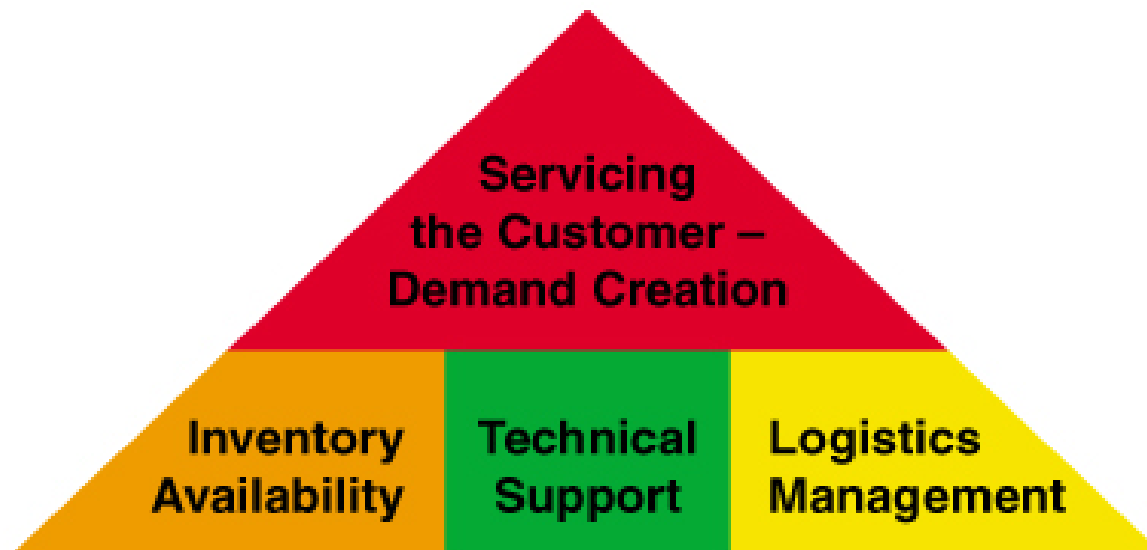
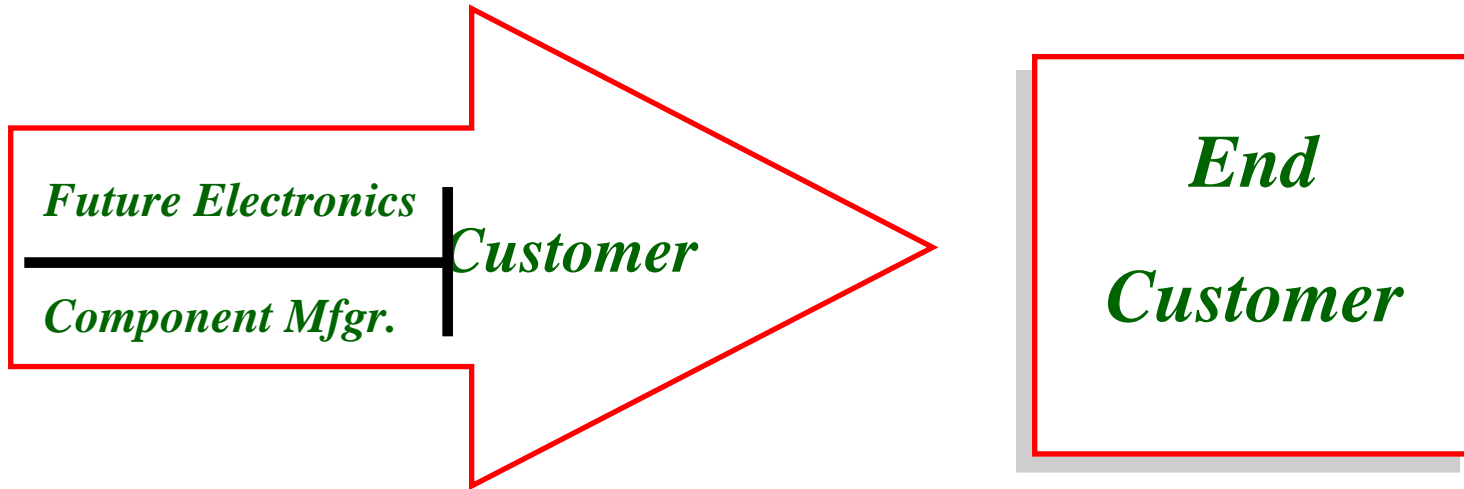


