



Comergent Playbook

July 2006

The Comergent Playbook

- Purpose
- Mission
- Values
- Corporate Culture
- Team Rules
- Strategy
- Annual Objectives
- Quarterly Objectives

Purpose

To enable businesses
to reach and serve their markets
more efficiently and effectively

Mission

**Comergent provides eBusiness solutions
and services for the extended enterprise
that enable increased revenue while
reducing the cost of sales, enabling
channel unity and optimizing
customer-facing operations.**

Values

- Dependable
- Dedicated
- Self-motivated
- Smart
- Team-oriented

Corporate Culture

- Customer focused
- Deal oriented
- Team-oriented
- Passion for results
- Create an atmosphere where employees are continuously challenged
- Entrepreneurial edge

Team Rules

- Hire, motivate and retain the best people who reflect our values
- Comergent first, department second
- Direct, open, and honest communication

Team Rules (cont.)

- **Communication:**
 - Use the right medium for the right message and individual. Respond promptly.
 - E-mail: news and information (1 day response)
 - Phone: discussions/interactive (4 hour response to voicemail)
 - Cell phone: urgent (respond immediately)
 - Open door policy

Team Rules (cont.)

■ Meetings

- Respect others
 - Start and end meetings on time
 - Stay focused
- Maintain your schedule in Outlook and make visible to company

Team Rules (cont.)

■ Company Communications:

- Set corporate objectives quarterly
- Quarterly mandatory company meetings
- Dept. meetings – minimum every 2 weeks
- Clear, open and frequent communications
- Ensure all Comerger locations receive consistent communications

Strategy

Five Strategic Anchors:

1. Focus on Customer Acquisition (DEALS, DEALS, DEALS)
2. Market Leadership
3. Customer Satisfaction
4. Product Leadership
5. Long-term Viability
6. Employee development and retention

Strategy - details

■ Focus on Customer Acquisition (DEALS, DEALS, DEALS)

- New customers drive marketshare and market awareness
- Adding new customers has top priority within the company
- Expand footprint within existing customers

Strategy - details (cont.)

■ Customer Satisfaction

- Customer satisfaction is a key driver of our success
- Successful deployments (**zero tolerance for failure**)
- Leverage customer satisfaction for more sales
- Constantly measure customer satisfaction
- Customer input on product and marketing directions

Strategy - details (cont.)

■ Market Leadership

- Market our customers' successes
- Be the leading vendor in service oriented eBusiness applications for the extended enterprise
- Get quality press in target publications and analyst reports
- Considered by SI's, analysts and partners as a market leader

Strategy - details (cont.)

■ Product Leadership

- Focus on products that make us a leader in eBusiness
- Quickly respond to critical business needs
- Flexibility in deployment of product (license, hosted, remote management)
- Enterprise-class solution
- Drive lower total cost of ownership (modularity)

Strategy - details (cont.)

■ Long-term Viability

- Manage financials closely
- Cash-flow positive in FY2006
- \$XXM revenue in FY 2006

Strategy - details (cont.)

■ Employee development and retention

- Hire the best people who reflect our core values
- Focus on employee retention
- Provide continuous skills development
- Provide challenging environment and an opportunity to learn



FY 2007 Objectives

FY2007 Goals

People

- Enforce and hire to Comergent core values: Dependable, Dedicated, Self-Motivated, Team Player and Smart. Conduct annual reviews with all employees, focusing on objectives and Comergent core values.
- Execute on our strategic pillars of Market Leadership, Product Leadership and Customer Satisfaction. Ensure every employee is contributing to sales efforts, product efforts, or customer satisfaction.
- Set clear goals on a quarterly basis and provide ongoing feedback to ensure alignment with corporate strategy. Encourage ownership and feedback. Reward and recognize high achievers.
- Continue to focus on communication throughout the company, both within and across departments.
- Continue working with employees to make them stronger contributors. Managers should have a minimum of quarterly 1:1's with each employee.

FY2007 Goals

Corporate:

- Evaluate key business processes and determine methods to better scale, track and communicate on progress.

Sales/Customer Acquisition:

- Close 5 large enterprise deals (greater than \$1M) and 15 additional deals to reach our license bookings goal.
- End the year with 16 new customers (logos).
- Focus on penetrating Comergent's key verticals: High Tech; Industrial Manufacturing; Retail/Distribution; and Telco/Communications.
- Have every rep at 100% of their quota.
- Ensure all reps understand and can fully articulate Comergent messaging across all verticals. Ensure the sales reps are equipped with marketing and support materials, ROI data, vertical market information, easily understood product features/benefits, and competitive analyses.

FY2007 Goals

Sales/Customer Acquisition (cont.):

- Have 50% of the enterprise customers purchase add-on license packages or services from Comergent. 35% of these should be to extend the use of their Comergent system.
- Sign 4 new hosting/managed service deals.
- Expand outside the U.S. into Europe. Book \$2M in license bookings. Close deals with 3 marquis customers.
- Have a fully-functioning inside sales group that qualifies leads and works with sales reps to penetrate accounts. Get to 280 Qualified Leads during the year.

FY2007 Goals

Market:

- Evangelize Comergent as the leader in CRM Sales and eBusiness applications as demonstrated by new customers and competitive positioning by analysts.
- Have a pipeline of deals that is consistently tracking at a minimum of 3X the deals we want to close in any quarter.
- Foster strategic relationships with a few partners who can help drive deals (both software partners and SI partners). Have 25% of our new license deals be partner-influenced.
- Continue corporate focus on key analysts - Gartner, AMR and Forrester. Strive for Comergent to be listed in the top 10% of all vendors on analyst lists produced in our space. Also, focus on getting qualified leads from the analysts.
- Market Comergent to drive 8000 raw leads (5000 unique accounts), 80,000 click-throughs and influence the pipeline to reach \$100M by Q4 07.
- Have sales tools to support and shorten the sales cycle, including sales presentations, competitive reports, customer case studies, product collateral, white papers, and vertical market information.
- Have 40 articles/mentions in the press with a focus on customer benefits. Establish thought leadership in the market through the press.

FY2007 Goals

Product & Product Strategy

- Continue to focus on project releases to support sales, professional services, customers, and our product strategy.
- Maintain an updated 6-12-month product roadmap that can be utilized to explain our strategy to the Board of Directors, employees, customers, and prospects. Continue to reflect current market requirements as appropriate.
- Release 7.1 (Dreadnought) in November with unified storefronts, enhanced B2E capabilities and enhanced search.
- Release new Subscriptions/Service Contracts module by Q3. Use it to support the Telco/Communications vertical strategy and other opportunities..

FY2007 Goals

Customer Service/Professional Services

- Have 90% of our maintenance customers referenceable for sales calls. 70% of these should have customer marketing tools available and/or be available to the press.
- Have 12 Hosted customers live in our Production Environment by year end and ensure Hosting Satisfaction Rating of 4.0 or higher.
- Achieve a customer satisfaction rating of 4.0 consistently. Report to management quarterly.
- Ensure that 80% of maintenance customers renew their maintenance contracts.
- Hold 2 Customer Advisory Board meetings during the year with 60% of maintenance customers attending at least one.

FY2007 Goals

Financial:

- Hit targets as per FY07 budget.
- Continue to manage cash conservatively. Manage company decisions with a focus on profitability and long-term viability.
- Continue to run the company profitably.