

**For Immediate Release**

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**British American Tobacco Selects ToolsGroup's DPM Inventory Optimization Solution to Support Rapid Growth in Russia**

*One of the Largest Consumer Goods Companies in Russia Looks to ToolsGroup to Reduce Inventory While Maintaining Excellent Customer Service*

**LONDON and BOSTON** —June 19, 2007 – ToolsGroup, a global provider of inventory optimization solutions, announced today that British American Tobacco (BAT), one of the largest consumer goods companies in Russia with over 22 percent market share in the tobacco market, will implement ToolsGroup's DPM inventory optimization solution to balance inventory mix within manufacturing and marketing operations. The solution, which includes demand modeling, service level optimization and inventory optimization, will rebalance inventory to meet strict customer availability levels while reducing operational and expediting costs.

"We believe ToolsGroup DPM will play a key role in enabling BAT Russia's supply planning operations," said Gary Bryant, BAT Russia Program Manager. "We expect DPM to contribute to the reduction of working capital and improved customer service, where it will allow finished goods stock policies to be calculated based on optimal service levels."

"For BAT, Russia represents one of its largest markets, so having the right inventory available to customers is critical to the company's success," said Joseph Shamir, CEO of ToolsGroup. "Our DPM product will optimize the safety stock buffers in BAT Russia's supply chain to maintain high customer service at reduced costs."

A *Consumer Goods Technology* Web seminar featuring a ToolsGroup customer will be held tomorrow, June 20, at 2:00 p.m. EDT. For more information or to register for the event, please visit <http://www.toolsgroup.com/events.html>.

**About BAT Russia**

BAT Russia is a part of British American Tobacco, one of the world's largest international tobacco groups. BAT Russia is one of the leading companies on the Russian tobacco market with volume share of over 22 per cent. The company operates in nearly 600 cities around Russia. Its sales in 2006 amounted to 80 billion cigarettes. BAT Russia employs 3.8 thousand people. The company owns

three tobacco factories: BAT-Yava in Moscow, BAT-SPb in St. Petersburg and BAT-STF in Saratov. BAT Russia's brand portfolio includes local and international brands, such as *DUNHILL*, *Kent*, *Vogue*, *Pall Mall*, *Viceroy*, *Rothmans*, *Lucky Strike*, *Yava Gold*, *Alliance*, and *Yava*. For more information on BAT Russia please visit [www.batrussia.ru](http://www.batrussia.ru).

### **About ToolsGroup**

ToolsGroup optimizes inventory in the finished goods supply chain. Its powerful solutions optimize multi-echelon distribution chain inventory, from finished goods assembly to the end consumer, and from strategic network design to daily operations. Recognized by ARC Advisory group as the top inventory optimization firm, ToolsGroup allows supply chain managers to meet demanding service levels, while reducing inventory and operating costs. With more than 100 customers in 29 countries, it is the most experienced inventory optimization software provider worldwide. For more information on ToolsGroup and its solutions, please visit [www.ToolsGroup.com](http://www.ToolsGroup.com).

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