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ARCHSTONE CONSULTING EXPANDS LOW-COST COUNTRY SOURCING PRACTICE

Study shows CPOs view Low Cost Country Sourcing as a Top Priority

STAMFORD, CT – July 11, 2005 – Archstone Consulting, an independent strategy and operations management consultancy, today announced it is further enhancing its Strategic Sourcing and Procurement Practice by expanding its Low Cost Country Sourcing (LCCS) service offerings.

A recent Aberdeen Group study, which was co-sponsored by Archstone Consulting, uncovered that although chief procurement officers view LCCS to be a top priority over the next three years, most companies are not fully prepared to optimize results and mitigate the risks of LCCS across the extended enterprise. Specifically, the study also found that low-cost countries' undeveloped infrastructures cause companies to face supply challenges, such as shipping delays or damaged and mishandled goods, which undermine the cost effectiveness of implementing LCCS strategies, if not addressed.

"An important need exists for extensive knowledge of foreign supply markets and Low Cost Country Sourcing, and every sourcing decision has an impact on the enterprise supply chain," acknowledges Dr. John Kamauff, Principal, Archstone Consulting. "Our expanded service offerings address the benefits of buying from low-cost countries and developing a comprehensive strategy for global buying and manufacturing as well as sales and product/process design."

Archstone Consulting has expanded services to help companies recognize the significant cost savings gained by using LCCS and can assist companies with services that include: aligning LCCS with a company's corporate strategy; determining the total costs of offshoring; pursuing collaboration-based sourcing; and assessing critical supply chain improvements and enabling technologies.

The recently completed Aberdeen Group study on Low Cost Country Sourcing can be accessed at: <u>http://www.aberdeen.com/link/sponsor.asp?spid=30410151&cid=1941</u>

About Archstone Consulting

Archstone Consulting is an independent strategy and operations management consultancy. Archstone Consulting specializes in operational transformations and growth platforms in the consumer packaged goods and retail, life sciences, manufacturing, and services sectors. Archstone Consulting offers unbiased advice, efficient execution and measurable results. Headquartered in Stamford, Connecticut, the company has offices in New York, Chicago and San Francisco. For additional information, please visit the company's web site at <u>www.archstoneconsulting.com</u>.

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