

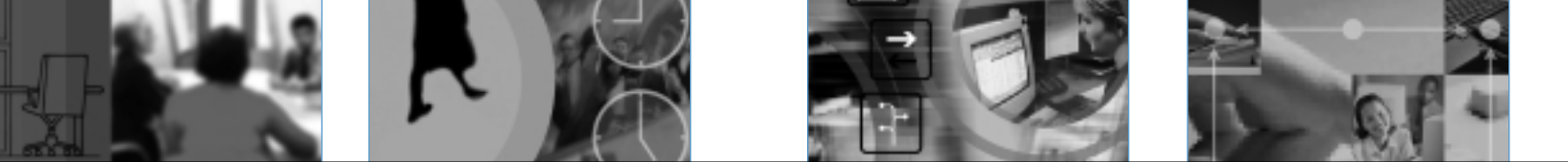
OnDemandSourcing™

Top-Tier Benefits for Small and Mid-Tier Businesses



SOURCING MADE TO ORDER™





Reduce your single biggest expense and save millions through e-Sourcing

Corporations devote more than 50% of their revenues to sourcing the goods and services required to keep their operations running. Optimizing corporate spending provides the single greatest opportunity to reduce corporate expenses and increase profitability. In order to quickly and efficiently streamline supplier relationships and leverage spending across the organization, companies are relying more than ever on e-Sourcing solutions.

e-Sourcing combines the conventional practice of procurement with the power of the Internet to form a dynamic tool for reducing costs, improving customer service and creating value. In fact, more and more companies are realizing that the near-term impact of e-Sourcing is one of the most effective strategies for reducing costs and, therefore, maximizing profitability.

A recent study on strategic sourcing by AMR Research concluded that the typical savings for selected categories ranges from 15% to 25%.*

Top-Tier Benefits in an Easy-to-Use Solution

By leveraging Moai Technologies' sourcing expertise and CompleteSource™ solution, Global 2000 companies have realized cost savings of more than \$1 billion. At the same time, these companies have also improved workflow efficiencies, reduced cycle times by up to 65% and enhanced collaboration with suppliers.

Now, small to mid-sized companies can realize the same benefits that top-tier enterprises have been achieving for years with CompleteSource by employing OnDemandSourcing™, Moai's hosted solution.

OnDemandSourcing allows companies to conduct e-Sourcing events "on demand" and "online," with minimal lead-time and at a fraction of the cost of technology and consulting solutions.

Moai manages OnDemandSourcing through secure, high-performance servers and provides additional expertise and customer support — enabling companies to take sourcing to the next level. With minimal training and assistance from Moai, a company can run its first Managed-Service event in as little as 20 days.

OnDemandSourcing provides mid-tier companies with a rapid, cost-effective solution that delivers the proven benefits of strategic sourcing historically enjoyed only by Global 2000 enterprises.

OnDemandSourcing offers measurable and documented benefits including:

- ▲ Direct cost savings of up to 25%**
- ▲ Elimination of risk and reduced cost of entry
- ▲ Reduction of up to 65%** in sourcing cycle times
- ▲ Improvement in workflow efficiencies and time-to-market
- ▲ Enhanced collaboration with key suppliers
- ▲ Ease of use, with quick setup
- ▲ Access to best practices in sourcing

OnDemandSourcing Advantages

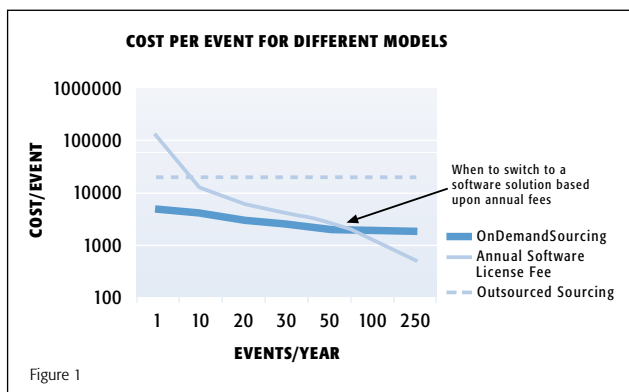
Flexible Deployment

To accommodate the varying needs of organizations, Moai offers three different deployment options — Managed-Service, Self-Service, and Full-Service.

The Managed-Service approach provides the ideal point of entry into e-Sourcing for the small to mid-sized enterprise. This option allows companies with some e-Sourcing experience and minimal in-house resources to get started quickly, running events in a matter of days. With Managed-Service, the customer has access to up-front consulting, industry and commodity expertise,

training, and support, while retaining control over the sourcing process.

