

December 2004

ADVANTAGE

BUSINESS COMPUTER SYSTEMS, INC

(903) 636-5200 Fax (903) 636-4674



Holiday Greetings At The Close Of 2004



We can't help but spend a moment reflecting when we see another year closing and the promise of a new one on the horizon. It would seem that 2004 represents a year of stability and growth for many. We've seen a lot of our companies making some tough business decisions and commitments to grow their companies. New systems, new locations, acquisitions, implementing new modules, adding new equipment, etc. reflects a steady and deliberate movement forward. Advantage users have historically been movers and shakers, and this year we've seen that trend continue.

Software Enhancements

Since moving away from a 3rd party imaging package, we have seen record numbers of companies embracing the imaging technology in their businesses. Using the Advantage Document Imaging, nearly 20% of our customers are now saving labor by imaging their POS invoices and statements. Many new third party interfaces have also been created this year: new credit card vendors, Blue Tarp interface, internet shopping cart interface and e-mailing, just to name a few. Early next year we will be releasing a new version of the software with all the exciting new enhancements available to our existing Advantage customers. Be watching for the details.

Support and Services

The passing of another year gives us more statistics to measure how we are doing. I say "we", because our success in support and services is a two-way street. As our staff disseminates information and training, the same must then be done to your staff. It is in this manner that "we" are dependent on those

whose job it is to learn, to know and to pass knowledge throughout your company. Our statistics are a direct reflection of how well both accomplish that task. We appreciate the continued commitment of your staff to cross-train and document learned procedures that best serve your company. We continue in our efforts to keep our turnover ratios low and to develop and disseminate timely and accurate information.

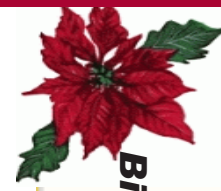
Upgrades

Computer prices continue to drop, resulting in many good reasons to upgrade your systems. This year we have seen almost 100 companies upgrade their systems, resulting in faster processing time and faster daily backups. Backups on CD's are finished in a couple of minutes as compared to the slower tape backups. Using CD's, which is a less expensive media, for backups allows you to keep a backup of every single day on file, if desired. Newer technologies are providing time and cost savings.

New Customers and Growing Companies

It has been another record year of growth for Advantage, the 7th in a row, with a 9% increase over last year. We welcome each of our new customers. Additionally, 36 of our existing customers have added new remote locations. We offer our congratulations to all of our customers with their continued successes. Our team of users grows stronger each year.

A unique quality we have seen in Advantage users is their unwillingness to accept the status quo. We applaud many owners who refuse to be pressured by their hard goods suppliers to change to another software package. This year



P. O. Box 421
Big Sandy, TX 75755-0421

Newsletter

- **Holiday Greetings At The Close of 2004**
Sharing thoughts from 2004 and goals for 2005
- **Boosting Employee Morale**
Learn how to develop employees who want to work for your company
- **Payroll Tax Changes For 2005**
Notify us of state and local tax changes
- **ExecuPro Conversion**
Turn on G/L batch archives
- **EOD/EOM/EOY Issues**
Notes from software support
- **Order Information From The Forms Department**
*Statement envelopes
2004 tax forms
Check order discount*
- **Welcome To Our New Customers**
Pictures from recent installations
- **Holiday Schedule**
Support hours for Christmas and New Years

Continued from page 1

we have again seen record numbers abandoning those vendors and switching to companies that embrace their right to run their own businesses, to choose their own partners. Many of our new customers are those who have stood up and made their voices heard, choosing the software vendor they feel will best address their business needs. We are honored to have them on board and have heard their message loudly and clearly. In partnership with all of our customers, we, too, will not accept the status quo. We are committed to building bridges into future possibilities by embracing new technologies and using them to develop the business tools you want and need to remain competitive and profitable.

Software Development

Our development department is a practical example of our commitment to this mandate. We are not resting on our continuing success. For the last several years we have been

developing a platform for a new software product line. In 2005, you will begin to see this product line being released. You'll find no status quo in this product line. It's entirely new, beautifully graphical, simply practical, and efficiently functional. The word is out and those who have seen it and are testing it are full of praise. We'll be sharing more specifics and customer reactions in each monthly newsletter during the next year. It's an exciting new day for all Advantage users who are looking for the best. Your investment and decision to partner with Advantage will be reconfirmed when you see what we've been developing for you.

May you enjoy the holiday season and take time for your friends and families. We wish you every best for the New Year and look forward to sharing in it with you.

