DELIVERING YOUR BUSINESS

LOGISTICS



# BECAUSE PUTTING STUFF INTO BOXES ALL DAY IS PROBABLY NOT WHY YOU GOT INTO BUSINESS IN THE FIRST PLACE.

ENTREPRENEURS DREAM OF COMFORTABLE LIVING, COMMANDING RESPECT, ENJOYING SUCCESS AND BEING MASTER OF THEIR OWN DESTINY. Such dreams rarely include long hours spent processing orders, preparing boxes for shipping and sticking stamps. And let's not even get started on handling returns and dealing with all that dreaded paperwork.

Still, that's the painful reality of many small and medium businesses. Wages, shipping supplies, floor space: part of a company's limited resources must be assigned to mundane, unprofitable tasks. Because after all, isn't it the way it works?

What if you could be relieved from this burden? If you were now free to hire additional sales reps to bring in more business, if you could finally invest in equipment upgrades and even claim extra floor space to expand production: how far could you take your business?

That's precisely what STOX is about: delivering your business.



#### PARTNER WITH STOX IF YOU WANT TO:

- Invest more time and money in your core competency and focus on growth
- Reduce your operating costs and preserve capital
- · Decrease your staffing requirements
  - Replace large fixed costs and overhead with a primarily variable cost structure
    - Maintain flexibility within your organization and more effectively manage future demands
    - Optimize order overflow and seasonal fluctuations
    - Streamline manufacturing, decrease time to market, increase margins
    - Improve customer satisfaction rates
    - Be instantly operational by having immediate access to a complete, scalable infrastructure

# STOX IS AN OUTSOURCED, ON-DEMAND PARTNER THAT DELIVERS ONLINE COMMERCE, DISTRIBUTION, AND WAREHOUSING SOLUTIONS TO MULTI-CHANNEL MERCHANTS, DISTRIBUTORS, AND MANUFACTURERS.

STOX PROVIDES BUSINESSES WITH ACCESS TO A SECURE, SCALABLE INFRASTRUCTURE WITH CAPABILITIES TO LAUNCH OR ENHANCE ONLINE COMMERCE OFFERINGS, STREAMLINE PRODUCTION, AND SIMPLIFY DISTRIBUTION REQUIREMENTS THAT FOCUS YOUR BUSINESS TOWARD CORE CORPORATE ACTIVITIES, GROWTH STRATEGIES, BRAND DEVELOPMENT, AND IMPROVING OVERALL EFFECTIVENESS.

#### We help clients deliver

Getting the order out, getting the money in: no matter the industry, that's what it always comes down to. We've helped both start-ups and established businesses across North America run smoother operations in a variety of fields: online commerce, apparel, consumer electronics, furnishings, education, fitness, manufacturing, literature... Any company that needs to deliver a product can benefit from outsourcing its requirements to STOX.

#### Outsource the work - not control

Outsourcing your inventory in no way prevents you from closely managing your stock: quite the opposite, in fact. Our web-based control panel allows you to track sales, inventory, orders and growth in real-time, anywhere worldwide. Like an extension of your operations, you also gain direct access to a member of our team to address any item on your list.

#### We're not the biggest, and we don't strive to be: it's our strength

The whole point is to make your life easier: so we steer away from inflexible policies and we don't enforce long-term contracts. Instead, we work beyond hard to gain our customers' loyalty the old fashioned way: we earn it, day by day.

We get what needs to be done efficiently, through a flexible process. We view our customers as partners and deliver the understanding and excellence in customer care they deserve, but so rarely experience. We take our customers seriously, no matter how big or small.







# WE HANDLE THE MUNDANE SO YOU CAN DO THE EXTRAORDINARY.

YOUR BUSINESS NEEDS WILL DEFINE THE EXTENT OF SERVICES TO BE IMPLEMENTED. MOST SERVICES ARE CUSTOMIZABLE - SO YOU ONLY PAY FOR WHAT YOU NEED - AND SCALABLE - SO YOU ONLY PAY FOR HOW MUCH YOU NEED.



**ONLINE COMMERCE SOLUTIONS:** STOX can provide an efficient integrated framework allowing your business to quickly establish a best-in-class online commerce solution tailored to meet the specific needs of your online retail or businessto-business operation.



**ORDER FULFILLMENT:** Once your products are stored in our facility, we can process your incoming orders for shipment efficiently - usually same day, expertly packed, with order and tracking details provided through our web-enabled interface, accessible 24/7.



ON DEMAND WAREHOUSING: STOX provides scalable floor space to stock your products without being bound by longterm contracts. Rather than having to support the large overhead that comes with having your own warehouse, use just the right amount of floor space you need as your business grows. Slow months aren't as stressful when you can scale down your warehousing expenses accordingly.



