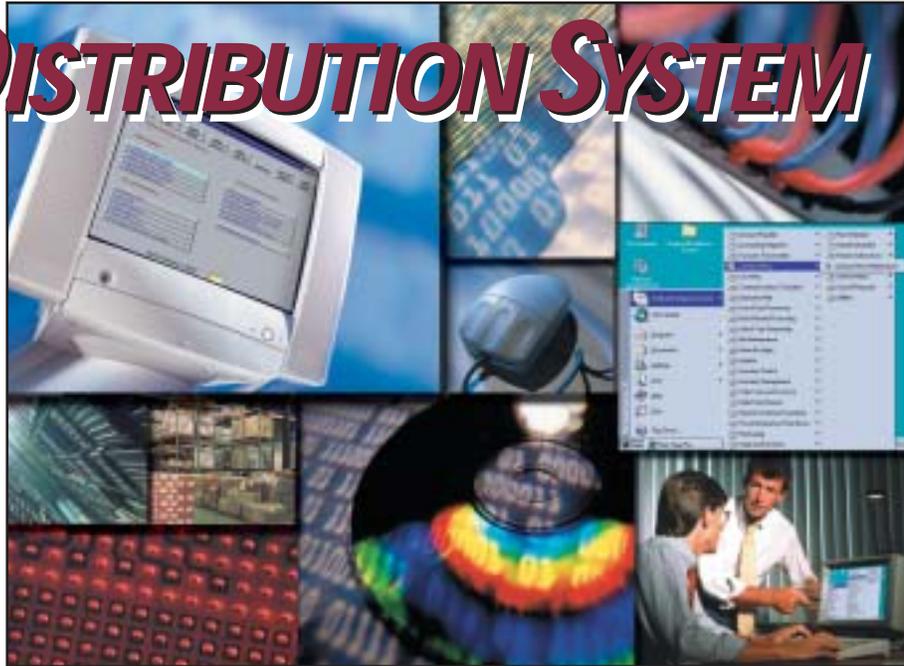


MASTER DISTRIBUTION SYSTEM

**Comprehensive
business
management
solution
for the
Distribution
Industry**



Comprehensive distribution systems are not built overnight, or for that matter, even over a couple of years. Master Distribution System, from TSH, has been in continual development since 1979. As a result, MDS stands apart from the many other software systems available today.

While some systems boast of being written with fourth generation development tools, they have not been around long enough to have developed the scope and depth so crucial to the complex world of distribution. Others claim to be feature rich, but lack the aesthetics and ease of use inherent in today's modern software systems.

m ds
MASTER DISTRIBUTION SYSTEM

A TOTAL SYSTEM DEVELOPED BY DISTRIBUTION SYSTEM EXPERTS

MDS, a fully integrated business control program, provides complete, ready-to-work solutions uniquely suited to address the problems of Distribution and Import Businesses. MDS provides a remarkably powerful tool that gives you solid control over the day-to-day operation of your business, with instant access to the information you need to plan for the future, and make the timely, well-informed decisions that mean growth and profitability for your company.

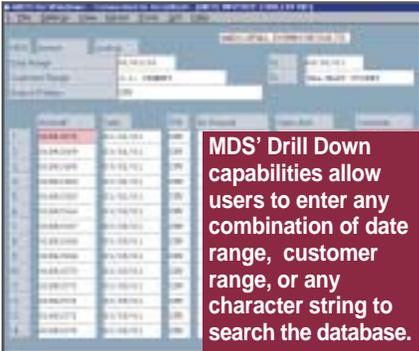
Designed by distribution professionals and systems experts, MDS has the unique distinction of being both robust and stable, yet flexible and modern in appearance. MDS was built from the ground up with portability in mind, well before open systems was even a glimmer of a buzzword in the public consciousness.

This foresight is apparent in MDS' commitment to UNIX and Windows NT, to the relational database model, and to Microsoft Windows technology. Utilizing TSH's Application Master development tools, users can run MDS under Microsoft Windows from a PC on a LAN, or via "dumb" terminals in any mix. And, because experience has taught us that some users prefer traditional keyed entry, all MDS programs offer the capability of dual entry via mouse or traditional line/character entry. MDS has been installed on small PC servers supporting a handful of users, as well as on large scale multiprocessor systems with hundreds of users on-line simultaneously.

A COMPLETE DISTRIBUTION SOLUTION DEVELOPED BY DISTRIBUTION SYSTEM EXPERTS

MDS incorporates many features essential to any distribution business.

These features reflect the breadth and maturity of the MDS product, and have made MDS the system of choice for many leading distribution companies throughout the United States.



