

TrueDemand Software Announces Record Year

Company closes over \$5 million in new funding, adds customers and sees significant increase in annual revenue.

Los Gatos, CA – December 23, 2008 – TrueDemand Software, the leading provider of solutions for consumer packaged goods (CPG) account teams, today reported more than \$5 million of new funding this Fall and strong growth in both customers and revenue in 2008.

“Even in these challenging economic times, I am happy to report that TrueDemand continues to deliver exceptional results and add new customers,” said Eric Peters, CEO of TrueDemand. “There is growing awareness that TrueDemand is a critical solution for high performing retail account teams and the most effective way to align store operations, replenishment and the supply chain to make sure consumer products are in the right place at the right time, ready to be purchased.”

In 2008, TrueDemand grew revenue more than 60% year-over-year. In addition, the company’s current investors added \$5 million in funding to support continued growth in customer service, sales and marketing.

New Customers & Capabilities

CPG manufacturers are facing a turbulent economy and one of the most challenging retail environments in decades. Against this backdrop, TrueDemand more than doubled the number of leading CPG manufacturers it works with to improve performance at the shelf. TrueDemand also expanded the number of retailer data sets it can work with to include eight of the largest retailers in the U.S.

In addition, TrueDemand formed partnerships with complementary solution providers Vision Chain and O4, and strengthened its partnership with IBM to support demand-driven replenishment.

“Today’s environment has heightened the need for consumer products businesses to meet the dynamic demands of the modern supply chain. This means achieving visibility from the shelf backward, anticipating and responding to changes in demand, and coordinating actions through all points of the network,” said Richard Essigs, Consumer Products Industry Solutions Leader, IBM Global Business Services. “We are proud to work with valued partners such as TrueDemand Software to help clients build demand-driven supply networks, relying on business solutions such as the IBM Continuous Replenishment Service and IBM BusinessTone®.”

TrueDemand creates demand forecasts at the distribution center and store level, by item, and presents that information within a software solution that supports critical store operations, replenishment and supply chain business processes. The solution enables retail account teams to assess daily sales performance and to take action on specific recommendations to lift sales at the shelf.

Key capabilities of the TrueDemand solution include:

- Automatically detecting and predicting out-of-stock items at the store shelf on a daily basis
- Correcting inaccurate inventory levels in stores
- Improving the effectiveness of store operations activities
- Measuring sales execution and performance across multiple retailers

Increased Marketing

In 2008, TrueDemand opened an office in Bentonville, Ark., home to Walmart and hundreds of CPG account teams. TrueDemand is a member of the Bentonville and Rogers Chambers of Commerce and plays an active role in the community, hosting programs for Walmart suppliers throughout the year and participating in a variety of charity events and business gatherings including Sharing and Caring of Benton County, the Susan G Komen Ozark Affiliate and the Doing Business in Bentonville Speaker series.

Also in 2008, TrueDemand hosted a series of webinars featuring Kimberly-Clark Corporation and ConAgra Foods. Topics included:

- How Leading Consumer Goods Companies are Improving Operational Performance and Responsiveness to Drive Sales at the Shelf
- How Retail Account Teams are Capturing Lost Sales at the Shelf

Replays of all TrueDemand webinars are available at resources.tdemand.com.

Also in 2008, TrueDemand expanded its advisory board to include JD Spangler, former Vice President of Customer Marketing/Management at Sara Lee Food & Beverage. Spangler is a food manufacturing industry veteran with deep experience in direct store delivery (DSD) and the “last mile” of the retail supply chain. He joins an advisory board that includes top CPG, retail and supply chain experts who help guide TrueDemand product and business strategies.

About TrueDemand

TrueDemand Software helps leading CPG manufacturers and their retail account teams lift sales at the shelf. TrueDemand generates daily item and store level demand forecasts that, when coupled with current inventory on hand, identify problems at the shelf and in the retail and manufacturer distribution centers that lead to lost sales and excess inventory in the supply chain. TrueDemand generates actionable tasks for store operations, replenishment and supply chain personnel to balance inventory needs with a desire to maximize sales and shelf availability in the retail store. TrueDemand is based in Los Gatos, Calif., with offices in Bentonville, Ark.; and Pune, India. For more information, please visit TDemand.com.