

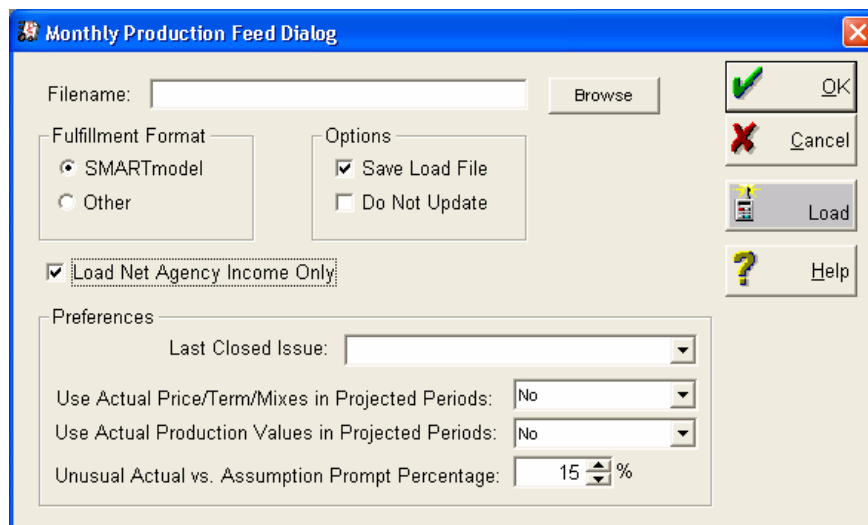


RECENT FEATURES ADDED TO SMARTmodel

For Release: September 2009

We are happy to announce that the latest version of **SMARTmodel (8.0)** is now available for client use. The following system changes and enhancements have been added:

- A new Model Initialization Module has been added to fully automate loading of inventory expires, income and expenses directly from fulfillment system feeds.
- A new Monthly Production Feed has been added that allows you to actualize all monthly order production using your fulfillment format with one click of the button. Now you can automate updating subscription marketing production, use actual price/term mixes and apply newly actualized assumptions to continue in future periods.



- Accounting for Agency Commission now can be handled three ways:
 - Net method – Revenue and income reports will display only the net revenue and income. No reporting of Commissions will be made
 - Gross method - Revenue and income reports will display the gross (full price) revenue and income. Commissions will be calculated based on the source's expense assumptions, and reported based on the field departmental assignments.
 - Contra revenue method - Revenue and income reports will display the gross (full price) revenue and income. Commissions can be shown as a contra revenue account.

SMARTmodel (8.0):

- A new "Unidentified Renewals & RABs" dialog has been added to the Inventory Maintenance screen that allows you to reduce expire pools to account for Unidentified Renewals and RABs.
- A "Chinese Wall" has been added to the system. **SMARTmodel** now allows you to combine Circulation Results from one project with Financial Assumptions from a separate project. This allows you "departmentalize" model work, allowing the circulation group to build their circ model, then allow the financial / accounting group to independently incorporate their corporate financial assumptions to build a complete model of the business. In the past, these two functions needed to occur in the same project. Now, they can be part of separate projects, preventing the circulation group from seeing and / or changing financial assumptions as well as preventing the Financial group from seeing and / or changing circulation assumptions.

For more information about downloading the latest version and implementing Version 8.0 please contact Jim Jankowski at jjankowski@laddassociates.com or 603-448-0448.

As always, we look forward to your comments and questions.

Jack Ladd