FLEXNET®

Optimized Order Fulfillment Solution

ORDER FULFILLMENT ON DEMAND—ANY TIME ... ANY PLACE

FlexNet® is an order fulfillment solution that leverages Jagged Peak's integrated technology, logistics infrastructure and 3PL partner network to deliver a multi-point, optimized fulfillment solution.

Fulfillment Points

Regional Distribution Center

Manufacturing Plant

3PL Warehouse

Retail Store

Product Distributor

For our clients, the guarantee is orders delivered faster, at a much lower cost. Unlike traditional 3PL service offerings, Jagged Peak's FlexNet fulfillment solution is not constrained by its own distribution center locations and capacities. Instead we utilize strategically located third party service providers or your own inventory locations to fulfill orders using our web-based order management (OMS), warehouse (WMS) and transportation management (TMS) technologies.

Designed specifically for high-velocity eCommerce order fulfillment, the EDGE Web-based technology platform can be deployed any place, any time to support any program, any client and any product; and, since it interfaces with all of your order and inventory sources, it offers complete order and inventory visibility and transparency across your entire operational footprint.

The FlexNet Formula
- In-Source, Outsource, Any Source
- Flexible, Scalable, Configurable
- E2E Systems (OMS, WMS, TMS)
- Standardized Performance SLAs and KPIs for Execution Excellence
- Real-Time Data, Order Processing, Compliance Management
- Full Operational Visibility Ensures Performance Accountability

Best-in-Class SLAs
- 99.8% order accuracy
- 98% same-day shipping
- 92% next-day delivery via standard ground service (U.S.)

![FLEXNET logo]
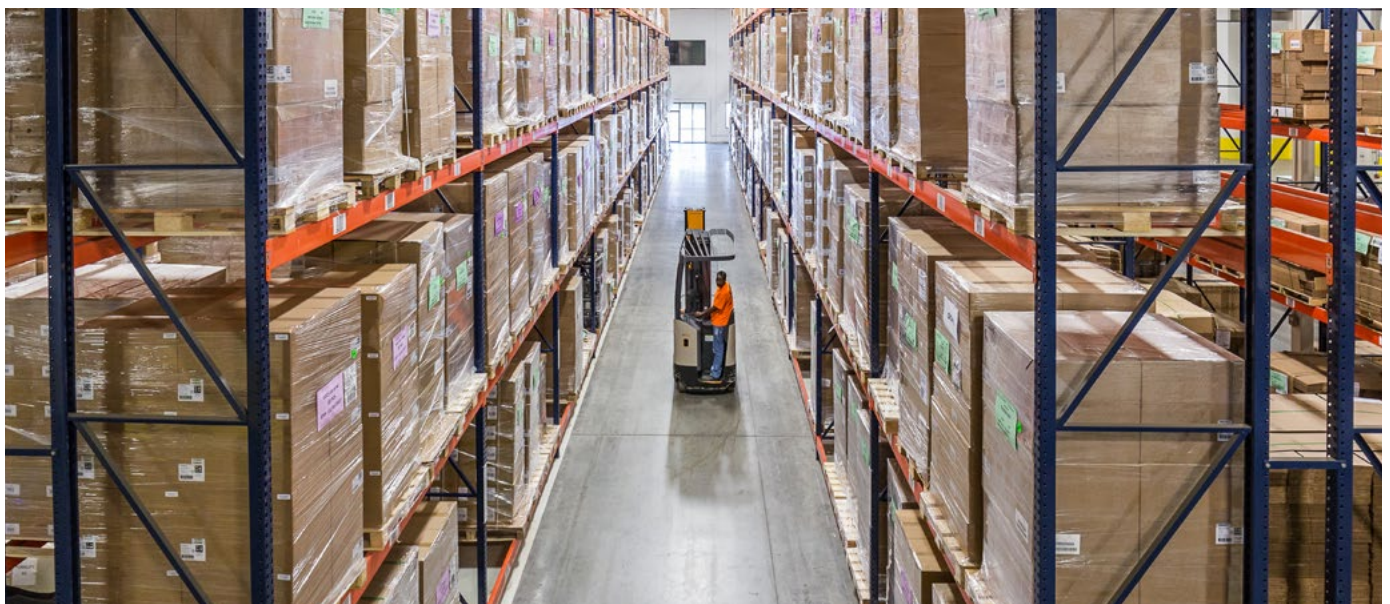
TECHNOLOGY THAT EXPEDITES PERFECT ORDERS
EDGE OMS+WMS+TMS - Optimized orders, optimized inventory, optimized delivery

A key differentiator—and one that is paramount to fulfillment cost and time optimization—is FlexNet's ability to direct orders to the optimal fulfillment point based on configurable business rules such as inventory availability, customer proximity and delivery promise date, including determining the lowest-cost shipping method to meet the specified delivery date.