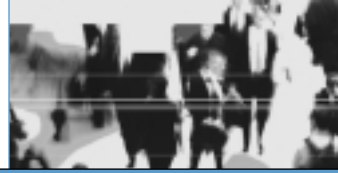
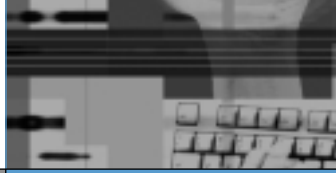
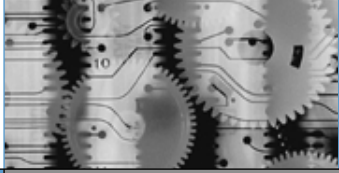
The Self-Service option provides complete control at a minimal cost for the seasoned e-Sourcing professional. The Full-Service option delivers a complete solution for those organizations wishing to outsource their e-Sourcing process.



Minimal Risk

With OnDemandSourcing, the customer is able to avoid the risks typically associated with software implementations and license commitments.

* Source: Pierre Mitchell, The AMR Research Report on E-commerce Applications, December 2000
** Results may vary.



Because the only tool required is a Web browser, the customer's IT infrastructure is not affected. There are no lengthy implementations or related technical issues to tackle.

Furthermore, little to no commitment is required. There are no monthly subscription or setup fees, and there is no obligation beyond a single event.

Low Cost of Entry

With OnDemandSourcing, small and mid-sized companies can leverage the power and flexibility of e-Sourcing on a per-event cost basis, with volume prices starting at less than \$1,600 per event.

OnDemandSourcing's flexible cost structure is designed with the smaller company in mind, offering Managed-Service capabilities with pricing comparable to the Self-Service options of other e-Sourcing providers.

Customers can start with a single event or purchase a bundle of events for increased savings. With bundled events, the discount percentage increases as the number of events increases.

High ROI

Utilizing the same technology OnDemandSourcing offers, many of Moai's Global 2000 customers have achieved return on investment exceeding 1,000%.

Through this program, small and mid-sized organizations can achieve significant savings* without incurring the high capital expenditures of license or subscription fees, consulting costs and commissions normally associated with these efforts. In contrast to other online offerings, OnDemandSourcing is provided for a low, flat fee, and the savings are the customer's to keep.

Returns are quick and impressive – with results in as little as 20 days through the Managed-Service offering.

* Refer to Figure 3 for typical cost savings by category

Breadth of Services

Having served more than 145 customers in 18 countries spanning a variety of industries, Moai has developed the domain knowledge necessary to help OnDemandSourcing customers source goods and services more efficiently and effectively. Through partnerships with organizations in manufacturing, consumer packaged goods, retail, food and beverage, forestry products and other vertical markets, Moai provides extensive commodity expertise.

Moai's team is available to help companies select items to source, quickly configure events, and train buyers and suppliers.

Figure 2

	OnDemandSourcing Model		
Responsibilities	Self-Service	Managed-Service	Full-Service
Provide up-front consulting	None	Moai	Moai
Select item(s) to be sourced	Customer	Customer	Moai
Develop RFP and attachments, if any	Customer	Customer	Moai
Complete event questionnaire	Customer	Customer	Moai
Identify suppliers and provide contact information	Customer	Customer	Moai
Schedule event	Customer	Moai	Moai
Create and set up event and parameters	Customer	Moai	Moai
Invite suppliers	Customer	Moai	Moai
Provide appropriate training to suppliers	Customer	Moai	Moai
Train buyers – Level 1	Customer	Moai	Moai
Train buyers – Level 2+ and other users	Optional	Not Required	Not Required
Conduct a mock event	Optional	Moai	Moai
Provide support for RFP and answer supplier questions re: RfX	Customer	Customer	Moai
Host event on Web site	Moai	Moai	Moai
Provide help desk support during event	Moai	Moai	Moai
Create post-event reports	Customer	Moai	Moai

Multiple Event Structures

To meet the needs of Moai's customers, OnDemandSourcing can be utilized in a variety of sourcing formats. The Managed-Service program is designed to simplify the process for the e-Sourcing novice by restricting the format options to simple reverse auctions and multi-line events.

Many more formats are available with the Self-Service and Full-Service offerings (see Figure 4).