EASE OF USE:

To insure its ease of use, MDS uses a **Windows based, function key and menu approach**, and has **extensive prompts** to guide the operator through data

entry. **On-line help**, full audit trails, and extensive inquiry capabilities are built into every module. Word Processing style editing is the system standard.

MARKETING AND SALES ANALYSIS:

On-Line history of all order, invoice, purchasing and accounting histories with extensive **drill down capabilities** to view the source transactions.

REAL-TIME REBATE CALCULATION AND TRACKING:

Sophisticated on-line Contract/ Rebate Management system with options that include: On-line calculation of gross/ net price, cost, and rebate on each line item at time of order, and the ability to re-calculate rebates on processed invoices should a new contract be input after the order was entered. In addition, multiple price catalogs may be stored.

EDI TO ANSI X.12 STANDARD:

Integrated EDI for **secure electronic orders** including full adherence to ANSI X.12 standards, and implementation of all X.12 documents.

BAR CODE CAPABILITIES:

Full Bar Code Capability is implemented throughout the MDS system.

INVENTORY MANAGEMENT:

The Inventory Management module includes **flexible product line buying logic** coupled with sophisticated **Multi-Branch roll up and Replenishment**, leading to the Automatic Generation of Purchase Orders and Transfer Orders.

INTEGRATED FAX/E-MAIL CAPABILITY:

MDS features integrated e-mail and messaging capabilities as well as the **option to quickly and easily fax or e-mail** Purchase Orders, Invoices, Return Authorizations and system reports.

WAREHOUSE MANAGEMENT:

Complete **multi-warehouse support** is inherent in MDS, with the further ability to **trans-ship product** from multiple warehouses as necessary.

Random locator systems may be implemented on a warehouse basis. The system supports multiple picking methodologies including order and/or batch and zone picking. The system provides the ability to **pick by expiration date**, and **supports full lot and serial number tracking**, leading to a warranty recording capability.

SHIPPING SYSTEM INTERFACE:

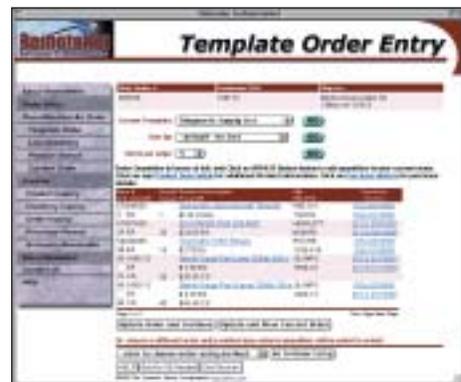
MDS provides a fully integrated interface to the **Clippership parcel shipping system**. Clippership supports **multiple freight carriers** and provides **online freight charge calculations and tracking information** which is then updated to MDS.

PRODUCTION MANAGEMENT:

The MDS production module provides full facility to store **multi-level Bill of Materials**, and track the production of the **work order** from raw material state, through production, into final finished product. The Bill is fully costed with regard to material, labor and overhead costs. The system also allows raw materials and/or processing to occur at off site vendor locations.

REMOTENET B2B E-COMMERCE WEB-BASED CUSTOMER INFORMATION SYSTEM:

RemoteNet provides your customers and salesmen with secure remote access from any internet connection. RemoteNet's order entry process includes customer based **Order**



Templates, Multiple Shiptos, **Customer Specific Pricing**, **Contract Pricing**, and the ability to browse **Product Catalogs**. **Suggested Order Quantities** and **Monthly Usage** are presented during order entry.

Real-time inquiries include; **Sales History**, **Inventory**, **Stock Status** and **Accounts Receivable**. Customers may view detailed product information (including MSDS, if available), track orders and review specific shipment information online.

THE MDS MODULES - COMPREHENSIVE AND FULLY INTEGRATED

Designed to operate in a multi-company, multi-warehouse environment, MDS is a comprehensive software solution encompassing virtually every phase of business activity from Order Entry through General Ledger. The MDS modules operate as part of an integrated system that shares information from one function to another. With an integrated system, you need enter any item of input only once, and it is automatically available to any other part of the system.

"In the 15 years our MDS system has been installed, our business needs have changed dramatically. MDS has grown right along with us... the system fits as well today as the first day we used it.

