



**Smiths Medical**  
Leveraging Supplier Collaboration to Drive Supply Chain Excellence

---

# Cautionary Note Regarding Forward Looking Statements

The contents of this presentation and what we say during it contain certain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. We caution you that all forward-looking statements involve risks and uncertainties.

These forward-looking statements include statements regarding our beliefs about our plans, strategies and pipelines and factors that may affect them, our beliefs regarding the markets in which we compete, our beliefs regarding revenues, our beliefs and projections about financial measurements and revenues, including the amount and composition thereof, for any future period, our expectations regarding our cash position and uses of funds, our plans for future growth, our expected results with integrations, our plans and beliefs regarding acquisitions or strategic partnerships, including the completion, terms and potential benefits thereof, and any estimates we may make.

Important factors could cause actual results to differ materially from those in the forward-looking statements. We urge you to read the company's public filings with the Securities Exchange

Commission (SEC), including our Registration Statement on Form F-1, our Annual Report on Form 20-F for the year ended December 31, 2009 filed with the SEC on June 1, 2010, other filings we may make, and our earnings and other press releases, all of which are available on our corporate website at [www.cdcsoftware.com](http://www.cdcsoftware.com) and at [www.sec.gov](http://www.sec.gov). We also encourage you to review the press releases and filings of our ultimate parent company, CDC Corporation.

All forward-looking statements are based upon information available to management as of the date thereof, and you are cautioned not to place any undue reliance on any forward-looking statements, which speak only as of such date. We assume no obligation to update or alter the forward-looking statements whether as a result of new information, future events or otherwise. Historical results are not indicative of future performance.

---

# Background

- Consistent supply chain dilemma
  - Reduce supply chain and inventory costs
  - Increase customer service levels
- Pressure greatest for supply chains like medical device manufacturers
- Where to turn? New ERP, Massive consulting project, Re-engineer production operations, etc.
- After thorough evaluation.....CDC TradeBeam's i-Supply solution
  - SaaS technology
  - Proven
  - Quick implementation and ROI



---

# About Smiths Medical

- A subsidiary of Smiths Group plc, a FTSE 100 UK based company Smiths Medical employs 7,500 people, with manufacturing concentrated in the US, the UK, Mexico and Italy. North American Headquarters: St. Paul, MN
- Smiths Medical is a leading global provider of medical devices for the hospital, emergency, home and specialist environments.
- Products are used during:
  - Critical and intensive care
  - Surgery
  - Post-operative care during recovery
  - High-end home infusion therapies



---

# Program Objectives

## 1. Drive out cost

- Reduce inventory levels – specifically raw material stock
- Increase inventory turns by 20%
- Reduce manual processes
- Reduce expediting

