
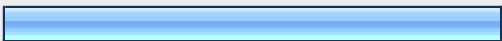

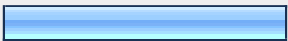
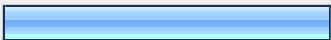
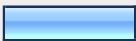


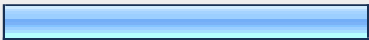


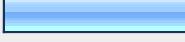
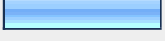
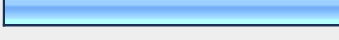
Merchant: Quo Vadis?

1. What is your position in the organisation		
		Response Count
		43
		answered question
		43
		skipped question
		1

2. Are you a producer, merchant, printer or other please specify?		
		Response Count
		42
		answered question
		42
		skipped question
		2

3. In what region do you work?			
		Response Percent	Response Count
Nordic		23.8%	10
Western Europe		54.8%	23
Central Europe		57.1%	24
Southern Europe		31.0%	13
Eastern Europe		35.7%	15
Other		14.3%	6
		Other (please specify)	5
		answered question	42
		skipped question	2

4. What are your main responsibilities

		Response Percent	Response Count
Sales		40.0%	14
Purchasing		28.6%	10
Finance		34.3%	12
Supply Chain		20.0%	7
Operations		17.1%	6
Other		37.1%	13
answered question			35
skipped question			9

5. What do consider the key benefits of scale? Please sequence in order of significance and impact (1=highest impact, 6=lowest impact)

	1	2	3	4	5	6	Rating Average	Response Count
Purchasing leverage	51.7% (15)	10.3% (3)	20.7% (6)	13.8% (4)	0.0% (0)	3.4% (1)	2.10	29
International footprint for international customers	6.3% (2)	6.3% (2)	3.1% (1)	28.1% (9)	46.9% (15)	9.4% (3)	4.31	32
Inventory synergies	3.2% (1)	25.8% (8)	29.0% (9)	19.4% (6)	22.6% (7)	0.0% (0)	3.32	31
Cost synergies	10.0% (3)	36.7% (11)	20.0% (6)	26.7% (8)	6.7% (2)	0.0% (0)	2.83	30
Financial strength for growth and acquisition	22.9% (8)	28.6% (10)	28.6% (10)	5.7% (2)	11.4% (4)	2.9% (1)	2.63	35
Other (specify)	22.2% (2)	11.1% (1)	0.0% (0)	11.1% (1)	0.0% (0)	55.6% (5)	4.22	9
Other (please specify)								7
answered question								35
skipped question								9

6. How many sizeable merchants do you expect to be competing in Europe by 2013?

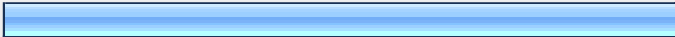

		Response Percent	Response Count
1		0.0%	0
2		5.7%	2
3		37.1%	13
4		45.7%	16
5		11.4%	4
answered question			35
skipped question			9


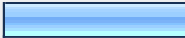
7. Do you expect consolidation to have a positive impact on price?

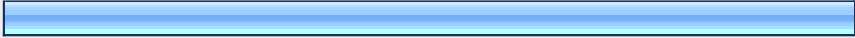

		Response Percent	Response Count
Yes		68.6%	24
No		31.4%	11
answered question			35
skipped question			9

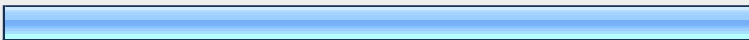

8. When do you expect to have completed integration of merger and acquisitions?

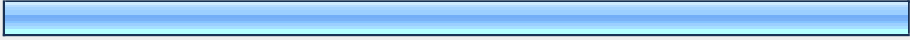
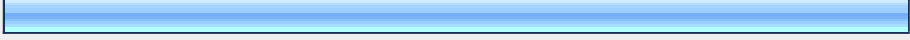
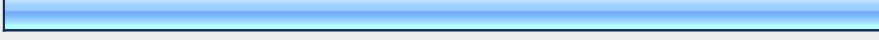
		Response Percent	Response Count
2009		6.3%	2
2010		34.4%	11
2011		18.8%	6
2012		18.8%	6
2013		21.9%	7
answered question			32
skipped question			12


