Colorado, Connecticut, Illinois, New Jersey, Pennsylvania, South Carolina, Utah, Canada, France, Ireland, and the United Kingdom.

Learn more about Activant Prelude and Activant’s many other solutions and services by visiting www.activant.com, e-mailing distribution@activant.com, or calling 1-800-776-7438, press 1.

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ACTIVANT

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