## 2. Maintain or improve current order fill rates

## 3. Continue to meet or exceed customer service levels

## 4. Promote stronger, collaborative relationship between Smiths Medical and their Supplier Network



---

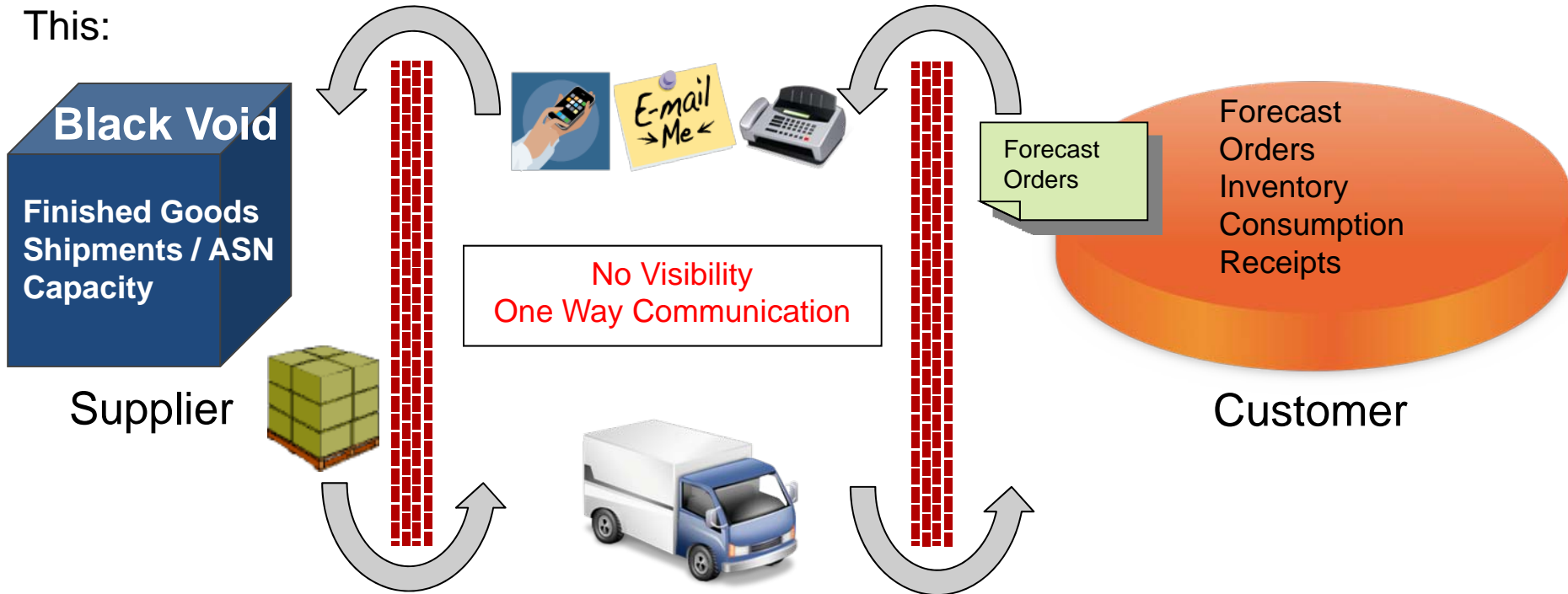
# Current Challenges

- Forecasted ordering
- Single points of failure
- Lack of visibility to exceptions
- Interplant dependencies
- Limited resources

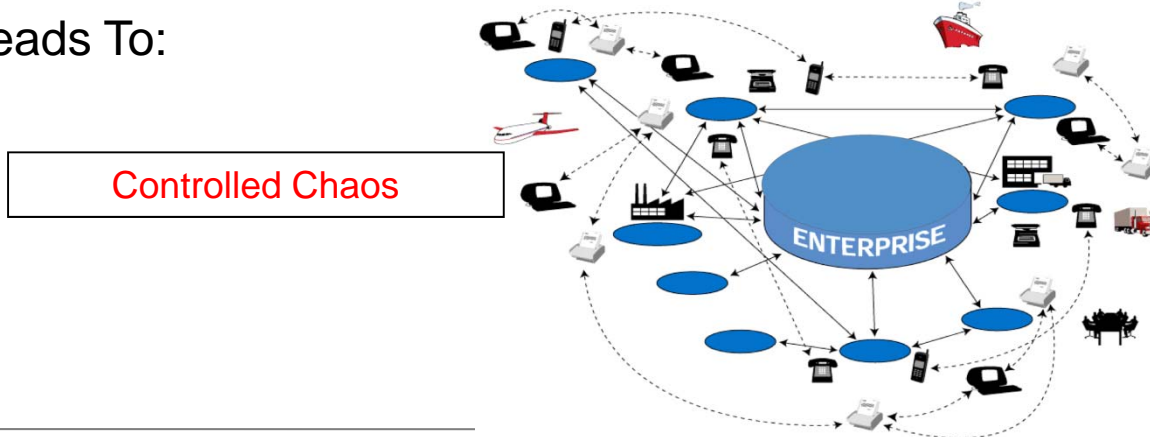


# Traditional Supply Chain Communication

This:

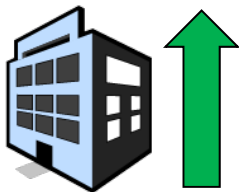
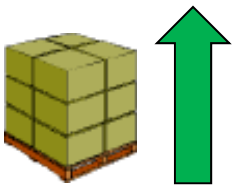


Leads To:



# Traditional Supply Chain

- Lack of visibility for all parties and poor processes create:
  - Downtime
  - Premium freight
  - Unnecessary inventory
  - Added administrative burden
- This drives lack of confidence in the supply chain and causes manufacturers to overcompensate by:





