



SPS Commerce Experiences 580 Percent Growth of its B2B Integration Services' Multi-Party Capabilities; 700 3PLs and Sourcing Companies Join SPS Commerce.net in 2007

SaaS Model and Expanded Capabilities Drive 98 Percent Increase in Revenue from SPS' Integrated EDI Service and 78 Percent Increase in Revenue from its Chinese Operations

Minneapolis, Minn., Feb. 27, 2008 - SPS Commerce, the leading provider of Web-based EDI services, today announced that in fiscal year 2007 more than 700 customers that expanded their current SPS B2B integration services to include sourcing companies, expeditors, freight forwarders, factories in the Pacific Rim, and third party logistics providers (3PLs). This increase is attributed to the growing adoption of SaaS solutions and the market trend of outsourcing, as CPG manufacturers must efficiently communicate order and shipment information to trusted third parties who perform tasks on their behalf. In 2007, SPS experienced an increase of 580% in the sales of its outsourced EDI service's multi-party capabilities which can connect all supply chain partners, including 3PLs, without the need to install or maintain EDI software at each location.

In 2007, SPS Commerce's business grew in other areas including:

- 98% revenue growth for its integrated Web-based EDI service
- 78% increase in revenue from PacRim operations
- 6 regional offices opened in North America
- 100% growth in Chinese sales and support staff, new office opened in southern China
- 11,500 new trading partner relationships formed from EDI enablement programs with retailers
- Expanded senior management team, including executives from Amazon.com and Oracle

"SaaS is reawakening the B2B integration market by enabling suppliers to connect with the global outsourcing partners regardless of location and infrastructure, often removing days in the fulfillment cycle," commented Archie Black, president and CEO of SPS Commerce. "In 2007, SPS Commerce delivered many new capabilities to its B2B integration services to connect manufacturers with 3PLs and other third party supply chain partners. Until now this communication was done via phone, fax or email, as using integration software solutions would be too cumbersome and expensive to support an implementation at each partner site. Using the SaaS model, manufacturers need only share a User ID and password to enable these partners to securely view filtered order information, print and affix accurate barcode labels, and create and send shipping documents directly from the factory to the retailer on the supplier's behalf."

Unlike traditional software implementations of EDI, the SaaS or multi-tenant model for B2B integration enables thousands of companies to share the specialized expertise, infrastructure and existing maps of a service provider. Nothing is hosted onsite, so the solution can be accessed from any location with no onsite expertise or infrastructure is necessary. International factories or sourcing companies may have limited or no technical infrastructure and staff, making onsite EDI software implementations cost-prohibitive. With SaaS, this barrier is removed.