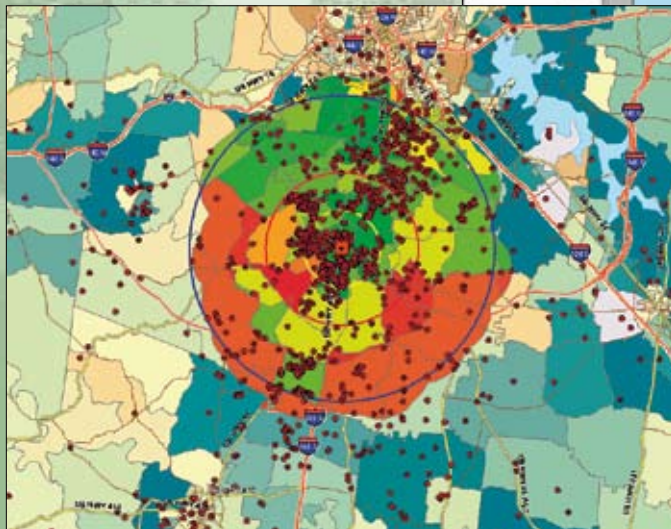
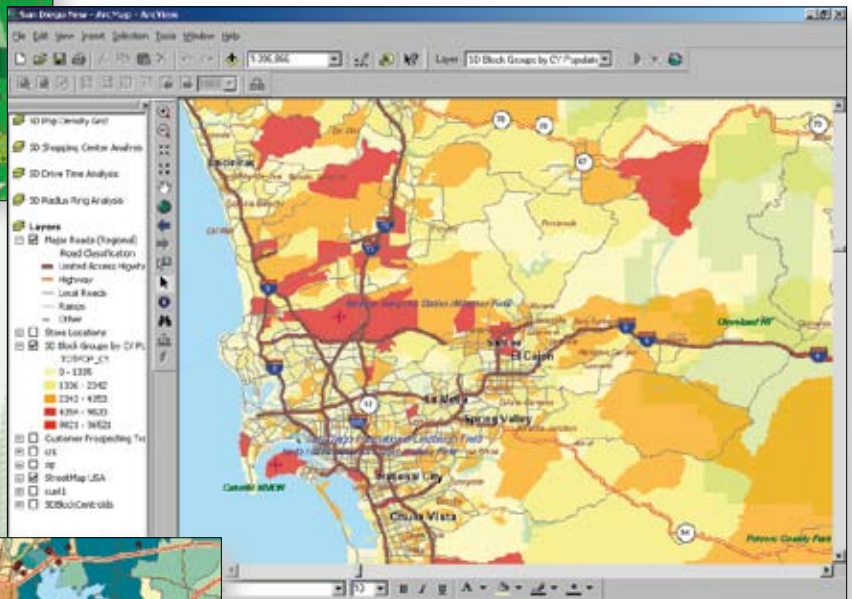
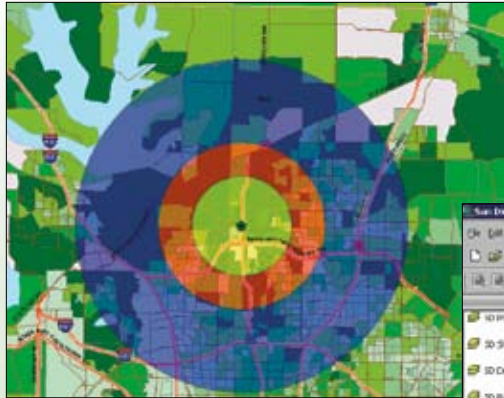


GIS Solutions for Business



Dear Colleagues:

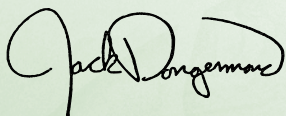
When ESRI was founded in 1969, we felt an almost limitless enthusiasm for the possibilities of geographic information system (GIS) technology. We understood even then that this technology could bring about amazing changes in organizations.

Our confidence in GIS is built on the belief that geography matters. It fundamentally influences and connects our ways of doing business. In this brochure, you will learn about the important contributions GIS technology is making in every aspect of business, from maximizing return on investment to supporting more analytical decision making.

With ESRI's technology, businesses go beyond standard data analysis and incorporate geographic location into viewing and analyzing data. This geographic data can be used across an entire organization, in the field, and on the Internet. The possibilities are endless.

ESRI works with hundreds of business partners worldwide to bring you the most advanced technology available. I hope this information will help you see how GIS can make a difference in your organization.

Warm regards,

A handwritten signature in black ink that reads "Jack Dangermond". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Jack Dangermond
President



Mapping geography is one of humanity's most ancient arts, but today it is on the cutting edge of information analysis. Maps created using GIS help people make better decisions. Whether in a single department or across an entire organization, GIS offers boundless possibilities.

