

# Best Practice Review

## Best Practice Review Summary Overview

Practice		GAP Opportunity				Remediation Cost (\$000)
Name	Rating	Description	Rank	EBITDA (\$000)	Valuation* (per share)	
Logistics	5	expand cross docking		500	\$2.00	750
Inventory Control	3	in-store perpetual inventory	1	4,000	\$16.00	6,000
Warehouse Operations	5	---	---	---	---	---
CRM	1	profitability per shopper				
Category Management	4	integrate CRM and CM	2	2,500	\$10.00	1,500 <sup>1</sup>
Management Accounting	2	transition to fully cost allocated profit center accounting	3	1,000	\$4.00	1,000 <sup>1</sup>
Investor Relations	3	reposition image from legacy retailer to consumer info & metrics driven	4	---	\$15.00	3,000 <sup>2</sup>

\* per share valuation based on 1 million average shares outstanding

<sup>1</sup> requires prior remediation of in-store perpetual inventory

<sup>2</sup> requires prior remediation of in-store perpetual inventory, CRM/Category Management, and Management Accounting

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