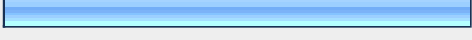
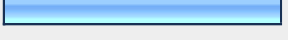

9. Institutional ownership of merchants adds a more commercial focus on the relationship with paper suppliers.			Response Percent	Response Count
Agree			74.3%	26
Disagree			25.7%	9
			<i>answered question</i>	35
			<i>skipped question</i>	9

10. Will you be present in more countries by 2013 compared with today?			Response Percent	Response Count
Yes			80.0%	28
No			20.0%	7
			<i>answered question</i>	35
			<i>skipped question</i>	9



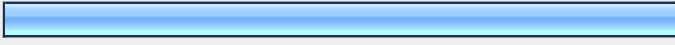
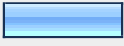
11. Are you considering alternative or new operating models (e.g. trading other product, providing new services, producing)?			Response Percent	Response Count
Yes			93.9%	31
No			6.1%	2
			<i>answered question</i>	33
			<i>skipped question</i>	11

12. Are you expecting the new operating model to make a significant impact on business results by 2013?			
		Response Percent	Response Count
Yes		82.4%	28
No		17.6%	6
<i>answered question</i>			34
<i>skipped question</i>			10

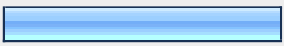
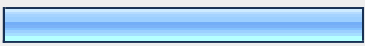
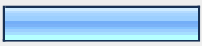


13. Who do you consider to be the three most successful paper merchants – ranked in order?			
		Response Percent	Response Count
Name 1:		100.0%	32
Name 2:		100.0%	32
Name 3		96.9%	31
<i>answered question</i>			32
<i>skipped question</i>			12

14. At what level do you expect average EBIT margins for merchants to be in 2013?			
		Response Percent	Response Count
Below 2%		9.1%	3
2 - 4 %		51.5%	17
4 - 6 %		30.3%	10
6 -8 %		9.1%	3
Above 8 %		0.0%	0
<i>answered question</i>			33
<i>skipped question</i>			11


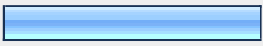
15. Which segment do you consider to have the brightest prospects in terms of growth by 2013?

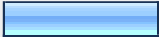
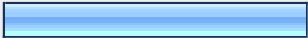
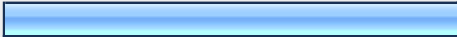
		Response Percent	Response Count
Office		3.2%	1
Print		9.7%	3
Packaging		74.2%	23
Other		12.9%	4
		Other (please specify)	6
		answered question	31
		skipped question	13



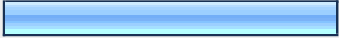
16. How significant is Eastern Europe as part of your growth plans? (1=highest, 5=lowest)

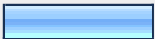
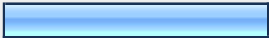


		Response Percent	Response Count
1		30.3%	10
2		39.4%	13
3		21.2%	7
4		6.1%	2
5		3.0%	1
		answered question	33
		skipped question	11

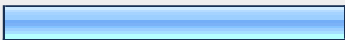


17. Do you expect to have a market position in the top 2 in each market?

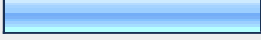

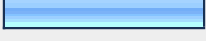
		Response Percent	Response Count
Yes		71.9%	23
No		28.1%	9
		answered question	32
		skipped question	12

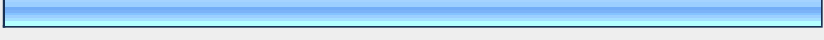

18. How has your indent business developed as % of your overall volume since 2003?				
			Response Percent	Response Count
Less			16.7%	5
Same			33.3%	10
More			50.0%	15
			answered question	30
			skipped question	14

19. How do you see your indent business as a % of your overall volume by 2013?				
			Response Percent	Response Count
Less			36.7%	11
Same			26.7%	8
More			36.7%	11
			answered question	30
			skipped question	14

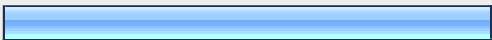


20. What segment has had the most healthy development since 2003?				
			Response Percent	Response Count
Office			16.1%	5
Print			29.0%	9
Packaging			45.2%	14
Other			9.7%	3
			Other (please specify)	2
			answered question	31
			skipped question	13