GIS is computer software that links geographic information (where things are) with descriptive information (what things are like). With a flat paper map, "what you see is what you get," but a GIS-generated map has many layers of information for many ways of thinking about a geographic space. For example, if you look at a store represented on a paper map, you see the name of the store and a point denoting where it is located. However, if you view a GIS map on your computer, you can click on the same store and see its location, name, annual revenue, customer flow, square footage, product mix, quarterly sales, and the store manager's name. You can even see a photo of the storefront and receive a virtual tour of the facility.

Geographic Data

What is geographic data? It is data connected to a physical location somewhere on the earth's surface. Companies maintain databases full of geographic data they may not even be aware of such as

- Customers' street addresses and postal codes
- Sales data including store locations and product registration information
- Equipment location such as telephone poles and electrical transformers
- Delivery routes and the addresses of stops along those routes

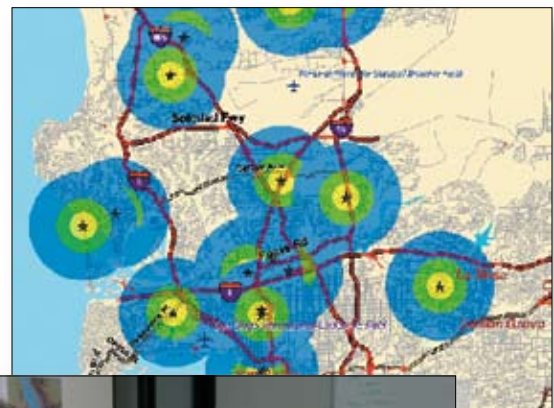
These pieces of geographic data are integral parts of your company's data assets. Whether you maintain your store revenues, customer spending patterns, use of health care facilities, or sales force results in a data warehouse, in data marts, or in a relational database management system (RDBMS) such as IBM®, DB2®, Oracle®, or Microsoft® SQL Server, you can take advantage of this geographic data to gain insight and make better business decisions.

Why GIS?

Companies like yours are already using geographic data and ESRI's GIS software to operate their businesses more effectively. These companies find that GIS

- **Saves time and money**
- **Promotes internal organizational efficiency**
- **Helps make better business decisions**

The following pages illustrate how GIS is used by companies in various business functions and describe the companies who are using it.



Target Marketing

GIS market analysis tools can help you determine which products and promotions match the lifestyles and buying patterns of your customers. You can create a multidimensional snapshot of trends to create trade areas, predict sales, design sales territories, plan media, and much more.

