

Celebrate the past,
accelerate the future

September 15, 2008

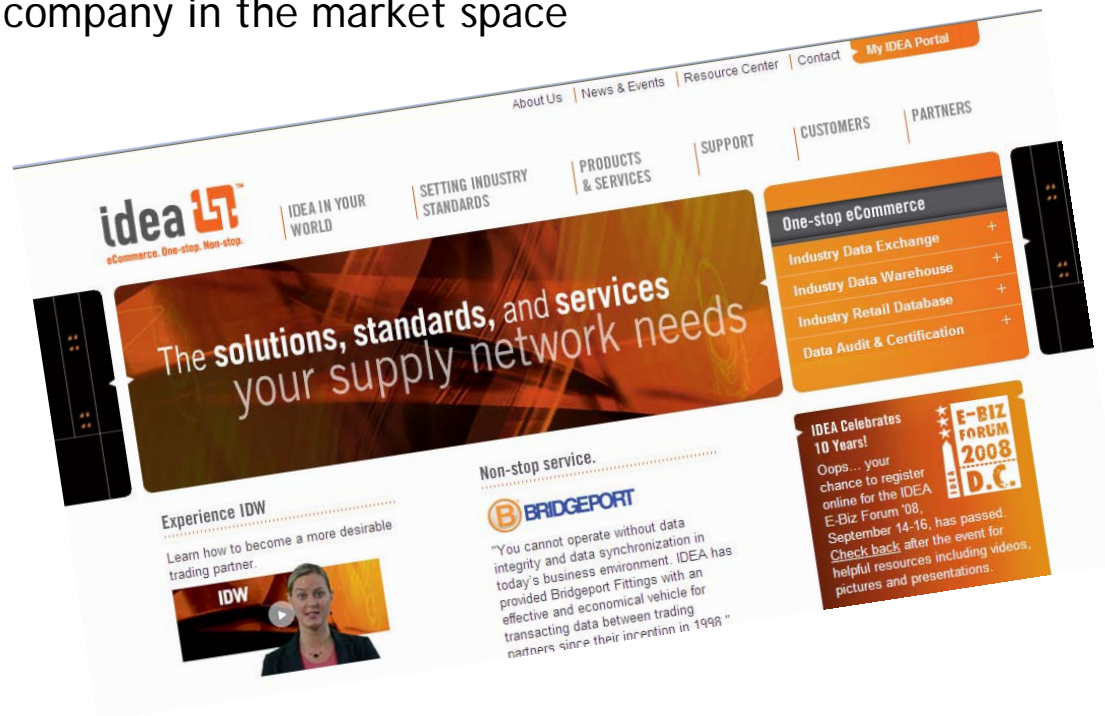
Bob Gaylord, President & CEO, IDEA



Who is IDEA?

IDEA is all about serving the electrical channel...it was born from a simple vision...a simple idea

- » IDEA stands alone in the electrical channel as a Data Synchronization Service Provider (DSSP) making it the only company of its kind providing Data Sync, VAN, and Data Certification services to the electrical industry
- » IDEA also hosts a Data Standards setting body that further differentiates IDEA from any other company in the market space



IDEA Leadership

Staff Leadership

Bob Gaylord became the IDEA president and CEO on December 3, 2007

Current Board:

10 voting Directors:

Todd Kumm, Dakota Supply Group

Ron Schlader, Crescent Electric (Vice-Chairman)

Larry Stern, Standard Electric (WI) (Secretary)

James Tinker, Rexel, Inc.

Joe Wallace, Van Meter Industrial

Phil Barrios, Hubbell Inc.

Dave FitzGibbon, ILSCO Corp. (Chairman)

Valerie Jones, OSRAM SYLVANIA

Del Nickel, Hoffman Enclosures (Treasurer)

Bernie Westapher, Panduit Corp.