Gregory Matatall

BOOSTING EMPLOYEE MORALE

Condensed from an article in the Business Development Success Series from the Small Business Administration at <http://www.sba.gov/gopher/Business-Development/Success-Series/Vol6/morale.txt>

Small business owners frequently complain that "people go where the money is." A Robert Half International survey demonstrates that "compensation is not the predominant reason why people leave their jobs for supposedly greener pastures." Consultant



Roger E. Herman asserts, "People are hungry for opportunities to grow into their jobs. They crave advancement, both in position and stature, and in responsibility and opportunity." Herman, author of multiple books on employee management, maintains that the most effective way to boost employee morale is to provide an optimum working environment. "You have to create an optimal environment in the employee's perception, as part of an integrated strategy that inspires people to do their best day in and day out."

There are seven key issues in creating such an environment:

Appreciation: Research shows that people often leave an employer because they haven't received the recognition they want, or feedback on how they are doing.

- Learn to express appreciation. Commend progress toward agreed-upon goals in a continual and consistent manner. Also express appreciation to the invisible people that keep the company functioning smoothly, such as the receptionist, the janitor, the payroll clerk.
- Show pride in your staff. Reprint an article that quotes an employee and send it to interested customers. Publish news about an employee's participation in a trade or professional association in your company newsletter. Post copies of letters of appreciation to personnel on the staff bulletin board.
- Celebrate successes. When people work hard to complete a project, make sure their accomplishments are acknowledged before tackling the next challenge. Celebrating today's win provides the inspiration for tomorrow's effort.

Involvement: People want to feel involved in their jobs and important to the success of their companies. They are closest to the work for which they are responsible, and know how it can most effectively be done. Supervisors can motivate staff by asking them to set their own job goals and suggest better ways to do things.

- Employees appreciate knowing they work for a company with a clear sense of the future. They are even more committed when they help define that future. While the benefits of having a company mission statement are great, the benefits of involving each and every employee in constructing that statement are inestimable.
- In a family, people care about each other, stand together against outsiders (the competition), and support each other through times of personal stress. When loyal family members have grievances, they possess sufficient trust to deal directly with those differences. These attitudes work just as well in business settings. Promote a family environment by encouraging

Continued from page 2

people to car pool or work on projects together, by holding gatherings such as a summer barbecue, and by creating a health and fitness program for workers and their families.

- People who enjoy one another are usually more productive in the workplace. They have greater loyalty to each other and to the organization.

Social Environment: A company's reputation rests on more than just the quality of its products. People judge firms by their philosophy and level of customer service, their involvement in community activities and their commitment to moral, environmental and even political issues. Today's employees are concerned about whether the values of the company for which they work are compatible with their own personal viewpoints.

Management Concern: People appreciate help on personal problems, and want a boss who cares about them as individuals. Today's manager must invest a significant amount of time in advising, counseling, coaching, training and listening. Employees who are helped to perform will feel better about themselves and the company for which they work.

- Managers often worry that staff members don't want them "interfering" in their private lives, but when people are hurting or need help, they appreciate whatever assistance is offered.
- Some firms allow employees to use company equipment or facilities during nonbusiness hours.
- Concern for your employees, as well as your liability, mandates a healthy -- not just a safe -- workplace. If a safety inspector stopped by tomorrow, what infractions would be found? Even the most conscientious company can let conditions deteriorate. Employees appreciate your concern for their health and safety.

Management Loyalty: If you expect your people to be loyal to you, you have to be loyal to them. That means avoiding layoffs as much as possible, backing up personnel when they need help in dealing with customers or suppliers, and understanding when they make an honest mistake.

- If there's a difference between how you want employees to treat customers and how they actually do treat them, you might look to see if there's a similar difference in how you treat your workers.
- Do your policies support or obstruct how effectively your staff can deal with customers? An employee who has to get three supervisors to sign off on a product exchange will have a difficult time preventing the waiting customer from becoming impatient or angry. Giving frontline people the authority to "make it right" for customers reinforces their pride in their company while also building stronger customer relationships.

Working Environment: The physical place in which people work says a lot about the organization, its values and its policies. Employees are more productive when their environment is comfortable, pleasant, and efficiently organized for the tasks to be performed. Make sure the heating, ventilation and air conditioning systems work properly, that desks are spaced so phone conversations can be private, and that the noise level is comfortable.

Respect: While working with your people as a group, never forget that each of them is an individual. While they see themselves as part of the team, even more importantly, they see themselves as individuals. Value all employees for who they are, and recognize the contribution each person makes to the overall organization.

- Make sure all guidelines for staff behavior are reasonable and appropriate.
- Periodically your employees are going to disagree with your decisions. But whether those disagreements result in stalled productivity depends less on the decision than on how it is explained and carried out. Listen to employees when they disagree with your instructions. They may be right.
- Assign priorities to tasks as you delegate them to employees, and explain why some tasks are more important than others. If priorities should change, let the staff know immediately. Avoid the tendency to label numerous tasks "top priority," or this designation will lose importance.
- Don't swear. Profanity makes many people uncomfortable. They find it difficult to respect someone who curses, and hard to believe that person respects them.
- Be fair and honest with everyone. You can't expect your employees to believe you are honest with them if they see you cheating on your suppliers.
- Tactful discipline is a key issue for employees. A reprimand should be private rather than public, and should address the specific fault rather than the person's character.
- Even though you do your best to create an optimal working environment, not every employee will respond the same way. Try treating each employee not equally, but fairly. In a workforce of individuals, it is essential that you recognize and appreciate their differences. People are hungry for opportunities to grow into their jobs. They crave advancement, both in position and stature, and in responsibility and opportunity.



