

# **B-1 Logistics**



February 15<sup>th</sup> 2007

Welcome to the *Dealernews International Powersports Dealer Expo 2007* and congratulations; your attendance of this show is an excellent representation of your company's dedication to bringing your products to the United States Powersports Market.

Your participation in the Industry's largest dealer show is a great start to making your company successful in the very competitive business of motorcycles, atvs, scooters and personal watercraft.

The thing to consider now is, "***What do I do once dealers want to order my product?***" Is your distribution network up to the task of shipping thousands of units to hundreds of dealers? What about the parts required to support the vehicles once they are on the road or trail? Do you have an adequate product supply here in the United States ready to ship dealers the same day requested?

Your supply channel will be crucial in determining whether your product succeeds or fails in the United States.

This is where B-1 Logistics can help. We can support your entire distribution channel; from the time the ocean container leaves your port, to the vehicle and parts landing on your retailers door step. Not only can we get your units and parts where they need to be; we can also help train your dealers to make them successful in selling your products, and provide fully automated web databases for real-time information on products and services.

Please look over the enclosed information so that you might see how B-1 Logistics can help your company become a successful competitor in the Powersports industry.

I look forward to personally meeting with you at the dealer expo and speaking about the specific benefits our company can offer you. I understand that each manufacturer has specific needs and goals; and I will work with you to create a plan to address each of your specific needs.

Please contact me during the show by calling my mobile phone at 217-254-3620 to make an appointment for a detailed analysis of your needs and the benefits B-1 Logistics can offer.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael M Jackson".

Michael M Jackson  
President & CEO

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*B-1 Logistics, Inc*  
2120 E. Pythian Ave, Decatur, Illinois 62526  
Tel: 217-233-2145 Fax: 217-233-0008

# **B-1 Logistics**

[www.B1Log.com](http://www.B1Log.com)

## **How can B-1 Logistics Help Your Company?**

### **1) Unload & Warehouse Major Units**

B-1 Logistics can receive your containers at our docks, unload the vehicles and repack them (*if necessary*) and warehouse the units in our temperature controlled warehouse. All vehicle information is maintained on our network servers, with full access to vehicle information and availability to your staff and your customers through our custom dealer websites.

*Receiving and warehousing your Units can be accomplished for as low as \$1/day per unit.*

### **2) Ship Major Units to your Customers**

B-1 Logistics can pull the vehicle from our warehouse, or cross ship it from your container. We can re-package the units if needed and manage trucking, billing, documentation, warranty registration; everything. B-1 can handle all aspects of order fulfillment for your whole goods.

*Full documentation and shipping of your units can be done for as little as \$10/unit + freight.*

### **3) Unload & Warehouse parts**

B-1 Logistics can receive your full container or small packages of parts and accessories; package them, label them, inventory them and store them in our state of the art warehouses. Once in our computer system and uploaded to our website you and your customers will be able to view and purchase your full product line information and availability through the internet.

*Costs vary greatly depending upon the level of service required but receiving and warehousing your parts and accessories can cost as little as 2% of inventory value.*

### **4) Ship Parts to your Customers**

B-1 Logistics can manage your customer's demand for parts and accessories. We can accept orders, validate that the parts requested are correct for the unit they are ordered for, pick the order from our warehouse, process billing for the parts and ship the parts to your customer. Complete order history, account information and tracking information is available to you and your dealers through our website.

*Cost for order fulfillment is dependant on many variables, basic pick and ship operations is available for as low as 10% of sales.*

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There is even more we can do . . . .

## **5) Manage Customer Service Calls**

Our distribution center also houses a call center, accounting department, title and state paperwork clerks, shipping managers and product specialists. With our state-of-the-art computerized phone system, and computer network; we can handle all of your customer support needs.

Customer account status, unit orders, parts orders, parts technical requests, warranty claims and more; we can handle all of your customer service needs.