3 non-voting Directors:

Evan Gaddis, NEMA

Tom Naber, NAED

Bob Gaylord, IDEA (President)

- » IDEA is governed by the IDEA Board, not the NEMA and/or NAED Boards

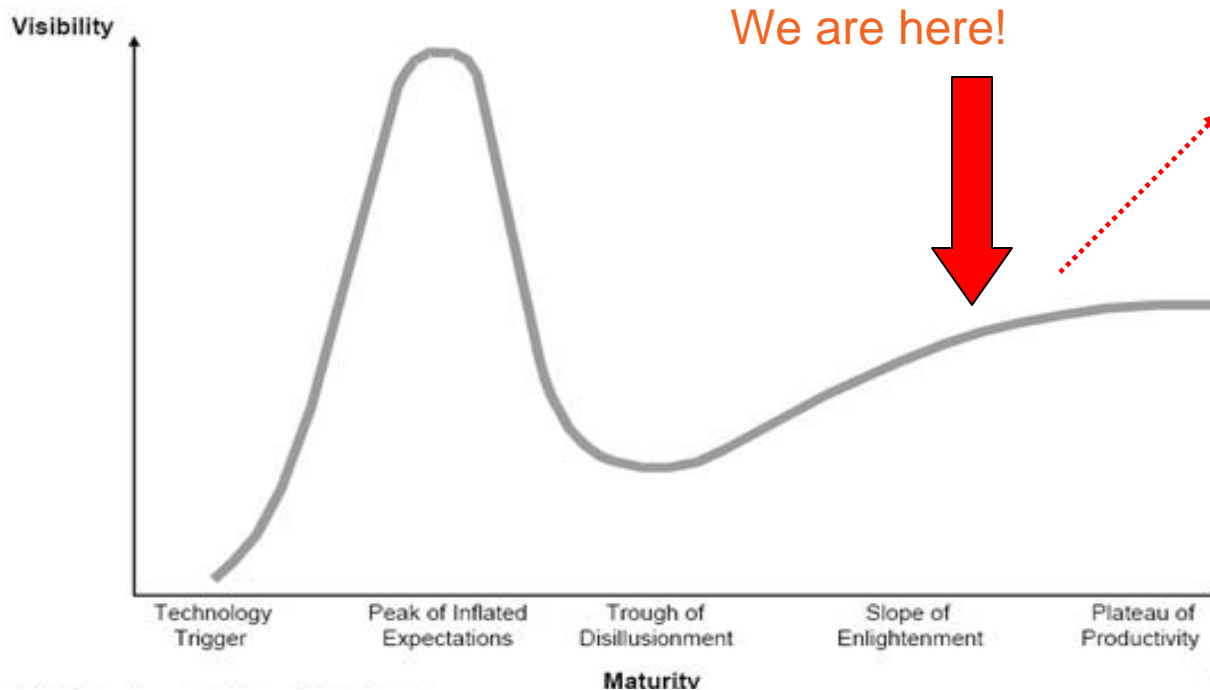
Our 10 year journey

- » Initial Concept was data warehouse-based - synchronization of data for better business efficiencies between manufacturers and distributors
 - November 1999: Industry Data Warehouse (IDW) becomes operational
- » VAN service was created as a means of moving the vast amounts of data inexpensively (cost savings - large files)
 - November 1999: Industry Data Exchange (IDX) becomes operational
- » In 2003, data audit and certification and retailer database programs were added
- » In 2006 IDEA acquired assets from ISS to support IRD and our retail initiative
- » 10 year Data Share Agreement came to term on July 20, 2008
- » Currently launching strategic plan focused on new opportunities and new horizons



IDEA is at a inflection point

The Hype Cycle



- Innovations

Source: Gartner, 1995

“Innovation: change that creates a new dimension of performance!”

