

VENDOR RELATIONS AND SOURCING SERVICES:

We help local companies **navigate the supply chain** so they can become more **relevant, competitive** and **profitable**.

A Presentation to an Advisory Board

Excerpt 1

We'd like to begin by telling you about an important event at Winsupply happening next month in Selkirk, New York – a suburb just south of Albany.

By the end of March, we will close down a warehouse in Selkirk – a facility we've been operating for a while now to help out 10 local companies known as Security Supply.

In 2015, these 10 locations in Eastern New York came to us as part of an **acquisition**.

Back then – even though we had a big distribution center nearby in Middletown, Connecticut – Security Supply wanted to **keep their warehouse in Selkirk open**.

And that made sense.

- After all, it stocked **a dozen key vendors** and **hundreds of products** that Winsupply's DCs didn't stock.
- And the warehouse in Selkirk was **centralized** and **convenient** – right in their **backyard!** – so all 10 locations could pretty much get the **products they needed** in less than an **hour**.
- Plus, they had plenty of **great rebate programs** with vendors in place – enough cash to **offset the extra fees they paid us at Winsupply** to operate their separate **warehouse**.

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But a year ago, everything changed for Security Supply.

It happened when their No. 1 vendor COMPLETELY revamped its programs – including its lucrative rebates.

Suddenly, all 10 local companies were **at risk**.

And running a **separate warehouse** would now be too expensive.

A new solution was needed.

So Vendor Relations and Sourcing Services stepped up.

We came **together** for Security Supply.

Talked to their **vendors**.

And ironed out all the **details**.

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Getting there wasn't easy.

In fact – it got a little **messy** along the way.

It required a lot of negotiating.

Listening.

Patience.

And problem solving.

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Last fall, we proposed a couple of options for all 10 locations to consider.

In the end – because of local company autonomy at Winsupply – the next step was **their decision.**

As a result:

Beginning next month, Security Supply will get fast, easy access to the KEY VENDORS and PRODUCTS they've always had to serve their customers' needs.

But now they'll be getting them from our DC in Middletown – two truckloads a week with no extra fees! – instead of from Selkirk, New York.

Ultimately, all 10 local company presidents chose the option that is **less risky and more profitable** for **EVERYONE:**
for **Security Supply** AND for **Winsupply Inc.**

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Our willingness in Vendor Relations and Sourcing Services to COME TOGETHER FOR LOCAL COMPANIES –

- To be their **BUSINESS PARTNER** ...
- To help them **SOLVE PROBLEMS** ...
- And to **WORK WITH THEM TO NAVIGATE THE SUPPLY CHAIN** is what we want to talk to you about today.

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Excerpt 2

Today, we've spent most of our time talking about what we do in Vendor Relations and Sourcing Services to help local companies navigate the supply chain.

We do it all for one reason:

To help local companies become more **R**ellevant, **C**ompetitive and **P**rofitable – **RCP**.

But – as an **acronym** to remember the **value** we deliver – **RCP** really isn't that memorable!

Last week when Eric and I were talking, we joked about switching things around and calling it **CPR** instead.

Because sometimes, that's **exactly** what we are.

A LIFELINE to local companies.

That was certainly true for our **10 locations at Security Supply** – which we told you about in the beginning – when they ran into a **big challenge** with one of their **longtime vendors**.

And **being a lifeline to local companies** has been especially true **throughout the pandemic**, because so many local companies had to rely more heavily on us to get the **inventory their customers needed**, when they needed it.

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One local company president told us that if we hadn't done the work **to get extra inventory into the DCs soon after the pandemic hit**, he and his team would have been **lost**.

He even told us there's a chance **his local company would have died** – would have gone out of business **completely**.

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When you look at the numbers, you can see that more local companies than ever are relying on us.

In the past five years:

- Sourcing Services and DC sales have **DOUBLED**
- And earnings have **TRIPLED**

Because of what we provide in Vendor Relations and Sourcing Services, local companies are choosing to buy **MORE** from our Preferred Vendors and **MORE** from the Winsupply DCs than ever before.

We know that **the more local companies rely on us,** the more **successful** they can become.

When **local owners** are more **profitable** ...
and when **Sourcing Services** – which includes **Vendor Relations** – is more **profitable** ...
then **Winsupply Inc.** is more **profitable**.

And EVERYONE wins.