The Washington Times

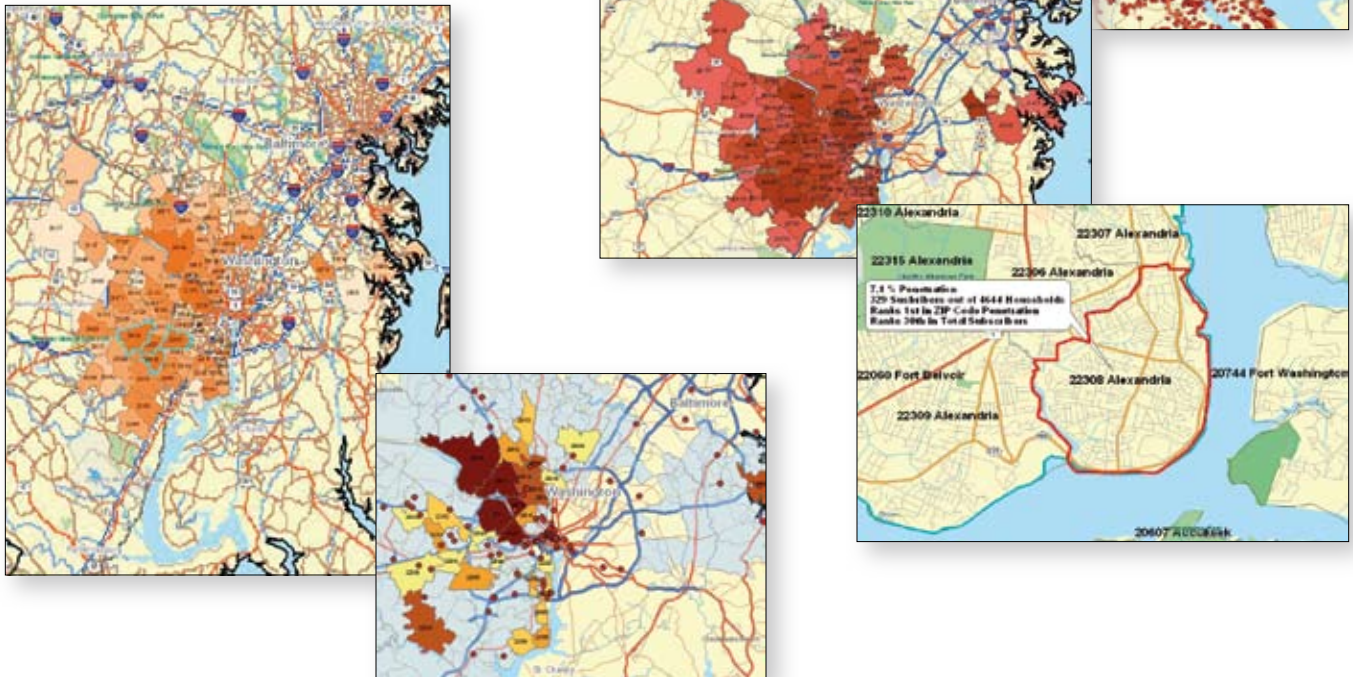
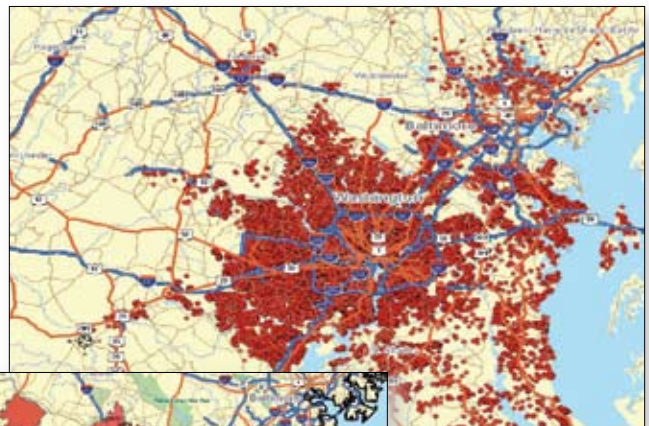
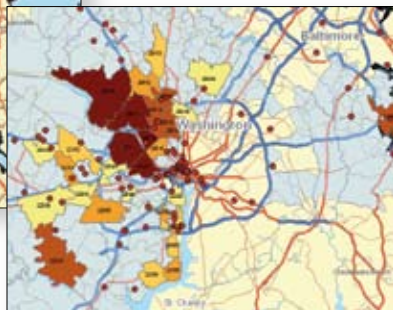
The Washington Times is a full-service, general interest daily newspaper in the nation's capital. Two primary marketing activities for the paper are attracting new advertisers and increasing readership.

To assist with this effort, *The Times* chose ESRI® ArcGIS® Business Analyst software integrated with demographic and Community™ Tapestry™ segmentation data. An analyst used Tapestry in Business Analyst to profile all of *The Times*' readers including single-copy readers and subscribers. Results of this intensive analysis showed that readers were in three distinct Tapestry segments.

To promote subscriptions, the marketing department crafted three separate brochures with different messages that would appeal to each of these Tapestry segments. Response results were impressive; responses greatly increased in two of the three segments. Although the response rate in the third segment grew only slightly, the results showed the marketers how to refine the message to help improve results in the next campaign.

"ArcGIS Business Analyst gave us the best tools and data for the price on the market. It was an obvious choice for us to enhance our data mining capabilities and organize our in-house subscriber and advertiser information."

Bill Sutcliffe, Marketing Director, *The Washington Times*



Routing and Logistics

GIS integrates mapping and analysis into decision support for everything from calculating arrival times to customer sites as well as scheduling requests. Businesses can track assets in motion, analyze delivery patterns, predict road volumes, and much more.

