



## *Rebate Forecasting & Management Software*

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# Introduction

Wazee Group has developed the Rebate Forecasting & Management (RFM) tool that allows companies to easily and accurately manage their rebate programs. This software increases the accuracy of the forecasts, simplifies the data entry tasks, and offers greater insight into the rebate domain. This system allows:

- **Greater forecast accuracy.** By capturing the contracts and the underlying pricing rules, the system performs calculations on the building and products/services data to produce precise forecasts.
- **Increased productivity.** The system guides the users through the necessary steps to create and maintain the business data. It also minimizes the steps that require human interaction.
- **Consolidated business data.** The system supports the activities for the forecasting of the rebates, the invoicing of the rebates, and the receiving of payments for the invoices. By supporting the major activities, the business data may be consolidated and interlinked.
- **Diverse and unique insights.** The system supports multiple and diverse reports that increase the understanding of the rebate program and, ultimately, leads to increased profits.



# Overview

The current version of the tool consisted of the following major components:

- **Contracts:** A contract represents the rules and conditions for the rebate between the client and a vendor. The rules and calculations expressed in the contract can range from simple bulk rebates to complex, multi-tier, multi-product coverage over geographical dispersed areas.
- **Building Data:** This information represents the quantity and types of building to be performed over the next 12 months.
- **Product/Service Usage:** This data represents the usage of products and services of each vendor for the next 12 months. Since the usage varies over geographical areas, the data is specific to each of the major markets.
- **Invoices:** As the forecasts become actual rebates over the course of the forecast periods, invoices are generated and sent to the vendors.
- **Payments:** Payments of the rebate invoices are also tracked in the tool.
- **Reports:** The most important component is the reporting capabilities. By consolidating all of the business data, rebates may be calculated, compared with actual values, and tracked against invoices and payments.



# Walkthrough

**The navigation menu consists of the major sections of the tool:**

- Contracts
- Rebate Forecasts
- Building Forecasts
- Rebate Invoices
- Rebates Received
- Reports
- Administration



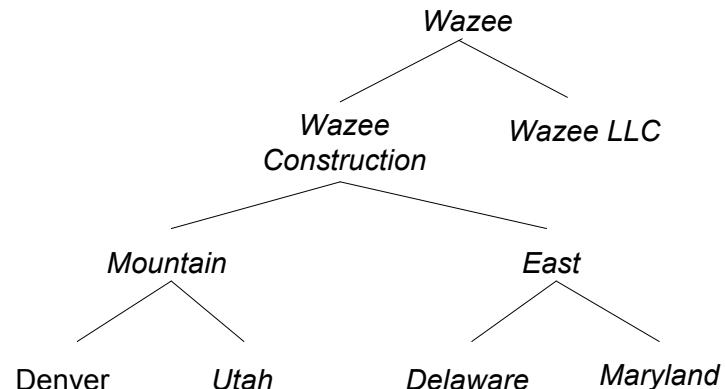
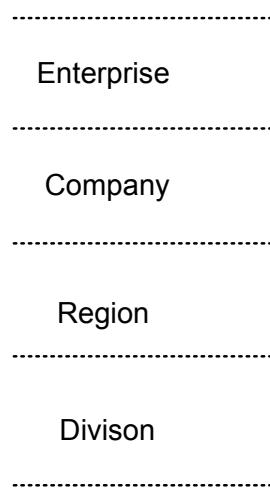


# Organization Hierarchy

A key concept used throughout the tool is the organization hierarchy.

Contracts, forecasts, invoices, receivables, and reporting rely on this hierarchy to manage large scale rebate programs.

There are four levels with the Enterprise at the highest and the Division at the lowest.





# Contracts

A contract represents the rebate terms and conditions for a specific vendor. A contract consists of:

- The parts of the organization to be included (Division Participation).
- The products that are covered (Product Participation).
- The calculations used in generating the rebate amount (Product Usage Calculations).
- Rebates that are not tied to product usage (Bulk Rebates).

