

The Benefits of a Transportation Planning Solution

E-Z-GO, A Division of Textron

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May 2, 2007

Agenda

- **E-Z-GO Company Overview**
 - Current Transportation Model
 - Vendor Evaluation
 - Corporate Transportation Goal
- **enVista Company Overview**
 - TMS Project Overview and Approach
- **Pull Logistics Strategy Overview**
- **Realized Savings**
- **Future Phases**
- **Questions**

[E-Z-GO Company Overview]



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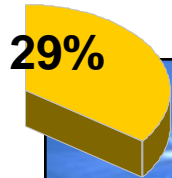


Quick Facts about Textron

- **Headquartered In Providence, RI**
- **More Than 37,000 Employees In Nearly 33 Countries**
- **Manufacturing Operations In 21 Countries**
- **Fortune 500 Ranking: 190**
- **Forbes 2000 World's Biggest Public Companies Ranking: 731**
- **NYSE: TXT**

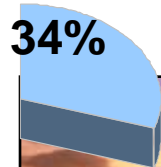
Textron Overview

Bell



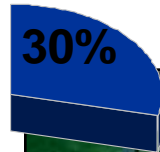
**Bell Helicopter
Textron Systems**

Cessna



Cessna

Industrial



**E-Z-GO
Fluid & Power
Greenlee
Jacobsen
Kautex**

Finance



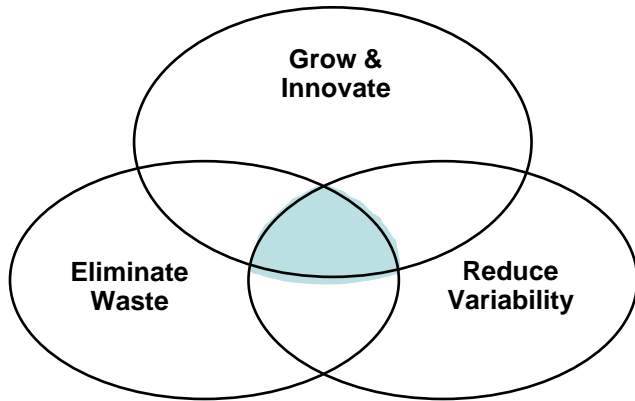
**Textron
Financial**

**2006 Revenue: \$11.4
Billion**

All presentation revenues 2006 actuals, unless otherwise noted.

Textron's Vision

To be the premier multi-industry company, recognized for our network of powerful brands, world-class enterprise processes and talented people



E-Z-GO Overview

Commercial	Consumer	After-Market
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Golf



Fleet Golf
MPT/Hauler
Refreshers



Shuttles
Bellhops



Titan/875
Haulster
Tug
Minute Miser
Stock Chaser



ST
Clays Car



Freedom
ST Custom

Key Customers

- Golf Courses _
- Manufacturing
- Distribution_
- Farmers/Hunters_
- Resorts/Hotels
- Grounds Care

Key Products

- Golf Cars
- Turf Utility Vehicles
- Trail Utility Vehicles
- Personnel Carriers
- Refreshment Vehicles
- Industrial Utility Vehicles

Key Competitors

- Club Car
- Yamaha
- Taylor Dunn
- Kawasaki
- John Deere
- Polaris
- Toro

[E-Z-GO Current Transportation Model]



Previous environment

- Annual shipping volumes- 110,000 new units delivered and 83,000 used vehicles.
- Mode breakdown- 95 % truckload, 5% LTL virtually no air
- Specialized bi-level trailers for delivering rolling stock
- 50%+of all truckloads are multi-stop
- 5,000 + annual truckloads planned
- Transportation planning was all done manually. Optimization was manual and opportunistic
- Transportation is a pre-paid and add environment
- Transportation losses were \$5 million in 2005 & \$2.8 million in 2006

Changing environment

- **The need for a system to optimize and track our transportation spend was evident.**
- **We desperately needed a way to find out if we were covering our transportation cost on a unit by unit and load by load basis.**
- **We also needed a way to track inventory movement of vehicles from the time each unit was produced until the time the unit was delivered to the customer**

Solution

- **Our selected solution- Find a TMS system that best fit our environment from a transportation planning perspective and a WMS to manage our inventory of vehicles from production to delivery.**

[Transportation Vendor Evaluation Process]



Vendor Selection

- **Needs-** Our feeling was we needed an integrated system. A system that tied together
- **Vendors evaluated-** Manhattan, HighJump and Red Prairie.
- **No matter the vendor selected, we had to obtain an achievable ROI**

Why Red Prairie?

