

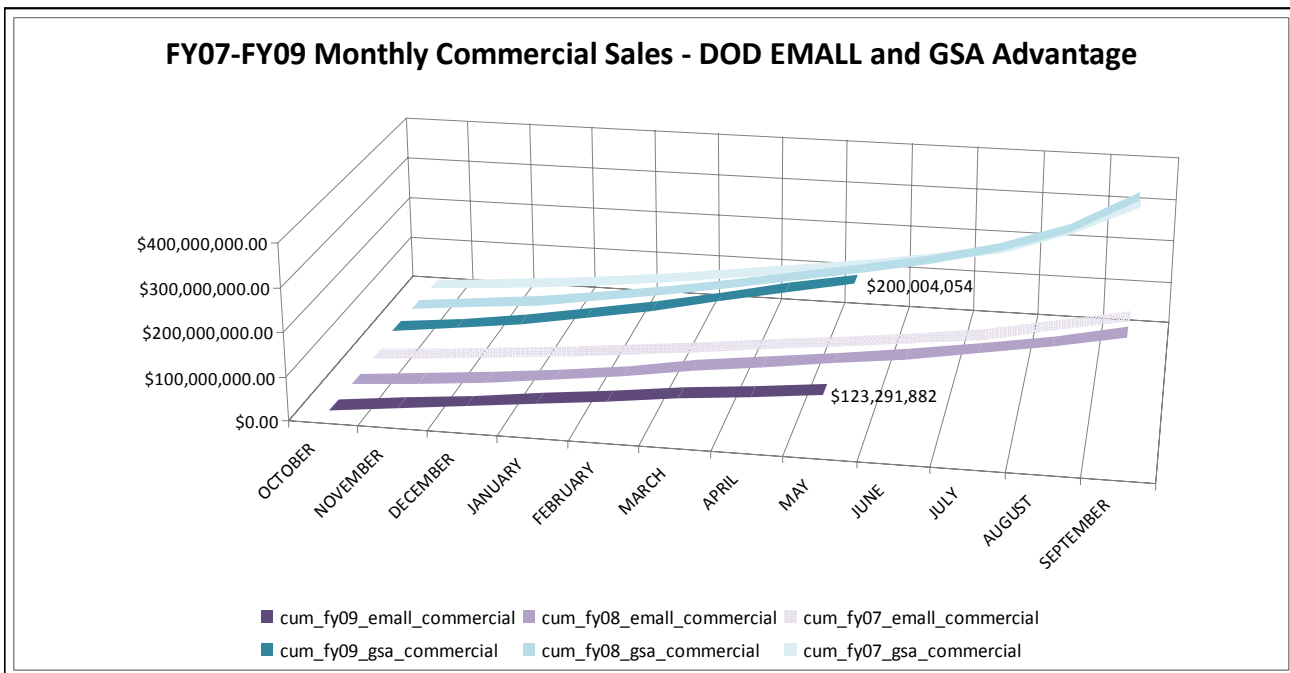


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Actionable Government Business Intelligence

Portal Sales Show Continued Growth:

FY 09 commercial catalog sales through the two major Government eCommerce portals, GSA Advantage and DOD EMALL, topped \$323M so far. Commercial catalog sales on the portals for the month of May exceeded \$51M. GSA Advantage commercial catalog sales activity surpassed DoD EMALL for the third consecutive year. DoD EMALL portal sales as a whole are higher than GSA Advantage sales due to the high volume of NSNs sales across the DoD EMALL portal.

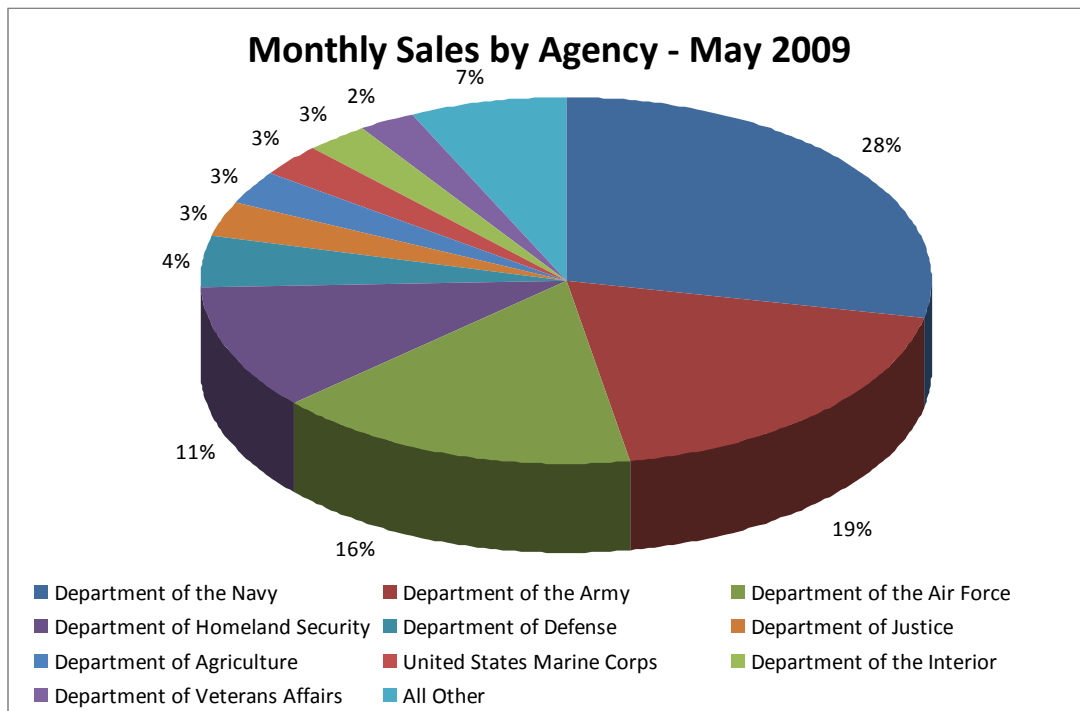


Agency Buying Activity:

Commercial catalog buying trends by Agency for May 09 were dominated by the Department of the Navy, Department of the Army and the Department of the Air Force. Their collective purchases accounted for more than 58% of total portal sales activities this period. Agency purchases focused primarily on the Office Equipment and Accessories and Supplies (\$11M), Information Technology Broadcasting and Telecommunications (\$2.9M), and Paper Materials and Products (\$2.4M) categories.



