NETWORK BUSINESS SYSTEMS
SOFTWARE SYSTEM DOCUMENTATION

CO-OP ADVERTISING MODULE

FEATURES
- User defined accrual parameters
- Scrolling search for customers
- Tracks last accrual calculation date
- Usage tracking
- Merchandise credit balance tracking
- Accrual basis is year-to-date shipping totals
- Accrual balance left to use
- Point-of-purchase materials tracking
- Approved advertising claim dollar tracking
- Merchandise shipped tracking
- Viewing programs for module integration
- Does not automatically integrate with the IBS accounting modules. Any posting as a liability must be done as a Journal entry and should be consulted with an accounting professional before posting.

REPORTS
- Report of Coop accruals user-defined, with usage (by state, zip code, etc.)
- Report of Customer accounts using Coop advertising and account balance information and totals, also parameter driven.

INTEGRATED WITH:
- Customer account system
- Retail/wholesale/telemarketing systems
- Inventory systems

SYSTEM OVERVIEW

IBS's Coop advertising module works with the Customer account system and Inventory system to provide a thought provoking marketing tool that can add to your competitive edge. This module combined with the expansive customer account data, both mailing list modules, and the Telemarketing and Distribution systems, gives you far reaching tools that will be a powerful selling platform. The progressive and expansion minded organizations of today are employing this technique to increase their market share and position themselves for the future. The Coop advertising module is an optional sub-module of the Wholesale and Telemarketing systems.

CO-OP advertising may be one of the most effective means of establishing and maintaining your business presence in a specific market. You determine the amount of allowance for CO-OP reimbursements you are willing to budget, based on the purchasing of your customers. This allowance is a user-defined percentage of shipped orders to a customer. The percentage is stored in your system setup file (SYSGUT) and can be changed at any time to increase or decrease the accrual amount. This is a WIN/WIN situation! You are rewarding your customer for purchasing your products with additional sales aids, or more of your merchandise at a discount to them, or cash, or whatever you determine will assist them with selling more of

your goods! You can also establish a minimum of shipped orders before you actually allow reimbursement. This may be determined by considering the average annual sales of your customers and deciding what size and type of customer you are attempting to attract in a defined region. The minimum amount is stored in the system setup file also. You may want to consult with your IBS representative for some ideas in this area.

The accrual accounting is based on a calculation date that you can edit. The {CALCULATION DATE} provides a powerful feature for the CO-OP tracking system. The date that you enter will be used to calculate account balances and YTD shipped so that you can review a dealer's status as of that date. This feature provides a solution for the end of the year when it is necessary to begin accruing new balances for the new year yet retain the existing accruals for the old year. Be aware that if you change your percentage or minimum dollar and you want to calculate for a previous accrual period, you will need to change these two parameters accordingly. Make sure you change them back after you have completed a historical analysis.

NOTE: When entering transactions to reduce dealer balances for a prior year, make sure that you enter a {CALCULATION DATE} that is in the old year.

You will not be able to use the CO-OP system for customers with shipping less than the minimum you set up in the system setup file. Also, when a customer goes over the minimum, the CO-OP accrual percentage calculates off the entire balance. THE MINIMUM IS NOT SUBTRACTED BEFORE THE CALCULATION. In addition, all transactions for the year up to and including the date entered will be displayed.

There are three basic transactions that you will be doing all the time in the main CO-OP program (COOPTHIS). For every transaction you enter against a customers account, you will only enter in one dollar amount. This will provide a good clean audit trail.

P.O.P SHIPPED
Point of Purchase sales aids are used to attract attention to your product in your customer's store.

AD CLAIM APPROVED
The {AD CLAIM APPROVED} field is for tracking your approval of a customer's advertisements for your products in their region. This transfers dollars from the {ACCRUAL BAL} to the {MERCH CREDIT BAL} on a one to one basis for a defined control of any merchandise or any other items you are shipping to the customer.

MERCH. SHIPPED
Use this field to track merchandise or cash payments back to your customer. You can generalize the heading and use the {TRANSACTION DESCRIPTION} to show detail. You cannot post dollars to this field unless you have a positive balance in the {MERCH CREDIT BAL} field, which is created by accruing a balance in the {AD CLAIM APPROVED} field. Entries in this field will decrease the {MERCH CREDIT BAL} field.

SYSTEM BASIC OPERATIONAL FLOW

1.   **COOP Tracking System:COOPTHIS**....This is the main program that allows you to manage coop advertising for your customers. It works based on the parameters set up in the system setup file.

2.   **COOP Reporting System:COOPLST1**....This is a report of the coop advertising effectiveness and can be ran at any time.

SYSTEM SETUP REQUIREMENTS

There are two fields in the system setup file (SYSGUT) that must be activated in order to operate the CO-OP Advertising system.

The {COOP MINIMUM DOLLARS} field allows you to set up a minimum dollar amount that a customer must have shipped in the designated time frame before the main program (COOPTHIS) will allow entry of CO-OP data to that customer. You can enter up to $999,999,999 as a minimum. Remember, after a customer reaches the minimum shipped dollars the minimum dollar you set up is not subtracted from the CO-OP accrual percentage. The calculation is based on the entire amount.

The {COOP ACCRUAL PERCENT} field allows you to enter in a percentage to calculate against the customers entire accrued shipping totals for a CO-OP accrual.

MENU STRUCTURE/PROGRAM DOCUMENTS

2. SALES/CUSTOMER MGMT	MENU #1
8. CO-OP ADVERTISING SYS.	MENU #1
1. CO-OP Tracking System: COOPTHIS	
2. CO-OP Viewing: COOPVIEW	
3. CO-OP Reporting System: COOPLST1	