



March 31, 2008

## Special points of interest:

- Be on the lookout for our new website design! DatacraftSolutions.com will have a fancy new look in the month of April.
- Come see us at the AME regional show in San Diego in June 2008. If you're planning to come, we'd love to set up a meeting with you! Email pblevins@datacraftsolutions.net.
- Want a chance to win a free Datacraft Solutions hat or 1G memory stick? Turn to the back page to find out how!

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## Customer Sees Fantastic Results

by Timothy A. Briggs, COO & CFO

At the beginning of February I had the opportunity to attend a Supply Chain Excellence meeting hosted by a leading manufacturer of highly engineered electrical and electronic components, modules and systems, principally for the automotive, medium- and heavy-duty truck, agricultural and off-highway vehicle markets.

The purpose of the meeting was to demonstrate the success of our customer's implementation of supply chain excellence principles, including demand based replenishment (eKanBan / Signum). Attendees included other locations of the same corporate customer. These locations are target locations for the expansion of Signum, and we have recently signed contracts with several of them.

The meeting included a number of opportunities for the attendees to spend time on the shop floor. I was most impressed on how Signum is valued and embraced by the management, floor supervisors and individual employees. To a person, they had high praise for Signum, includ-

ing the following comments:

- "My inventory is more visible and at my location, no more searching in a warehouse."
- "I only order as I need parts."
- "I have ownership and control."
- "I better understand how the flow of material works."
- "I always know the status of my inventory and my suppliers."

Let me assure you, there is no way these employees would want to go back to their old systems.

I was most impressed by the sense of empowerment and ownership by the individual factory employee. During a demonstration of Signum by a Material Handler, he scanned a KanBan card for replenishment and continued his discussion. Before I moved from his location he pointed out to my group that the supplier had already confirmed the order and a delivery date. Now *that's* supply chain

visibility!

In the manufacturing cells that have implemented Signum with 100% of their suppliers, they are achieving from 45 to 50 turns of inventory. Where inventory was once stored, with the elimination of excess inventory, there is a new manufacturing cell. In addition, the division achieved a 99.6% on time delivery record in 2007. That's *Return on Investment!*

With this performance, our customer has competed against foreign competition and won.

We are the 'tool' that has enabled their success. It also required a vision and commitment by the leadership of this company. It is not without effort and discipline.

However, you can build a house with a rock (traditional manufacturing), with a hammer (manual KanBan), or with a pneumatic nail gun (Signum).

So ... Let's keep nailing it.

—Timothy A. Briggs

COO & CFO

**"You can build a house with a rock (traditional manufacturing), with a hammer (manual KanBan), or with a pneumatic nail gun (Signum)."**

**Sales Report**



The Company continues to realize strong sales and revenue growth. During Q1 - 2008 we accelerated our penetration of our first ever corporate contract by signing contracts with three additional plants at the corporation. The addition of these new contracts now represents 86% of that company's operations.

The Company also signed a corporate agreement with a global Lean leader and Wall Street darling, with a contract to implement at their top rated plant. The Company has partnered with the Business Systems Office, which has set a very rigorous goal to implement additional

plants before the end of 2008. This is one of the most significant sales accomplishments in the company's history, representing the opportunity to add 50-60% of 200 global plant operations.

Business with the US Navy continues to grow with our partnership with a major defense industry contractor, as well as other existing accounts.

Bookings were contracted at unprecedented new levels, and for the first time the company received two signed contracts on the same day.

Datacraft has entered into partnerships with two global supply chain organizations,

the Supply Chain Education Alliance (ISCEA) and the Kaizen Institute India. ISCEA, a global supply chain consulting provider, will promote Datacraft's products and services to over 62,000 global members, in an effort to better educate their membership on best of breed supply chain automation. ISCEA has already recommended the Datacraft system to a multi-billion dollar government contractor. In addition, the Kaizen Institute India, another global lean consulting company, has already identified a number of Indian companies interested in pursuing discussions with Datacraft.

**"I can see where all the inventory is and that makes all the difference!"**

**Our Customers Are Saying:**

"I know exactly how much inventory I have on the line and what is coming. I can see where all the inventory is and that makes all the difference."

