



Press Release

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Visible Inventory Introduces Automated Vendor-Managed Inventory Solution with Real Time Inventory Status Visualization

Visible Inventory VMI Solution Enables Vendors to Know Precisely When Parts Replenishment is Needed, Eliminates Need for Physical Site Visits

SALEM, NH, October 27, 2003 – Visible Inventory, an industry-leading provider of true real time inventory management solutions, has introduced full automation into the Vendor-Managed Inventory (VMI) process. Visible Inventory's VMI solution eliminates the need to physically count on-hand inventory, and allows vendors and their customers to share inventory information continuously with each other. This reduces inventory levels and the associated costs of overstocking throughout the supply chain.

Stephen Donovan, Vice President of Sales and Marketing for Millennium Logistics Management, said, "Any supply chain is only as strong as its weakest link. Research has demonstrated that more than 37% of sales dollars are buried in logistics expenses from vendor to customer. Floor stock inventory is a key link as it can impact the cost of a part drastically. We work with clients daily in finding solutions to get "total visibility" and real time visibility is the closest we can get to manage the cost of replenishment to its lowest level."

"Businesses have spent enormous sums of money implementing older VMI systems that have not returned the expected investment," said John Toomey, CEO of Visible Inventory. "The cost of Visible Inventory's VMI system is a fraction of what other systems cost, and the return on investment is achieved in weeks, not months."

Toomey continued, "Other solutions attempt to address the demands of VMI. However, the existing solutions, which commonly involve bar coding and manual cycle counts, require human intervention. RFID holds promise but currently it is too expensive and awkward for most organizations and inventories. Visible Inventory's VMI solution takes VMI to the next level. Our fully-automated solution results in significant time and labor savings for vendors, and, by enabling customers to reduce inventory levels, cost savings as well."

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Visible Inventory's VMI solution uses its own iSeries of sensors to continuously measure inventory levels. As an item is removed or added to a bin, shelf, or pallet, quantities are dynamically updated. The customer's rules for reordering enable Visible Inventory's SuppliLink application to initiate the appropriate action. For example, if inventory dips to a pre-determined level, e-mail notification could be automatically sent to a supplier indicating that an item is below replenishment quantity and needs to be refilled. At the same time, the supplier has total visibility into the inventory status of their customer, so they only have to act when needed, based upon actual information.

By design, the Visible Inventory system is simple to install, simple to implement, and simple to use. User training can be completed in less than four hours. All information can be downloaded to Excel or text files for integration into popular SCM or ERP systems.

About Visible Inventory

Visible Inventory, Inc. is an industry-leading provider of true real time inventory management solutions that enhance the performance of existing ERP, SCM and MRO systems. Inventory activity is automatically executed upon in real time maintaining minimum inventory levels and providing accurate inventory information across the entire supply chain. The core of Visible Inventory's solution is the company's SuppliLink™ intelligent software, which seamlessly interfaces with the iSeries family of sensors. SuppliLink™ coupled with the company's iVision™ Internet communications software enable today's most progressive supply chain practices to achieve their full potential. A complimentary and collaborative solution is Visible Inventory's offering to manufacturers, distributors, and others wishing to optimize inventory levels, replenishment cycles, and vendor or customer partnerships. The SuppliLink™ solution enables customers to reduce costly part and critical supply shortages, decrease labor costs, and maximize inventory turns to free up valuable working capital. For more information, call 603-894-5558 or visit www.visibleinventory.com.

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