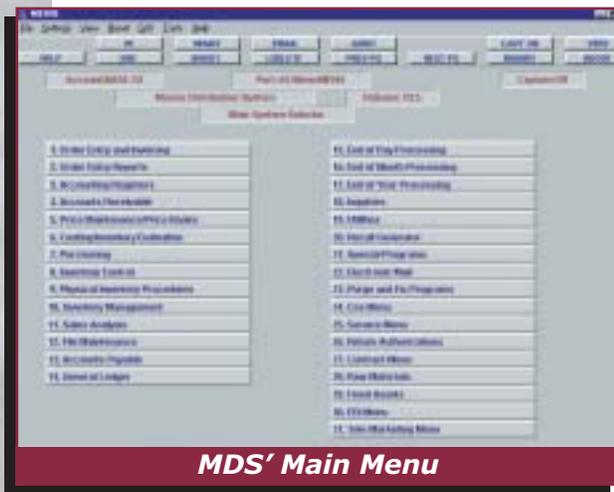
When we needed a web system we knew exactly where to turn. TSH developed our E-Commerce site, which has enabled us to remain in the forefront of the Office products industry. Whenever we have a new project, we turn to TSH."

**-Cindy Ciaccio
Vice President and General Manager
Weeks-Lerman Group**

MDS, FLEXIBILITY AND FUNCTIONALITY

MDS's unique object oriented approach, coupled with TSH's selection of advanced relational data base models, provides the software the stability typically associated with proprietary systems, along with the flexibility and portability of open systems products. MDS can be custom configured to meet the most unique demands of your operation, and as your business grows, MDS grows with you. Modifications to the system can be made quickly and economically.

MDS INCLUDES THE FOLLOWING MODULES:



MDS' Main Menu

*Order Entry/Invoicing
EDI - to the X.12 Standard
Telemarketing
Accounts Receivable
Purchase Order Management
Import, On-the-water Tracking,
Letters of Credit and
Landed Cost Calculation
Inventory Management & Control
Lot Inventory Control with Expiration
Date Management
Consignment Inventory*

*Physical Inventory
Warehouse Management System
Pricing, Costing, and
Contract Management
Quotation System
On-Line Rebate Tracking
Customer Order Templates
Return Authorizations
Warranty Processing
Sales and Marketing Analysis
Accounts Payable
integrated to Purchasing
General Ledger/Financial Reporting
Report Generator
Service and Repair Processing
Payroll
Production Management System
including Work Order Processing
Executive Information System
Faxing, Imaging and
CD-ROM Report Storage (COLD)
RemoteNet B2B E-Commerce and Web
Based Customer Information System*

DESIGNED FOR OPERATING EFFICIENCY

MDS was designed to operate in a high volume, order intensive, service oriented environment. The programs have been engineered for operating efficiency, with a priority on smooth and rapid order flow.

Sales and Customer Service



MDS' extensive Inquiry menu is accessible from within all modules.

Designed for interactive order taking including:

- Visibility of inventory status
- Access to customer order history
- Automated substitution including
 - ability to obtain product from other warehouses
 - display and select from available substitute products
- Interface to UPS tracking facilities

Ability to ship a single customer order from one or more warehouses or direct ship from a supplier (with automatic generation of the purchase order).

Sophisticated Contract/Rebate pricing system.

Unlimited pricing options including multiple price catalogs (lists), on-line calculation of gross profit, including rebate at time of order.

Tools for bid/quotation preparation, with automatic conversion to orders.

On-Line history of customer purchases with ability to generate order from customer's previous orders (Customer Order Template).

Interface to portable data entry devices for customer and/or salesman remote entry.

Track consignment inventory at customer locations.

Consignment billing.

Extensive Inquiry capabilities available from within all programs.

Interface to third-party shipping systems (Clippership).

Standing Order capability with automatic release of orders.

Customer remote order entry capability.

Integrated Imaging capabilities.

Warranty tracking.

Sophisticated report management system (Report Capture).

Ability to create file downloads in text format directly from the database.

Ability to download any report.

Inventory Management and Control

Scientific Inventory Management module with multi-branch replenishment and Line Buy capabilities. Automatic generation of Vendor Purchase Orders and branch transfer documents.

Numerous inventory evaluation methods including LIFO, FIFO, Average, and Standard.

Complete kiting capability within order entry.

Work Order System including Multi-level Bill of Materials, and Raw Material management.

Foreign transaction system including currency conversion, purchasing letters of credit and true landed costs.

MDS' Stock Status Inquiry displays quotations received from multiple vendors.

The screenshot shows a software window titled 'ST STATUS'. It displays a table with columns for 'Last Price', 'Buy Price', 'Sell Cost', and 'Party Cost (Vendor Net)'. The table contains data for various items, including 'A 1000' and 'A 2000'. Below the table, there is a section for 'ST STATUS - COST - VENDOR' which shows vendor information and costs.

Item	Last Price	Buy Price	Sell Cost	Party Cost (Vendor Net)
A 1000	15.00	15.00	15.00	15.00
A 2000	15.00	15.00	15.00	15.00

Purchasing

Automatic Generation of Dropship Purchase Orders with full integration to Accounts Payable and Billing upon completion of the order.

Ability to issue Purchase Orders in foreign currency.