"The new integration of Sig-num has made the added paperwork from increased turns a lot easier."

"We used to have \$9 million in a long warehouse and in trucks outside. Now we have assembly lines in what used to be the warehouse."

**Employee Appointments**



**Steve Rao (Client Manager)** will serve his second term on the State of North Carolina's Information Technology Advisory Board (ITAB), which is charged with advising and consulting with the State

Chief Information Officer (CIO) on technology purchases, policies and issues.

**David Wood (Director of Research and Development/Operations)** has been appointed to the advisory

board of a local technical college in their IT Security and Networking department.

Datacraft is extraordinarily proud of its employees' accomplishments in their fields of expertise.

**Recent Product Enhancements**

The last 2 quarters have been extraordinarily exciting in Datacraft Development. A record number of innovative, market-driven features, as well as product functional enhancements, have been deployed. Below is a condensed list of these market leading capabilities which have allowed Datacraft to maintain its market edge.

- New enhanced Planner Dashboard
- Supplier/Cell/Item level approval
- Force Supplier to print packing slip on Confirm or Ship
- Allow Release Quantity/Date modification before

**Confirmation**

- Automated Supplier Performance Report on demand
- Mobile computer/ scanner support
- New comment field per release



**Datacraft Solutions Included in USF Course Materials**

Industry renowned Ron Crabtree, CIRM, CPIM, CSCP, MLSSBB, Adjunct Professor at Louisville University and President of MetaOps, has included Datacraft materials in a new course he will be

offering at the University of San Francisco.

The material will hit the first students in August 2008. After that the program will ramp up over time to 100 to 200 students every month

by early 2009.

We are thrilled to be included in the program materials and hope that this will gain us some traction with the new generation of up-and-coming manufacturing professionals.

**“A record number of innovative, market-driven features, as well as product functional enhancements, have been deployed.”**

**New Hires**

**Kamal Bennoune** came on in December 2007 as a developer in the Research & Development department. Kamal is our resident scripting and advanced technologies expert and in his short tenure proven himself time and again. He’s been a great asset to Datacraft!

**Preston Blevins** joined our sales team this month as a client manager. He specializes in the implementation of good business practices for enterprise resource management, lean thinking, supply-

chain management and e-collaboration. Preston is also a Board member of APICS International. We are thrilled to have him as part of the team!

**Antonio Green** is our newest developer in the Research & Development department. Antonio comes to Datacraft with years of extensive Web Portal development experience. Antonio will be leading our Signum/Curator advanced Web Portal definitions/enhancements. Antonio hit the ground running

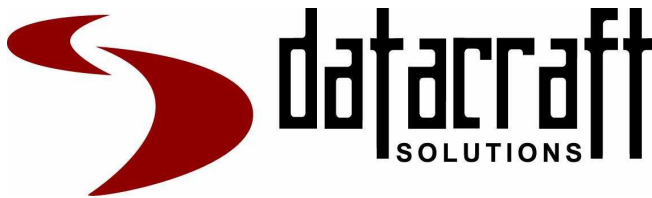
and has already been very successful in leading web development at Datacraft. Welcome, Antonio!

**Bill Myers** joined us in January as a developer on the Research & Development team. He is our resident Advanced Workflow Engine expert, with nine years under his belt with a fortune 250 company. Bill will be leading the move to all Signum technological advancements. We’re very glad to have Bill on board!



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**We're on the Web!**  
[datacraftsolutions.com](http://datacraftsolutions.com)

Datacraft Solutions, Inc. began offering its software as a service (SaaS) applications in December 2004 with a singular focus: to be the lean manufacturer's indispensable partner for building dependable and cost effective digital demand based supply chain replenishment networks.

Research firm IDC predicts that revenues from on-demand applications will increase by almost 60% in 2008, a huge increase for a mature market segment like business software. IDC expects sales of on-demand services to grow 32 percent annually over the next five years.

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Want a chance to win a free Datacraft Solutions hat or 1G memory stick? Email our Office Manager, Sonja Foust, at [sfoust@datacraftsolutions.net](mailto:sfoust@datacraftsolutions.net) with your name, email address, and mailing address. While you're at it, let her know what you thought of the newsletter and what you'd like to see next time!