Edit Contract

Contract Name	Appliances	Coverage	All Markets	
Supplier	GE Appliances	Start Date	1/1/2003	
Roles	Manufacturer	End Date	12/31/2008	
Forecast End Date 12/31/2008				
<input type="button" value="Edit Roles"/>				
Status	Signed Active	<input type="checkbox"/> Special Consideration		
Division Participation	Corporate	Company	Region	Division
Wazee	Wazee Construction	East	Central Virginia	
Wazee	Wazee Construction	East	Delaware	
Wazee	Wazee Construction	East	Maryland	
Wazee	Wazee Construction	East	North Virginia	
Wazee	Wazee Construction	East	South Virginia	
Wazee	Wazee Construction	East	West Virginia	
Wazee	Wazee Construction	Mountain	Amarillo	
Wazee	Wazee Construction	Mountain	Chicago	
Wazee	Wazee Construction	Mountain	Denver	
Wazee	Wazee Construction	Mountain	North Colorado	
<input type="button" value="Edit Divisions"/>				
Product Participation	Trade	Category	Product	Product Name
Finish	Appliances	Appliances	Appliances	
<input type="button" value="Edit Products"/>				
Product Usage Calculations	Name	Type	Basis	Tier
Appliances/Home - rebate	Contract Volume Houses	Starts	Percent Spend	
Appliances/% of Spend - rebate	Contract Volume Spend	Starts	Percent Spend	
Appliances - Marketing	Contract Volume Spend	Starts	Percent Spend	
<input type="button" value="Edit"/> <input type="button" value="Add"/> <input type="button" value="Copy"/> <input type="button" value="Delete"/>				
Bulk Rebates	Date	Amount	Funding Type	Baseline
<input type="button" value="Edit"/> <input type="button" value="Add"/> <input type="button" value="Delete"/>				
<input type="button" value="Done"/>				



# Contract - Calculations

A calculation represents one of the algorithms for generating a portion of the rebate amount with the contract.

A calculation may be based on per product unit, per house, total houses, total units, or total cost.

All or a subset of the divisions in the contract may participate.

All or a subset of the products may participate.

Tiers may be created that specify different amounts over different time spans.

The screenshot shows a Windows application window titled 'Contract - Calculations'. The interface is divided into several sections:

- Top Configuration:** Includes fields for Name (Appliances/Home - rebate), Tier Type (Percent Spend), Type (Contract Volume Houses), Basis (Starts), Set Constraint (Exclusive), Funding Type (Rebate), and a checkbox for Retroactive.
- Available Divisions:** A tree view showing 'Corporate' (selected) under 'Wazee', 'Company' (Wazee Constru, Wazee LLC), 'Region', and 'Division'.
- Divisions In Calculation:** A list of divisions mapped to regions and cities, with arrows indicating selection status.
- Available Products:** A tree view showing 'Trade' (selected) under 'Finish', 'Category' (Appliances), 'Product' (Appliances), and 'ProductName' (Appliances).
- Products In Calculation:** A list of selected products.
- Tiers:** A table showing tiered values for 'Appliances' across different date ranges.

Product Name /	Start Date	Lower Limit	Upper Limit	Value
Appliances	1/1/2003 12:00:	0	8749	10
Appliances	1/1/2003 12:00:	8750	9999	10.5
Appliances	1/1/2003 12:00:	10000	11249	11
Appliances	1/1/2003 12:00:	11250	12499	11.5
Appliances	1/1/2003 12:00:	12500	13749	12
Appliances	1/1/2003 12:00:	13750	14999	12.5



# Contract – Bulk Rebates

A bulk rebate is a payment that is not tied to product or service usage.

A bulk rebate is applied to one or more divisions in a contract with either a uniform or weighted distribution.

**Edit Bulk Rebate**

Date: 12/01/2004	Funding Type: Marketing		
Amount: 15000	Distribution Type: Uniform		
<input type="checkbox"/> Baseline			
Available Divisions			
Corporate	Wazee	>	
Company	Wazee Construction Wazee LLC	>	
Region	East Mountain South South East West	> <	
Division		> <	
Divisions In Distribution			
Corporate	Company	Region	Division
Wazee	Wazee Construction	East	Central Virginia
Wazee	Wazee Construction	East	Delaware
Wazee	Wazee Construction	East	Maryland
Wazee	Wazee Construction	East	North Virginia
Wazee	Wazee Construction	East	South Virginia
Wazee	Wazee Construction	East	West Virginia

Select All    Unselect All

Save    Cancel



# Building Forecast

Building forecast represents the amount of building to be performed in the next 12 months.

This data represents the number of starts, closes, model starts, and model closes at the division level.

The numbers can be baselined (i.e. locked from changes) so the initial estimates can be tracked against actuals thorough the forecasting period.

