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Problem 1: Bridging the Information Gap Between Manufacturer and Distributor

Manufacturers have a painstaking ordeal of passing on information to their distribution channels. Updating pricing, pictures, descriptions, SKU's and most notably complex products are a major hassle for distributors and manufacturers.

Non-Syndication Method
- Manufacturer must provide each distributor/Distributor with updates
- Each Distributor/Merchant must update product information on their web site

RedxChangeSyndication Method
- Manufacturer provides updates to one centralized server
- All Merchants/Distributors receive automated product update information in real time
Distributors who want to sell this product on the internet have to sell each combination of variations as a separate product.

First, the Distributor must be able to attach the required levels of variations to a product such as size, color, thickness, length, width, etc. For each variation level, the Distributor must be able to specify whether the variation is mandatory or optional. A mandatory variation requires that the customer select at least one choice from the list of variations. An optional variation can be selected, but is not required. Lastly, the Distributor must be able to specify whether a variation can only be uniquely selected, in other words, only one choice can be made.

It would be more efficient to sell it as one product and let the customer select desired variations. However, this is a daunting task for most Distributors because of the complexity of interdependent variations and complex pricing models.

Large tables frustrate visitors and deter from buying!

Mind-numbing tables that line list every possible variation make it extremely difficult for the consumer to find the specific item they are looking for.
A common problem for many businesses is trying to have their websites exchange data in real-time with their ERP systems. Usually, most data is updated and changed by the distributor's manufacturer. If the manufacturer changes copy on a product, pricing, SKU, picture, MSDS or any other information, the distributor still needs to get this information readily from the manufacturer. Regardless if the distributor already has the capabilities of data exchange between their website and ERP system, this does not solve the real-time issue of getting the data from the manufacturer into the distributor's system (some kind of human exchange needs to still occur).

The distributor still needs to be provided this information from the manufacturer in an efficient manner. It could take months or even years before a distributor posts all the correct and new information pertaining to a product on the distributor's website. If a price, stock quantity, or other information is changed on the website or the ERP system, both need to share the exact same data in real-time. There needs to be one place where all this data gets entered and exchanged between both places, the website and the back end office ERP system.

Imagine if this was all done for the distributor, in real-time by the manufacturer! When the manufacturer makes a change to their product data, this information trickles down in real-time to the distributor's website and ERP system.
THE SOLUTION TO BRIDGING THE INFORMATION GAP
AND SELLING COMPLEX PRODUCTS:

RedxChange™ Product Syndication

To simplify the selling of complex products and its associated content such as; photos, copy, pricing and specifications, manufacturers publish this product information as 'objects' on centralized web servers, which are then delivered upon request to Distributor web sites, to which selected Distributors would subscribe. The distributor can then allow any data change by the manufacturer to flow directly to the distributors web site in real time.

There may be millions of products in syndication, distributed to tens of thousands of Distributor web sites, thousands of times per second.
SRC REQUEST FROM DISTRIBUTOR WEB SITE TO CENTRALIZED SERVER

Each Distributor would set their own pricing, style and messaging but the underlying code that controls the selection of variations would remain on the product syndication server.

Product Encoding

The product is encoded as a Javascript or flash object and delivered directly to the web site, where it is rendered into a readable product. The customer is unaware of any difference in how the product is displayed.

When a visitor accessed a page on a Distributor site, a small ‘snippet’ of code would request a particular product from the product syndication server, which would read the appropriate database record, encode the product in Javascript or Flash, and transmit it directly to the customer’s browser. The browser would then interpret the code and render the visible product, complete with descriptions, images, pricing, and any dynamic coding needed to control how the customer selects interdependent variations if a complex product was selected.
PROBLEM 1 - INFORMATION GAP SOLVED.

All information including pictures, copy, pricing updated in real time by the manufacturer and syndicated in real time to the distributor. The distributor has control to accept or reject these changes product by product.
PROBLEM 2 - COMPLEX PRODUCT UPDATES SOLVED.
Distributor can easily sell complex products effectively and efficiently. Manufacturer can feel comfortable that all product variations are being sold correctly in one efficient syndicated, easy-to-read object.

