

Ultriva's Latest Version of Electronic Kanban Software for Lean Manufacturing Enhances Support for Outside Processing, Adds Improved Analytics

CUPERTINO, Calif. – March 20, 2006 – Ultriva Inc., the world leader in lean manufacturing software, today introduced a significant upgrade of its flagship product, Ultriva Electronic Kanban, designed to help manufacturers reduce inventory by up to 75% while eliminating stock-outs. The new release allows shop floor operators to manage and track all material as well as components that are sent to outside processors. These enhancements allow manufacturers to achieve additional inventory reduction and fewer stock-outs, using a single integrated set of material replenishment processes for all products.

One of Ultriva Electronic Kanban 5.8's key new features is its ability to manage outside processing to increase visibility to all material and work-in-process both on and off-site. As a result, companies can better manage sub-contracted processing such as heat treatment, sheet metal operations and component manufacturing. For the first time, material managers will have real time inventory and scrap data for all material at their outside processors. This allows manufacturers to reduce production cycle times by days (and sometimes weeks) while significantly reducing unnecessary raw and component material inventories. The ability to track and identify scrap rates also improves inventory accuracy while holding suppliers to committed performance objectives.

"Ultriva continues to be an innovator with software applications that support Lean best practices," said Ralph Rio, Director, ARC Advisory Group. *"Outsourced manufacturing is a major trend and there are a limited number of tools available that help companies do this successfully within a Lean program. These new features should allow Ultriva customers to dramatically reduce inventory, shorten cycle times and eliminate stock-outs in this key business area."*

Important new analytical capabilities allow manufacturers to quickly determine the root cause behind potential stock-outs. If average usage changes, the new "red item" analysis determines how many kanban cards should be added or deleted. If a supplier is late, the system calculates if a stock-out is likely and when, so material managers can proactively react before stock-outs occur. The new analytics of Ultriva Electronic Kanban 5.8 include automatic resizing, showing a buyer which parts need to be resized. Also the software allows plant management to track inventory reduction, increased inventory turns and reductions in supplier lead times as they are achieved.

"Ultriva is committed to being a pioneer in lean manufacturing," said Ashley Stirrup, CEO of Ultriva. *"In the past we focused on helping our customers quickly and easily implement lean manufacturing processes. Today we are focused on taking them to the next level of lean with support for even more types of material and intelligent inventory sizing capabilities."*

About Ultriva

Ultriva, Inc., is a leader in lean manufacturing software that drives lean processes across the supply chain – from suppliers to customers. Ultriva's flagship product, Ultriva Electronic Kanban, eliminates stock-outs while reducing inventory levels up to 75 percent. Ultriva Lean Scheduling complements demand-driven replenishment strategies by optimizing production schedules in real-time around the most variable customer demand.

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Ultriva Supplier Replenishment extends the replenishment capabilities of kanban to include schedule-based replenishment, discrete POs, min/max, consignment and VMI (vendor-managed inventory) replenishment methods. Ultriva's products are in use in more than 80 plants worldwide incorporating more than 1,000 suppliers and reducing manufacturing costs with industry leaders such as Rexnord, Emerson, Ingersoll-Rand and Invensys.

Founded in 1999, the company pioneered the creation of an application development platform that has helped move lean manufacturing from a paper-based system to one incorporating modern computer technology, allowing seamless integration of the suppliers and customers into plant production processes.

Through partnerships with lean consultants, and hardware and software providers, Ultriva provides a comprehensive solution that enables companies to quickly adopt lean manufacturing techniques while streamlining and optimizing their supply chain across customers, plants and suppliers.

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