Supplier Managed Inventory (SMI) Business Model

Business Model Overview:

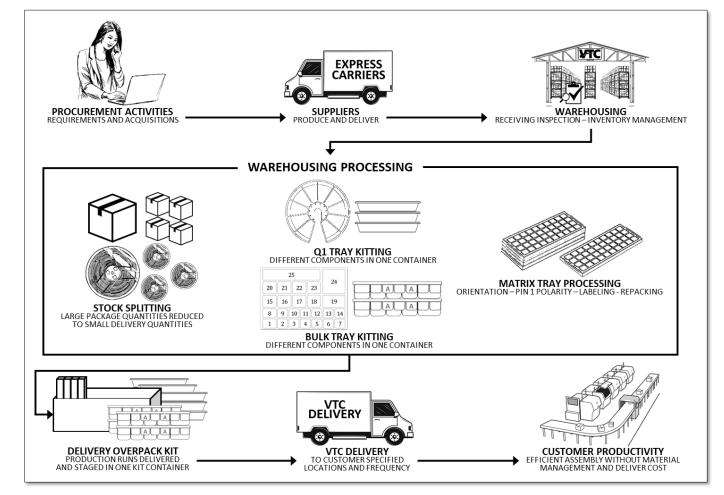
This business model utilizes Veterans Trading Company as a contracted value-added distributor for the acquisition, management, and just in time (JIT) delivery of materials directly to the customers specified location.

Customer Benefits:

Customers can focus on the efficiencies and productivity of their manufacturing processes. Ready to Process Quality inspected materials delivered to a specified location, to the correct configuration, quantity, and packaging.

Business Model Value:

- 1. Reduction of resources necessary for material quoting, sourcing, and procurement.
- 2. Reductions in resources necessary for material planning and inventory visibility.
- 3. Reduction of resources necessary for receipt, inspections, testing, storage, and movement of materials.
- 4. Elimination of productivity downtime due to material shortages.



- 5. Reduction of resources necessary for supplier account payable processing due to Single Supplier Management.
- 6. Reduction of resources necessary for material quoting, sourcing, and procurement.
- 7. Reductions in resources necessary for material planning and inventory visibility.
- 8. Reduction of resources necessary for receipt, inspections, testing, storage, and movement of materials.

- 9. Elimination of productivity downtime due to material shortages.
- 10. Reduction of resources necessary for supplier account payable processing due to single supplier management.