21. How will the office segment develop by 2013?				
			Response Percent	Response Count
Grow			37.5%	12
Stable			18.8%	6
Decline			43.8%	14
			<i>answered question</i>	32
			<i>skipped question</i>	12

22. How will the print segment develop by 2013?				
			Response Percent	Response Count
Grow			28.1%	9
Stable			50.0%	16
Decline			21.9%	7
			<i>answered question</i>	32
			<i>skipped question</i>	12

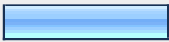
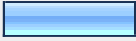
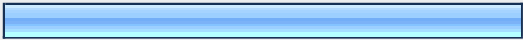


23. How will the packaging segment develop by 2013?				
			Response Percent	Response Count
Grow			90.3%	28
Stable			9.7%	3
Decline			0.0%	0
			<i>answered question</i>	31
			<i>skipped question</i>	13

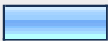
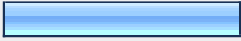


24. How will other segments develop by 2013?

		Response Percent	Response Count
Grow		53.6%	15
Stable		32.1%	9
Decline		14.3%	4
Other (please specify)			9
answered question			28
skipped question			16

25. What are the main value drivers why customers buy from you –please sequence in order of customer preference (1=highest, 7=lowest)

	1	2	3	4	5	6	7	Rating Average	Response Count
Broad product portfolio,	33.3% (9)	22.2% (6)	22.2% (6)	3.7% (1)	14.8% (4)	3.7% (1)	0.0% (0)	2.56	27
Quality consistency,	10.7% (3)	50.0% (14)	17.9% (5)	14.3% (4)	3.6% (1)	3.6% (1)	0.0% (0)	2.61	28
Price,	32.1% (9)	17.9% (5)	21.4% (6)	25.0% (7)	3.6% (1)	0.0% (0)	0.0% (0)	2.50	28
Service Levels (e.g. SC Solutions)	17.9% (5)	25.0% (7)	21.4% (6)	28.6% (8)	7.1% (2)	0.0% (0)	0.0% (0)	2.82	28
Financing	7.1% (2)	3.6% (1)	21.4% (6)	10.7% (3)	32.1% (9)	21.4% (6)	3.6% (1)	4.36	28
International footprint	0.0% (0)	7.1% (2)	7.1% (2)	7.1% (2)	17.9% (5)	50.0% (14)	10.7% (3)	5.29	28
Other	0.0% (0)	11.1% (1)	22.2% (2)	11.1% (1)	11.1% (1)	11.1% (1)	33.3% (3)	4.89	9
Other (please specify)									7
answered question									28
skipped question									16

26. Is your pricing to customers made with the benefit of full visibility of customer preferences and actual cost-to-serve (product, service and overhead)?			
		Response Percent	Response Count
Not at all true		17.9%	5
Only for major customers		14.3%	4
Mostly true - many assumptions (customer prefs. & allocation key)		57.1%	16
True - some assumptions (customer prefs. & allocation key)		7.1%	2
Absolutely true		3.6%	1
		answered question	28
		skipped question	16

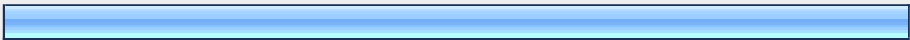
27. To what extent do you have a differentiated approach to customers?			
		Response Percent	Response Count
Equal service levels for all		11.1%	3
Premium charge for services		25.9%	7
Segmented approach for all prices and services		55.6%	15
Different operating models using separate legal entity		7.4%	2
		answered question	27
		skipped question	17

28. Do more customers represent 80% of your volume now compared with 2003 (assuming equal volume)?				
			Response Percent	Response Count
More			33.3%	9
Same			18.5%	5
Less			48.1%	13
			<i>answered question</i>	27
			<i>skipped question</i>	17



29. Will more customers account for 80% of your volume in 2013 compared with now (assuming equal volume)				
			Response Percent	Response Count
More			25.9%	7
Same			22.2%	6
Less			51.9%	14
			<i>answered question</i>	27
			<i>skipped question</i>	17

