

TVNZ to facilitate strategic sourcing using i2 Procurement

TVNZ seeks to achieve sustainable cost reductions through tighter management and accountability of indirect procurement using i2 Supplier Relationship Management

New Zealand's public broadcaster, TVNZ, announced that it expects to make significant reductions in its annual procurement spend by using i2 Supplier Relationship Management (SRM) for indirect e-procurement. This initiative comes as TVNZ seeks measurable improvement in its procurement performance, and to increase the value that procurement provides to the company. i2 SRM is designed so that companies and their suppliers can collaborate on sourcing and procurement for supply management. With indirect procurement as its current focus, TVNZ stated that it plans to use i2 Procurement to achieve bottom line benefits through: Rationalisation of suppliers to form more strategic relationships Increased compliance with contract suppliers Consolidation of indirect purchases to leverage buying volume Streamlined, automated procurement processes to allow employees time to concentrate on their core business Tighter monitoring and management of budget compliance. According to TVNZ, a significant amount of indirect purchases are made through off-contract buying. Potential for considerable cost savings exists by improving supplier loyalty, increasing bulk purchases, and reducing multiple invoices and split payments, which can be difficult to monitor. Andrea Gregory, strategic procurement manager of TVNZ said, TVNZ is striving to improve its existing cumbersome purchasing processes. Purpose-built workflow rules, user-friendly browse capabilities and approvals are essential for modern best practice purchasing processes. Our objectives are to seek tighter management, discipline and accountability for indirect spend activities to achieve significant and sustainable cost reductions, continued Gregory. The tough economic climate has prompted us to find creative ways to save money. i2 provided the best response to the challenges faced by TVNZ, and will enable us to implement a strong strategy for the procurement of indirect commodities. During this economic downturn, companies across all industries seek to obtain value by adopting technology that allows their internal business processes to operate more fluidly. i2 Procurement, part of the i2 SRM suite, provides these companies with the tools to manage procurement transactions, including requisitioning, purchase order creating and settlement, to have greater visibility of buying patterns and metrics, making spending and budgets easier to monitor. i2 products such as i2 Procurement are built upon the methodology of Dynamic Value Chain Management (DVCM), a business philosophy of collaboration within a company and across companies in the value chain at the rate of business. i2s recently enhanced procurement capabilities are a primary component of DVCM, allowing companies and e-marketplaces to manage spend aggregation across procurement partners in the extended supply chain. Rodney Boyle, managing director of i2 Australia and New Zealand said, With the release of i2 Five.Two we have a strengthened our specialisation in supplier relationship management and are able to offer more capability in the growing key areas of buyer collaboration and strategic sourcing. TVNZ will join other leading organisations in the region to increase efficiencies and reduce overheads using i2 Procurement. The online network will help to build better relationships with TVNZs suppliers of all sizes, Gregory added. Larger vendors have been waiting for this level of automation to reduce costs and to strike more secure and steady deals, and smaller service providers and suppliers benefit from streamlined purchase order and payment processes. -ENDS- About TVNZ TVNZ is a Crown entity wholly owned by the New Zealand Government. The successful public broadcasting company recorded profits of NZ\$30 million for 2001. The TVNZ Group is a television and media company involved in the production and acquisition of television programs. In addition to its core business, TVNZ offers Internet portal services through www.nzzoom.com as well as the transmission and linking of broadcasting and telecommunications signals. nzzoom.com has received a number of industry awards, most notably joint winner of the NetGuide award for best news site category as well as being a finalist in best portal category. About i2 For more than a decade, i2 has been a leader in supply chain management. i2 has extended its technology and expertise to Dynamic Value Chain Management solutions to help companies collaborate on decision-making processes not only across functions within a single company, but across multiple companies. i2 solutions span the value chain interactions, including customer relationship management, supply chain management and supplier relationship management. Established in 1988, i2 is the only software solutions provider that measures, audits, and reports total value provided to its customers, with a mission to deliver US\$75 billion in value by 2005. Learn more at www.i2.com. i2 Cautionary Language This press release contains forward-looking statements regarding the customers ability to implement the i2 solutions successfully, in a timely fashion, or to achieve expected benefits. These forward-looking statements involve risks and uncertainties, and actual results may be much different. For a discussion of factors identified by i2 that could cause actual results to differ materially from those forward-looking statements, please refer to i2's recent filings with the SEC, particularly the Form 10-K/A filed August 7, 2001 and Form 10-Q filed November 14, 2001. Additionally, i2 assumes no obligation to update the forward-looking statement contained in this news release.