A screenshot of a Windows application window titled "Edit Building Forecast". At the top, there is a "Find Period" input field and a small table showing four time periods: 2004-Q4, 2005-Q1, 2005-Q2, and 2005-Q3. Below this is a large table titled "Building Forecasts" containing data for various divisions. The columns include Division, Baseline Lock, Baseline Start, Baseline Model, Baseline Total Starts, Baseline Closes, and Baseline N. The data shows values for divisions like Central Virginia, Delaware, Maryland, Mid-Atlantic, North Virginia, South Virginia, West Virginia, Amarillo, Chicago, Colorado Spring, Denver, North Colorado, South Colorado, Utah, Dallas, Houston, and Florida. A "Lock All Baselines" button is at the bottom left, and a "Done" button is at the bottom right.

Name	Start Date	End Date
2004-Q4	10/1/2004 12:00	12/31/2004 12:00
2005-Q1	1/1/2005 12:00	3/31/2005 12:00
2005-Q2	4/1/2005 12:00	6/30/2005 12:00
2005-Q3	7/1/2005 12:00	9/30/2005 12:00

Building Forecasts	Division	Baseline Lock	Baseline Start	Baseline Model	Baseline Total Starts	Baseline Closes	Baseline N
	Central Virginia	<input checked="" type="checkbox"/>	161	3	164	113	
	Delaware	<input checked="" type="checkbox"/>	69	1	70	14	
	Maryland	<input checked="" type="checkbox"/>	153	3	156	81	
	Mid-Atlantic	<input type="checkbox"/>	0	0	0	0	
	North Virginia	<input checked="" type="checkbox"/>	118	2	120	105	
	South Virginia	<input type="checkbox"/>	0	0	0	0	
	West Virginia	<input checked="" type="checkbox"/>	19	0	19	21	
	Amarillo	<input checked="" type="checkbox"/>	186	4	190	154	
	Chicago	<input checked="" type="checkbox"/>	112	2	114	29	
	Colorado Spring	<input type="checkbox"/>	0	0	0	0	
	Denver	<input checked="" type="checkbox"/>	245	5	250	185	
	North Colorado	<input checked="" type="checkbox"/>	186	4	190	150	
	South Colorado	<input checked="" type="checkbox"/>	155	3	158	124	
	Utah	<input checked="" type="checkbox"/>	224	4	228	238	
	Dallas	<input checked="" type="checkbox"/>	147	0	147	128	
	Houston	<input type="checkbox"/>	165	0	165	164	
	Florida	<input type="checkbox"/>	0	0	0	0	



# Rebate Forecast

To generate a rebate forecast, the product usage is entered by importing a spreadsheet or through the Rebate Forecast screen. The product usage covers units per house, spend per unit, and market share. Once the usage data is entered, the calculations are applied and the rebate amounts generated.

Edit Rebate Forecast

Name	Period	Division
2005 Forecast	2005-Q1	Amarillo

Rebate Forecasts

Supplier	Contract	Product Name	Baseline Lock	Units Per House	Spend Per Unit	Spend Per House
A.O. Smith /	Water Heater	Water Heaters	<input type="checkbox"/>	1	0	0
A+ Affordabl	New Contract	Installation	<input type="checkbox"/>	1	0	0
Advent	Structured Wi	Dish Network System	<input type="checkbox"/>	1	0	0
Advent	Structured Wi	Residual Security	<input type="checkbox"/>	1	400	400
Advent	Structured Wi	Package	<input type="checkbox"/>	1	400	400
Alder Corpora	Architectural	Interior Trim (labor)	<input type="checkbox"/>	1	0	0
Alside	Vinyl Siding a	Aluminum Soffit	<input type="checkbox"/>	1	0	0
Alside	Vinyl Siding a	Vinyl Siding and Soffit	<input type="checkbox"/>	1	0	0
Alside	Vinyl Siding a	Vinyl Soffits	<input type="checkbox"/>	1	0	0
Amarr	Garage Door	Standard	<input type="checkbox"/>	1	0	0
American HW	Water Heater	Water Heaters	<input type="checkbox"/>	1	0	0
Andersen Win	Andersen Win	Storm Door	<input type="checkbox"/>	1	0	0
Andersen Win	Andersen Win	Patio Door	<input type="checkbox"/>	1	0	0
Andersen Win	Andersen Win	Windows	<input type="checkbox"/>	1	0	0
Ankmar	Garage Doors	Opener-Standard	<input type="checkbox"/>	1	0	0
Ankmar	Garage Doors	Clad Panel	<input type="checkbox"/>	1	0	0
Ankmar	Garage Doors	Steel	<input type="checkbox"/>	1	0	0
Arizona Tile	Flooring	Ceramic Tile	<input type="checkbox"/>	1	0	0
Arizona Tile	Flooring	Granite & Marble	<input type="checkbox"/>	1	0	0

Lock All   Lock Period   Lock Division

Done



# Invoices

An invoice represents a rebate amount for a contract and time period.

