XeBusiness

Supply chain computer solutions for quick response and cost reduction - simply and economically

XeBusiness - Onwards and Upwards

Manchester based apparel and textile systems specialist XeBusiness has continued to generate profit and free cash flow growth over 2003.

"2003 has been a good year for us" says David Cullis, Chief Executive. *"Over the last three years we have re-developed and launched our new core ERP (Enterprise Resource Planning) software product on a new technology platform transforming it into a world class management information system for apparel and textile suppliers. We have also opened overseas sales channels in particular for our highly functional 'best of breed' manufacturing control systems and XeBusiness has consolidated it's leading position in the UK as an IT partner of choice for apparel and textile suppliers operating in the retail and corporate supply chains."*

The company's UK and overseas client base has grown over the period to represent large, medium sized and small textile suppliers which include 'household name' fashion brands such as Fruit of the Loom, Burberry and Henri-Lloyd.

The company has also developed a strong niche in the workwear and careerwear supplier segment and has launched a version of its software that is particularly effective as a business management tool for suppliers of specialist garments like uniforms and clean room clothing to large private and public sector buyers from the transport, hospitality and catering industry sectors, the Ministry of Defence and the NHS.

With clients, re-sellers and business partners in the UK, Eastern Europe, North Africa and the Far East,

XeBusiness is poised in 2004 to consolidate its position as the leading IT systems vendor, particularly for SME's trading globally, in the Apparel & Textile sector.

With the company stronger than it ever has been before; profitable, cash generative with no overdraft requirement, debt or gearing and with an excellent product and client portfolio, the team at XeBusiness look forward to a bright future!

Global Sales Make Progress

Over the last two years, the company has embarked on a strategy to market its systems – particularly its manufacturing and production systems – in the regions where garment and textile manufacturing on a large scale is taking place. Progress made to date is encouraging.

We now have clients and/or re-sellers in Eastern Europe (Romania, Poland and Slovakia), North Africa (Turkey and Morocco) and the Far East (Vietnam and Malaysia).

The plan for 2004 is that we will continue to seek market share in all the above regions without overextending ourselves as far as our mainstream UK operations are concerned.

We continue to attract an ever increasing number of overseas enquiries from our web site; evidence indeed that XeBusiness is gradually becoming an established global IT brand for the apparel and textile sector.

Substantial New Business Growth Over 2003

Despite continuing difficulties in the UK IT sector, over the year, XeBusiness clinched contracts for Xe-ERP from a wide variety of new clients. These deals, often won in the face of intense competition, served to boost revenue, profit and cash flow to record levels.

The contracts were obtained from companies of all sizes from the large like Burberry and Fruit of the Loom to the medium sized, small and fast growing like Cult Distribution, Stirling Brands, Faraway Trade, Style Workwear, Ace Clothing and Wessex Textiles amongst others.

New clients came from both major sectors of the Apparel supply chain sector covering both Fashion and Work and Career wear.

Client comments from joint press releases announcing these deals ranged as follows:

Managing Director of Cult Distribution, Diane Savory:
"We chose XeBusiness to help us introduce IT to our distribution systems because we liked their software, they had an impressive list of existing customers and experience and most importantly for us we liked them."

Austin Cutliffe, European IT Manager of Fruit of the Loom:
"Following an extensive review of available systems in the manufacturing control area, we decided on the XeBusiness system as being the most comprehensive and best supported. The expertise and knowledge of our business demonstrated by the XeBusiness team was also decisive in awarding them this contract."

Damian Dugdale, MD of Style Workwear:
" We chose XeBusiness for this important project for a number of reasons. These included the understanding they demonstrated of our business requirements and the quality, scope and applicability of their software. The fact that they have a strong track record in working successfully with medium sized companies in this sector was another important factor in the decision process."

Donald Grieve, Production Manager of Faraway Trade:
"Having undertaken a detailed survey of the specialist Apparel IT systems market, we chose XeBusiness to partner us. We will implement their flagship product, Xe-ERP, to integrate our operational functions and provide us with the timely and accurate information we need for sustained competitive advantage."

All in all a very satisfactory sales performance despite prevailing levels of uncertainty in committing to capital expenditure in the apparel and textile sector.

XeBusiness Moves On - New Year, New Offices

Following two years at its Chester Road office in Manchester, the company will move to new offices at Exchange Quay, within Salford Quays, one of the most prestigious and best serviced office locations for technology companies in the region.

The move has been undertaken for a variety of business reasons, amongst the main ones being better security, easier access for visiting clients (including ample free parking), better working conditions and infrastructure for the XeB team and enhanced facilities for the increasing number of visits we have been receiving from potential new clients to meet the team and view our software.