30. Are you expecting deeper partnerships with customers by 2013				
			Response Percent	Response Count
Yes			75.0%	21
Same			17.9%	5
No			7.1%	2
			<i>answered question</i>	28
			<i>skipped question</i>	16

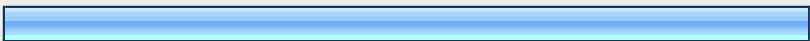
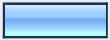
31. Customers will consolidate further by 2013



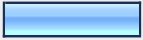
		Response Percent	Response Count
Yes		100.0%	27
Same		0.0%	0
No		0.0%	0
answered question			27
skipped question			17

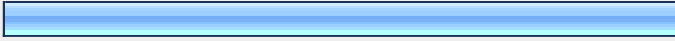


32. Customers will require increased cross country / international service by 2013


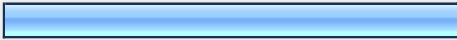
		Response Percent	Response Count
Yes		96.3%	26
Same		0.0%	0
No		3.7%	1
answered question			27
skipped question			17

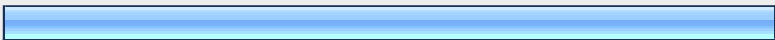

33. Are you expecting customer requirements to increase by 2013


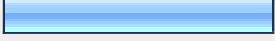

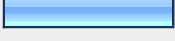

		Response Percent	Response Count
Yes		88.9%	24
Same		11.1%	3
No		0.0%	0
answered question			27
skipped question			17

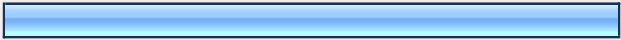


34. How has the number of paper suppliers you use developed since 2003?			Response Percent	Response Count
Fewer			66.7%	18
Same			18.5%	5
More			14.8%	4
			answered question	27
			skipped question	17

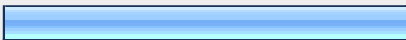

35. How will the number be in 2013 in comparison to today?			Response Percent	Response Count
Fewer			74.1%	20
Same			18.5%	5
More			7.4%	2
			answered question	27
			skipped question	17

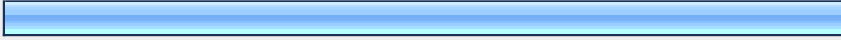

36. Are you sourcing more from Asia and the Americas now than in 2003?			Response Percent	Response Count
Yes			50.0%	13
No			50.0%	13
			answered question	26
			skipped question	18

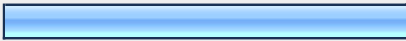
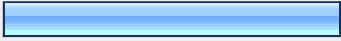
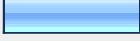
37. Will you source more from Asia and Latin America by 2013?			Response Percent	Response Count
Yes			85.2%	23
No			14.8%	4
			answered question	27
			skipped question	17

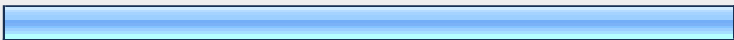

38. How significant do you consider the switching costs to move from 1 supplier to another? (1=very high, 5=very low)			Response Percent	Response Count
1			7.4%	2
2			29.6%	8
3			37.0%	10
4			18.5%	5
5			7.4%	2
			answered question	27
			skipped question	17

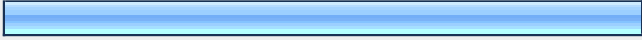
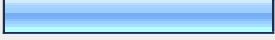
39. Does this vary by segment? If so, which has the lowest switching cost?			Response Percent	Response Count
Office			68.0%	17
Print			28.0%	7
Packaging			4.0%	1
Other			0.0%	0
			Other (please specify)	1
			answered question	25
			skipped question	19

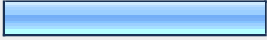
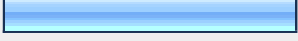
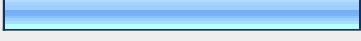
40. Will you expect switching costs to fall by 2013?				
			Response Percent	Response Count
Yes			44.4%	12
No			55.6%	15
			answered question	27
			skipped question	17

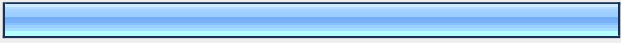

41. Is your supplier negotiation more sensitive to price, discount, rebate and payment terms today than in 2003?				
			Response Percent	Response Count
Yes			92.6%	25
No			7.4%	2
			answered question	27
			skipped question	17