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Top Selling SKUs on DoD EMALL:

The top selling commercial product on DoD EMALL for the month of May was a Glass Cloth Tape manufactured by 3M – Item # 361. This item sells for an average price of \$117.82 on the portal. Monthly sales for this product totaled more than \$196k. The other top selling commercial products on DoD EMALL for May 2009 were:

- Avocent, 4 Port KVM Switch – Part Number SC4UAD001
- Majestic Fire Apparel, General Quarters Safety Hood – Part Number PACIANGO
- Xerox, Imaging Unit 6300/6350 – Part Number 108R00645
- Hammermill, 86700Great White Recycled Copy – Part Number 86700

Top Selling SKUs on GSA Advantage:

The top selling commercial product on GSA Advantage for the month of May was a Hazmat smart strip, Item # F-HMSS, manufactured by FSI. This part alone accounted for more than \$165K in portal sales and has an average price of \$37.03. The other top selling commercial products on the GSA Advantage portal for May 2009 were:

- Baldor, Diesel liquid cooled standby generator – Part Number DLC60JD
- Hewlett Packard, Black Laser Jet 4700 toner cartridge – Part Number Q5950A
- Herman Miller, Size B Aeron Work Chair – Part Number AE113AWBAJG1BBBBK3D01
- Hewlett Packard, Black Laser Jet 3600/3800 toner cartridge – Part Number Q6470A



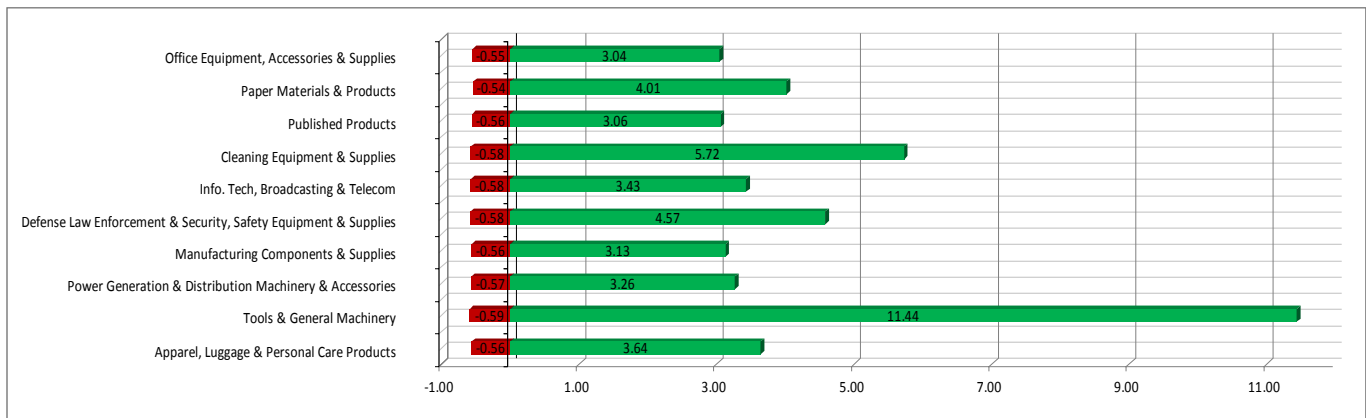
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Sales Velocity Shifts Within Major Product Categories:

The product categories containing the highest number of product SKUs and the highest sales volume across the portals are:

- Office Equipment and Accessories and Supplies
- Paper Materials and Products
- Published Products
- Cleaning Equipment and Supplies
- Information Technology Broadcasting and Telecommunications
- Defense and Law Enforcement and Security and Safety Equipment and Supplies
- Manufacturing Components and Supplies
- Power Generation and Distribution Machinery and Accessories
- Tools and General Machinery
- Apparel and Luggage and Personal Care Products

Within these categories, the number of SKUs with increasing sales over the last month and the number of SKUs with decreasing sales over the last month is evenly split. The rate of change among the items with decreasing sales is just over -0.50%. For items with increasing sales, the average rate of growth is over 4.5%. The greatest growth was seen in Tools and General Machinery category which had a growth rate of more than 11% in May.



Looking Ahead:

We are now entering the last quarter of the Government fiscal year. Historically, this is the time when sales through the portals tend to rise. In FY 08, more than \$500M in sales was transacted through GSA Advantage and DoD EMALL from July 1st – September 30th; this represents more than 39% of all sales volume for the year. Are you poised to capitalize on this market opportunity?

Warwick™ provides DOD EMALL and GSA Advantage vendors with accurate, actionable Government Market Analytics and will assist you in:

1. Increasing your knowledge of the 130+ Federal agencies procuring goods through the portals
2. Tailoring your product offerings to the needs of the Government buyer
3. Understanding the breadth of the competition in your niche and in pricing your products competitively

For more information on Warwick™ contact us at 631-444-6820 or email us daria@xsb.com