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Section 1 - Company Profile

Pacifica Research is a subsidiary of CShare Business Computers, in business since 1978. Our focus from the beginning has been business accounting software, first developed for the Alpha Micro minicomputer. We didn't start from an existing accounting program, as other vendors did, which gives Pacifica a distinct character and unique feature set. We have achieved many technical milestones along the way:

- The first DLL (dynamic link library)
- The first packaged programmable input function (dialog box)
- The first moving memory model, allowing running programs to move in memory
- The first screen-driven message loop process
- The first one-file relational database design
- The first real-time and integrated accounting software for mini or micro computers

Pacifica Research is a small and responsive software developer located in Brawley, in southern California. We are experiencing healthy growth and support from a loyal customer base. While Pacifica software addresses special needs of several industries, accounting is the foundation of every system we design.

Our goal for the next century remains the same: Deliver the business tools required by the clerk, CFO and CEO.

Section 2 - Product Profile

Pacifica Accounting is a general ledger based double-entry system. It is a 16 bit Windows application which will run on any Windows version 3.1 or newer. Pacifica is fully multi-user, and can run on servers using Windows NT, Novell Netware for Windows, Windows 95 or Windows for Workgroups 3.1.

Pacifica uses real-time transaction processing, and all modules are automatically fully integrated with other modules, including the general ledger. All detail remains on-line and accessible for reporting, even from prior years. This detail may be edited by operators with sufficient privilege. Pacifica does away with the concept of pre-defined fiscal periods, allowing detailed financials to print across any date range and any part of the enterprise. For instance, a financial can report on a project from beginning to end, even across a year-end.

Pacifica is written in the C++ language, all in DLL files, and is based upon the SUMMUS relational database. Central to Pacifica are two libraries stored in SUMMUS databases. These libraries contain all of the standard screens, reports, icons and record definitions needed by Pacifica. Each company database is contained in one SUMMUS database file. Within this file is a data dictionary structure defining all of the records, indexes,

custom reports and relational linkages. Records, and fields within records, can be any size necessary to contain the data. A record with little data will take less space in the database than a record with more data. In other databases, all records of one kind must be the same size.

Operations in Pacifica are designed around the input screen. All input fields on the screen are programmable, and may be linked directly to program code, to other screens or reports. These programmable links may be triggered by any of dozens of predefined conditions, such as the cursor entering or leaving the field, the press of a certain function key, or a change in the data in the field. As a result, Pacifica is able to respond instantly and intelligently to operator input at any field. For the most streamlined data entry, the mouse is almost never required for navigating the screen, although it may be used everywhere.

Drill-down capabilities are found at hundreds of fields in Pacifica, and on most reports when previewed on the screen.

Pacifica is sold and installed in modules. There are five standard accounting modules and five add-on modules to extend the features of the standard modules. The general ledger standard module is required. All others are optional. In each section, the standard module must be installed before the add-on can be installed. The modules are:

- General Ledger and G/L+: General ledger includes chart of accounts, transaction processing, journal entry, financial reporting. It is required. G/L+ adds profit center accounting, budgeting and financial report writer.
- Accounts Payable and A/P+: Accounts payable includes vendor list, purchase invoice entry and printing, cash requirements forecasting, cash disbursements and check printing, bank reconciliation, A/P aging and activity tracking. A/P+ adds purchase order processing and printing, recurring order processing and disbursement processing.
- Accounts Receivable and A/R+: Accounts receivable includes customer list, pricing and discounting by customer, sales invoice entry and printing, cash receipts, A/R aging and activity tracking. A/R+ adds sales order processing and printing and recurring order processing.
- Inventory Management and I/M+: Inventory management includes inventory list, inventory activity and profitability by vendor or customer, reorder by history, seasonal history or percentage of min or max stock levels. I/M+ adds serial/lot/location capability, bill of materials and kit management, serial number and where-used tracking, bar code label printing and photo capability.
- Payroll and P/R+: Payroll includes employee list, payroll entry and check printing, federal and state tax table maintenance, tax and withholding reporting, federal quarterly report and W-2 printing. P/R+ adds high-volume paycheck processing, time tickets, electronic time clock interface, magnetic media W-2 reporting and photo capability.

In addition, there are industry-specific modules and integrated systems available.

- Point of Sale: An invoicing module with interfaces to bar code readers, credit card swipes, cash drawers, pole displays and strip printers.