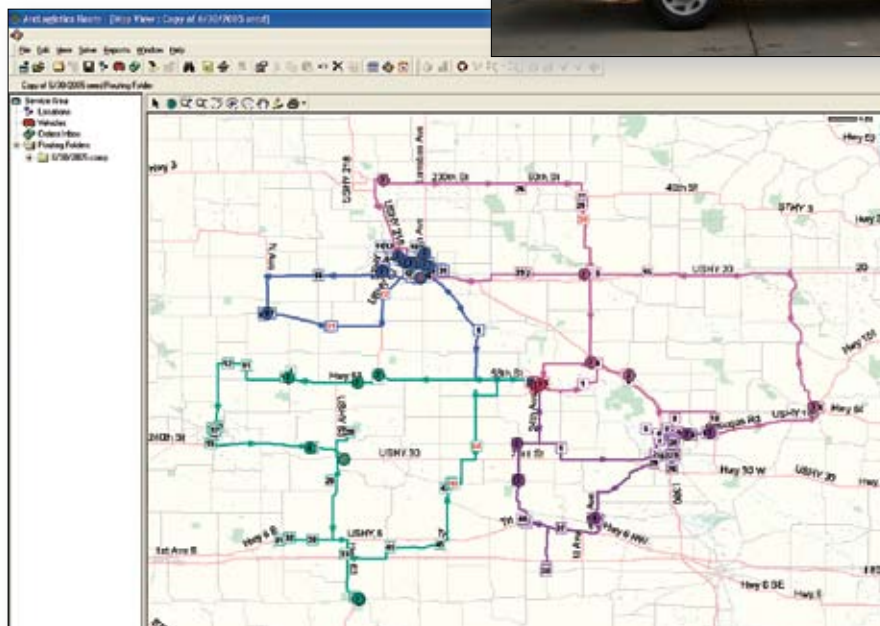
Apex Office Supply

Apex Office Supply is a small company based in Vinton, Iowa. The company brings services and products to 1,500 active customers and has a delivery radius of approximately 45 miles. The company runs five routes and makes approximately 200 deliveries a day. When Apex Office Supply first started, it was easy to process orders by hand. The driver manifest was printed after the orders were entered into the system, then it was up to the drivers and delivery manager to decide how to organize the deliveries. The company realized it needed a more efficient method to deliver its products if it was going to be cost-effective.

Apex Office Supply contacted Pathfinder Logistics, based in Springfield, Pennsylvania, to install ESRI ArcLogistics™ Route software and train personnel. Apex has seen significant improvements and savings by using the software for its delivery routing. Comparing the same time period of the previous year before using the software, the company has reduced fuel usage by 4.3 percent, saved 18 percent in labor hours, and cut drive time by 7.4 percent.

“ArcLogistics Route has redefined how our business processes work. We are more efficient than ever.”

Jason Hicok, Director of Information Technology, Apex Office Supply



Marketing and Advertising

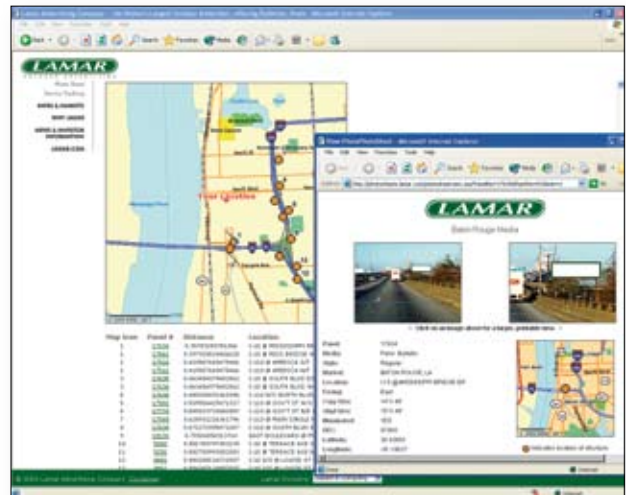
GIS market analysis tools can help you determine which products and promotions match the lifestyles and buying patterns of your customers. Create a multidimensional snapshot of trends to create trade areas, predict sales, design sales territories, plan media, and much more.

Lamar Advertising

Lamar Advertising, a leading outdoor advertising company, uses ESRI's ArcWeb™ Services to create a Maps and Photos system that enables the sales staff to create map proposals for prospective customers. Lamar's sales staff can now enter an address location requested by a client and do a search radius in miles to find all available billboard panels within that radius. The staff is also able to edit the system to change maps for use in client proposals. Lamar Advertising's Web Services Group maintains the site. More than 1,200 users request an average of 1,600 map proposals each day, each including an average of 15 maps.

"ESRI was the only vendor that could accommodate the requests of Lamar's sales staff. We chose ESRI because it provided all the data and features our users were requesting and would be easy for our Management Information Systems Department to implement."

Tom McNamee, Chief Information Officer, Lamar Advertising

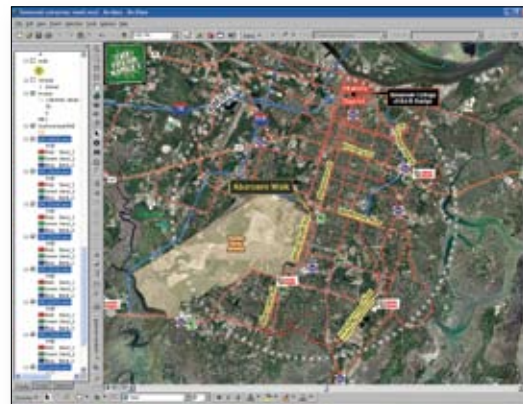


Edens & Avant

Edens & Avant is one of the nation's leading private retail real estate companies. It has more than \$2.5 billion in assets, with its real estate portfolio comprising approximately 200 owned and managed shopping centers in 18 states. With a project pipeline of more than \$550 million, Edens & Avant needed to quickly and efficiently research and market new sites for shopping center developments to high-end retailers. Using ArcView® Business Analyst, Edens & Avant is now able to quickly analyze and market new shopping center developments to the right mix of retailers. The company is able to provide its clients with important information including current and planned housing, competition in the area, accessibility to the site, traffic counts, gravity models, other sites available, and zoning. This is all incorporated into easy-to-understand reports and map presentations. Leasing agents are able to use this data to shorten the sales cycle on new developments.

