

# the 4caster

The Quarterly 4R Systems Company Update



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**PRODUCT FOCUS:**

4R Systems has developed a product suite, complete with distinct algorithms, for full lifecycle planning. The 4R Supply Planning Product Suite includes: Right Test™, Right Buy™, Right Plan™ and Right Data™. Our product focus for this edition is on Right Data.

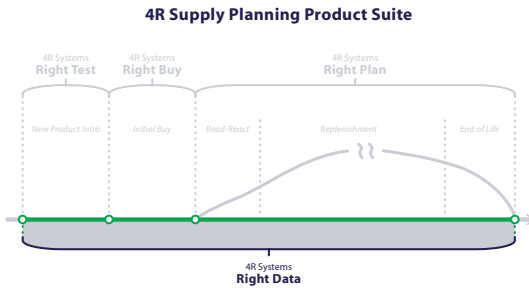
## 4R Systems Right Data™ Product Turns Data into “Information”

Retail organizations are inundated with raw data. Metrics are generated by information systems spread throughout the supply chain, including ERP systems, store POS systems, EDI feeds from customers and even ad-hoc spread sheets.

Without the ability to translate this vast pool of data into useful “information”, the value of this critical information asset within

your organization is lost and important decisions affecting your business are made in the dark. It is exactly this problem that 4R’s Right Data product has been developed to address.

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**CLIENT UPDATE:**

## 4R Signs Software Deal with Kenneth Cole

4R has been selected by Kenneth Cole Productions, Inc. to help optimize the fashion houses’ global supply chain. Under the agreement, Kenneth Cole will license 4R Systems’ Supply Planning Product Suite to more effectively set and predict stock levels and allocate inventory for each stage of their products’ lifecycle. Kenneth Cole will use 4R’s Supply Planning software to

convert weekly POS data on sales and inventory at the SKU level into actionable information that will help the retailer optimize stock levels at all points in the supply chain, including suppliers, distribution centers and retail locations.

Kenneth Cole Productions joins the 4R family that includes Ahold, American Pacific, Stride Rite, Linens ‘n Things and others. Welcome into the fold Kenneth Cole!

## 4R Headquarters moves to new office park



That’s right, we have outgrown our space! On May 31st we moved into our new offices.

If you are in the area, stop by and see us. Also, please take note of our NEW address, phone and fax numbers!

4R Systems, Inc.  
1400 Liberty Ridge Drive  
Suite 102  
Wayne, PA 19087

Phone: 610-644-1234  
Fax: 610-644-2152

## Company Expands Team to Support Growth

4R is pleased to welcome six new additions to its team:

**Steven Huskey** is a new addition to the sales team. He has joined 4R in the role of Account Executive. Steven has a broad background including industry experience as well as software sales, implementation and development. He is committed to providing retailers and wholesalers the ability to translate strategy into action through capitalizing

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## Second Round of Funding Received from TH Lee Putnam Ventures and TSG Equity Partners

In January, 4R received a second round of funding from TH Lee Putnam Ventures and TSG Equity Partners.

According to Renny Smith, managing director of TH Lee Putnam Ventures, "Despite millions of dollars spent on consultants and enterprise systems, forecast errors remain high for most retailers. 4R's suite of software solutions will help retailers and suppliers address that problem. Company founders Marshall Fisher and Ananth Raman, whose pioneering research at Wharton and Harvard Business Schools helped launch retail analytics, developed mathematical algorithms for full product lifecycle planning that takes the guesswork out of forecasting."

The funds will be used for product development and sales support.

## American Pacific CEO Joins 4R Co-founder Marshall Fisher for Presentation at POMS 2002



Greg Block, CEO of American Pacific recently joined 4R co-founder and

Wharton Professor Dr. Marshall Fisher to present on the topic of "Making Supplier-Retailer Collaboration a Reality" at the Production and Operations Management Society 2002 Conference. The academic event was held in April in San Francisco, CA.

The team discussed the successful supply chain coordination efforts of two leading firms—Linens 'n Things, a \$1.5 billion retailer and American Pacific, one of their key suppliers—using as a platform supply chain planning software provided by 4R Systems.

## New Look for 4R Systems, New Website Unveiled



As a company grows, its brand becomes a crucial element in its steps toward success. At 4R we have been working diligently to create a "family look" for our company as well as more clearly define our messaging and product offerings. We are excited to share our new corporate logo and website with our clients, prospects and partners.