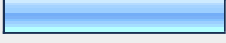
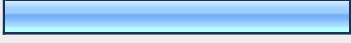
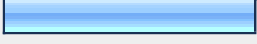
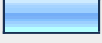
42. Will your focus on price, discount, rebate and payment terms significantly increase by 2013? (1=very significantly, 5=not at all)				
			Response Percent	Response Count
1			44.4%	12
2			37.0%	10
3			14.8%	4
4			0.0%	0
5			3.7%	1
			answered question	27
			skipped question	17


43. Is there too much redundancy (e.g. inventory, sales offices, brands etc.) in the value chain between supplier and merchant?			Response Percent	Response Count
Yes			80.8%	21
No			19.2%	5
			<i>answered question</i>	26
			<i>skipped question</i>	18

44. Are you expecting suppliers to capture more mkt. share by direct sales?			Response Percent	Response Count
Yes			70.4%	19
No			29.6%	8
			<i>answered question</i>	27
			<i>skipped question</i>	17

45. Do you now have more SKUs / products than in 2003?			Response Percent	Response Count
Fewer			28.6%	8
Same			32.1%	9
More			39.3%	11
			<i>answered question</i>	28
			<i>skipped question</i>	16

46. Will you have more SKUs / products by 2013 compared with today?				
			Response Percent	Response Count
Fewer			67.9%	19
Same			32.1%	9
More			0.0%	0
			answered question	28
			skipped question	16

47. How significant do you think a broad product portfolio is to customer retention? (1=very,5=not at all)				
			Response Percent	Response Count
1			24.1%	7
2			37.9%	11
3			27.6%	8
4			10.3%	3
5			0.0%	0
			answered question	29
			skipped question	15

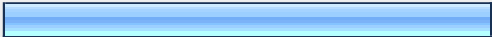
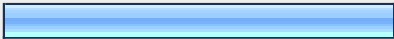

48. Do you have a standard product portfolio across all countries (customer view)?				
			Response Percent	Response Count
Yes			55.2%	16
No			44.8%	13
			answered question	29
			skipped question	15

49. Do you have a standard product portfolio across all countries (own view)?			Response Percent	Response Count
Yes			31.0%	9
No			69.0%	20
Other (please specify)				2
			answered question	29
			skipped question	15

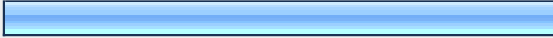


50. Is a higher volume sold under your merchant own label now than in 2003?			Response Percent	Response Count
Yes			60.7%	17
No			39.3%	11
			answered question	28
			skipped question	16

51. Will the volume from merchant own label increase by 2013?			Response Percent	Response Count
Yes			82.8%	24
No			17.2%	5
			answered question	29
			skipped question	15

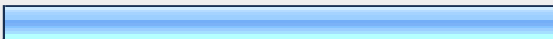
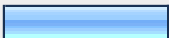
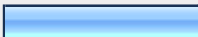
52. What segment has benefited most from merchant own labels?

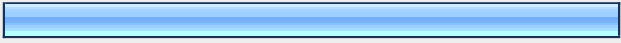

		Response Percent	Response Count
Office		53.6%	15
Print		42.9%	12
Packaging		0.0%	0
Other		3.6%	1
Other (please specify)			1
answered question			28
skipped question			16

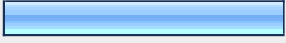
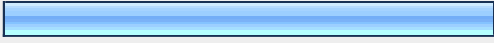
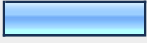
53. Has your marketing spend on merchant on labels increased since 2003?

