

# WINNING COMPANIES FOCUS ON MORE THAN INNOVATION AND TIME TO MARKET - ROI IS THE KEY TO SUCCESS.

Centric Product Profitability Planning enables companies to understand the total ROI of new products before they launch, so they can optimize their margins across all SKU's, channels and regions of business.

## ► Innovation and Time to Market Aren't Enough

Staying competitive in a tough economy means that businesses need to continue delivering the right products to the market as quickly as possible. Yet often times, companies only look at part of the picture – design and time to market are important considerations, yet not focusing on the total ROI or cost of a new product is a recipe for disaster.

Calculating the fully loaded cost of a new product is difficult, since information like royalties, COGS, marketing costs, freight costs and channel costs are usually captured by different departments in different systems. And with each new product potentially having multiple SKU variants and channels, the problem can get exceedingly complex. Consequently, companies often fail to determine the real ROI before launching their new products – and often end up with lower margins and more frequent product failures.

## ► Get the True Costs and Margins of New Products

Centric Product Profitability Planning gives you comprehensive and detailed visibility into all your new product costs and margins before they launch, so you can wisely invest in the right products. Centric drives total product profitability by helping you increase product margins, improve new product success rate and eliminate surprises.

Unlike many systems that give you just a partial view of product costs, Centric Product Profitability Planning provides complete cost and margin information before you launch your products – including royalties, shipping costs, GMROI and more. Centric also provides financial information down to any level of the BOM, as well as across all your SKU's, channels and regions of business. And you have instant visibility to any changes to your financial metrics, so you can stay on track. The result? More profit for your business.

## CENTRIC PRODUCT PROFITABILITY PLANNING BENEFITS

Centric Product Profitability Planning delivers vital business results:

### Improve Product Margins

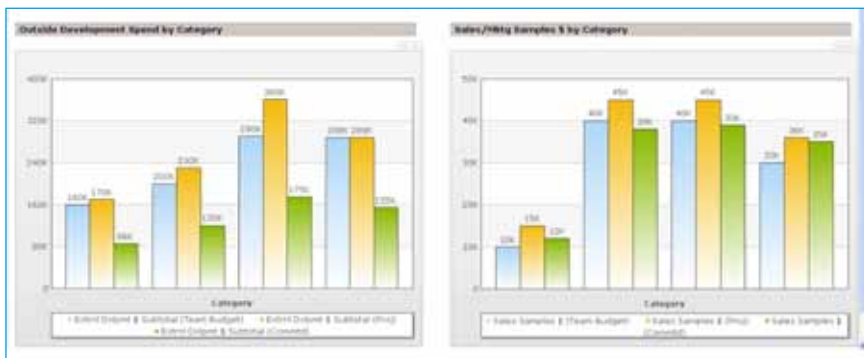
- Determine total cost of new products, including royalties, tooling, freight and more.
- Increase visibility into product ROI across all SKU's, retailers and regions of business.

### Improve Product Success

- Quickly identify which new products have the highest potential margins.
- Keep teams informed on performance to financial objectives, such as GMROI and cost targets.

### Reduce Surprises

- Quickly see changes to product performance metrics.
- Easily understand impact of supplier and channel updates to product margins.



DASHBOARD VIEW OF DEVELOPMENT SPEND PER CATEGORY AND SALES SAMPLE COST BY CATEGORY

Centric offers a range of essential features that help companies drive profitability for their new products.

## COMPREHENSIVE VISIBILITY INTO TOTAL PRODUCT COSTS AND MARGINS

- Track total product costs and margins beyond the BOM.
- View all costs associated with new products, including COGS, royalties, freight charges, tooling etc., to accurately project new product margins.
- Integrate to multiple data sources, including ERP, CRM or legacy systems, to get historical costs and margins to quickly create accurate financial projections.
- Get updates from all suppliers, channels, geographies to get the latest product costs and margins before your product launch.

## ROI VISIBILITY AT ANY LEVEL OF DETAIL

- Determine the total cost, margin and ROI data for your new products at any level of the BOM, including SKU variants, subassemblies or specific components.
- Instantly roll up or drill down into cost, margin and ROI data across multiple dimensions, including product categories, channels and geographies.
- Eliminate data discrepancies and disputes with the same data available to all, rather than locked in multiple spreadsheets

## CONTROL OVER ANY FINANCIAL IMPACT

- Instantly see changes to any of your financial metrics, including Contribution Margin ROI and Gross Margin ROI.
- Track progress of your product launch milestones to ensure you meet delivery commitments and financial objectives.
- Initiate workflow approval processes to ensure standard investment reviews for new product proposals or product updates.



Centric 8 PLM and sourcing suite is an enterprise solution set that includes Product Profitability Planning, Line Planning, Product Specification, Product Sourcing, Calendar Management, Enterprise Search, Enterprise Connectivity on one powerful yet easy-to-use platform.

The screenshot shows a dashboard with two main tables. The top table, 'Business Plan by Category', displays financial metrics for various teams. The bottom table, '% of Complete Projects per Milestone', shows progress percentages across multiple milestones for each team.

Team	Actual Sales (YTD)	Revenue (YTD)	Profit (YTD)	Profit Margin (%)	Total Budget (YTD)	Total Budget %	Total Budget #	Total Budget %	Total Budget #	Total Budget %	Total Budget #	Total Budget %
Large Hardware Team	\$12,000,000	\$12,000,000	\$1,000,000	8.3%	\$1,000,000	100%	\$1,000,000	100%	\$1,000,000	100%	\$1,000,000	100%
High Channel	\$2,000,000	\$2,000,000	\$1,000,000	50%	\$1,000,000	100%	\$1,000,000	100%	\$1,000,000	100%	\$1,000,000	100%
Playbooks	\$2,000,000	\$2,000,000	\$1,000,000	50%	\$1,000,000	100%	\$1,000,000	100%	\$1,000,000	100%	\$1,000,000	100%
Other / Transfer leads	\$8,000,000	\$8,000,000	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$0	0%

Team	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15
Large Hardware Team	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
High Channel	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Playbooks	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Other / Transfer leads	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

DASHBOARD WITH GROSS MARGIN PROJECTIONS BY CATEGORY