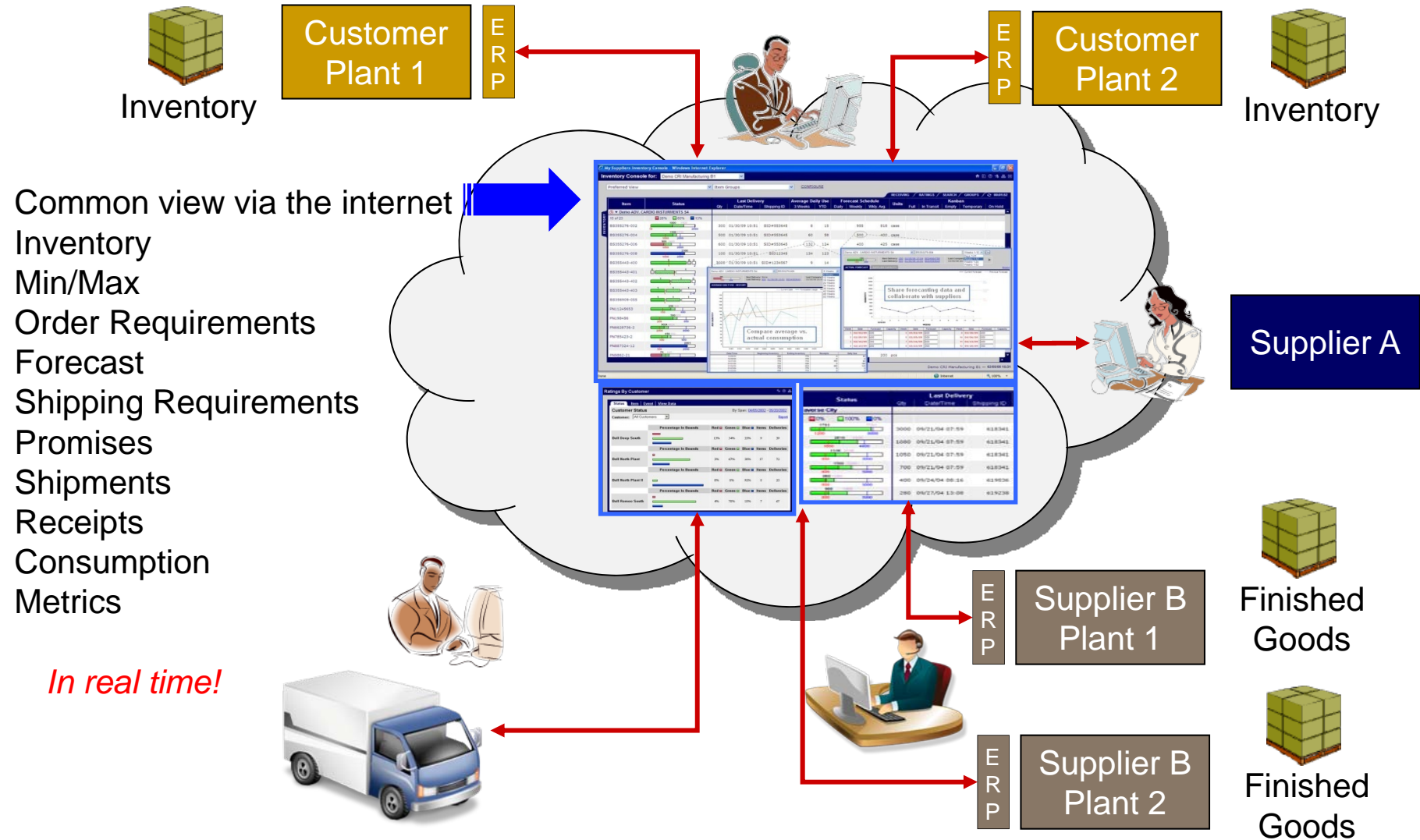
---

# The Solution

- Smiths Medical elected to partner based on the following:
  - Intuitive web-based interface
  - Industry experience working with mission critical supply chains
  - A deep understanding of the risk / reward tradeoff
  - Ease of implementation
  - ERP Agnostic
  - Significant business value to both Smiths and their Supplier Community
  - Cost effectiveness of a subscription investment model
  - Willingness (confidence) to partner in a shared risk deployment



# What is the i-Supply™ Solution?



---

# Results

- Implementation Time: 2 mths for first plant > 6 mths for full roll out
- Number of Plants: 14
- Inventory Reduction: 23%
- Inventory Turns: Increase by >20%
- Administrative burden reduction
- Ease of supplier adoption
- Supplier Benefits



---

# Conclusion

- Supplier collaboration through visibility will help reduce supply chain costs while increasing customer service levels.
  - Enhances supplier relationships
  - Decreases stock outs
  - Increases inventory turns
  - Reduces administrative time
  - Visibility to Advanced Shipping Notices
  - Electronic communication with EDI and non-EDI suppliers
  - Reduction in premium freight



---

# Contact

CDC Software

## Sales

Atlanta, GA USA

+1 (770) 351-9600

[info@cdcsoftware.com](mailto:info@cdcsoftware.com)

CDC TradeBeam

## Service

San Mateo, CA USA

+1 (650) 653-4800

[infoTB@cdcsoftware.com](mailto:infoTB@cdcsoftware.com)

CDC Software | 2002 Summit Boulevard, Suite 700 | Atlanta, GA 30319 | USA

Copyright© CDC Software 2011. All rights reserved. The CDC Software logo and Ross Enterprise logo are registered trademarks and/or trademarks of CDC Software.