"ESRI's GIS software and data have made it easier for our leasing representatives to provide targeted market analysis for our retail customers."

David Beitz, Edens & Avant



Site Selection

GIS offers a better way to find the right site for your next store, distribution center, or service department. With a GIS, you can blend customer surveys with census data to visualize market penetration, market share, and trade areas. When markets change, GIS can help you plan exit strategies and asset disposal.

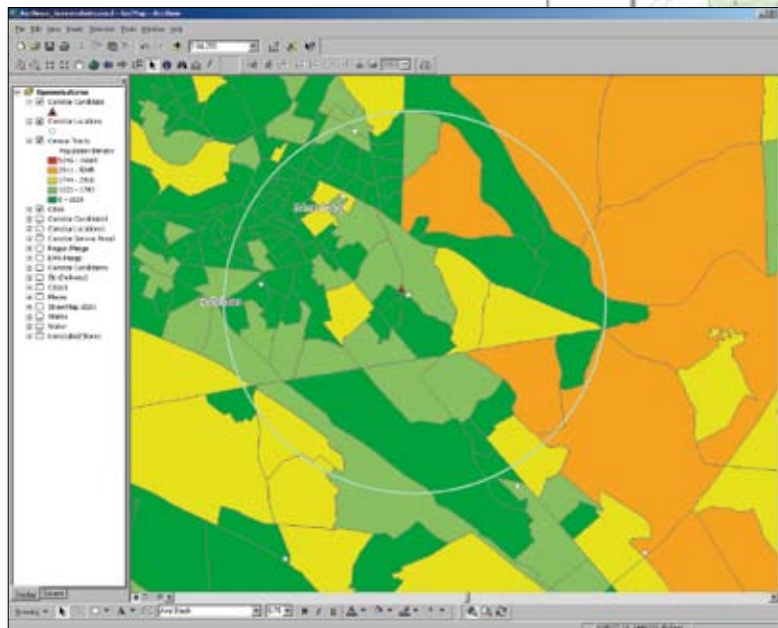
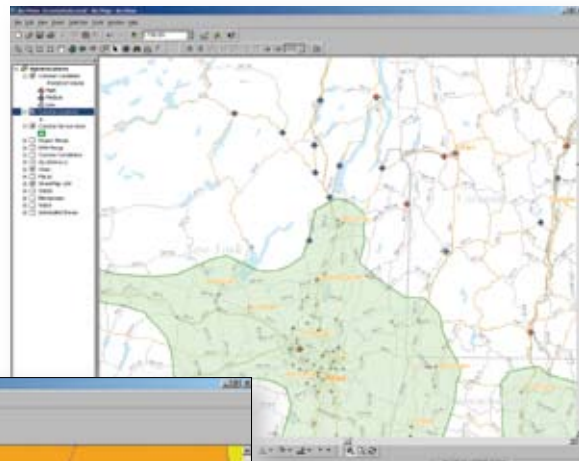
Coinstar, Inc.

Coinstar, Inc., based in Bellevue, Washington, is an innovative company that places self-service coin-counting machines at the front entrances of supermarkets nationwide. The company has a network of more than 12,500 machines currently available to approximately 165 million consumers in 50 states and the District of Columbia as well as Canada and the United Kingdom.

Placing Coinstar® machines at the right store location is extremely complex and of vital importance. Coinstar needed to optimize the location of their machines to meet customer requirements. Coinstar uses ESRI ArcView and ArcGIS Network Analyst to create maps used during meetings in which various stakeholders evaluate the merits of a potential location. Sales, marketing, service, and other professionals come together to share and discuss the many datasets and variables for evaluating a potential client. The GIS maps provide many layers of pertinent data overlaid and used as a reference point for communication.

"GIS has proven itself over and over again as a technological tool for many facets of our business. It's more than just computer mapping. It's real data integration, analysis, and visualization."

John Chestnut, GIS Analyst, Coinstar, Inc.