- **We found the system architecture for Red Prairie to be more user friendly than other vendors.**
- **We felt that the Red Prairie system had more long-term potential to be spread through other parts of the organization and to other business units.**
- **It was our opinion that Red Prairie was further along in integrating their TMS and WMS systems.**

[Implementation Process]



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Implementation process

- **For the actual install we formed a cross functional team with team leads for operations, IT and an overall project manager**
- **We decided to partner with EnVista for overall project management of the installation. EnVista was able to quickly assess our needs and bring an on-site project manager on board to coordinate the installation and act as a liaison between E-Z-GO and Red Prairie.**
- **Red Prairie served as the application and technical development resource for the project.**

[Year to Date Results]



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Changing Paradigm

- **Year to Date we have moved from losing over \$2M to gaining more than a \$630,000 in transportation profitability.**
- **Logistics Flexibility**
- **Extended Modes of Transport**
- **Pull Logistics Foundation**

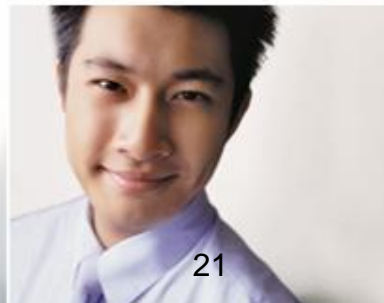
[Lessons Learned]



Lessons

- **Understand the limits of the software (Order Splitter)**
- **Limit the scope of the installation. If installing a TMS and WMS systems in a diverse organization with much different functioning parts, narrowly define the scope of the project.**
- **Create a cross functional team - All areas touched in an organization by any new software need to be represented and an individual from these areas designated as the project lead for that area.**
- **Understand your limitations as a customer. If as the customer you lack the expertise and/or the man-power to effectively manage a large software project, outsource this function.**
- **Develop a well defined, achievable ROI analysis.**

[TMS Project Overview and Approach]



enVista Company Overview

- enVista's mission is to **enable logistics excellence** through the **transfer of knowledge** and the **visibility to information** that improves manufacturing, purchasing and distribution centric supply chains for our clients, in the industries we serve.
- We are committed to enabling logistics excellence by providing the highest quality professional services to our clients, and maximizing the overall value our services provide to our clients.

enVista Value Proposition

- **Strong domain expertise in Logistics and Technology with emphasis on**
 - Supply Chain Strategy
 - System Implementation
 - Transportation
 - Operations
- **Team of former Executives from Leading Consulting and Supply Chain Execution Software Firms**
- **Red Prairie Business Partner Since 2002**

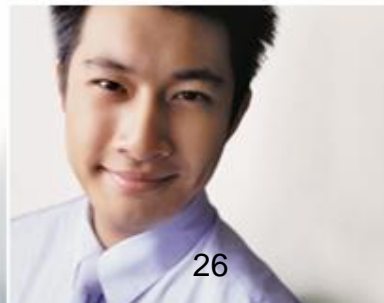
E-Z-GO TMS Project Overview and Approach

- **Four Month Implementation**
 - Must Implement Prior to E-Z-GO Busy Season in March
- **Focus on Core Functions/Pay-back Areas**
 - Expose All Functions, Implement in Phases
- **Develop Strong Customer Support Team**
 - Logistics, Supply Chain, IT, Manufacturing, Invoicing, Customer Support
- **Keep Subsequent Phases and Goals Apparent During Design and Development**
 - Red Prairie WMS, E-Z-GO Branch Interaction, Pull Logistics

Project Challenges

- **Integrate with Heavily Modified HOST Application (JBA)**
- **Splitting Large Fleet Orders**
- **Vehicle Stacking/Load Consolidation**
- **User Training/System Acceptance**
- **Collaborating with Manufacturing/Order Planning**

[Pull Logistics Strategy]



Pull Logistics Strategy Overview

- **Balance Transportation Load Optimization with Manufacturing Production Scheduling**
 - Allow Manufacturing Flow-thru to Trailer Loading
 - Minimize Finished Goods Product Inventory Carrying Costs
 - Minimize Un-necessary Finished Goods Product Handling
 - Substitute Information for Inventory
- **Continual Communication and Collaboration Between Multiple Departments**
 - Sales/Order Entry, Manufacturing Production Scheduling, Transportation Planning, Inventory Control
- **Requires Integrated Systems**
 - Forecasting, Available to Promise, Transportation Planning, Manufacturing Planning

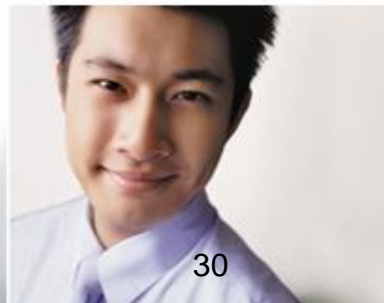
Why is E-Z-GO a Good Pull Logistics Candidate?

- **Large Percentage of Orders are Made-to-Order**
- **Current Manufacturing Process Supports Order “Build-Ahead and Store” Model**
- **E-Z-GO Controls a Large Percentage of Finished Goods Manufacturing**
- **E-Z-GO Transportation is an Expensive Cost of Doing Business**
- **Finished Goods Inventory is Warehoused Outdoors and Prone to Natural Element Erosion**

[E-Z-GO Realized Savings]



[E-Z-GO Future Phases]



Subsequent Phases

- **Red Prairie WMS – August 2007**
- **TMS Phase 2 – June 2007**
 - Report Writing/Event Management
 - Carrier Tender and Acceptance
 - Automate Total Freight Cost Management
- **Branch Location Implementation**
 - On-line Trade-in Order Entry
 - Local Branch Transportation Planning
 - Local Branch Finished Goods/Parts Warehouse Management

[Questions]

