



REGIS CORPORATION • 7201 METRO BOULEVARD • MINNEAPOLIS, MN 55439 • 952-947-7777 • FAX 952-947-7900

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REGIS SAVES \$300,000 AND COUNTING WITH ASSISTANCE OF TWIN CITIES ADVANTAGE

I am writing this letter of recommendation to express my sincere appreciation for the efforts of Twin Cities Advantage Consulting Service (TCA) on the behalf of Regis Corporation. Without hesitation, I would strongly recommend this consulting firm to other information technology executives, individuals with the executive responsibility for the document system, and/or the executives with a cost reduction mandate within their organization. This is an often overlooked area of opportunity of cost savings. The independent review revealed where my suppliers strategy was in conflict with my strategy at Regis.

I initiated an engagement to review a single proposal but it quickly exposed proposal pricing, lease terms and conditions, supplier upgrade strategy, non-coterminous placement plan, bundled volume, and other one-sided strategies. We had the fox in the hen house without realizing the impact.

Bob Schmitt of Twin Cities Advantage is an independent resource, with 22 years of industry experience on the supplier side, now working as a customer advocate on Regis' behalf. Our initial engagement was on a contingency cost savings basis. I have since entered into a Strategic Partnership Services engagement with Twin Cities Advantage for on-going assistance. Bob has helped Regis reduce costs and improve the organizational processes. The results achieved by this engagement speak for themselves.

Twin Cities Advantage identified and helped to implement the following during the previous nine months.

- Reduced direct annual operating expenditures by over \$300,000 annually
- Recovered approximately \$50,000 in billing errors and overpayments through an audit of supplier billing
- Managed an RFI and bid process for supplier selection using a Push vs. Pull language and methodology
- Incorporated new technology that enhances capabilities and savings in the area of color and network print
- Established a strategic office equipment technology acquisition game plan targeting coterminous expirations
- Created greater accountability of suppliers for Regis on-going service level expectations
- Implemented a feasibility analysis of a central copy/print center to further reduce costs
- Identified the premium expenditure with a long term supplier on salon facsimile units and supplies and located a supplier for the identical products at 50% of previous supplier prices.

Bob Schmitt of Twin Cities Advantage is one of the most ethical people I have ever worked with. He is objective and is able to make sense of the terminology and proposals delivered by the suppliers. Copier and Fax expenses may not be high on your priority list today, but I would strongly urge you to consider a review of your contracts and practices by Bob Schmitt.

Sincerely,

Joel Wiens
VP, Information Technology
Regis Corporation