

AUTOMOTIVE DISTRIBUTION NETWORK



The Network is the umbrella organization for three of the premier groups in the auto care industry: Parts Plus, Auto Pride and Independent Auto Parts of America. Our combined strength and stability collectively consists of more than 300 WD locations that service more than 1,500 affiliated auto stores and 2,000 service centers throughout North America.

AUTOMOTIVE DISTRIBUTION NETWORK

The Network was incorporated in January of 2005, when two already successful program groups, Parts Plus (AAAD) and IAPA (Independent Auto Parts of America) merged. In 2009, the Network added CMB Network and in early 2010, the Auto Pride Network was included. Also under the umbrella of the Network is Network Products Warehouse, LLC, the member-owned warehouse distribution facility based in Somerville, Tenn.

The Network Headquarters, located in Germantown, Tenn. provides an avenue of consolidation to any level in the distribution channel, recognizing that the automotive aftermarket is continually changing. Just as there shouldn't be a "one-size-fits-all" approach to any division, the Network doesn't limit a member to staying in one division. There is a method and a pathway to growth that each member can utilize that is specific to their needs and requirements. No longer will a member who has outgrown a group need to look elsewhere. The various brands in the Network have different requirements for their marketplace—which is why the professional staff is constantly updating the menu of offerings for all divisions.

Each individual member decides what programs and elements they want to use—product strategies, information and technology, marketing and training, and national accounts.

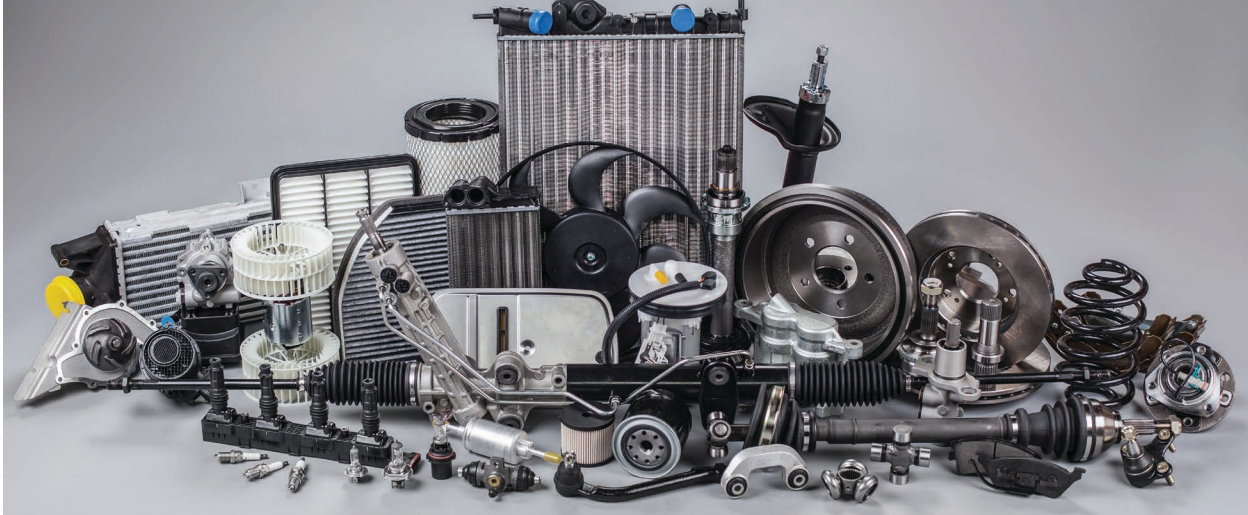


WHAT MAKES THE NETWORK DIFFERENT?

At the Network, we take pride in knowing that we don't just sign people up to join our group. Part of our business development strategy is focusing on direct "one-on-one" communication when engaging with perspective and existing members. We have this saying, "We don't just send the pamphlets, we send the people." Each of our divisions ensures that every member has their individual business needs addressed. By spending valuable time reviewing our programs, we can advise members which services can enhance their individual long-term success. Through this process, we gain knowledge and feedback to:

- Aid our inventory modeling and perfect our product line offerings.
- Improve existing programs, and implement new ones.
- Provide assistance to each member's sales team and arm them with the tools they need to tackle their marketplace.
- Leverage our technology platform to automate and centralize services.





PRODUCT STRATEGY

The product department focuses on providing a well-defined strategy that arms our members and their customers with the most relevant parts coverage. By leveraging pricing, inventory control, sourcing, purchasing and warehouse operations, we deliver brand-driven products that address the high demands technicians require.