The result: perfect orders; sourced to the optimal location; that can be picked, packed and shipped the same day; and delivered within one to two days at cost-saving ground rates

How it works?

The EDGE Order Management System (OMS) and integrated Warehouse and Transportation Management Systems work in tandem to ensure a fully optimized order fulfillment process. The EDGE OMS does this by capturing and aggregating all order types from multiple sources and channels (e.g., websites, call centers, stores, marketplaces, trading accounts, etc.).

It accepts orders in any file format (e.g., EDI, XML, File, etc.) and consolidates them in a common environment so users can manage the entire order life cycle in real time. EDGE then sources "perfect orders" to the optimal fulfillment point based on configurable business rules that include inventory availability, customer proximity and the delivery promise date. The

Warehouse Management System (WMS) continuously monitors inventory and warehouse activities to ensure inventory allocation and real-time availability to promise (ATP). Finally, the multi-carrier Transportation Management System (TMS) uses a proprietary Least-Cost Routing (LCR) algorithm to automatically select the lowest-cost shipping method to meet the customer promise date.

Delivery Costs
Shipping Freight Costs ($)

- Single DC Single Carrier: $8.01/Order
- Multiple DC Multiple Carrier: $5.48/Order

Delivery Time
Ground Service (*CWT)

- Single DC Single Carrier: 5.2 Days
- Multiple DC Multiple Carrier: 1.8 Days

*Customer Wait Time

With EDGE doing the heavy lifting, perfect orders are sourced to the optimal distribution point and are ready for same-day fulfillment no more than eight seconds from the point when the customer clicks "Submit."

A SCALABLE, CONFIGURABLE NETWORK

With FlexNet, your needs help to define the solution configuration. If you need to completely outsource your fulfillment operations, Jagged Peak can use any combination of its existing warehouses strategically located throughout North America. If you already have warehouses, FlexNet can utilize these facilities, being deployed in them to ensure operational excellence across the entire fulfillment footprint. In need of global fulfillment locations? No problem, we'll go where every you grow.

Jagged Peak's goal is to configure the optimal fulfillment solution based on your requirements, and adding or removing facilities can be accomplished in days vs. weeks or months. This applies to independent 3PLs, your own warehouses, and your brick and mortar retail stores.

When developing a custom FlexNet configuration for a client, Jagged Peak conducts an in-depth site-selection analysis that assesses a range of factors such as delivery costs and Time-in-Transit (TNT) impacts of various locations. We also account for factors like state sales tax implications and any other regulatory concerns that could impact your order fulfillment costs.

What FlexNet gives you is virtually unlimited warehouse capacity. It can absorb infinite amounts of order demand, spreading the overflow to multiple facilities. This makes it easy to handle demand spikes or unanticipated growth. And, if one or more warehouse locations suddenly go offline, disaster recovery is as simple as flipping a switch to reassign orders to other locations.

Every facility in the network is FlexNet certified, uses FlexNet systems and standardized operating procedures.

CERTIFIED FLEXNET SERVICES PROVIDER
The Warehouse
JAGGED PEAK

COMPLIANCE & ACCOUNTABILITY

With an optimized warehouse network running on an integrated technology platform, your order accuracy, delivery speed, freight costs and customer satisfaction will improve; but, unless you have strict operational oversight, there's no guarantee those improvements can be sustained.

The FlexNet Program Management team ensures compliance with Standardized Operating Procedures (SOPs) and Service Level Agreements (SLAs) for consistent performance in every FlexNet warehouse. With the EDGE platform giving them real-time visibility, they can capture and gauge key performance indicators (KPIs) and issue alerts before failures occur.

This team is fully accountable for execution excellence, sharing daily performance report cards with clients for continuous process improvement and optimization.

ACES: MEASURING THE CUSTOMER EXPERIENCE

Monitoring = Performance Excellence
- Standard SLAs, KPIs, Processes, Procedures, Pricing
- SOPs Based on CGMP (Current Good Manufacturing Processes)
- Single Point-of-Contact Program Manager For Each Client Program
- Meticulous Certification and Warehouse Audit Process
- Provides Real-time Reporting and Field SLA Compliance Monitoring
- Daily Performance Report Cards

Jagged Peak's ACES (Achieving Customer Experience Superiority) methodology enables us to generate metrics that go beyond measuring perfect orders, providing a snapshot of the entire order fulfillment life cycle—a much better barometer of performance and the customer experience. You get a real-time overview of your total operational performance, including holistic performance measurement across the entire fulfillment spectrum.