Database Objects
Each complex product is stored as a database object on the centralized web server. When queried by a Distributor web site, the database record is used to create a customized object which is converted to transmittable code such as javascript or flash and delivered to the web site.
PROBLEM 3 - CONNECTING INTO DISTRIBUTORS AND MFG ERP SYSTEM.
This is accomplished through system updates by the manufacturer one time in one place. Both web and ERP systems updated with data.

Behind The Scenes – ERP Updates Solved!
When the manufacturer updates data on the centralized server, both human readable data (HRD) and machine readable data (MRD) are sent to the Merchant/distributor web and ERP systems in real time.

Manufacturer can also update their own web and ERP through the centralized server.

PARALLEL INFORMATION EXCHANGE
DONE IN REAL TIME!
EXAMPLE:  How These Gas Cans Are Being Sold The Old Way vs New Syndicated Method

SELLING GAS CANS THE OLD WAY.
Cluttered price boxes filled with separate sku’s for each product variation are labor intensive to maintain and a difficult and exhausting customer experience.

SELLING GAS CANS USING RED DOOR!
RedxChange™ Product Syndication provides an incredibly powerful and efficient way to sell these complex products online enhancing the customer experience and giving the distributor a tool not available in the industry today all syndicated from the manufacturer to the distributors “own” web site. View Demo

Old Way:
Requires maintaining 3 different pages and 55 separate sku’s.

New Way:
This one syndicated object contains 55 sku’s for 3 different styles of Type II safety Gas Cans including all possible size and color variations for each style.
SELLING SAFETY HATS THE OLD WAY.

For products that offer many variations such as color and size, having separate SKU's and price boxes for each variation can be tediously difficult for the consumer to find the specific size and color they want.

Customized products will only make the number of combinations of variations increase.

Having to update and maintain all of the copy, images and pricing data is counter productive.

OLD WAY: Requires customers to search through 159 SKU's line listed in mind numbing tables across 11 different pages.

SELLING SAFETY HATS USING RED DOOR!

RedxChange™ condenses ALL the combinations of product variations into one easy to navigate price box allowing for updates in real time. View Demo

New Way: This one syndicated object contains 61 SKU's for 3 different styles of Safety Hats including all possible variations for each style.
SELLING SAFETY MATTING THE OLD WAY.
A selection of standard sized mats is spread across several pages with multiple sku's on each page. Custom sizes are either available by quote only or simply not offered at all.

OLD WAY: Requires maintaining 4 types of mats on 15 different pages, yet they do not offer the Mfg’s full product offering, only 26 sku’s. No custom mats are offered at all.

SELLING SAFETY MATTING WITH RED DOOR!
Red Door™ combines multiple styles of mats with many variations, including custom sizes into one convenient price box. This allows the distributor to offer a more comprehensive selection for the customer, hence a much better customer experience and increased sales.

NEW WAY: This one syndicated object contains 112 sku’s for 4 types of Diamond-Plate anti-fatigue mats including all possible variations for each style. Plus the ability to specify custom sizes.

Table:
<table>
<thead>
<tr>
<th>SKU</th>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAT-410.916.3x5EK</td>
<td>Diamond-Plate w/ GripWorks! UltraSoft • Length: 5 ft, width: 3 ft, thickness: 9/16 in, color: black</td>
<td>1-5</td>
<td>243.87</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6-10</td>
<td>221.03</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11-20</td>
<td>218.20</td>
</tr>
<tr>
<td></td>
<td></td>
<td>21+</td>
<td>205.36</td>
</tr>
</tbody>
</table>

Style
- Diamond-Plate SpongeCote
- Diamond-Plate w/ GripWorks!
- SR (Slip Resistant) Diamond-Plate
- UltraSoft Diamond-Plate

Length
- 5 ft
- 75 ft (full roll)
- Custom length

Thickness
- 9/16 in
- 15/16 in

Color
- Black
- Black/Yellow
- Charcoal
- Gray
SELLING SAFETY WEAR THE OLD WAY.

This distributor is selling just one type of Micro Max Suit showing a long list of sku’s – one for every size available. The customer can easily lose their train of thought through these mind-numbing tables.

OLD WAY:
Shows only 2 of the 3 types of Micro Max suits available. Suits are shown on 4 pages in long tables displaying 40 sku’s.

NEW WAY:
This one syndicated object contains 130 sku’s for all 3 types of Micro Max suits including all possible variations for each style.

SELLING SAFETY WEAR WITH RED DOOR!