*Cost to provide customer service is determined on a case-by-case basis and is determined by the number of calls received or the number of dealers serviced.*

## **6) Develop Your Dealer Network**

Our numerous years of experience in the Powersport industry gives us an edge on building and training your dealer network. Our team's experience includes consulting and managing dealerships for Honda, Kawasaki, Yamaha, Suzuki, Polaris, Arctic-Cat, Can-Am, Ski-Doo, Sea-Doo, Eton, Cannondale and John-Deere; as well as independent dealerships. You can be sure that we will focus on needs specific to powersport dealers and their owners.

From national marketing campaigns, and product documentation; to dealer development lesson plans and seminars; B-1 Logistics will help you grow your distribution network.

*Dealer development and marketing consulting is provided on a per project basis and is billed based on the number of consultants assigned to the project and number of days deployed.*

## **7) Provide Dealer Website with Parts Microfiche**

B-1 Logistics personnel developed the website technologies used by the largest OEM Parts dealer in the country, and we can help develop your website just as well. Online parts diagrams, price files, unit warranty registrations, and new dealer applications. All the tools you'll need to take care of your dealers and end customers.

*Website Development pricing from \$595/year and up.*

*Contact us today for more information.*

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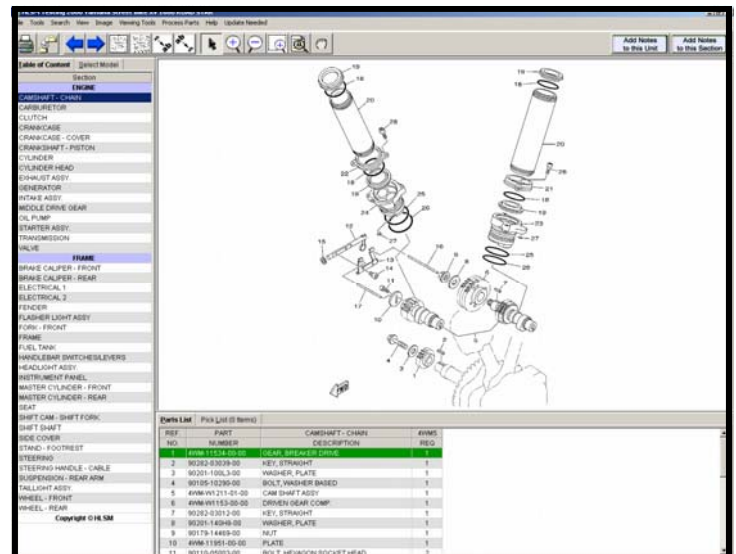
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## Online Parts Diagrams & Microfiche for Your Products from HLSM.

Now your dealers and customers can lookup and order repair parts directly from the Internet.

Custom developed interface for each of your vehicles models.

- Professional Interface
- Less Customer Service Calls
- Streamline Parts Ordering
- Eliminate wrong parts orders
- Increase Accessory Sales
- Always Up-to-Date Info
- Very Affordable Pricing
- Better Customer Service



Over 10 years experience programming parts catalogs. Our catalog directly integrates with B-1's distribution platform allowing dealers to order, quote and check availability of your parts directly from their web browser.

Contact us today to see how affordable our Online Parts Microfiche system can be for your company.

**See a Demo at  
Booth 3030**

During the Expo  
Contact us at  
217-254-3620

# **B-1 Logistics**



Increased Efficiency through cooperation.

## **Integration**

We work with dealer management software companies to enable your dealers to process their orders efficiently. By combining the automation of dealer management systems and the power of our custom developed website dealers will love ordering from you.

Dealerships will be able to download price files from our website and import them into their software; or for software companies that provide price files, we can manage the distribution of your price files to them electronically; saving you the worries of your dealers having current pricing information.

## **Automation**

Our web based interface allows dealers to upload purchase orders they have created in their dealer management system directly to the website. This reduces errors created from call in orders, or from re-typing the order into a website. Overall this function saves dealers and manufacturer/distributors dozens of man-hours per week.