**From the 2nd January our new address will be:
Third Floor, 5 Exchange Quay, Manchester, M5 3EF**

Future Proofing the Product - On-Going Development Investment

The company has continued to make substantial R&D investments in the *Xe-ERP New Technology* product to maintain its market leading edge as a world class supply chain management and information system.

Development has been concentrated over the four main integrated strategic application areas:

CRM (Customer Relationship Management)

Enhanced and advanced functionality has been incorporated into Xe-ERP which allows a user to define and customise an approach to dealing with each trade customer as though each customer was the *only* customer the Xe-ERP user was dealing with.

The product also has functionality for communication and information access for a mobile sales force and agents operating away from base for access to Xe-ERP and its database while face to face with customers via on-line lap-top computers for example, using the Internet/www as a low cost data carrier.

Fast and accurate telephone selling is also available with payments by credit card for non account customers.

All in all, the software facilitates world class customer service to retain and increase sales and ensure speedy payment based on accurate delivery and shipping information provided to customers.

Global Off-shore Sourcing and Procurement

As this is now the prevalent model for suppliers operating in the UK, US and Western Europe, Xe-ERP has been enhanced to maximise the effectiveness and minimise the logistics problems of sourcing off-shore for product (fully factored and/or CMT) and for raw materials. Meeting delivery dates accurately in this scenario is crucial for suppliers and the

software facilitates this objective by providing pro-active order and contract tracking functionality to ensure any adverse discrepancies from plan are highlighted early to ensure remedial action is taken.

Functionality to allow landed costs to be tracked and analysed has been incorporated to ensure timely feedback and management of gross profit margins, to facilitate quotation accuracy and to ensure these costs – often ignored – are taken into account in pitching for supply contracts.

Distribution

Fast and accurate shipping and invoicing to customers is the primary objective of this part of the system and a variety of leading edge technologies are supported (eg. RF bar code scanning etc) and can be brought to bear to achieve this objective. This includes providing all appropriate and accurate compliance information required by the customer taking delivery which can be sent electronically by email and the Internet/EDI to ensure prompt payment. Warehouse management (Xe-WMS) is an optional module to optimise the pick, pack and put away functions to drive a 'just in time' product replenishment strategy.

Manufacturing and MRP

Believe it or not, some apparel suppliers are still manufacturing in the UK and using XeB's world class production and manufacturing management systems to do so productively, profitably and in line with best practice.

However, increasingly our manufacturing systems are being taken on by garment and textile manufacturers operating in the regions where labour costs are low – Eastern Europe, North Africa and South East Asia where a systems approach to manufacturing productivity,

work in progress management, customer service (meeting delivery dates) and raw materials management is still essential to maintain competitive advantage, notwithstanding the local labour cost.

XeB's real time production control and time and attendance systems are acknowledged world beaters and are attracting considerable interest from regions competing to sell manufacturing capacity to western suppliers. These systems are also playing a strategic role in promoting *'ethical'* manufacturing practice in developing regions by providing western companies on demand with accurate and timely compliance information pertaining to the fair treatment of local workforces in terms of payment, hours being worked etc.

General

Xe-ERP being a system that runs on all flavours of the MS Windows operating system platform on standard networked PC's, offers a considerable amount of functionality for integration with generic and cross industry MS applications and utilities like MS Office.

Some examples: graphical interfaces, pull-down menus, integrated email that allows any document, report and enquiry to be set up as an attachment and emailed internally and externally anywhere, point and click browsing, rule based email alerts, on-line user manual, direct access to the XeB web site, extensive drill down information access, digital imaging, links with Excel, Access…….the list goes on!

Want to improve the productivity of your in-house ops team?

Xe-ERP is what you need…..NOW !

Client Care
Definitely Not A Call Centre Approach!

Our support and services team, led by Eamonn Molloy our Support Director, continues to attract rave reviews from our users.

Our customer care philosophy to ensure our clients get maximum value from the investment made in our systems is simple: we use technology as a tool to reduce our response times to requests for assistance and to get a consultant onto your problem fast. We do not use technology as a replacement for fast direct contact with one of our highly skilled and knowledgeable consultants, as this would defeat the object of the exercise in getting your issue dealt with effectively in the shortest possible time.

Our systems are mission critical; if they stop your business stops! Our support team has this foremost in their minds from the point you call in with a problem or request for advice to the point where we can classify your problem as 'solved' on our internal customer care system.

Then we analyse the types of calls for assistance and problems we to resolve on an on-going basis to provide the essential feedback to our installation and training programmes so we can pro-actively make changes to ensure the problem does not re-occur if possible.

It's called closing the loop.

XeBusiness Support
After the handshake, we're there to hold your hand.

A Face To The Name

Lesley Kay
ERP Development Manager