Whether you're shipping a single item to a consumer, or a truckload of goods to a major retailer, ACES provides the data, insights and delivery efficiencies to enable you to cost-effectively satisfy your customers, each and every time without compromise.

- **Business Performance Measurement:** optimize customer order process, order taking and returns management
- **Fulfillment Process Measurement:** evaluate customer transaction wait times, from order placement to delivery and your total fulfillment costs
- **Application Support Measurement:** ensure effective and synchronous fulfillment support by your enterprise applications

Jagged Peak's clients are able to build exceptional customer loyalty and repurchase rates. The consumers who do business with them know their orders will be processed on time, every time and, in most cases, will actually arrive before the promise date.

Fulfillment Production KPI's
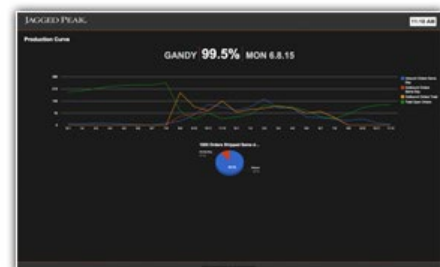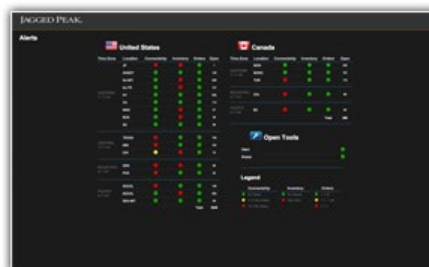
COMBINING THE RIGHT SHIPPING LOCATION, CARRIER AND SERVICE SAVES MONEY

Our large selection of shipping providers allow us to choose the best carrier and service to maximize savings and reduce time-in-transit.

WHAT YOU GET WITH THE FLEXNET FULFILLMENT SOLUTION

Key Benefits

- **Flexibility.** Source orders from our DC's , yours or any location inventory Exists.
- **Improved Service Level.** Reduce in-transit-time without added cost.
- **Speed.** Same-day delivery in 13 markets.
- **Savings.** FlexNet customers have realized freights savings of more than 50 percent.
- **Reduced Risk.** Get proven, predictive cost model; no capital expenditures, built-in disaster recovery with multiple DC's.
- **Quality.** Build your brand with best-in-class technology and services trusted by the biggest names in the industry.
- **Scalable.** Leverage enterprise technology and virtually unlimited warehouse capacity.
- **Expertise.** With FlexNet program management we can be your complete logistics department, allowing you to focus on your core competencies while our experts manage your entire program.
- **Adaptable.** Adjust to changes in business and shifts in the marketplace thanks to no fixed infrastructure constraints.
- **Accountability.** Rely on a single-source solution with SLA compliance and total visibility of key performance indicators.
- **Rapid Deployments.** Our pre-integrated TMS & WMS allow for lower set-up costs and deployments in as little as 30 days.

Deliverables

- Planning, Consulting, Program Management
- Warehousing and Inventory Management
- Dedicated Program Management
- Any Source Omnichannel Order Management and Order Processing
- CC Authorization and Payment Processing
- High-Velocity Pick, Pack and Ship (Same Day)
- Small Parcel to Truckload Shipments
- Drop Ship and International Order Fulfillment
- Domestic and International Shipping
- Address Hygiene
- Transportation and Customs Managemen
- Least-Cost Routing/Service Cost Optimization
- Retail Compliance Pack Out
- Kitting and Contract Assembly; Special Handling
- Reverse Logistics and Returns Management
- Help Desk Customer Service (Tier 2)
- Real-Time, On-Demand Reporting
- Standardized Operating Procedures and Service Level Agreements in FlexNet warehouses

JAGGED PEAK®
THINK E·COMMERCE

**Contact Jagged Peak today
to speak to an experienced
eCommerce professional.**

Jagged Peak, Inc.

7650 W Courtney Campbell Causeway,

Ste. 1200

Tampa, Fl. 33607 USA

Telephone: 813.637.6900

Toll-free: 800.430.1312

Email: sales@jaggedpeak.com

www.jaggedpeak.com