



Mr. Jim Heaton
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November 27th, 1998

Jim,

I greatly appreciated the opportunity to hear Dick Lilly speak at your CEO's Breakfast Meeting in Toronto last week. As we approach our first year anniversary implementing VISUAL Manufacturing, many of his comments were in line with our experiences.

As a member of the International User's Group, I participate frequently with other users on the Internet to share ideas. Although there is frequent discussion of issues to be improved upon, I have yet to encounter a user who is dissatisfied with the product overall. Both Lilly Software and Shop 9000 have grown tremendously through 1998. Despite the strain this placed on your organization, both product quality and customer service have improved.

The implementation of VISUAL allowed us to reexamine our business practices for the better. A great deal remains to be done to continue reaping benefits from our investment. Despite our growth rate in excess of 50% in sales this year, our administration headcount has grown only 33%. Furthermore, we expect continued high growth next year, with little or no growth in administration. Your new Shop Reports product will also greatly assist us in meeting our business objectives through improved reporting.

During 1998, we introduced a new part numbering system for all parts. A new inventory control system using VISUAL as the base was also introduced. We expect to benefit significantly from VISUAL's manufacturing control, bar code labor tracking and scheduling features in 1999.

RMT has also saved considerably on purchases by eliminating duplicate payments and overpayments, more timely purchasing end better use of information for more effective negotiation.

Our staff found the Shop 9000 consultants and Lilly Software's staff to be knowledgeable and helpful. Lilly's strong effort to improve the responsiveness of their customer support group has shown success in the past 6 months. Many of our employees attended training courses at Lilly and have found them to be excellent sources of information and training.

I attended the International User's Group conference in April 1998. I was impressed with Dick Lilly's plans for the future development of VISUAL. Lilly's recent patent on concurrent scheduling of materials and resources will help ensure the long-term viability of the company.

I would be pleased to discuss VISUAL Manufacturing with any potential new users. After searching the market for two years prior to purchasing, I am convinced it is the best fully integrated software for small to medium sized manufacturers on the market today.

Sincerely

John A. Loucks