The invoice is partitioned by the type of rebate (Marketing, Residual, etc) and division.

The initial values are derived from the rebate forecast but can be changed by the user.

All changes to the invoices are recorded for tracking purposes.

**Edit Invoice**

Invoice Name	2004-Q4-Feb	Contract	Appliances																																						
Supplier	GE Appliances	Period	2004-Q4																																						
Request Date	3/16/2005	<input type="checkbox"/> Write Off																																							
Resent Date		<input type="checkbox"/> Estimate	<input type="button" value="Apply Forecasts"/>																																						
Invoice Amount	184719.61	Remaining Amount	0																																						
<a href="#">Rebate</a>   <a href="#">Conversion</a>   <a href="#">Marketing</a>   <a href="#">Indirect Spend</a>   <a href="#">Price Protection</a>   <a href="#">Comments</a>   <a href="#">Collections</a>   <a href="#">Model Home</a>   <a href="#">Residual</a>																																									
<table border="1"><thead><tr><th>Division</th><th>Amount</th></tr></thead><tbody><tr><td>Sacramento</td><td>4054.01</td></tr><tr><td>San Diego</td><td>4788.12</td></tr><tr><td>San Francisco</td><td>14945.2</td></tr><tr><td>South Colorado</td><td>5450.99</td></tr><tr><td>South Virginia</td><td>0</td></tr><tr><td>Tampa</td><td>0</td></tr><tr><td>Tucson</td><td>10966.45</td></tr><tr><td>Utah</td><td>8483.04</td></tr><tr><td>West Virginia</td><td>1378.11</td></tr><tr><td>Central Virginia</td><td>9878.65</td></tr><tr><td>Chicago</td><td>13.88</td></tr><tr><td>Dallas</td><td>3993.85</td></tr><tr><td>Delaware</td><td>0</td></tr><tr><td>Denver</td><td>17941.36</td></tr><tr><td>Houston</td><td>4165.53</td></tr><tr><td>Amarillo</td><td>2615.72</td></tr><tr><td>Inland Empire</td><td>0</td></tr><tr><td>Irvine</td><td>0.09</td></tr></tbody></table>		Division	Amount	Sacramento	4054.01	San Diego	4788.12	San Francisco	14945.2	South Colorado	5450.99	South Virginia	0	Tampa	0	Tucson	10966.45	Utah	8483.04	West Virginia	1378.11	Central Virginia	9878.65	Chicago	13.88	Dallas	3993.85	Delaware	0	Denver	17941.36	Houston	4165.53	Amarillo	2615.72	Inland Empire	0	Irvine	0.09	Invoice Subtotal: 184719.61	
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<input type="button" value="Done"/>																																									



# Receivables

A receivable is a payment by the vendor against a rebate invoice.

The payment is distributed by the rebate type and the division.

All changes to the receivables are recorded for tracking purposes.

**Edit Receivable**

Name	2004-Q4-Feb	Check Number	7215205
Date	3/10/2005	<input type="checkbox"/> Receivable Locked	
Received Amount	184719.61	Remaining Amount	0

Invoices | Rebate | Marketing | Conversion | Indirect Spend | Model Home | Price Protection | Residual | Comments

Division	Invoice Amount	Received Amount
Amarillo	2615.72	2615.72
Central Virginia	9878.65	9878.65
Chicago	13.88	13.88
Dallas	3993.85	3993.85
Delaware	0	0
Denver	17941.36	17941.36
Houston	4165.53	4165.53
Inland Empire	0	0
Irvine	0.09	0.09
Jacksonville	10810.57	10810.57
Los Angeles	5559.84	5559.84
Maryland	7170.03	7170.03
Nevada North	7950.76	7950.76
Nevada South	22364.4	22364.4
North Colorado	5769.66	5769.66
North Virginia	9290.8	9290.8
Phoenix Central	14893.54	14893.54
Phoenix East	12235.01	12235.01
Phoenix West	0	0
Sacramento	4054.01	4054.01
San Diego	4788.12	4788.12
San Francisco	14945.2	14945.2
South Colorado	5450.99	5450.99
South Virginia	0	0