Peter Drucker, 1909-2005 Writer, Management Consultant & University Professor



Where We are Today

- » IDEA received Board direction to proactively source data to benefit the distributor
- » Over 1000 manufacturer brands...nearly 2M SKUs
- » Milestone VAN traffic in June 2008
- » VAN went through major upgrade
 - Outstanding reliability and resilience
 - Redundant file archiving
- » Transforming...setting the conditions for future success



Strategic Plan

Objective: Develop a strategic plan that outlines a 36 month strategic direction with corresponding measurable goals and objectives for IDEA

- » Vision: What do we see as the end state/waypoint?
- » Mission: Why we exist?
- » Who are our customers?
- » What do our customers value?
- » Define strategic goals and measurable objectives

Strategic Plan

IDEA Vision

- » **OLD:** IDEA is the central repository for delivering product catalog and pricing information throughout the electrical industry and other vertical markets. The majority of business transactions flow through IDEA's communications network. IDEA satisfies its customers' range of business information needs and increases their overall productivity, profitability and customer service
- » **NEW:** In 5 years or less, a majority of U.S. electrical manufacturers and distributors will both understand the value that IDEA creates and will realize cost savings in their business from increasing use of electronic data share and eliminating manual business transactions

IDEA Mission

- » **OLD:** To provide for the efficient and reliable exchange of standardized and synchronized business information, transactions and services throughout the electrical industry and other vertical markets
- » **NEW:** To drive costs out of the electrical supply chain as the electrical industry's standards-setting, data synchronization, and eCommerce service provider

Strategic Plan

Goal I: The comprehensive IDEA data synchronization platform is an integral part of the electrical supply chain and propels the channel to a new level of eCommerce

- » Strength through collaboration and partnering
 - Customers, business partners, solution providers
- » Enhancing the data synchronization platform (ease of use, data quality, data quantity, etc.)
- » Services to analyze effectiveness of customer's data synchronization operations
- » Align manufacturer and distributor business data needs to make information sharing more profitable
- » Leverage our strategic partners' capabilities to make current solutions fit your needs...today and tomorrow



Goal II: Customers value IDEA as their one-stop partner for all of their data sharing and eCommerce business solutions

- » Customized and integrated support program based on our customers specific business needs
- » Incorporating new technology to enhance IDEA's customer training philosophy
- » Creating an All-in-One Data Synchronization Service package which is tailored for our customers
- » Changing the mind set of Data sync from uniquely IT...to managing business transactions and end-customers' experiences



Goal III: Compliance with a comprehensive set of straightforward standards for the industry increases profitability among customers

- » Current and forecasted environment compelled us to create a more formalized standards business unit
- » Standards enable data synchronization throughout the channel...decreasing costs and increasing profits
- » Harmonization with international and related industry standards
- » Concern with inertia has us aggressively marketing and educating the business benefits of standards
- » Developing attribute level detail associated with UNSPSC to more completely represent the electrical industry products

Operating as a collaborative service organization

- » Looking at the entire supply chain's data sync needs and working on solutions--not just for transferring data--but for showing you how to manage the results of that data
- » Reflect on successes in other verticals to look at how we can bring that experience into the electrical channel
- » Engage with our strategic partners to:
 - Work closely with industry associations to fulfill their members' needs
 - Select the most appropriate services to apply to our base
 - ▶ Focused on making eCommerce easier, more efficient and more valuable
 - ▶ Further negotiate savings for our customers
- » Listen



Becoming a proactive community

We are creating a movement and invite you to join us

- » *Active inertia** is management's tendency to respond to the most disruptive changes by accelerating activities that succeeded in the past
- » *Active waiting** is anticipating and preparing for opportunities and threats that are unpredictable and out of your control. *Active waiting** means you can still streamline operations, carry out scenario planning
- » Embrace change...control change by leading change...be a *change-maker*
- » IDEA and our business partners are your One-stop, Non-stop, point of contact for you and your suppliers' B2B needs
- » Use our industry focus, experience, reliability, and relationships to drive the success of your industry leading initiative

From the industry, for the industry, living to serve the industry

*Source: Donald Sull, associate professor at the London Business School