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**VCF Research Reveals the Current State of the Perfect Order in the Retail Industry**

**South Plainfield, NJ, June 24, 2009** – The Vendor Compliance Federation (VCF), the leading member organization facilitating retailer-supplier trade synchronization, announced today the results of a research survey conducted through its Perfect Order Index Community of Practice (CoP). Examining the use of the Perfect Order Index, the survey questioned retailers, manufacturers, and service providers on their use of the four measures that comprise the Perfect Order Index (POI) – *on-time, complete, damage-free, and with correct documentation.*

Communities of Practice are groups of leading retailers and manufacturers who come together to address a specific industry topic within the retail, forecasting-to-cash continuum. The communities offer collaborative best practices, new strategies, thought leadership, and networking opportunities to its members. The Perfect Order Index CoP, underwritten by Compliance Networks, is currently focused on establishing the financial value of the Perfect Order.

“Today’s retail environment requires an ever closer focus on margins and on the measures that will foster and protect them, such as the Perfect Order Index,” said VCF CEO Diane Berry. “Industry research supports a correlation between Perfect Order Index performance and financial measures such as Earnings Per Share (EPS), Return On Assets (ROA), and overall profitability. The POI Community explores issues associated with adoption of the Perfect Order Index in order to make its benefits available to more organizations.”

The results of VCF’s industry survey show how trading partners currently apply the perfect order index, and the significance of including this measure in scorecards. Select findings include:

- Only 10% of retailers are using all four POI metrics as part of their Scorecards, their measurement of supplier performance.
- On-Time and Complete prove to be the most important POI metrics for both retailers and suppliers.
- 45% of respondents continue to use spreadsheets to capture trading partner performance.

A free webinar disclosing the full results will be held on Thursday, June 25<sup>th</sup> at 2 PM EDT. Those interested in attending the free webinar can contact Anna Lee at [alee@vcfww.com](mailto:alee@vcfww.com).

A white paper on these results and their implications is planned for release by Fall of 2009.



### **About Vendor Compliance Federation (VCF)**

VCF advocates retailer-supplier trading synchronization, champions collaborative initiatives and offers solutions to drive productivity, profitability and growth. It is the leading membership organization focused on solutions, services and best practices for retailer-supplier collaboration. VCF membership includes top manufacturing brands and national retailers, ranging from fashion and cosmetics to electronics and home furnishings. VCF brings the retail industry together to reduce deductions and chargebacks, increase supply chain efficiencies, minimize order fulfillment risk, integrate processes and eliminate disconnects across the entire forecasting-to-cash continuum. VCF draws participation from industry leaders such as Sears, JCPenney, Nordstrom, Lowe's, Liz Claiborne, LVMH, adidas, Estée Lauder, Tom Tom, Jarden Consumer Solutions, and BIC Consumer Products among others. Visit us at [www.vcfww.com](http://www.vcfww.com).

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