

Update Bulletin

Software Maintenance and Support — 2006 Pricing and Cost-Lowering Programs

March 23, 2006

StoreNext has continued to add services and make changes in the Software Maintenance and Support program that are designed to benefit customers and dealers. Examples of such changes recently announced ([see Bulletin 1060](#)) include:

- Adding eServices on-line access for dealers to track support incidents and more
- Completing the release of Code Distribution for ISS45 V7 and V8
- Adding the new and vastly-improved Web-based tool for dealers to create “menumac.sys” files in XML
- Piloting a new “fast-track” system for critical support calls from certified dealers directly to Level 4 support, cutting out administrative layers and delays
- Having StoreNext development discuss issues and resolutions directly with dealer support personnel on a regular basis
- Revising StoreNext’s fault-handling and release system in line with dealer advice and requests
- Having StoreNext technical support access stores electronically (with dealer and customer agreement) to view operations, retrieve logs and so forth
- Establishing transparency and accountability at StoreNext for software technical support and against clearly-defined metrics
- Providing similar performance reports for dealer owners for better understanding of dealer issues and requirements, backed with the offer of StoreNext training when applicable
- Committing to specialized Web-inar training for dealer staff on critical technical and feature/function topics
- Releasing clear reporting to dealers on StoreNext software quality and ongoing progress against quality goals.

To remain competitive, both StoreNext and Dealers must use technology to reduce support effort and costs and raise the quality, responsiveness of that support while reducing problems and their resulting calls. New automated tools from StoreNext reduce errors and therefore StoreNext’s own cost to support dealers, and *StoreNext will pass savings from the use of these tools back to the dealers, lowering dealer SMS prices.* See the new SMS pricing on the following page where StoreNext directly rewards dealers who use these tools.

NEW SMS REPORTING

Responding to dealer requests, StoreNext has created a new reporting system for Software Maintenance and Support that provides each dealer a listing of all applicable products, store counts, adjustments, PINs, applicable discounts, combined ISS45/ScanMaster pricing and so forth. This report will be sent quarterly at approximately the same time as the SMS invoice. The reports for the first quarter are completed and being mailed this week.

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NEW SMS PRICING

“SMS” — Software Maintenance and Support — replaces “PSS” going forward. With StoreNext’s active software maintenance and release program (for ScanMaster, ISS45, PocketOffice, U-Scan, Pricer ESL, RBO, Retailix Store, WinEPS and so forth) and the coordination of all these products for certification, new releases and update schedules, the value and volume of Software Maintenance has not always been top-of-mind. The new pricing is outlined below:

- *ISS45 SMS* — Starting immediately, StoreNext is lowering the annual ISS45 Software Maintenance and Support price by \$28 per store for any stores where (1) Code Distribution is used and (2) the dealer is up and running on StoreNext’s eServices system. The savings will apply across all maintenance tiers, including the high-volume minimum cost tier. The standard pricing for the 100+ store level of ISS45 SMS has increased by \$2 per quarter to \$46. Pricing changes for the other tiers of ISS45 pricing follow the same approximate percentage.
- *ScanMaster SMS* — ScanMaster SMS pricing will continue to be the same as ISS45 SMS pricing. Code Distribution is not currently available, however, for ScanMaster so the \$28 discount for Code Distribution and eServices cannot be presently offered.
- *U-Scan SMS* — SMS for the U-Scan software has been dramatically decreased to \$225 per quarter to the dealer — a reduction of 61% from the previous \$575/quarter price. The U-Scan/POS interface SMS price has moved to \$46 per quarter. StoreNext now reports these figures separately for clarity.
- *Pricer ESL SMS* — to lower costs at program start-up, the pricing for Pricer ESL SMS has been reduced to a flat \$150/quarter per store, more than a 2/3 reduction against the old single-store price.
- *WinEPS SMS* — there are no changes in the pricing of WinEPS SMS. As per the StoreNext WinEPS program, StoreNext dealers enjoy quarterly invoicing (instead of a full year in advance) and the support continues to be offered by the same highly-qualified MTXEPS Technical Support staff.¹
- *PocketOffice SMS* — pricing for PocketOffice support has now been “enhanced” by \$1 per quarter to \$12 per store, regardless of the number of units in the store.

We look forward to working with dealers to make further strides in the operation and combined quality of StoreNext software and its support to customers.

To Your Success,



Antony van Seventer

¹ The WinEPS SMS charges are split into two categories. The first is for those WinEPS licenses shipped by StoreNext, which follow the same standard process as other StoreNext software products, where SMS is typically invoiced toward the end of the quarter *after* the quarter in which the licenses were shipped. The other category is the “legacy” WinEPS licenses that were originally shipped to the dealer by MTXEPS. These had been invoiced for the entire year in advance. StoreNext continues to bill in advance for these legacy sites, but only one quarter in advance. So, for example, the invoices that dealers will shortly receive for Q1-06 reflect SMS for (1) all licenses shipped by StoreNext on or before December 31, 2005 and (2) all legacy licenses originally shipped by MTXEPS and not paid through June 30, 2006 (that is, through Q2-06 in advance). Legacy licenses will appear on a dealer’s quarterly report as an “Adjustment In” and are pro-rated if necessary.