Territory Management

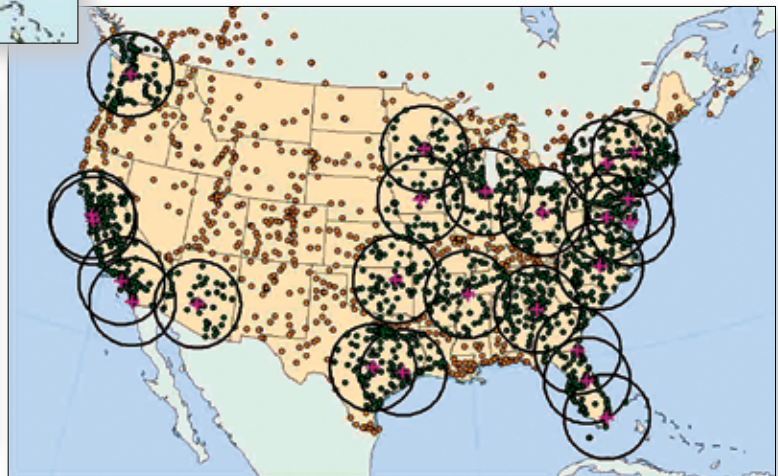
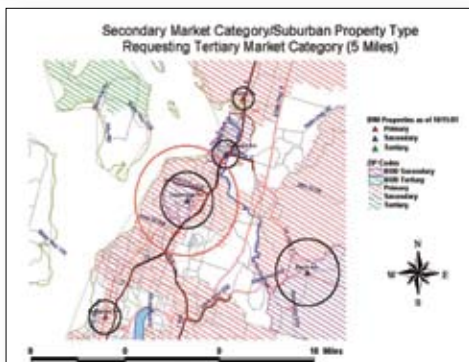
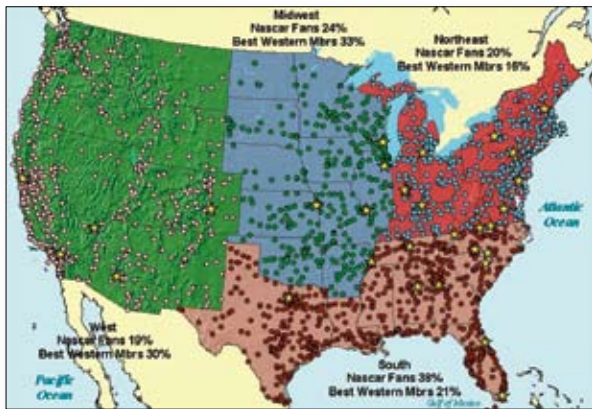
How do you manage business territories? Where can you set up noncompetitive franchise areas? When and where should a new business be opened without cannibalizing existing storefronts? You can use GIS to make sense of the data and show you the best scenarios for expanding, protecting, and leveraging your business.

Best Western

Best Western, the world's largest hotel chain, manages its nonprofit membership association for its hotel members with ESRI's ArcGIS Business Analyst. This Member Market Area Program protects more than 2,400 member hotels in North America by creating an area around qualified members where new applications will not be accepted. The radius of the circle is determined by market category and property type. Using GIS software, Best Western was able to save time and money as well as have accurate maps representing applicant locations and locations of current hotel members.

"We found ESRI's ArcGIS Business Analyst automatically generated labels more efficiently, accurately, and faster than ever before. The maps were easily updated. We couldn't believe how easy mapping could actually be."

Chris Becker, Manager, Member Market Area, Best Western



Business Continuity

One in five businesses experiences a major business disruption each year. Disruptions can be caused by power outages, internal flooding, weather events, fire, terrorism, crime, or transportation problems. Many businesses, concerned about surviving the effects of a major disruption, have begun to make contingencies—creating business continuity plans (BCPs). BCPs have many geographic aspects, and GIS has been recognized as a powerful tool for developing them. GIS helps businesses develop BCPs by addressing issues including facilities management, employee notification, incident mapping, weather mapping, office relocation, evacuation, threat assessment, and supply chain management.