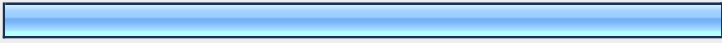
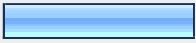
		Response Percent	Response Count
More		60.7%	17
Same		25.0%	7
Less		14.3%	4
answered question			28
skipped question			16



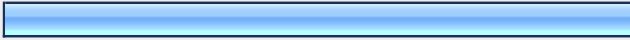

54. Do you expect an increase in expenditure on marketing spend for merchant own labels by 2013?




		Response Percent	Response Count
More		60.7%	17
Same		17.9%	5
Less		21.4%	6
answered question			28
skipped question			16

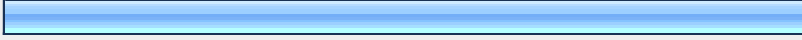
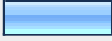
55. Do you have full view of SKU / product profitability?			Response Percent	Response Count
Yes			67.9%	19
No			32.1%	9
			answered question	28
			skipped question	16

56. How high are inventory turns in your company's priorities? (1=highest, 5=none)			Response Percent	Response Count
1			30.8%	8
2			53.8%	14
3			15.4%	4
4			0.0%	0
5			0.0%	0
			answered question	26
			skipped question	18

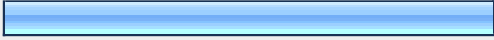
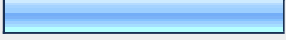

57. Are inventory turns one of your KPIs for performance bonus			Response Percent	Response Count
Yes			79.2%	19
No			20.8%	5
			For whom?	4
			answered question	24
			skipped question	20


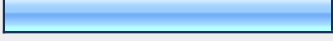
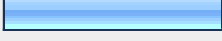

58. Have your inventory turns improved since 2003?				
			Response Percent	Response Count
Worse			3.8%	1
Same			19.2%	5
Better			69.2%	18
Significant improvement			7.7%	2
			<i>answered question</i>	26
			<i>skipped question</i>	18



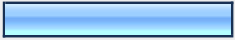
59. How have your inventory write-offs improved since 2003?				
			Response Percent	Response Count
Worse			7.7%	2
Same			30.8%	8
Better			53.8%	14
Significant improvement			7.7%	2
			<i>answered question</i>	26
			<i>skipped question</i>	18

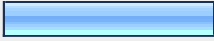


60. Are you presently rationalising your logistic network?				
			Response Percent	Response Count
Yes			88.5%	23
No			11.5%	3
			<i>answered question</i>	26
			<i>skipped question</i>	18

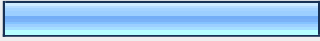

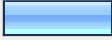

61. Will cross border deliveries from regional warehouses increase by 2013?				
			Response Percent	Response Count
Yes		88.5%	23	
No		11.5%	3	
			answered question	26
			skipped question	18

62. How have your average drop sizes developed since 2003?				
			Response Percent	Response Count
Smaller		53.8%	14	
Same		30.8%	8	
Larger		15.4%	4	
Significantly higher		0.0%	0	
			answered question	26
			skipped question	18

63. How do expect drop sizes to develop by 2013 in comparison to today?				
			Response Percent	Response Count
Smaller		32.0%	8	
Same		36.0%	9	
Larger		24.0%	6	
Significantly higher		8.0%	2	
			answered question	25
			skipped question	19

64. How have your average drop distances developed since 2003?			Response Percent	Response Count
Shorter			8.3%	2
Same			66.7%	16
Longer			25.0%	6
			answered question	24
			skipped question	20



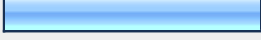

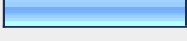
65. How do expect average drop distances to develop by 2013 in comparison to today?			Response Percent	Response Count
Shorter			23.1%	6
Same			46.2%	12
Longer			30.8%	8
			answered question	26
			skipped question	18

66. How significant is the expansion of services and advanced supply chain models (e.g. JIT) for you growth plans? (1=highly significant, 5=none)			Response Percent	Response Count
1			34.6%	9
2			50.0%	13
3			11.5%	3
4			0.0%	0
5			3.8%	1
			answered question	26
			skipped question	18

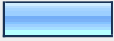
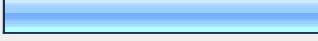
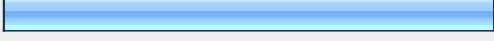
67. In which functions are you investing most? – please rank 1-7 with 1 receiving most investment

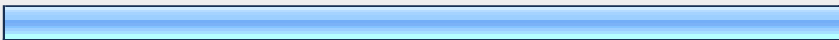


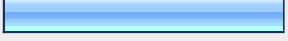
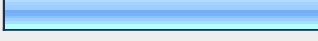
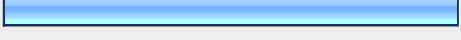