Ability to quickly and easily fax or e-mail purchase orders.

Full Importing capabilities including On-the-Water tracking with visibility of expected arrival dates.

Foreign Cost System with Landed Cost calculation.

Warehouse Management

"We have offices in six states and seven cities... with MDS they are all tied together. Information from any location is instantly available at the touch of a button."

Mario Gallo
Vice President
InterWire Products

Selection of Physical Inventory procedures, including cycle counting procedures.

Pick location selection logic based on solid vs. broken cases and/or lot expiration dates.

Support for random location management by warehouse. Multiple bin location capabilities including environmental considerations. Primary location replenishment from secondary and overflow areas.

Bar coding capabilities including receiving, picking, and order validation.

Lot and Serial Number Tracking.

Interface to Warehouse Management System including RF (wireless) devices.

Marketing and Sales Analysis

Salesman laptop system.

Numerous standard sales analysis reports provided in both inquiry and report formats.

Telemarketing subsystem.

Report Writer for ad-hoc queries.

MDS reporting system featuring:

- Single button download to Excel
- Executive Information System (EIS)
- Multiple selection criteria for every report & Drill Down lookup capabilities

Ability to view any report on screen, route to printer, or send via e-mail or fax.

"MDS has given our company the competitive edge we need in order to remain dominant in our market. We received many compliments from hospitals and vendors alike, commenting on our quick, accurate service. Our fill rates have increased and our investment in inventory has decreased. MDS is taking us into the future."

–Jeff Plotkin
Caligor Physician & Hospital Supply Corp.
Division of Henry Schein, Inc.

Accounting and Financial Management

Full integration of Accounts Payable, Receiving and Purchasing. Receipts are matched with vendor invoices on-line, generating the payable distribution, and correcting purchasing and inventory cost information simultaneously.

Foreign transaction systems, including purchasing in foreign currency, Letters of Credit reconciliation, and landed cost development.

Vendor invoices may be selected for payment based upon due date and discount date.

Several methods of cash application, with automatic generation of charge back notices.

Interactive on-line Credit Control with sales order processing.

Financial statements may be prepared for Companies, and up to three additional levels of cost centers.

Flexible and fixed budgeting and allocations supported.

Financial report writer allows user to format reports and incorporate statistical data.

Download file data to Windows™ based software, like Excel and WordPerfect.

"We looked at a lot of systems and chose MDS from The Systems House, Inc. We found MDS to be the best software for distribution supply businesses, backed by one of the most responsive support teams."

**George Ercolino
Vice President
Freeman Products**

THE SYSTEMS HOUSE

The Systems House, Inc. (TSH), formed in 1979, is a company with a longstanding reputation for outstanding customer service. With in excess of 250 installed MDS clients throughout the United States and Canada, TSH is widely recognized as one of the premiere suppliers of software and computer solutions for the Distribution marketplace. TSH has made a corporate commitment to distribution, which assures our customers that the on-going development effort, so critical to their success in the complex and fast changing world of distribution, will be available when needed.

THE IMPLEMENTATION PROCESS

The MDS development process includes comprehensive end-user interviews including input from management regarding operational requirements, future directions and industry trends. Our technical staff provides guidance to the client on every aspect of the system from systems design and programming, through conversion, training, and installation, concluding with on-going support services available twenty-four hours per day, seven days a week.

SERVICE AND COMMITMENT: THE KEY TO OUR SUCCESS

Computer system architecture works best when all components from hardware to software are properly selected and assembled. At The Systems House, Inc., we maintain this integrity through our commitment to quality and outstanding customer service. We are dedicated to staying at the forefront of our field in every aspect of our business, from technology to customer service.



TSH - YOUR ONE STOP SHOP

TSH has the ability to provide and maintain your complete system - everything from hardware to software, network integration to on-going support. Often companies are faced with the problem that no one organization is familiar with all of their system components, thereby forcing the end user to deal with multiple sources in order to solve technical problems. However support issues are tightly interwoven, making it essential that your support provider be completely familiar with all aspects of your system. The on-going support service of The Systems House, Inc., is inclusive of all these elements in addition to our application program support services, thereby providing the customer with a "one stop" source for all system needs 24 hours a day, 7 days a week.

TSH support clients also benefit from a full, extended software warranty including upgrades and enhancements to the MDS software, database and operating system software upgrades as well as periodic site audits. These site audits are designed to assist you in getting the most out of your MDS system.

Please feel free to contact us with any comments or questions on MDS or services from The Systems House, Inc. See how MDS can work for you. Call our sales team at sales@tshinc.com or call **1-800-637-5556**.

***For a complimentary MDS demonstration,
or for more information on any of the items featured in this document,
please contact sales@tshinc.com or call 1-800-MDS-5556.***



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