- Seed Inventory Management: A system designed to track the buying, selling, production, packaging and labeling of seed and grain by lot. This system changes the functions of A/P, A/R and Inventory.
- Pesticide Use Management: A system to supplement inventory management and invoicing, to track pesticide and agrichemical applications and print legal documents required by state and federal agencies and the EPA.
- Coffee Roaster's Inventory Management: Inventory and A/R modules designed for the special requirements of coffee roasters.
- Saw blade and Tool Sharpening Tracking: Serial number tracking and reporting for saw shops.

Section 3 - Third Party Applications

Pacifica uses or supports interfaces to these other products:

- IC Verify for credit card validation in Point of Sale.
- Snowbound Software for image processing.
- ClipperShip package labeling and manifest printing.
- Trade Services for service industry inventory price updates.
- Latham Time Clock interface to time tickets.

VARs and developers sell and support add-ons to Pacifica. Modules have been written for wholesale and warehouse inventory, machine shop job cost, short run job cost and delivery route management.

Section 4 - Customization and Modification Tools

Users and developers have access to several areas where modifications and custom changes may be made in Pacifica.

The system operator may limit or modify access and privilege by menu or by screen for each user. Users with sufficient privilege may modify screens while they are operating them. Possible changes are substantial, including:

- Change the caption on any prompt
- Rewrite or add to the help message
- Add or edit a list box or auto list box
- Add or change default values for the field
- Change input characteristics
- Set to skip or not skip
- Set so cursor may not enter, or keyboard is locked
- Set to require data or require a password before change
- Set to obscure data if user lacks privilege

These changes are not affected by version upgrades, and may be turned off at any time.

Developers may use the visual screen generator, an integral part of any Pacifica installation, to make much more substantial changes to screens. This includes changing any visual or input characteristic of a field, adding new program functions to fields, moving or changing the order of fields, hiding unwanted fields or moving seldom-used fields to a second or third page. These changes are normally made in a custom library file apart from Pacifica's standard libraries and outside the company's database. In this way, the changes are isolated and protected against version updates in most cases, and may be easily removed.

Developers may write new programs or modify existing ones in either the C++ or SPL languages. SPL is a powerful compiled language designed primarily for writing reports from a SUMMUS database, but it has many applications besides reporting. All system reports and all reports created in the Pacifica Report Writer are written in SPL, and the source code for all system reports is available at no charge to developers. The SPL compiler and interactive debugger are built into Pacifica. C++ language source code for selected application programs is made available to developers on an individual basis.

Section 5 - Internet Strategy

Pacifica Research is currently working with several clients in a limited introduction to Internet commerce. This includes EDI order processing and invoicing, preparation of HTML-formatted inventory catalogs and data imported from JAVA forms. Pacifica's SUMMUS Client/Server, expected in second-quarter 2000, offers a DCOM interface to which a JAVA input application will attach for interactive e-commerce.

Section 6 - Product Development

Pacifica is engaged in developing a Windows DCOM compliant version of the SUMMUS database and accounting applications in a two-tier client/server architecture. While we feel that the SUMMUS relational database will remain the preferred server due to superior performance and a higher level of optimization with our applications, the COM interface provides a means of attaching Pacifica client applications to other servers, such as Access, SQL Server or Oracle. We expect to ship an Access interface by year-end. We expect to deliver a programming interface from Visual Basic soon after, though core programming will continue to be written in C/C++.

Section 7 - Reporting Systems

Pacifica has more than 80 standard reports, with many choices in the formatting of each one. Typically, the report launch parameters include date range, document range, account, vendor or customer range or selection, sort options, level of detail and page width. At most fields, you can set screen defaults for the parameters you prefer, and change them if necessary when you print. All reports can be printed to any printer, the screen, or a disk file.

Any font may be selected for reports, and Pacifica reports are optimized to use TrueType proportional fonts. Pacifica supports multiple printer definitions for each Windows printer. The Pacifica printer definition can specify paper size, orientation, printer bin, font and size, text characteristics such as italics and bold, margin settings,

line spacing, etc. Pacifica works well with older dot-matrix printers, and makes internal printer fonts available if possible, for faster printing to these printers. Most reports will format and print properly in landscape orientation as well as portrait.

When Pacifica prints to the screen, the entire report is composed and displayed using the parameters of the selected printer definition. The operator may then scroll to any point in the report or perform a text search. In all system reports, certain data is displayed on-screen in green, indicating a drill-down hotspot. When the mouse touches green text, it changes to red, and a single left click displays the record.