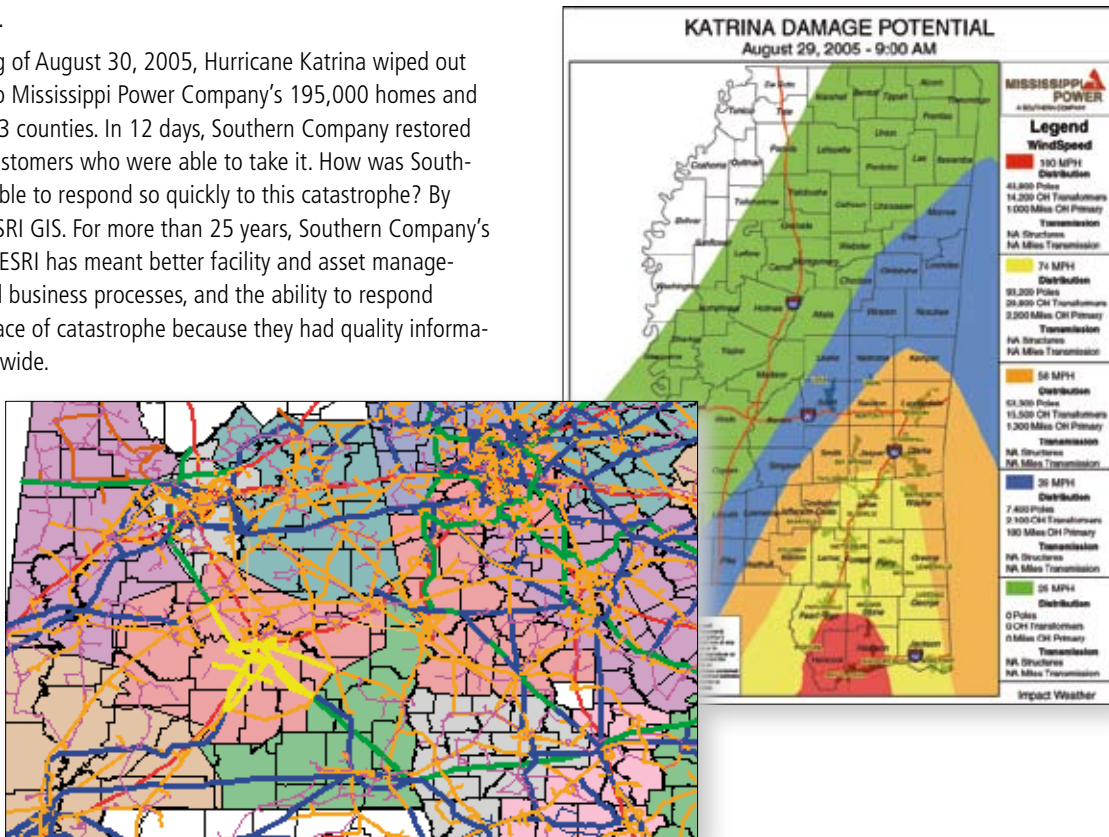
Southern Company

Southern Company, a superregional energy company and one of the largest producers of electricity in the United States, relies on ESRI GIS to run its business. All five operating companies of Southern Company—Alabama Power, Georgia Power, Gulf Power, Mississippi Power, and Savannah Electric—use ESRI ArcGIS across the enterprise for analysis, visualization, and decision support. The information and processes are available in the office, across the Internet, and in the field.

On the morning of August 30, 2005, Hurricane Katrina wiped out all the power to Mississippi Power Company's 195,000 homes and businesses in 23 counties. In 12 days, Southern Company restored service to all customers who were able to take it. How was Southern Company able to respond so quickly to this catastrophe? By relying on its ESRI GIS. For more than 25 years, Southern Company's affiliation with ESRI has meant better facility and asset management, improved business processes, and the ability to respond quickly in the face of catastrophe because they had quality information enterprise-wide.

"We used ESRI ArcGIS extensively during the storm. I cannot imagine being able to coordinate the more than 9,000 people we had working without using ArcGIS. We were able to put our staff to work efficiently and provide management-level data virtually on the fly."

Louis H. Occhi, Mississippi Power Company



Real Estate

Real estate companies count on GIS to find not just any site but the best site. They analyze data around locations—demographics, aerial photographs, traffic counts, shopping centers, merchandise potential data, and competitors—to find the best location for properties. They generate maps of locations to show potential buyers where locations exist relative to other locations or attractions and to show off the “ideal” location of particular sites. ESRI GIS allows real estate companies to meet the diverse and evolving needs of their organizations—for the occasional project, for multipurpose departments, and on a large scale across the enterprise.

Commercial Real Estate

Forest City Enterprises focuses primarily on large, unique, and complex projects in high-growth urban areas such as Boston, Massachusetts; Denver, Colorado; New York City, New York; and Los Angeles and San Francisco, California. To stay knowledgeable of market analysis trends for property acquisitions, Forest City Enterprises had to implement a new system for daily in-house analyses without hiring outside consultants. Using ESRI GIS software and data, the company realized dramatic savings of time and money by bringing this capability in-house.

“The biggest advantage of using ESRI GIS technology and data has been the ability to provide better customer service to prospective retailers and successfully optimizing the leasable space in our retail portfolio.”

Dana Parsons, Research and Design Administrator, Forest City Enterprises, Inc.



Residential

ESRI and IDV Solutions implemented a tool for the second largest home builder in the United States, Pulte Homes. The tool allows the buyer to quickly and intuitively “drill down” on a map, using their mouse to point to a desired area and view properties that interest them. Visitors to Pulte’s home page can select the state of their choice from the map, then visually drill down to Pulte neighborhoods in their area of interest. Using this visual search approach ensures the delivery of a pleasing, efficient interaction with a potential customer and seamlessly connects with the next step in the sales process, namely, contacting a representative for a viewing.