PACKAGING: We are experts at packaging and provide custom solutions to your special needs. We brand packing slips with your logo, business policies and information, and can supply branded shipping boxes, custom tape and any other specialty packaging requirements. We carefully choose packing materials based on your product requirements and offer custom moldings for those intricate and delicate items.



INVENTORY MANAGEMENT: Do we have it? How many are left? Where is it? STOX's inventory management web-based tool means you can access this information from any place with an Internet connection. Incoming orders and shipped items are linked to this tool, giving you a real-time status update on your inventory.



PRODUCT RETURNS: Even with the best products in the world, returns happen. Businesses often struggle to process and recover losses from returned merchandise. STOX offers a streamlined process to handle warranty returns, repair, testing and to protect customer loyalty while salvaging goods that could be reused in refurbishment or repacking.



MANUFACTURING SUPPORT: Businesses are often faced with holding large inventory to service their production line, or incur expensive repeat freight charges. We can inventory all or part of your production stock, and provide just in time deliveries to your production line based on your specific requirements. We also provide sub-assembly of components delivered to your assembly line.



SPECIAL REQUIREMENTS: STOX can take care of your special requirements during the order process. Inserting an instruction manual, a promo slip, assembling components to a final product, combining products for promotions, re-labelling, or whatever your special need: these can all be part the solution, if required.



**CUSTOMER CONTACT MANAGEMENT:** As part of the STOX infrastructure, you can benefit from a mix of services to manage your inbound calls and order processing for a fully integrated, end-to-end fulfillment process.













MR. CARTER OWNS A TORONTO-BASED COMPANY THAT USED TO PRODUCE LEAD MINIATURES FOR TACTICAL SIMULATION GAMES AND ROLE PLAYING GAMES. OVER THE LAST FEW YEARS, THE BUSINESS HAS MOVED AWAY FROM THE INDIVIDUAL LEAD MINIATURES, TO BULK PRE-PAINTED PLASTIC MINIATURES, MASS PRODUCED IN CHINA.

This shift caused several problems to Mr. Carter's business. Miniatures now had to be stored in very large quantities — due to bulk purchase restrictions and extended delays for overseas <mark>prod</mark>uct replenishment. Physical labour was now also required to insert multiple figurines and matching descriptive cards into retail boxes. Limited floor space was becoming a problem, but Mr. Carter didn't want to move his company from its bargain-priced Downtown Toronto loft.

STOX offered Mr. Carter a scalable, Montreal-based warehousing solution - as expansion from his current location was not possible and alternatives, too costly. Orders from Mr. Carter's company website are processed through a STOX pre-integrated shopping cart that directs orders to the fulfillment facility for processing.

When an order comes in, the right miniatures are fitted into corresponding plastic molds to protect them during transport, matching descriptive cards are inserted, and the package is shipped. An automated email is sent to the end customer to track their order status.

All this happens invisibly to the customer. Mr. Carter and his team stay in their plush Toronto office. Their small team of designers and artists are now free to work on new miniature designs and create additional website content to please their many fans.

TO PRESERVE THE CONFIDENTIAL NATURE OF OUR BUSINESS RELATIONSHIP WITH AND LOCATIONS HAVE BEEN CHANGED THE PRESENTED COMPANIES, THE NAMES















LIKE MANY ENTREPRENEURS, RON STARTED HIS OWN BUSINESS OUT OF HIS SUBURBAN HOME. HE MANUFACTURED AND DISTRIBUTED ANTI-RESONANT DEVICES DESIGNED TO PREVENT UNWANTED VIBRATIONS IN SENSITIVE AUDIO PLAYBACK EQUIPMENT. THESE SPECIALTY PRODUCTS WERE SOLD DIRECTLY TO RETAILERS ACROSS NORTH AMERICA.

As Ron's business grew, he was faced with increasing distribution and manufacturing difficulties. As a "one-man company", Ron had a hard time balancing production, sales development, inventory management, customer service and order preparation.

Ron didn't want to support large overhead by hiring administrative or sales staff. Facing an uncertain economy, he was concerned about cash flow impacts, long-term commitments and being able to weather the ups and downs of the business. Rather, Ron was looking for ways to streamline his order process and reach more efficient – and more profitable – sales channels.

Using the proposed solution framework combined with the STOX infrastructure, Ron was able to remove the major pains and obstacles to his success and growth by:

- Outsourcing the burden of storing and managing inventory, taking and preparing orders for shipment while regaining valuable living space in his home - without the investment, staffing requirements or any long-term commitment.
- Establishing a new, highly profitable sales channel through business-to-business and direct-to-consumer e-commerce websites powered by the STOX integrated order and e-commerce platform.
- Reducing order capture time with integrated shopping cart and inbound call center solutions.
- Simplifying and reducing manufacturing time by having key components produced by different suppliers shipped directly at the STOX facility, where final assembly is completed more efficiently.
- Keeping the bulk of his manufacturing in-house, as Ron preferred, while having more time to grow his business and cater to his all-important customer base.