Red Door™ combines all 3 types of MicroMax Suits with many variations for each into one convenient price box. This allows the distributor to offer a more comprehensive selection that is customer-friendly and much easier for the distributor to maintain. View Demo
A NEW WAY OF THINKING WITH REDXCHANGE™ PRODUCT SYNDICATION.

Check out these online demo examples
to see how Red Door™ can help you sell complex products online!

Click on the manufacturer’s logo.

Click on the links above to see live online examples of how RedxChange™ Product syndication can greatly improve and empower the way you do business, successfully selling complex products online.
A Distributor web site uses product syndication to offer products to its customers. Instead of hard-coding products in the HTML code, or constructing them from a local database, the products are rendered from code transmitted from a centralized web server.
Distributor Benefits

- Ability to offer complex products to their customers, enhancing the customer’s product selection experience. **Result: increased sales.**

- Minimal need for a webmaster or outside web dev shop. New products can be placed on distributor’s web site in minutes. Existing products, pricing, copy and more can be updated through innovative web-services-based information exchange via centralized server.

- Ability for syndicated products to be stylized to adhere to the look and feel of the distributor’s web site.

- Distributor does not need to purchase any software or hardware. All they need is a connection to the Internet and a web site. The product syndication services ‘bolts on’ to a distributor’s existing site – it doesn’t require any disruption of the existing E-Commerce solution.

- Rather than spending hours trying to figure out how to set up a complex product for sale on their web site, distributors can ‘drag and drop’ a single line of code that will cause a ready-to-view dynamic object to display for their customers. The entire process takes only minutes.
ADVANTAGES OF PRODUCT SYNDICATION - MANUFACTURER BENEFITS

PATENT PENDING # 11/939,567

Manufacturer Benefits

- Expand distribution capabilities by helping distributors simplify the sale of complex products online. Result: increased manufacturer sales.
- Centralizes all product information at the manufacturer level, improving the exchange of product information between the manufacturer and its distributors. Product information is available as syndicated dynamic objects as well as machine-readable web-services feeds.
- Manufacturer can manage all content associated with each product: descriptions, SKU’s, pricing, photos, spec sheets, etc. All content uploaded to central server is immediately propagated to distributors 24/7.
- Manufacturer can set pricing for each group of distributors. Distributors can configure their accounts to either automatically accept all product information updates, or to moderate them in groups, or on a product-by-product basis.
- Product Syndication is a Software as a Service (SaaS). There is no software nor hardware to purchase nor install. The service is pre-installed on our servers in our data center.
- By placing a powerful tool like product syndication into the hands of its distributors, distributors will be more effectively able to sell complex products, and better able to manage product information on their web site and back-end systems. This will result in increased distributor retention, since distributors will tend to become accustomed to the service, and it will serve as an effective switching barrier with respect to competing manufacturers that do not offer syndicated services.
- This service can be a revenue stream for the manufacturer, offered as a subscription service or assigned to the distributor as an added value proposition.
- Manufacturers have a vested interest in the success of their distributors. Any tools that help their distributors sell their products is of benefit to the distributor, and will tend to strengthen the relationship.

Bottom line: Both manufacturer and distributor have something to gain in adopting this technology: increased sales. But beyond that, it provides increased efficiency for the end customers, who are better able to purchase complex products. All-in-all, product syndication offers a rare ‘trifecta’ of efficiencies for manufacturers, distributors and end customers.
Benefit Summary

- Enhanced shopping experience for customers. Result: increased sales for both the distributor and manufacturer.
- Strengthens the manufacturer/distributor relationship, increasing perceived switching barriers with respect to competing manufacturers.
- Simplifies the selection process of products with complex and confusing variations such as length, width, thickness, color, etc.
- Allows product information to be efficiently and instantly downloaded from a centralized server, ensuring that product information at the distributor level is up-to-date. Information includes pricing, descriptions, SKU's, photos, spec sheets, etc.
- A new model for managing the outreach of product information from manufacturers to distributors. Replaces tedious hands-on methods of updating product information with quick and easy automated information exchange – right over the Internet.
### Weighing the Investment:

Cost reductions for Mfg. and Dist. to consider:

**A. If your e-commerce/web site maintenance is done in-house:**
1. **In-house Webmaster**  
   $70-80K per year  
   **Design and maintenance of your web site**
2. **In-house Internet/IS Technician**  
   $85-95K per year  
   **Programming and Maintenance internal information systems, provide transfer of data and/or ERP directly to web site or to webmaster**
3. **In-house Administrative/Data Entry Person**  
   $15-20 per hour  
   **Time spent preparing/distributing data in multiple formats to multiple locations**

**B. If your e-commerce/web site is done by an outside firm:**
1. **Outside Web Company**  
   $100+ per hour  
   **Design and maintenance of your web site, programming for ERP systems integration - (equivalent of A1 and A2 above)**
2. **In-house Administrative/Data Entry**  
   $15-20 per hour  
   **Time spent preparing/distributing data in multiple formats for different distributors and preparing data for company to update your web site**

### Pricing Model

**RedxChange Product Syndication**

provides an affordable pricing solution with mutual benefits for both manufacturer and distributors to expand product offerings, increase sales and improve information exchange.

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Mfg Monthly Cost Before Rebate</th>
<th>Mfg Monthly Base Subscription Rebate</th>
<th>Mfg Monthly Cost After Rebate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base Subscription:</strong></td>
<td>$495.00</td>
<td><strong>Included</strong></td>
<td>$495.00</td>
</tr>
<tr>
<td>5 mfg. web site content login accounts</td>
<td>Incl.</td>
<td><strong>Included</strong></td>
<td>$99.00 (a)</td>
</tr>
<tr>
<td>5 mfg. web services interface login accounts</td>
<td>Incl.</td>
<td><strong>Included</strong></td>
<td>$59.00 (b)</td>
</tr>
<tr>
<td>20 Dist. web site content login accounts</td>
<td>Incl.</td>
<td><strong>Included</strong></td>
<td>$99.00</td>
</tr>
<tr>
<td>20 Dist. web services interface login accounts</td>
<td>Incl.</td>
<td><strong>Included</strong></td>
<td>$59.00</td>
</tr>
<tr>
<td>100 SKU’s</td>
<td>Incl.</td>
<td><strong>Included</strong></td>
<td>$337.00</td>
</tr>
<tr>
<td>10 MB of assoc. content per product</td>
<td>Incl.</td>
<td><strong>Included</strong></td>
<td></td>
</tr>
<tr>
<td>1000 GB total bandwidth per month</td>
<td>Incl.</td>
<td><strong>Included</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$495.00</td>
<td><strong>$158.00</strong></td>
<td><strong>$337.00</strong></td>
</tr>
</tbody>
</table>

(a) 20 Dist web content acct x $4.95/per acct = $99.00/month in mfg rebates
(b) 20 Dist web services acct x $2.95/per acct = $59.00/month in mfg rebates

Go to our online investment calculator at [http://www.reddoorsoftware.com/pricing-calculator.php](http://www.reddoorsoftware.com/pricing-calculator.php) for a cost estimate that will fit your specific business model.
INVESTMENT CALCULATOR

Our pricing model also offers tremendous flexibility to add manufacturer and distributor login accounts, additional SKU's and ERP integration through web services.

Go to our online investment calculator at [http://www.reddoorsoftware.com/pricing-calculator.php](http://www.reddoorsoftware.com/pricing-calculator.php) for a more detailed cost estimate for your specific product offering and business model.

<table>
<thead>
<tr>
<th>Description</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Subscription</td>
<td>$495.00</td>
</tr>
<tr>
<td>To manufacturer for additional SKU's</td>
<td>$0.25</td>
</tr>
<tr>
<td>To distributor for web content account</td>
<td>$19.95</td>
</tr>
<tr>
<td>To distributor for web services account</td>
<td>$9.95</td>
</tr>
<tr>
<td>To manufacturer for dist. web content acct</td>
<td>$9.95</td>
</tr>
<tr>
<td>To manufacturer for dist. web services acct</td>
<td>$4.95</td>
</tr>
<tr>
<td>Rebate to mfg for web content account</td>
<td>$4.95</td>
</tr>
<tr>
<td>Rebate to mfg for web services account</td>
<td>$2.95</td>
</tr>
</tbody>
</table>

Note: Calculator pricing estimate does not include the cost for the initial product build-out. Build-out costs are specifically tailored to each manufacturer's specifications and requirements and will be provided in a detailed proposal upon request.