“We decided to use ESRI’s RouteMAP™ IMS software. We like the ability to add custom layers to the maps.”

Melissa Davis, National E-Commerce Manager, Sales and Marketing, Pulte Homes



Customer Care

Keeping a customer is one-fifth the cost of attracting a new one. ESRI's GIS software helps you take better care of customers by making it easy for them to find the information they need in a form they can understand. In today's information-rich society, GIS and mapping software help your customers find what they need with minimum cost and time to you.

American Suzuki Motors

The Suzuki trademark is recognized by people throughout the world as a quality brand of original and reliable products. Customers look for Suzuki motorcycles and automobiles, specifically. American Suzuki Motors Corporation uses ESRI's ArcWeb Services to make it easy for customers to find the dealerships carrying the vehicles they want. By hosting associated geographic and customer-specific datasets and GIS processing, ArcWeb Services is the most cost-efficient solution in the marketplace for integrating location finder services into applications.

"When we compared the cost of hosting and maintaining the geographic data ourselves, it became clear that ArcWeb Services were the superior solution. It's a great way to help our customers find and route themselves to our stores for a minimum cost."

David Harris, Internet Development Manager, American Suzuki Motors Corporation



Munich Re

Munich Re, the world's largest reinsurance company, developed its Natural Hazards Assessment Network (NATHAN), a mapping front end to Munich Re's extensive global data warehouse on hazards and assessment. Based on ESRI's ArcIMS® software, NATHAN overlays geographic data with hazardous natural events and allows users to visualize underwriting data such as average building values and liability distributions. This makes it easier for Munich Re's 5,000 insurance partners to visualize underwriting data to assess the danger of accumulation and also for public authorities to gain an overview of loss potentials. Available to partner insurance companies through its secure Internet site, it has made the business of insuring the insurers much more manageable.

"At a time when natural catastrophe losses are increasing throughout the world, this data represents an important resource for the insurance sector and international research institutions. Insurers around the world can access the details and trends concerning the various types of loss events."

Dr. Jurgen Schimetschek, Munich Re





For more than 35 years, ESRI has been helping people manage and analyze geographic information. ESRI offers a framework for implementing GIS technology in any organization with a seamless link from personal GIS on the desktop to enterprise-wide GIS client/server and data management systems. ESRI GIS solutions are flexible and can be customized to meet the needs of our users. ESRI is a full-service GIS company, ready to help you begin, grow, and build success with GIS.

Corporate

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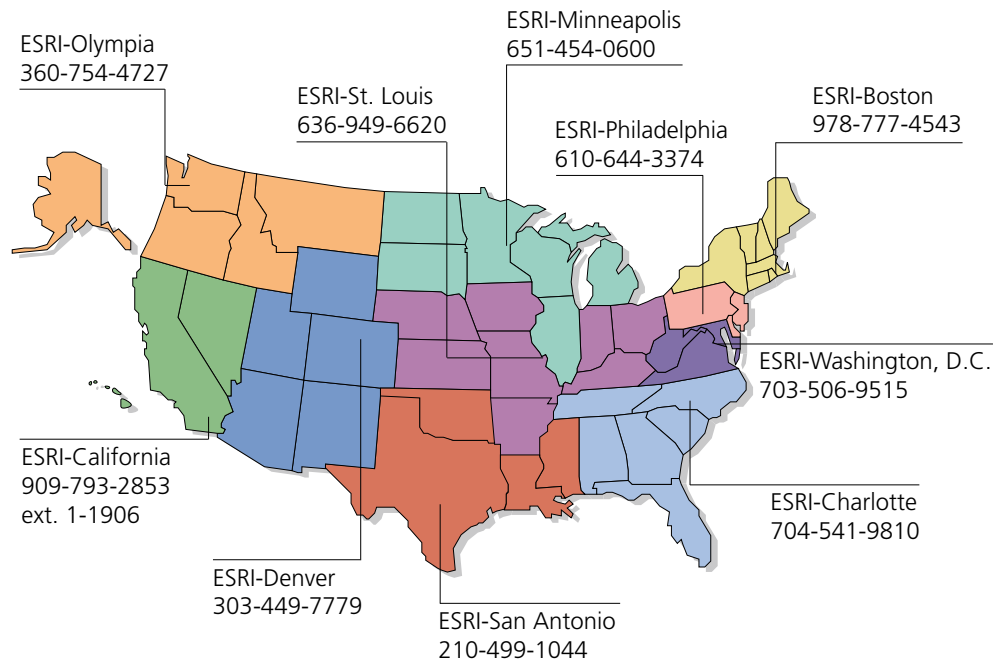
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