Path to Independence

Many hosted online sourcing programs are based on "light" versions of software, which limits the customer's ability to expand their sourcing efforts.

In contrast, each OnDemandSourcing model is based on Moai's proven, robust CompleteSource software. Because the technology is continuously evolving, customers are not locked into a dead-end solution.

Moai provides a complete path to independence through OnDemandSourcing. A customer may start with either the Full- or Managed-Service model and, as they gain experience with e-Sourcing, seamlessly move to the lower-priced, Self-Service model.

As a customer's event volume picks up, they may consider migrating to the CompleteSource software solution, in either an externally hosted or a behind-the-firewall implementation. This offering is unique to Moai, since most companies will not allow customers to implement their hosted solution behind the firewall.

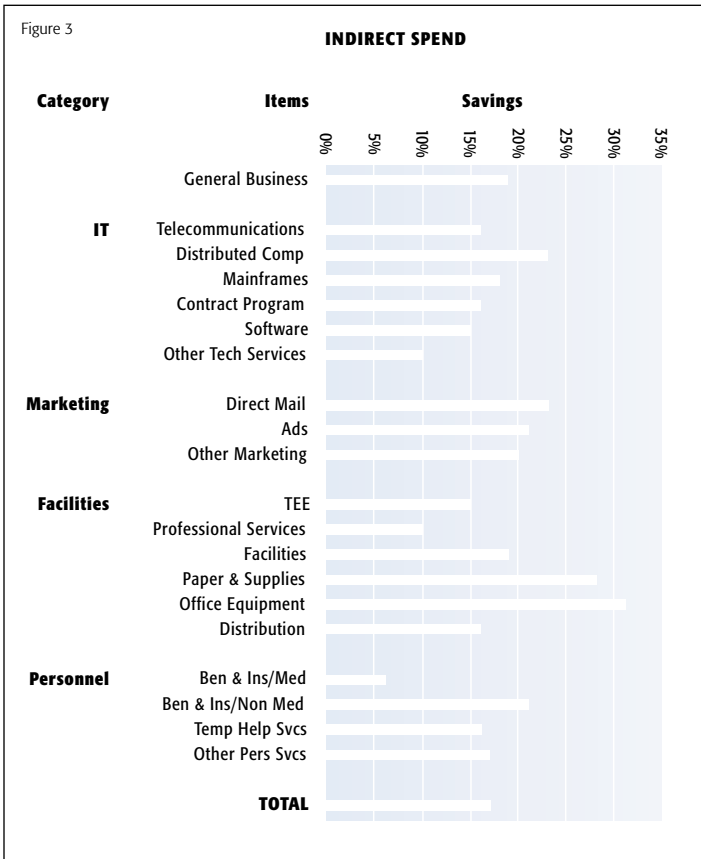
The flexibility of OnDemandSourcing allows companies to adjust their e-Sourcing capabilities and explore other levels of service, support and technology access with ease.

OnDemandSourcing features and functionality:

- ▲ Reverse auctions with parameters
 - ▲ RFP/RFQ
 - ▲ Supplier handicapping
 - ▲ Total Acquisition Costs
 - ▲ Qualitative evaluation factors
 - ▲ Weighted scoring
 - ▲ Multi-line – must bid each line
 - ▲ Multi-line – each line optional
 - ▲ Competitive bidding
 - ▲ Beat Your Bid
 - ▲ Collaboration
 - ▲ Multi-language**
 - ▲ Other auction formats – Dutch, English, forward**
 - ▲ Sell-side capability**
 - ▲ Import/Export to Excel**
 - ▲ Web-based reporting**
 - ▲ Optimization**
 - ▲ Multi-currency
- ** Available for Self-Service/ Full-Service models only

Figure 4

Figure 3



Take your first step today and find out how your company can achieve tremendous benefits from Moai's e-Sourcing technology. Call 1-800-814-1548 or visit www.OnDemandSourcing.com for more information.

About Moai

Founded in 1996, Moai Technologies is a provider of sourcing consulting services and technology-enabled solutions that allow corporations and e-Marketplaces to realize the maximum savings possible through e-Sourcing. Moai's solutions can be customized and scaled to meet the needs of any organization, no matter where it is in the strategic sourcing process. Moai has licensed its solutions to more than 145 customers in 18 countries from a variety of industries, including retail, consumer goods, manufacturing, forest products, chemicals and metals. Through strategic e-Sourcing, Moai's customers have sourced more than \$10 billion in goods and services, and have realized savings of more than \$1 billion.



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