### Additional Login Accounts and SKU's

To estimate your monthly subscription plan with additional login accounts and SKU's use the calculator below.

- **Number of Product SKU's**: Enter the total number of product SKU's you plan to offer.
- **Number of Distributor web content accounts**: Enter the total number of additional distributor web content login accounts - These are for data storage and transfer of web site data such as images, copy, pricing, etc.
- **Number of Distributor web services accounts**: Enter the total number of additional distributor web services login accounts - These are for data storage and transfer of data integration of various back end systems such as ERP, CRM, Inventory, etc.
- **Number of Manufacturer web content accounts**: Enter the total number of additional manufacturer web content login accounts - These are for data storage and transfer of your web site data such as images, copy, pricing, etc.
- **Number of Manufacturer web services accounts**: Enter the total number of additional manufacturer web services login accounts - These are machine to machine accounts for data integration of various back end systems such as ERP, CRM, Inventory, etc.

[Calculate My Monthly Cost](#)
PRODUCT SYNDICATION:

Syndication is a way of pushing rapidly changing information to remote users. Well noted examples include:

- RSS feeds, used to publish short news stories all over the Internet. Google News is an example of this.

Using simple commands, Distributors can ‘drop and sell’ products or supply information right into their web pages for their customers, a model that currently exists and is widely accepted.

But RedxChange™ Product Syndication, with BUILT-IN support for complex products, takes this model to new heights.
WHAT MAKES REDXCHANGE PRODUCT SYNDICATION DIFFERENT:

RedxChange™ Product Syndication allows entire product information - pictures, pricing, descriptions, SKU’s, and most notably, complex products, to be pushed directly to your commerce partners web site. E-Business managers at the manufacturer level can upload their products to our syndication server and modify them over the web. The distributor can then allow any data change by the manufacturer to flow directly to the distributors web site in real time.

Benefits of RedxChange™ Product Syndication

- Manufacturer can modify pricing for different distributors
- Manufacturer can add, modify, and delete pictures, copy and any other information which would all filter down immediately in “real time changes” on the distributors web site.
- Manufacturers can choose what products can be sold by what distributors, partial or all products.
- Distributors can also log into the syndication server and set their own pricing, SKU’s, descriptions, etc. Distributor can use specific logic, as an example “If a manufacturer increases our price by 5%, raise prices on our web site by 5%.”
- Our tools are sold as a Software as a Service - SaaS - there is no software to install. Everything is already installed on the Internet
- Our tools bolt onto existing E-Commerce platforms - they do not replace them
KEY INSIGHTS THAT LED TO THE IDEA OF REDXCHANGE™ PRODUCT SYNDICATION:

1. Manufacturers have a pain-staking ordeal of figuring out how information is efficiently passed to their distribution channels. Pricing and other data updates are a major hassle for distributors and manufacturers. Syndicating products eliminates these problems. As soon as information changes on the manufacturing side, it instantly trickles down to distributors, as rules logic.

2. Manufacturer will not have to support different data requests from different distributors. With one centralized location for the manufacturers data, all distributors will automatically get a data feed of any magnitude directly to their web site in real time.

3. Certain manufacturers have complex products that are difficult to sell online. Most Distributors will never effectively sell or represent the product correctly on behalf of the manufacturer. Product syndication allows manufacturers to pre-configure complex products as easily ‘dropped-in’ objects that Distributors can plug into their web sites quickly. This pre-configuration includes easy to use configurators and condensers.

4. Customers can become confused when choosing from many similar products that have only slight variations from one another, usually visualized through long mind numbing tables.

5. Creating the means for distributors to sell complex products creates a tremendous advantage for manufacturers. Their competitors may be slow to adopt similar technology, and their own distributors will continue to sell ineffectively. Product syndication, combined with advanced tools for selling complex products, is a FORCE MULTIPLIER for manufacturers. It increases the selling power of a mfg’s installed base of distributors.
ACCESS TO REDxCHANGE™ PRODUCT SYNDICATION:

Two Steps Required

1. Print out and sign our non-disclosure form pdf, then fax it to us at 860-540-0611.

2. Fill out our online request form. Upon approval you will receive your username and password to access this restricted area.

Once you have completed the non disclosure form and received your username / password

Click here to log in to RedxChange™ Product Syndication