Member WDs provide valuable "street intelligence" that enables us to better understand the ever-changing market conditions, product innovations, pricing and quality control that are required in today's industry. Utilizing the information we obtain and other valuable sources, the product team works diligently with manufacturer partners to offer the most effective purchasing, marketing, promotional and training programs, while ensuring the highest-quality product and service.

TOOLS and EQUIPMENT/COLLISION PRO CATALOGS

Many key product offerings are featured in our quarterly Tools and Equipment and Collision Pro (for body shops) catalogs. These catalogs feature the most recognized professional shop products in the industry. Many of our vendors provide a drop-ship program, where no inventory or open account is necessary. Many of these products are stocked at Network Products Warehouse.



NETWORK PRODUCTS WAREHOUSE, LLC (NPW)

Our member-owned warehouse stocks hard-to-buy, hard-to-source, special-purchase opportunities and nameplate product lines. NPW was established to make buying product easier for our membership. NPW sells products in the smallest bar-coded quantity, as opposed to case quantities that manufacturers typically require. Product is purchased on a mix / match basis with a combined minimum purchase requirement of \$2,500 (to qualify for prepaid freight). NPW is also utilized as a split point for container ordering.



Recently, NPW developed direct import programs on a few high-profile categories that provide members the ability to blend their current product offerings while significantly improving their margins.

PRICING/INVENTORY AVAILABILITY

- Product Information and Pricing is Accessed on Network PartShare
- Inventory Availability is Accessed on Network WebShop

PRODUCT OBJECTIVES

- First to Market
- Annual Program Reviews
- Category Line Analysis
- Cataloging
- Market Intelligence
- Service Dealer Preferred Brands
- Inventory Modeling
- Opportunistic Buys
- Private-Label Products
- Up-to-Date Policy Changes





Knowledge...Honesty...
Integrity...Trust.



At Parts Plus, we know the value of customer expectations...and we exceed them!

Contact your local Parts Plus W/D for more details or contact us directly at: 1-800-727-8112 ccs@partsplus.com

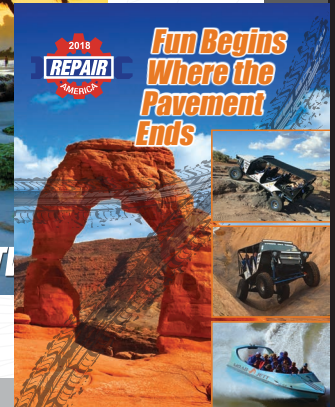
PARTS PLUS
CarCareCenter

MARKETING SUPPORT

The Network strives to deliver all members various levels of marketing assistance—as little or as much as their individual needs require. Through a comprehensive menu of marketing support, we provide the membership with a consistent platform that cohesively links the distribution chain together.

Programs:

- Car Care Center and Auto Service Experts Shop Programs
- Customer Incentive Trips
- Interior and Exterior Identification
- Product Promotions through Network Intelligence and WebShop
- Print and Digital Trade Advertising
- Social Media Outlets (Facebook, Twitter and Instagram)
- NetworkNews
- National Promotions
- Advisory Council
- Open House Kits
- Promotional Materials



PLATINUM PROGRAM

This program provides additional value-added benefits to shops:

- 36 Months/36,000 Miles Parts & Labor Warranty
- (4) Mile 1 Warranty Claims for Parts and Labor
- Double ASE Test Reimbursement: \$50 per Qualifying Test
- Rental Car Reimbursement
- (4) No Cost Technical Training Webinars
- Double Points for Repair America Promos

SHOP PROGRAMS

The Parts Plus Car Care Center and Auto Service Experts shop programs assist our members in selling additional services through tailor-made programs. These programs strengthen the competitive edge of our WDs, project a professional image, increase profitability and expand their customer base.

Program Details:

- (3) Consumer Rebate Promotions/Year
- North American Parts and Labor Warranty
- Professional Signage
- Labor Guide Discounts
- National Promotions
- Roadside Assistance
- Digital Menu Boards
- Road Hazard and Roadside Assistance
- Cintas National Pricing Program
- ASE Test Reimbursement



AutoServiceExperts

PARTS PLUS
CarCareCenter

NETWORK BUSINESS SERVICES

MARKETING and BUSINESS SERVICES

Our various levels of Marketing and Business Services are available to meet your individual business needs. We work with members to develop programs that cohesively link the distribution chain together with dedicated partners.

- Operations
- Office / Back Office
- Insurance
- Travel

These business service suppliers are committed to providing the very best pricing to all program participants.