DISTRIBUTION TRENDS

Distribution Sales Strategy



The Virtual Corporation




OBJECTIVE

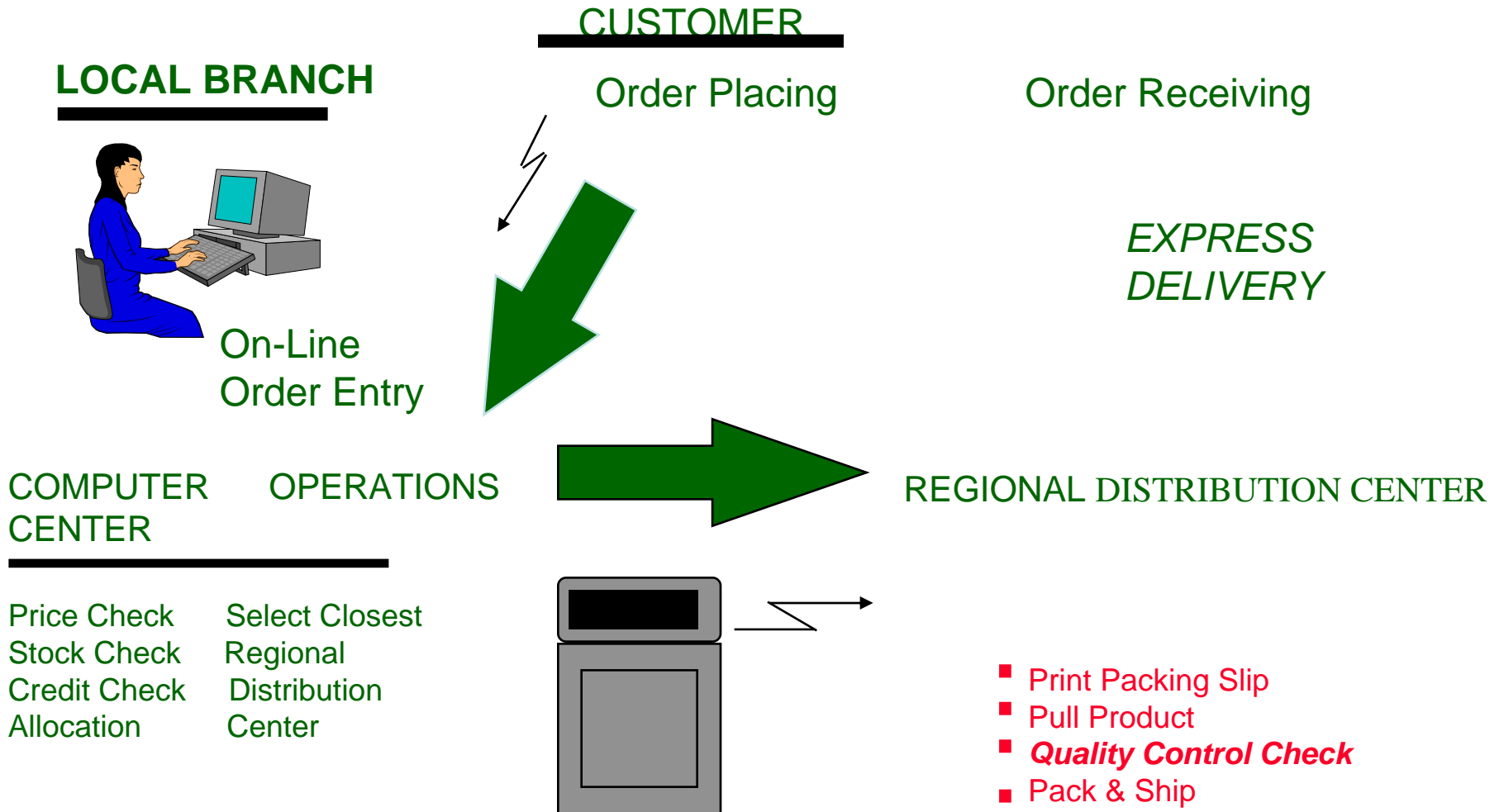
Improve the efficiency of the materials process without deteriorating the quality of the customer's service or product

STRATEGY

Focus on "Core Competencies":

| | | |
|-----------------|---|---|
| <i>Customer</i> |  | <i>Design / Manufacturing / Marketing</i> |
| <i>Future</i> |  | <i>Inventory / Materials Management</i> |
| <i>Vendor</i> |  | <i>Component Design / Quality</i> |

ORDER PROCESSING



Full visibility to Worldwide Corporate Inventory

Total Acquisition Cost

□ “Cost of Ownership”

PROCUREMENT
ADMINISTRATION

QUALITY
PROBLEMS

TOTAL ACQUISITION COST

\$1
PURCHASE
PRICE

DELIVERY
PROBLEMS

25% INVENTORY
CARRYING COST

Light sources

Oli lamps



10,000 AC



Candles



4000 AC



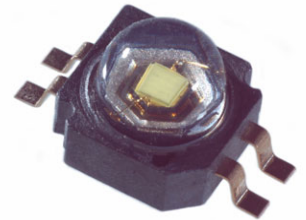
Incandescent
lamps



1879 DC



POWER LED



1999 DC

Market value

- General lighting
- Entertainment
- Automotive
- Portable
- Landscape
- Commercial

130 B\$

General Lighting



Entertainment



Automotive



Portable



Landscape



Commercial