	1	2	3	4	5	6	7	Rating Average	Response Count
Outdoor sales	37.0% (10)	22.2% (6)	14.8% (4)	7.4% (2)	11.1% (3)	7.4% (2)	0.0% (0)	2.56	27
Indoor sales	19.2% (5)	19.2% (5)	30.8% (8)	3.8% (1)	15.4% (4)	11.5% (3)	0.0% (0)	3.12	26
Product management	0.0% (0)	12.0% (3)	40.0% (10)	20.0% (5)	12.0% (3)	8.0% (2)	8.0% (2)	3.88	25
Marketing	4.5% (1)	13.6% (3)	31.8% (7)	13.6% (3)	18.2% (4)	4.5% (1)	13.6% (3)	3.95	22
Sourcing	15.4% (4)	7.7% (2)	30.8% (8)	15.4% (4)	7.7% (2)	23.1% (6)	0.0% (0)	3.62	26
Logistics (WH & transport	18.5% (5)	37.0% (10)	14.8% (4)	14.8% (4)	7.4% (2)	7.4% (2)	0.0% (0)	2.78	27
Admin, IT & Finance	7.4% (2)	18.5% (5)	22.2% (6)	22.2% (6)	11.1% (3)	3.7% (1)	14.8% (4)	3.81	27
Other	25.0% (1)	25.0% (1)	0.0% (0)	0.0% (0)	0.0% (0)	0.0% (0)	50.0% (2)	4.25	4
Other (please specify)									3
answered question									27
skipped question									17

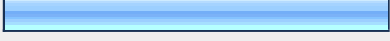
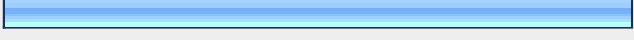
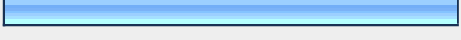
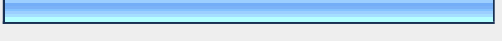

68. What is your average personnel churn rate for recruits of the last 5 years?



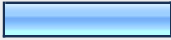
		Response Percent	Response Count
No idea		24.0%	6
1-2 years		8.0%	2
2-3 years		28.0%	7
3-4 years		20.0%	5
4-5 years		20.0%	5
		<i>answered question</i>	25
		<i>skipped question</i>	19

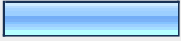
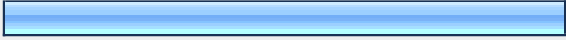
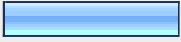
69. How do you expect your ratio of indoor to outdoor sales to develop by 2013?

		Response Percent	Response Count
Lower		11.5%	3
Same		34.6%	9
Higher		53.8%	14
		<i>answered question</i>	26
		<i>skipped question</i>	18

70. For which functions do you provide monetary incentives in the form of bonus?			
		Response Percent	Response Count
Outdoor sales		92.3%	24
Indoor sales		69.2%	18
Product management		30.8%	8
Marketing		30.8%	8
Sourcing		34.6%	9
Logistics (WH & transport		50.0%	13
Admin, IT & Finance		34.6%	9
Other		3.8%	1
		Other (please specify)	2
		answered question	26
		skipped question	18

71. What key criteria do you use for sales force incentives?			
		Response Percent	Response Count
Volume		42.3%	11
Gross margin		69.2%	18
EBIT		50.0%	13
Payment days outstanding		53.8%	14
Other		7.7%	2
		Other (please specify)	2
		answered question	26
		skipped question	18

72. What % of the total compensation for your indoor sales force is variable / performance based?				
			Response Percent	Response Count
0			13.6%	3
0-10			68.2%	15
10-30			18.2%	4
30-50			0.0%	0
50-70			0.0%	0
>70			0.0%	0
			answered question	22
			skipped question	22

73. What % of the total compensation for your outdoor sales force is variable / performance based?				
			Response Percent	Response Count
0			0.0%	0
0-10			19.0%	4
10-30			61.9%	13
30-50			19.0%	4
50-70			0.0%	0
>70			0.0%	0
			answered question	21
			skipped question	23