PAYROLL TAX CHANGES FOR 2005



Payroll tax changes often sneak up on us as the New Year approaches. Since state and local payroll tax calculations are unique, Advantage must make these changes for you. To insure that your payroll tax requirements for state or local governments are current, we need your help.

State and local taxing entities do not notify us when tax codes are modified. We rely on you, our customers, to inform us of any changes in your areas. Please send us any information you may have on new state and local payroll taxes.

When sending us this type of information, make sure it is the official document from the state or local cities and counties. We cannot make changes without receiving an official document. Fax documents to:
1-903-636-5434 Attention: Programming.

Remember, this does not apply to Federal payroll tax changes as these are configurable in the Payroll-> Administrative menu-> Payroll header configuration.

EXECUPRO™ CONVERSION

As a user of our current software who would like to convert to our new ExecuPro software when it is ready, you must be archiving your General Ledger posting batches if you are posting batches in summary. We will have data conversions available, but we must have the General Ledger batch detail to successfully complete the conversion.

If you are not currently archiving the unposted batches, switch the option on now. Go to General Ledger-> Administrative menu-> G/L header configuration-> Screen 1. Set the flag to archive posted and cleared batches as shown.

Archive posted/cleared batches (y/n)?...: Y

Leave this option turned on and do not purge the General Ledger archives.

From Software Support:

EOM/EOD Issues

Attention Owners And System Administrators: Do your opening manager and qualified staff have access to the End-Of-Day and End-of-Month/Year menu options? Do they have access to the reset option and the password to run the reset application? If the answer is "No" to either of these questions, you need to resolve this potential problem as soon as possible. There are extenuating circumstances that can cause your EOD/EOM/EOY closing procedure to abort prematurely. When the EOD/EOM/EOY procedure has not been completed normally, the system requires that the reset application be run before any business can be conducted for the day.

If users do not have access to the reset application and the password, we must have prior approval from company management before we can help them. We do not give out full access passwords or access to menu options for which access has been denied by company configuration. It is not our policy at Advantage software support to leave any system in a state that is unusable for normal day-to-day functions. But if we are unable to access your system for any reason and the system administrator or owner is not available, we are unable to reset the system without compromising your system security.

To easily resolve this problem, go to User Administration-> Maintenance menu-> Authorization Configuration-> Configure User Authorization and give the appropriate person or persons menu access to the End-Of-Day and End-Of-Month/Year menu options needed. Make sure they have the password required to reset a failed EOD/EOM/EOY.

December 31 And EOY Issues

All users should be running the calendar End-Of-Year procedure on December 31. The EOM header should be configured to clear Payroll and any other accumulators desired, such as Accounts Payable. Even if your fiscal year does not end on December 31, run a calendar year-end. It creates the proper area for you to generate payroll tax compliance reports without having the January EOM remove it.

DON'T FORGET to give appropriate users access to the EOY dataset. While more recent versions of the software automatically give access to users with current EOM access, users on older software versions must do this manually. This is an issue that generates more support calls than any other EOY problem.

See the General Ledger-> How to reference files-> Year-end procedures document for year-end instructions.

#6 Statement Envelopes

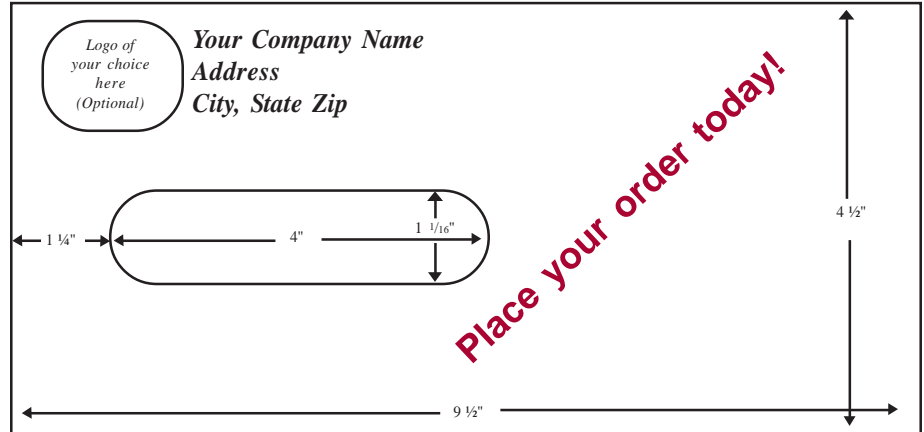
Order deadline is December 20, 2004

Don't run out. Place your order today for statement envelopes.
The next time orders will be taken is in June, 2005.