PARTS 4 PLUS Motorsports

NHRA MOTORSPORTS

For eight years, The Network and Parts Plus Motorsports has sponsored Clay Millican, driver of the Parts Plus Top Fuel Dragster on the NHRA Mello Yellow racing circuit. During the season (February through November), we provide the ultimate fan experience through our ClubRev VIP Hospitality events. Customers enjoy weekend-long race events, meet Clay, see and hear the Pit Crew as they work on the car, and actively engage with local WDs and sponsors.



INFORMATION TECHNOLOGY

Our goal is to provide our members and their suppliers with the best information available in the auto care industry to help them sell more product!



NETWORK TECHNOLOGY

We connect WDs with their suppliers of products for resale and reduce the cost of doing business between members and suppliers by leveraging technology to automate and centralize services. Our team of content managers validate supplier information while assisting them with adopting industry standards. They also provide suggested supplier selling prices. This information is available to members through PartShare and supplements content in NetIntell and WebShop. Additionally, this information is utilized to validate transactions in our Central Billing system.

Our team provides training and support while managing ongoing system development. In addition, we provide Software as a Service (SaaS) to our members and suppliers. We develop and license software on behalf of our members—much more than an “endorsement” of third parties. Our staff is dedicated to ensuring the solutions evolve to meet the needs of our customers, working with focus groups of those who use the software every day.

Programs:

- Network Intelligence® - Business Intelligence and Demand Forecast System powered by Epicor Vista
Stock what will sell where it will sell, not what sold somewhere.
- Network PartShare® - Product Information Management System
Obtain the information you need, the way you need it, from a single source.
- Central Billing Services - Connects Members to Regional/National Chains
Conduct business with national fleets and chains that otherwise say no to local suppliers.
- Network Connect® - Electronic Order Processing System
Get the benefits of EDI and automated matching from most of your suppliers not just a few.
- Stratus® - Point of Sale, Distribution Management, Warehouse Management, Accounts Payable and General Ledger
The benefits of industry leading software made affordable through Network hosting, implementation, and support. Grow your business and profitability while reducing overhead.
- Network WebShop® - B2B and B2C e-Commerce Solution (Wholesale Online Store)
Reduce your costs while increasing your online product availability and offer more reasons for customers to use your site.
- Network PartExpert® and LaserCat 3® - Replacement Parts Cataloging for POS Systems plus OE Carry Forward, Interchange, Item Expert, and more Enterprise Licensed by The Network
Provides the most robust application catalog in the industry to our members at a substantial savings.
- Elite EXTRA™ - Delivery Tracking with WebShop and Stratus Integration. Other systems integrated: Vision, Prism and PartsWatch
Leverage existing mobile devices with the best rate possible
- WebFetch - Price Shop Solutions
Compare product and part pricing, validate catalog, identify differing price zones and monitor MAP pricing compliance



N!

NEXUS Automotive International SA

N! Nexus North America



WHAT NEXUS DOES

N! creates a combined bargaining power at international levels with global parts manufacturers. Consequently, we increase the power of our members by:

- Access to global levels of decision making
- International bonus
- Support for strategic business negotiations

NI NEXUS

NI NEXUS Automotive International is an innovative, value-focused global alliance of automotive parts distributors, with offices in Geneva (HQ), Paris, Dubai, Sao Paulo and Johannesburg covering Europe, Middle-East Africa, North America, Latin America and Asia Pacific. Being a part of NEXUS in the North America alliance provides The Network access to vendors that we previously were unable to do business with—therefore increasing our global sourcing footprint.

The NEXUS objective is to achieve aggressive growth around the world, with no specific channel or territory restrictions and with strong overall presence in fast-growing markets in Africa, the Middle East, U.S., Latin America and Asia-Pacific. NEXUS responds quickly to developing opportunities and to the requirements of key suppliers and partners—including selective global partnerships with the most important O.E. manufacturers.

NATIONAL ACCOUNTS

For more than 35 years, the Network has provided consistent coverage to national account customers nationwide. Currently, we service more than 12,000 national account locations where we provide hot-shot and scheduled deliveries, special orders for hard-to-find parts, and foreign and domestic parts—all while being highly competitive.

By providing more than 200 product lines and 2.5 million SKUs, the Network can service light, medium and heavy-duty markets.

Through our Central Billing Portal, members can service customers they may not otherwise be able to reach, which provides a larger delivery footprint, faster deliveries, better service and more rebates to members. Our customers include:

- Fleet Accounts
- Municipalities, Telecom Companies, Airlines and Electrical Providers
- State, County and City Contracts



NATIONAL ACCOUNTS DETAILS

The National Accounts department encompasses a dedicated sales staff that assists WDs with their e-Commerce efforts, central billing (guaranteed pricing and detailed reporting) and inventory management.





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