Invoice Subtotal:  
184719.61

Received Subtotal:  
184719.61

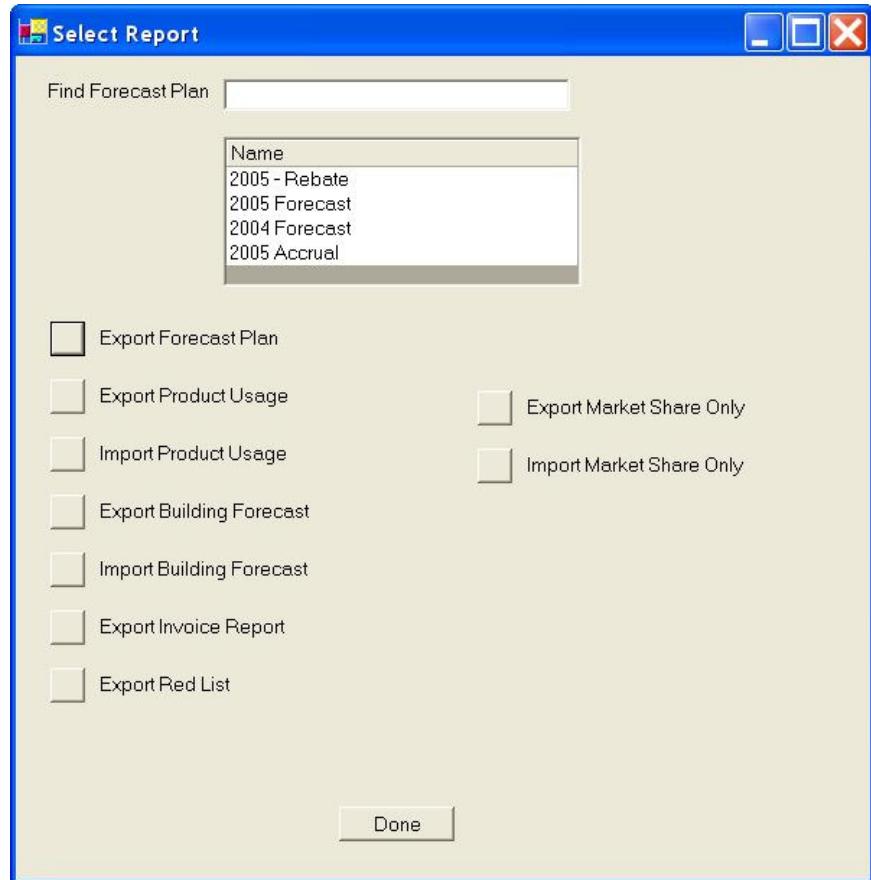
Save | Cancel



# Reports

Several reports are available along with import/export utilities to ease data loading.

The key reports include the Forecast Plan, Invoice, and Red List.





# Report – Forecast Plan

The Forecast Plan Report contains the rebate forecasts by product, rebate type, and basis (Closes, Starts). The data includes percent market share, percent usage, baseline rebate, current amount, invoice amount, and received amount.

The report also contains an aggregate view at each level in the organization hierarchy.

A screenshot of a Microsoft Excel window titled "Microsoft Excel - RebateForecast2005.xls". The spreadsheet displays various sections of a forecast plan, including header information, product usage conversion data, indirect spend data, and marketing data. The data is presented in tables with columns for Supplier, Name, Basis, % Market Share, % Usage, Baseline, Forecast, Invoiced, Received, and % Market Share. Row numbers are visible along the left side of the tables.

2005 Forecast									
Product Usage: Conversion									
Supplier	Name	Basis	% Market Share	% Usage	Baseline	Forecast	Invoiced	Received	% Market Share
10	Wire Shelving	Closes	12.3%	100.0%	2725	2725			
11	Circuit Breaker and Load Center	Starts	5.8%	100.0%	1297	1297			7.3%
12		SubTotal			4022	4022			
13		Average Per House (Closes)			1	1			
14		Average Per House (Starts)			1	1			
Product Usage: Indirect Spend									
Supplier	Name	Basis	% Market Share	% Usage	Baseline	Forecast	Invoiced	Received	% Market Share
18		SubTotal							
19		Average Per House (Closes)							
20		Average Per House (Starts)							
Product Usage: Marketing									
Supplier	Name	Basis	% Market Share	% Usage	Baseline	Forecast	Invoiced	Received	% Market Share
24	Appliances	Spend	99.6%	100.0%	17581	17581			99.9%
25	Paint	Starts	7.9%	100.0%	9495	9495			6.4%
26	Brick	Starts	6.9%	24.1%	0	0			8.6%
27	(Housewraps) Styrofoam Brand V	Starts							0.1%
28	(Blueboard) Styrofoam Brand Ext	Starts	2.3%	100.0%	384	384			2.8%
29		SubTotal			27460	27460			
30		Average Per House (Closes)			6	6			



