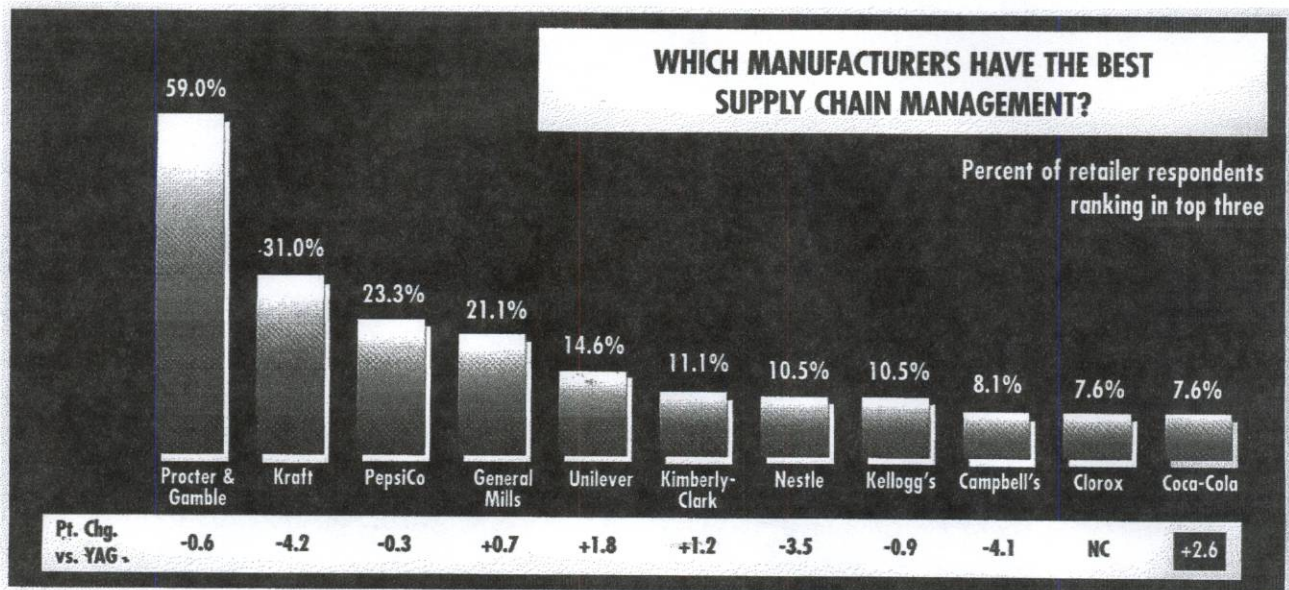


COMPANY STRATEGY
CONSUMER BRANDS
GROWTH & PROFITABILITY
SALES ORGANIZATION
INNOVATIVE MARKETING
CONSUMER INFO/CATEGORY MGMT
SUPPLY CHAIN MANAGEMENT
SHOPPER MARKETING

BEST SUPPLY CHAIN MANAGEMENT

The concept of supply chain is continually evolving between retailers and manufacturers. There is a perception that there is waste in the system, and a number of manufacturers are collaborating with retailers to work on solutions. In 2007, **Coca-Cola** (+2.6 points), **Unilever** (+1.8 points) and **Kimberly-Clark** (+1.2 points) enjoyed the recognition and success of these plans.

Coca-Cola has initiated collaborative efforts with retailers to determine solutions for alternative schemes on supply chain. This includes potentially taking products through the warehouse instead of the traditional DSD system – something that Coca-Cola would never have contemplated even five years ago. Additionally, Unilever is working on distribution methods that are considered leading edge – particularly in the Northeast – where distribution can often be complicated because of the relatively high cost of distribution.



RETAILER COMMENTS ON BEST SUPPLY CHAIN MANAGEMENT

"I never thought I'd see the day when Coca-Cola would be willing to consider taking products through the warehouse. This day has come, and it says a lot about the willingness to engage in conversation by Coca-Cola's management."

"Unilever is supplying us through the ES3 facility. This has improved our performance on on-time complete deliveries and helped us keep their products in stock. This helps us both."