

“As we grow, we need to keep our organization lean and efficient so that our customer response time does not suffer. By implementing TradeCard we improved visibility and process flow, which enabled us to manage our growth effectively. We partner with our vendors to run a supply chain that is focused on putting high quality product where it is supposed to be and at the right time.”
- Robert Law, Global Logistics Manager, Brooks Sports



Brooks Sports Case Study • May 2006

Brooks Sports - Aiming for the Blue Line

The “blue line” is the fastest and most strategic path to the finish line during a race. Brooks Sports takes a “blue line” approach to the supply chain.

Brooks Sports provides high performance running shoes, apparel and accessories for runners of all levels. The company’s mission: to inspire people to run and be active. Brooks’ running gear is designed to help people run longer, farther, faster, and with more enjoyment of the running experience.

Brooks made a strategic change in 2000, focusing on high quality product and delivering best in class customer service. So when Brooks uses terms such as active, agile, farther, faster, and flexible, they’re not just talking about running shoes - often, they’re talking about their supply chain. Brooks Sports runs one of the most advanced sourcing operations in the athletic footwear and apparel industry. An agile supply chain enables the company to not only source from regions offering the most advanced production capabilities, but also strategically react to shifts in production expertise. By teaming up with TradeCard, Brooks has found a strategic benefit through automation of its sourcing operations and synchronization of physical and financial aspects of the supply chain.



Looking Back:

In 2000 Brooks re-invented itself by shifting its target market towards the serious runner. Brooks began selling through specialty stores and sales picked up. By 2004, Brooks was in the midst of an intense growth period and the company sought a strategy for maintaining growth and easing pressure on the supply chain.

When TradeCard approached Brooks in April of 2004, the global trade automation provider identified inefficiencies in supply chain operations and supplier connectivity, including:

- Insufficient agility and visibility into supply chain partners
- Paper intensive operations for handling transactions
- Lack of consistent processes and enforcement across apparel, footwear, and international operations

- Overlap: multiple people and groups checking and rechecking the same data and documents
- Limited visibility into multiple facets of transactions
- Lags in communication and data delivery
- Lack of true audit trails or history of transaction changes and reasons

Strategic Sourcing:

TradeCard developed a blueprint for streamlining Brooks' global sourcing operations, with two main goals:

1. Establish a single platform that, through a web browser, connects Brooks and their suppliers and enables transaction management for purchase orders, shipments, settlements, warehouse reconciliation (without cycles) and chargebacks for global sourcing.
2. Upon this platform, marry the physical and financial aspects of the supply chain and maximize Brooks Sports' return by providing flexible transaction options (credit protection, open terms, financing) necessary in a constantly changing credit and supplier environment.

TradeCard implemented its on-demand global sourcing platform and quickly enabled Brooks to manage its sourcing processes on one single platform. Supply chain automation helped Brooks find the agility it required to rapidly adjust its sourcing operations. Agile supply chain operations helped Brooks react and respond to unexpected bumps in the road and optimize sourcing from strategic regions. The platform has helped Brooks enforce standards and replace manual, paper-based processes - cutting out inefficiencies and errors. Automated task management and digital signatures replaced manual paperwork. Manual scanning,

attaching and emailing of POs to factories were eliminated. Delays caused by miscommunication and time lag between Asia and US were minimized.

Today, Brooks and its employees particularly enjoy the simplicity and visibility provided by TradeCard. Their old processes were paper intensive and had little visibility between departments. TradeCard has completely changed that. All departments at Brooks have visibility into order status and can run individual reports. Brooks' collaboration with suppliers has become a strategic advantage that helps the company maintain agility, transparency, profit margin and growth. Brooks is also one of the first TradeCard members to implement goods receipt functionality, which verifies that all shipments received contain the right content. It has been in place since January of 2006.

Supply Chain Excellence Achieved in 2005:

- Significant sales growth in both the footwear and apparel categories
- Apparel shipping windows shortened by 7 to 12 days by trade lane
- Footwear shipping window tightened and made more consistent; footwear and apparel costs remained under budget despite significant industry wide cost increases (fuel, capacity shortages, etc.)
- Exceptional customs compliance levels for all product types



About TradeCard

TradeCard is the leading provider of on-demand supply chain management solutions. The TradeCard Platform synchronizes financial transactions with physical events in the global supply chain to help customers automate trade transactions from purchase order to payment and chargebacks. Buyers, sellers and their trading partners manage transactions through a web-based platform with online financial services integrated into the workflow. This turnkey transaction management enables customers to improve margins and enhance growth, with extra-organizational supply chain visibility. TradeCard's on-the-ground trade experts throughout the world assure superior supply chain agility.

TradeCard manages global trade for thousands of users in over 40 countries, including Columbia Sportswear, Rite Aid and Wolverine Worldwide. TradeCard Inc. is headquartered in New York City and has offices in San Francisco, Hong Kong, Brussels, Taipei, Seoul, Tokyo, Colombo, and Shenzhen. TradeCard is located online at www.tradecard.com.



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