

Update Bulletin

Software Maintenance and Support — 2007 Pricing and Cost-Lowering Programs

March 10, 2007

StoreNext has continued to add services and make changes in the Software Maintenance and Support program that are designed to benefit customers and dealers.

- StoreNext has continued to focus on software quality, for example driving the number of new/introduced faults to only 3 on ISS45 V7 and 3 on ISS45 V8 in the past 12 months.
- StoreNext also continues to clear faults with new releases – for example over 90% of all known V8 faults were addressed in the new 8.1.2.0 release. With similar results for V7 and ScanMaster, dealers and customers can justifiably feel confident that new releases will deliver both features and stability.
- StoreNext now also provides Solidcore, which all but removes the need for dealers to clean up and rebuild customer systems due to virus problems.
- Regarding dealer support, StoreNext’s program to drive better and faster resolution to dealer calls has also been bearing fruit, with incident resolutions typically close to 90% within three days on ISS45 V7 and ScanMaster and 70% with V8.

StoreNext continues to offer upgraded services, including ([see Bulletin 1060](#)):

- Providing free specialized Web-inar training for dealer staff on critical technical and feature/function topics (V8 Balancing, Advanced Promotions, CWAR, Solidcore)
- eServices on-line access for dealers to track support incidents and more
- Code Distribution for ISS45 V7 and V8
- Web-based tools for dealers to create “menumac.sys” files in XML
- “Fast-track” system for critical support calls from certified dealers directly to Level 4 support, cutting out administrative layers and delays
- Proactive StoreNext development open discussions with dealer support personnel
- Clearly-defined metrics to establish transparency and accountability at StoreNext for software technical support

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

As committed, 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 is being 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 SUMMARY

The new pricing is outlined below:

- **ISS45 SMS** – StoreNext will continue to offer ISS45 Software Maintenance and Support at a discount of \$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 \$3 per quarter to \$49. 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 presently be offered.
- **U-Scan SMS** – SMS for the U-Scan software was been dramatically decreased last year to \$225 per quarter to the dealer – a reduction of 61% from the previous \$575/quarter price. There are no increases in this \$225 price level. The U-Scan/POS interface SMS price has moved to \$49 per quarter. StoreNext will continue to report these figures separately for clarity.
- **Pricer ESL SMS** – to lower costs at program start-up, the pricing for Pricer ESL SMS will remain at the flat \$150/quarter per store (representing 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 WinEPS SMS will change, however, in 2008.
- **PocketOffice SMS** – pricing for PocketOffice support has now been “enhanced” by \$1 per quarter to \$13 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 Severn

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 Q1-07 reflect SMS for (1) all licenses shipped by StoreNext on or before December 31, 2006 and (2) all legacy licenses originally shipped by MTXEPS and not paid through June 30, 2007 (that is, through Q2-07 in advance). Legacy licenses will appear on a dealer’s quarterly report as an “Adjustment In” and are pro-rated if necessary.