After partnering with STOX, Ron's business operations are smoother than ever – he finally moved his manufacturing to a small rented unit not far from his home, but continues to manage his business from his dedicated one-room office, at home. Business is growing as his newfound ability to now focus on marketing, growth strategies, and brand development is paying off.

# IT'S NOT QUITE AS EASY AS 1-2-3, BUT IT'S PRETTY CLOSE.

WE PREVENT ORDER PROCESSING AND SHIPPING FROM BECOMING A BURDEN: THERE WOULD BE NO POINT IN REPLACING THAT WITH ANOTHER COMPLEX AND INFLEXIBLE PROCESS. SO WE LIKE TO KEEP THINGS SIMPLE.

The graphic below illustrates a standard order cycle for a typical business, which could then be customized to fit different needs.



#### AN ORDER IS CREATED

We provide the technology to accept orders directly through our control panel or seamlessly integrate to your order application, ERP, or e-commerce platform, ensuring automated processing of your orders directly to our fulfillment facility.



We manage shipping, your inventory levels, customer contact management, and special requests according to your particular business requirements. The STOX infrastructure gives you access to best in class customer service and ongoing support through live support individuals and powerful reporting capabilities and analytics available, 24/7.

#### ■ ■ WE MANAGE RETURNS

STOX will handle your product returns, and work closely with you to reduce the number of returns, transform negative client experiences into positive ones, and capture value from returned goods.

### THE ORDER IS PROCESSED AT THE STOX FACILITY

A STOX employee will pick the products stocked at our warehouse and prepare the order.





#### SPECIAL REQUIREMENTS ARE TAKEN CARE OF

If the product must be delivered with an instructions manual, a promo slip or if some minor assembly is required, a dedicated STOX employee will follow your request.



We know how important your product is to you and your customer. We prepare your goods for shipment using environmentally friendly packing material and tried methods, ensuring a secure shipment out of our fulfillment facility.

#### IN INTHE PRODUCT IS SHIPPED

An automated email is sent to the client to confirm that the order has been shipped and to track its status.







## **WE HOPE YOUR PRODUCTS WILL** FIND THEIR STAY COMFORTABLE.

EVERYTHING STARTS WHEN YOUR PRODUCT ARRIVES AT THE STOX FULFILLMENT AND PRODUCTION FACILITY. Received goods are logged, counted, entered into our inventory control system and given a unique, dedicated warehouse location.

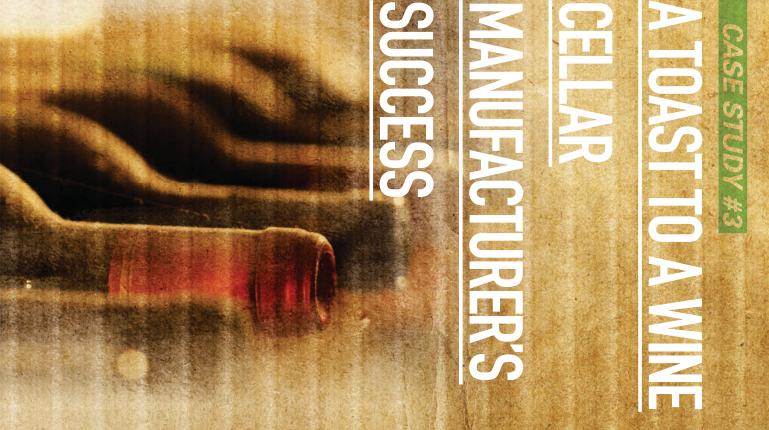
STOX facilities are monitored with tight security 24/7 and video surveillance. Our environment is closely managed for cleanliness, climate-controlled and certified pest free. Everything is set up to make your products

Our warehouse management and order systems are hosted on multiple remote servers, ensuring flawless reliability and guaranteed access to systems worldwide anytime.

# WE FEEL WE'VE DONE A GREAT JOB IF YOUR CLIENT NEVER REALIZES HE'S DEALT WITH US.

STOX STRIVES TO BE THE INVISIBLE PARTNER THAT SUPPORTS YOU FROM BEHIND THE SCENES: WE DON'T WANT TO STEAL YOUR SPOTLIGHT. We can even provide branded shipping items (such as boxes or custom tape) to further highlight your corporate image.

When providing service or handling returns, we treat customers with the same respect and professionalism they'd expect from you.





