Our first step was to update the company logo. The logo decision was a difficult one to make, as the logo should translate the tone and culture of an organization. Once our decision was made, we knew we could begin to apply our new 'look and feel' to all other creative endeavours.

Our new website is designed to be an informative website geared toward helping interested individuals learn more about 4R's products and their benefits. Please take a moment to visit the website, which can be found at: [www.4rsystems.com](http://www.4rsystems.com).



4R's "Splash" page



4R's "Solutions" page

## Right Data™ Turns Data into "Information"

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Right Data provides an answer to the question: "What's going on in my business?"

### Examples Include:

- **Promotion Performance:** "How effective was my last promotion?"
- **Seasonality Analysis:** "What is the effect of seasonality on my SKU's?"
- **Price Elasticity:** "How will a price change affect the sales of my SKU's?"
- **Lost Sales:** "How much did I lose last year due to stock outs?"

More than simply a data repository, Right Data provides a powerful set of processing algorithms, data analysis features, and a dynamic user interface. It is also the foundation for the other products within the 4R Supply Planning Product Suite.

Stay tuned to hear about how 4R takes information and turns it into action in the Fall edition of the 4caster!

*For more information on Right Data or other products in 4R's Supply Planning Suite, please give us a call at 1-866-4RSYSTEMS!*

## 4R Expands Team for Growth

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on available data to drive business intelligence; therefore enhancing the ability to achieve profitable growth. Steven most recently worked for Manugistics.

**Heather Zoumas-Lubeski** has joined the company as Director of Marketing Communications. In her new role, she will drive 4R's marketing and corporate positioning, including all aspects of brand management, advertising, public relations, events and collateral development. Heather brings more than 10 years of technology marketing and ad agency experience. Formerly, she was consulting for ProCaveo and E-Staff software and headed up marketing for CoreTech Consulting Group.

**Anil Pawha** is 4R's Director of Project Management. In his new position, Pawha will spearhead client implementation of 4R's proprietary retail solution, the *4R Supply Planner™*. Anil brings to 4R over 14 years of experience in the Retail and Consumer Products industry and several years of Project Management experience. He joins us from Kurt Salmon Associates.

**Nick Jushchyshyn** has joined 4R in the role of Product Manager. As Product Manager, Nick is responsible for the feature functionality of 4R's software. He joins us from Prescient Systems.

**Wayne Hyatt** has joined the technology group as a Senior Developer. Wayne brings over 20 years experience in software engineering to his new role and will be focusing on augmenting 4R's QA methodology. He most recently worked at Liberate Technologies and spent many years of his career at Bell Labs.

**Judy Rega** has been hired as Office Manager. Judy is responsible for the overall operation of daily office functions, general accounting and administration.

### RETAIL TRENDS:

# The New Supermodels of the Fashion Industry

## How Mathematical Algorithms are Changing Retailing Traditions (...where M.I.T. meets F.I.T.)

Thanks to advances in sales technology, fashion retailers and other merchandisers of short lifecycle products have more data about consumer spending than they ever had. But converting this data into information that tells retailers what products should be on which store shelves everyday—and how to price them—will ultimately determine who will win the retail wars, say the experts at 4R Systems, a leading provider of analytical software to the retail industry.

4R co-founders Marshall Fisher and Ananth Raman, senior professors at Wharton and Harvard Business School, respectively, and Jeff Singer, 4R CEO and former SAP executive, are available to discuss:



- Why forecasting and supply planning errors remain high for the industry, despite significant investments in consultants and enterprise systems—and why companies like Ahold, Stride Rite and American Pacific are implementing 4R software to determine daily inventory requirements for every store and SKU.
- What causes the disconnect between distribution centers and the stores they serve—and how analytic retailing uses mathematical algorithms to factor in such variables as sales promotions and weather to bridge this gap.
- How the focus on data-to-information conversion will help retailers deal with rapidly changing consumer tastes and the push for broader product selection—and why concepts like 'data cleansing' and 'store/SKU clustering' will soon become industry buzz words.

Feel free to contact us if you would like more information on this subject!  
1-866-4R SYSTEMS



## See you at Retail Systems in June!

Planning on traveling to Chicago for the big show? Come visit us in **Booth #2130 at Retail Systems 2002, June 25-27 at McCormick Place!** We invite you to attend a panel session with 4R Systems entitled "Retail Revenue Management for General Merchandise and Apparel", moderated by AMR Research on Tuesday the 25th from 11:45am-1:00pm.

**Retail Systems 2002**  
Conference & Exposition  
June 24-27 • McCormick Place • Chicago, IL • USA