## **Cataloging**

If your parts aren't cataloged we can help there as well. Our knowledgeable staff can catalog, weigh, measure and assign part numbers to each component of your vehicles. Making it easy for your dealers to order exactly the part they need.

Combine this service with our Web based Microfiche and your brand will be ready for the growth we can bring you. Having a part number system, web based ordering and electronic microfiche will make even the fastest growth painless and easy.

## **Software Vendors**

Our web based distributor applications currently operate with the following vendors. Other vendors will be added upon their request or as customer demands dictate.



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## **1. Unload and Warehouse Major Unit Crates**

### **Considerations:**

Man hours & Equipment Costs to unload container. (per/unit)  
Man hours for receiving and accounting. (per/unit)  
Storage Space for Inventory (per/unit per/day)  
Insurance Cost for Inventory (per/\$ value per/day)  
Damage/Shrinkage Costs (per/\$ value per/day)

## **2. Fill orders for Major Units**

### **Considerations:**

Man hours & Equipment Costs to prep/load vehicles. (per/unit)  
Man hours Required for preparing shipping docs. (per/unit)  
Man hours Required for Documentation and billing (per/unit)

## **3. Unload, put away and warehouse parts**

### **Considerations:**

Man hours & Equipment Costs to unpack shipments. (per/piece)  
Man hours for receiving and accounting. (per/unit)  
Storage Space for Inventory (per/sf per/day)  
Insurance Cost for Inventory (per/\$ value per/day)  
Perpetual inventory costs (per/unit counted)  
Damage/Shrinkage Costs (per/\$ value per/day)

## **4. Fill orders for Parts**

### **Considerations:**

Man hours & Equipment Costs to pick/pack orders (per/order \$)  
Man hours Required for preparing invoices/shipping docs. (per/order \$)  
Man hours Required for Documentation and billing (per/order)

## **5. Manage Customer Service Calls**

### **Considerations:**

Man hours / Training & Equipment Costs (up front - One Time Fee)  
Man hours required by receptionists to route calls (per/call)  
Man hours required to take each call (per/minute)  
Long Distance / 800 Line Charges (per/minute)

## **6. Develop Dealer Network**

### **Considerations:**

Advertising/Marketing Costs (ad costs reimbursement)  
Ad Development & Design (per hour)  
Acquire New Dealers (per/dealer or per/unit)  
Dealer Development Training (per day on site)



## Considerations for Proposal

The following include items considered by B-1 Logistics when evaluating a partnership with a distributor or manufacturer. Our staff uses this information to determine warehousing space requirements; number of employees to devote to the project and the amount of training that will be required. We look forward to working with you and want you to understand that we will develop a plan specific to your needs. All information received is strictly confidential.

Developing policies and procedures, identifying parts and assigning part numbers, warehousing parts and whole goods, managing customer service calls, building custom internet applications, taking and shipping orders, billing dealers, developing service manuals and parts microfiche and training your dealer network: B-1 Logistics can do it all.

Please review the following questions and feel free to contact us to receive a proposal based on your needs:

How many different model motorcycles/atvs does your company offer?

Do your repair parts and accessories currently have unique part numbers assigned to them?

How often do you ship units to the warehouse?

Do you have printed or electronic parts diagrams showing where each part is used on a vehicle?

How do these units arrive in the USA? How are they packaged?

How many separate SKUs do you currently have?

What is the weight and dimensions of each unit?

What type of packaging do these parts arrive in the United States in? Is each part packed separate and labeled with barcode?

How many units do you expect to store in our warehouse? (min / max)

How many requests for parts do you currently receive per day from your dealers?

How often do you normally ship units to your dealers and in what quantity?

How do you manage backorders? How often do normal parts shipments arrive?

Do the units require any Quality inspection or assembly prior to shipping to dealers; if so please explain.

What terms do you offer your dealers for payment?

How do you currently manage Certificate of Origins and billing?

What percent of your parts sales are warranty parts?

What do you consider your largest challenge to selling units in America?