MR. AND MS. LAPERRIÈRE HAD INHERITED THEIR FATHER'S BUSINESS: A WINE CELLAR MANUFACTURING COMPANY JUST OUTSIDE OF QUÉBEC CITY. IN ORDER TO GAIN ENTRY TO LARGE WHOLESALERS, THE COMPANY DEVELOPED AN ENTRY-LEVEL LINE OF CELLARS THAT COULD BE MASS-PRODUCED MORE EFFICIENTLY THAN THEIR LUXURY HANDCRAFTED UNITS.

When demand was strong, their workers couldn't produce the units fast enough. And when demand was low, cellars produced in advance quickly ate up precious floor space. They had already invested large sums in developing this new line of product, and couldn't afford to expand their warehouse right now. They weren't too keen on hiring additional staff, due to the regular ups and downs of demand according to seasons and special holidays.

Mr. and Ms. Laperrière chose to rent scalable floor space at the STOX warehouse, adjusted every month according to the sales demand. Since the company primarily deals with wholesalers and orders come in through contact with account executives, and since volumes were low enough, it didn't require implementing an automated order solution. Account executives just log in a simple, efficient web tool and place the orders themselves.

When the order comes in at the STOX warehouse, the different cellars are fitted into custom moldings and branded boxes. Components common to all cellars (such as handle, hinges and exhaust pipe) are inserted in each box in a single plastic bag, along with the instruction manual and any current promotional offers. Orders are then shipped according to each wholesaler's specific expedition standards.

When a unit is damaged at the wholesaler and returned, it comes back to STOX's warehouse. Employees take the time to examine the unit and salvage any parts in perfect condition – such as the handle or shelves – to reuse them in future orders.

Mr. and Ms. Laperrière can now focus on producing more time-consuming, but highly profitable handcrafted units as the orders come in, and mass-produce the entry-level units when their workers aren't as busy. This new way of doing business has been a welcomed blessing in stabilizing their income stream.





MRS. SARICH IS THE CEO OF AN INTERNATIONAL FURNITURE MANUFACTURING AND DISTRIBUTING COMPANY WITH HEAD OFFICES AND PRODUCTION FACILITIES LOCATED IN THE FORMER YUGOSLAV PROVINCE OF CROATIA. THE COMPANY PRODUCES TRENDY EUROPEAN DESIGNER CHAIRS, SOFAS AND ACCESSORIES, AS WELL AS SHAPEABLE LOUNGERS. THEIR PRODUCTS ARE DISTRIBUTED ACROSS THE EUROPEAN UNION WITH GREAT SUCCESS THROUGH TRADITIONAL CHANNELS.

To insure growth beyond the saturated market, Mrs. Sarich planned to establish the brand in North America, where research indicated that Canada's mosaic culture and favourable demographics made it the perfect point of entry. To test the market and promote their brand in this new territory, the company wished to promote only its trendy loungers, keeping investment costs within reasonable limits.

Efficiently distributing and testing the market for their flagship product without existing operations in North America represented quite a challenge. Because of the item's weight and bulky shape when packaged, shipping from Europe would prove too costly - not to mention additional brokerage and customs fees.

The proposed STOX solution framework offered the perfect setup by:

- Providing an infrastructure that made the company instantly operational, with complete warehousing and order fulfilment capabilities across North America, without the investment, staffing requirements or long term commitments.
- While the lounger's slip covers are still produced in Europe, the heavy filling material is instead ordered from a Canadian supplier. The material is shipped separately to the STOX warehouse, in bulk.
- Using specially supplied equipment, the loungers are then filled, assembled and packed as orders are processed a far more flexible approach compared to the prohibitive cost of shipping massive orders overseas from the European facility.
- Establishing a direct-to-consumer e-commerce website featuring an integrated shopping cart that redirects orders
  to our facility, and implementing a partner inbound call center solution for customers wishing to speak to a local
  sales representative.

Partnering with STOX in this new market brought the company immense success and new growth opportunities. Mrs. Sarich is delighted that what could have been a complex and risky venture was turned into a smooth, streamlined operation. The company's brand is now enjoying growth in a foreign market without having to invest in large outlays, long-term commitment and additional staff.

## **BUT ENOUGH ABOUT US: WHAT ABOUT YOU?**

WHEN YOU PARTNER WITH STOX, YOU WORK WITH A GROUP OF PROFESSIONALS WHO HAVE A VESTED INTEREST IN YOUR GROWTH AND SUCCESS. After all, more business for you means more business for us!

We're always glad to meet entrepreneurs and hear their stories. We look forward to seeing you soon, and hearing yours.



# THERE'S MORE GREEN TO STOX THAN JUST OUR LOGO.

WE ARE COMMITTED TO HAVING A POSITIVE IMPACT ON OUR CLIENTS, OUR ORGANIZATION, COMMUNITY



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