



## Sears Implements AIS' Business Intelligence Software to Enhance Allocation Decisions

*--Sears looks to AIS' AllocationXpert™ to optimize inventory levels through improved accuracy of merchandise allocations--*

**Boulder, CO, December 15, 2004** – Applied Intelligence Solutions, LLC (AIS), a developer of business intelligence software, today announced that Sears, Roebuck and Co. has implemented AllocationXpert to improve what it considers to be one of the last frontiers in retailing—merchandise allocation. The retail giant enlisted the help of AIS to improve the quality of its allocation decisions. AllocationXpert will help Sears to optimize merchandise allocations to all stores, providing the right quantity of merchandise to the right stores to fuel sales and reduce markdowns.

“At Sears, we are continually searching for innovative solutions that will allow us to streamline the merchandise planning process, make smarter allocation decisions and monitor inventory to meet consumer demand,” said Jeff Jones, executive vice president of Sears’ merchandise operations. “AllocationXpert’s ability to add intelligence to our existing system was a perfect fit. The software has already demonstrated its ability to make recommendations similar to our top performing allocators, which has allowed us to achieve improvements.”

AllocationXpert complements Sears’ existing allocation system by introducing “successful past performance” into the allocation equation. This intelligent software leverages the best practices of Sears’ top allocators to recommend distributions similar to what these seasoned professionals would do in similar situations.

“We are delighted to have Sears as an AllocationXpert customer,” said Jim Dixon, president and CEO of AIS. “Our software enables Sears to optimize their allocation results while protecting the investment the company has made in their existing allocation systems and processes. As a result, AllocationXpert can help Sears to rapidly improve the quality of allocation decisions in their existing environments.”

AIS' Professional Services Group worked closely with the Sears to identify the critical variables in Sears' allocation process and tightly couple the benefits of AIS' business intelligence software with the retailer's existing allocation systems. AIS then trained the system to reflect Sears' distinctive merchandising environment.

"AIS' Professional Services Group has been instrumental in helping us to get the most from AllocationXpert," said Steve Poplawski, vice president of Integrated Merchandise Planning and Placement at Sears. "Their ability to effectively collaborate with our team and quickly adapt the system to our unique business needs is a testament to AIS' capabilities and the power of their advanced software."

### **About Applied Intelligence Solutions, LLC**

Applied Intelligence Solutions, LLC (AIS) offers business intelligence solutions that replicate expert human decisions, providing firms the ability to automate and significantly improve the quality of decisions across their organizations. Improving decision quality yields significant improvements in top-line revenue, bottom-line profit and employee productivity. AIS is headquartered in Boulder, Colorado, with Research and Development facilities in Moscow, Russia. For more information visit the company's web site at [www.aissllc.com](http://www.aissllc.com).

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