Self-Seal Envelopes (Shelf Life Of 6-9 Months)

- 1000 - \$163.47 per M
- 2500 - \$124.95 per M
- 5000 - \$93.26 per M
- 10000 - \$70.72 per M

**Regular Gum Envelopes
(Shelf Life Of 2 Years)**
\$57.02 per M



Call Tanya at 1-800-452-2502 extension 246,
or send an e-mail to Tanya@abcsinc.com

2004 Payroll Tax Form Changes

We have modified the Payroll forms program to print on the new IRS W-2 layouts. In order to receive the updated changes, your system must be on at least the 0310.186 version or higher. You may download the latest patch level on-line if you are on version 0310 or call Software Support to schedule an update.



IRS Forms Are Still Available

We still have supplies of IRS income reporting forms and there is still plenty of time for shipping before the filing deadline. If you need forms, call the Forms Department to place an order.

IRS authorized and approved!

GUARANTEED 100% compatible with Advantage software.

CONTINUOUS OR LASER SHEETS

Save time with compatible envelopes.

To order or for questions, call the Forms Department at 1-800-452-2502 ext. 246.

SAVE 20%

On All Check Orders

For the month of December, Advantage is offering a 20% discount for any new or repeat check order in quantities of 500 or more.

Call Tanya at 1-800-452-2502 extension 246

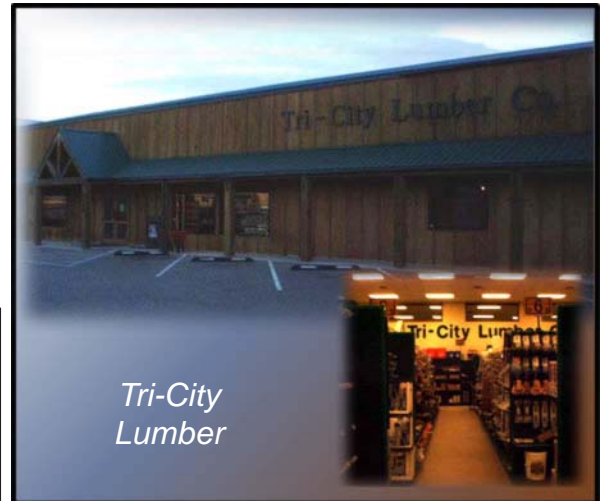
Extra Delivery Time Needed



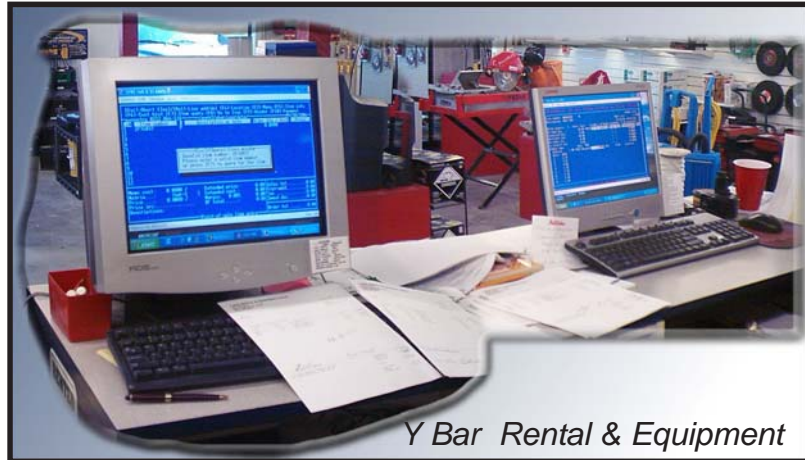
Due to the holiday season, please place all your orders for supplies early. Allow for an **extra 5 to 7 days** for all UPS, FedEx and US Mail shipments.

Welcome To Our New Customers

*Patterson's Home Center
 Solansky Welding & Pump, Inc.
 Johnson Lumber Company
 Kent's Hill Lumber
 McCune Lumber
 Y Bar Rental
 Tri-City Lumber*



*Tri-City
 Lumber*



Y Bar Rental & Equipment

***We are glad to have you as
 part of our family.***



Patterson's Home Center



Holiday Schedule

Advantage will be closed on Saturday, December 25 for Christmas. We will be closing early on December 24, December 31 and January 1 per the schedule below. Emergency support will be available beyond these hours for systems that are no longer operable.

Friday, December 24	closing at 6:00 PM
Saturday, December 25	closed
Friday, December 31	closing at 8:00 PM
Saturday, January 1	closing at noon