# Report – Invoice

The Invoice Report contains the baseline, current, invoiced, and received amounts by product, rebate type, contract, and period. The report also contains an aggregate view at each level in the organization hierarchy.

A screenshot of a Microsoft Excel spreadsheet titled "Microsoft Excel - InvoiceReport.xls". The spreadsheet displays various sections of data related to supplier rebates and product usage. The columns represent different financial metrics: Baseline, Forecast, One Time, Invoiced, Received, and Annual Baseline, Forecast. The rows categorize the data by supplier, contract, and product type. The data includes subtotals and averages for house starts and closes. The bottom of the screen shows a navigation bar with tabs like Enterprise, Wazee Construction, Mountain, Denver, Amarillo, North Colorado, South Colorado, and UI.



# Report – Redlist

The Redlist Report contains the current state of the vendors with respect to their invoices, payments, past due amounts, and written off amounts.

Microsoft Excel - redlist2.xls

File Edit View Insert Format Tools Data Window Help Type a question for help

A5      Created On: 6/17/2005

	A	B	C	D	E	F	G	H	I
1	Wazee								
2	RED LIST REPORT								
3	2005 Forecast								
4	1/1/2005 to 3/31/2005								
5	Created On: 6/17/2005								
6									
7									
8	SUMMARY								
9	Supplier	Contract	Estimate Invoice	Actual Invoice	Total Invoice	Past Due Invoice	Total Received	Total Outstanding	Written Off
10	A.O. Smith / State	Water Heaters	0	10820.5	10820.5	12520.5	0	23341	0 2/9
11	Advent	Structured Wiring	0	3790.92	3790.92	0	0	3790.92	29.75 3/2
12	Alside	Vinyl Siding and Soffit	0	21397	21397	0	21397	0	0 2/9
13	Ammar	Garage Door	0	1515	1515	0	1515	0	0 2/9
14	American HWH	Water Heaters	0	2037	2037	0	2037	0	0 2/9
15	Ankmar	Garage Doors & Openers	0	9075	9075	6436	15511	0	0 2/9
16	Ark Construction	Roofing Products and Lab	0	18295.2	18295.2	0	18295.2	0	0 2/1
17	Armstrong World Industries	Flooring	0	15905	15905	0	15905	0	0 2/1
18	Atrium Windows	Windows	0	52503.75	52503.75	0	52503.75	0	0 1/3
19	Baja Tile	Baja Tile	0	596.01	596.01	0	596.01	0	0 2/1
20	Barton Supply	SureVoid Products	0	2704.11	2704.11	0	2704.11	0	0 2/1
21	Baxter's Masonry	Brick, Stone & Stucco	0	150	150	0	150	0	0 2/1
22	Beam Industries	Central Vacuum	0	40	40	0	40	0	0 2/9
23	Bedrosian	Tile & Stone	0	9775	9775	0	0	9775	1600 3/3
24	Belle Maison Cleaning	Cleaning	0	2580	2580	0	0	2580	0 2/1
25	Beus Roofing	Roofing	0	1690	1690	0	0	1690	0 2/1
26	Blind Corners and Curves	Interior Window Covering	0	1188	1188	0	1188	0	12 3/1
27	BMC West	Lumber and Labor	0	29950	29950	0	29900	50	0 1/3
28	Boise Engineered Wood	Engineered Flooring	0	1700	1700	1400	3100	0	0 2/1
29	Boitz	Plumbing Fixtures	0	1227	1227	0	697.5	529.5	0 2/2
30	Bradford-White	Water Heater	0	14741.5	14741.5	0	14741.5	0	0 2/9
	Total / Funding /								



# Summary

The Rebate Forecasting and Management software increases the accuracy of the forecasts, simplifies the data entry tasks, and offers greater insight into the rebate domain. This tool allows:

- **Greater forecast accuracy.** By capturing the contracts and the underlying pricing rules, the system performs calculations on the building and products/services data to produce precise forecasts.
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