Pacifica includes four separate report writers in addition to the standard reports. This is necessary because of the distinct differences in the reports and documents which are produced by these tools. They are:

- Report Writer
- Financial Report Writer
- Document Writer
- Inventory Label Formatter

The Report Writer builds a report program in the SPL language, compiles it and places it on a report menu. These reports can be presentation-quality, depending on the designer's efforts, and may include:

- A launch screen for user input
- A page heading with automatic column headings
- Access to all data in the database, including derived data and results of in-line computations
- In-line logic at data selection
- Up to 12 levels of sorting
- Unlimited filtering
- Unlimited group headings, subtotals with conditional breaks, footnotes
- Drill-downs on almost all data items in detail and subtotals
- Flexible indexing
- Data export capability
- Printer and font control just as in any system report

The Financial Report Writer builds a template record which drives a financial reporting engine. Financial reports may be designed with these features:

- Standard templates for P&L, balance sheet and statement of cash flows are included
- Up to 28 columns of numeric data can be defined as balance, activity or formula
- All display characteristics can affect individual columns or all columns
- Columns can print G/L, profit center, budget or computed data
- Lines can define accounts or account groups by number, wildcard expression, range or type
- Lines can exclude accounts or account groups by number, wildcard expression, range or type
- Lines can detail or summarize profit center information
- Footnotes can be attached to account numbers or groups

- Multiple company databases can be consolidated on one financial, even from dissimilar charts of accounts
- Columns, lines and cells can utilize formulas
- Non-dollar information can be taken from G/L accounts and printed or used in formulas
- Multiple schedules can be created for one financial, and print as one or more pages
- Computed data can carry forward through schedules

The Document Writer is used to modify the appearance of invoices, order forms, packing lists, checks and paychecks. Using this tool, you can visually:

- Move any printable item or hide it
- Change or remove the caption on any item
- Change column widths and number of decimals printed
- Turn lines and boxes on or off for plain paper documents, or add new lines, boxes and color blocks
- Include logo bitmaps and set their size and position
- Turn on various backgrounds, such as graybar and gradient screens
- Select separate fonts for captions and data, and set their sizes independently
- Maintain several document styles at once for invoices and orders

The Inventory Label Formatter creates inventory bar code labels in any size and configuration, based on inventory, sales orders or invoices, purchase orders or invoices or stock transfers. This visual tool is able to:

- Include your selection of dozens of data items from inventory and other sources
- Move the items and change their size, font, orientation and color
- Print text, lines, boxes and borders anywhere on the label
- Print any text as a bar code of any size and all standard symbologies (using optional bar code fonts)
- Include photos and graphics on your labels
- Print auto-incrementing numbers
- Select from many Avery standard label sheet layouts, or create and save your own
- Store any number of label layouts for different purposes
- Visually select the starting label number to print based on an Avery style number

Section 8 - ASP Support

Our plans for Pacifica Client/Server include an Internet interface for presenting catalog pages from inventory records.

Section 9 - Reseller Channel

Pacifica Research depends on its resellers to promote and maintain Pacifica products in their areas. We support dealer efforts through current information and downloads on our web site, qualified sales leads, promotional materials including demos and presentation folders with spec sheets, magazine advertising, participation at trade shows and direct mail campaigns. We always provide direct secondary telephone support to users, and may, if the user requests, provide primary support.

Specialists, consultants who are expert in one of our industry-specific add-ons, have consistently realized higher profits by offering Pacifica products and technical support to a limited market. Most consultants have been unwilling to specialize, even though these markets are under-computerized and cash rich. Pacifica Research markets and sells directly to these markets.

Section 10 - Reseller Recruitment

Pacifica Research has historically taken a passive approach to recruitment. We do not have a certification procedure, and a consultant candidate is not asked to provide any credential other than:

- A purchase order on consultant's company letterhead
- A copy of consultant's proposal to the client (client company name may be blanked)
- Background information on the client showing a good fit for Pacifica

We urge consultants to take advantage of training sessions offered only to new resellers and their employees at the offices of Pacifica Research. Sessions are scheduled at the convenience of the reseller, last one day (about 12 hours of training), and are free. Reseller training can be scheduled at the consultant's offices for a nominal charge.

Topics covered are:

- Needs analysis
- Information system design
- Selling tips
- Training tips
- Installation tips
- Product overview
- Intensive screen-by-screen product exposure
- Report writer and financial writer tour
- Routine maintenance tour
- Developer tools tour

Section 11 - Conclusion

With a 22 year history of impressive innovations, a commitment to development and growth and a clear understanding of the needs of business in 2000, our course is set for the next century. The same individuals who directed CShare Business Computers at its inception in 1978 continue to direct Pacifica Research today with the same creativity and dedication to excellence and value.