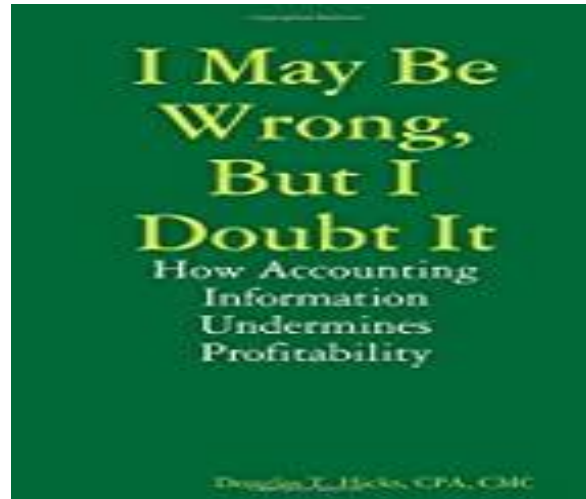


Your Standard GAAP partner to create the wealth in operations

Doug Hicks Book Dec.4 2008 Douglas Hicks CPA,



- Activity-Based Costing: Making it Work for Small and Mid-Sized Businesses, (New York, John Wiley & Sons, 1999) QPS developed Time-Drive Activity-Based Profit/Pricing in 1983, Developed Profit Scheduling 1997
- Activity-Based Costing for Small and Mid-Sized Businesses: An Implementation Guide, (New York, John Wiley & Sons, 1992)

We at QPS know Doug Hicks is right and we can prove it. With our Profit Assurance Systems (PAS) Time-Driven Activity-Based Costing Profit /Pricing **we developed in 1983** can improve your company in the information society, the current generation. Business at the speed of thought Bill Gates 1990. You have two information's systems one operations data and the present accounting systems a trailing fiction, containing erroneous allocation and adjustments due to this information doesn't match your current operations under the roof. To keep up with the current generation you must obtain and assimilate current accurate big analytics real-actionable-time in order to keep up with the current generation. Utilizing your current financial information, you are running your company looking in a rear-view mirror at the wrong company information (wrong road), like trying to walk with your eyes not seeing real time. QPS's PAS system runs in conjunction with your present management systems, it doesn't disrupt any current process, it is a self-directing cloud platform requiring no new IT and cost penny's compared to your present information systems. We at QPS believe your present company is capable all it needs is current, future accurate information. That is your job to provide it in the information society.

QPS has developed over 37 years starting in 1983 returning to the University of Washington Graduate School of Business obtaining their Executive MBA degree. Two things were clear with this experience. The instructors had no experience in running a business and Standard GAAP financial reporting was unable to assist in running the operation in aerospace. Wanting to be able to Plan, Schedule, Measure, Manage and Reward for total companywide performance improvement. Standard GAAP financial reporting was intended for external reporting and lacked the information required to run operations under the roof. The information is inundated with erroneous allocation and adjustments due to it didn't represent current operations information. Thus, it produced a trailing fiction of the current and future company conditions.

The solution was developing a financial internal engine reporting system for operations where the wealth is created. The Profit Model ©™ is a Time-Driven Activity-Based equivalent dollar companywide pricing data (WRAP) rate to be applied to the engineering work statement, which is an AI application, chart of account COA driven. Second solution was interfacing the financial information with a shop floor control system Profit Scheduling ©™ which delivers a finite front back constant Planned Profit Velocity (PPV) with profit being an engineered specification tailored to each unique work statement providing a self-directing platform in the cloud delivering a mesh information system.



• Peter Drucker's Information Society



- Lean organizations have all begun to address what Peter Drucker in *Managing in the Next Society: the Information Society*, calls the major challenge of business in the next two decades – dealing with a 500-year-old accounting system that is in terrible shape.
- Drucker says: “...most businesses have two information systems One is organized around the data stream; the other, far older one, around the accounting system.”
- This creates a fundamental disconnect between operations and finance which is the core issue that Operations and Accounting Practices fail to function, the single greatest drivers of unhealthy internal competition and the leadership crisis in organizations is the vicious cycles of distrust and fear invisibly generated by the inaccuracy and operational uselessness of financial statements as tools to measure and present the timely and objective facts of process, of financial performance. PROFIT! Lean Internal Accounting.
- This situation is the hidden source of the core disconnects we all experience in business - all but invisible unless you are looking for it – which many lean organizations are now recognizing, therefore Lean Accounting.
- Today's financial statements create a fundamental fracturing of context because they are missing fundamental coherence. It is virtually impossible, for example, to see how the operation and the creation of profit relate to the P&L and the balance sheet due to disconnect with the critical elements of profit real time, operations where the wealth is created .



“Managing in the ~~Next~~ Current Society: The Information Society” - Peter Drucker

Businesses have two information systems:



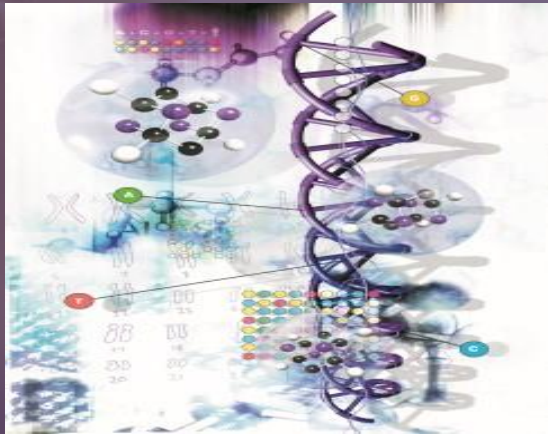
One is organized around the operational data where the wealth is created



The other, which is far older, around the accounting system 500 years old. Std. GAAP for external reporting



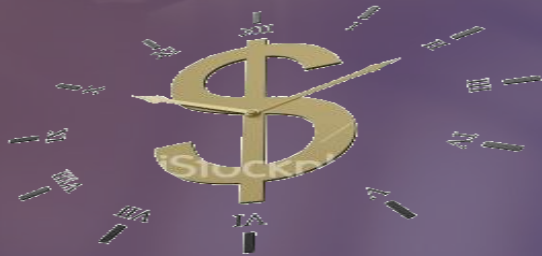
Profit Company-wide Full Pull



- Measured information is the DNA of Business
- For the *First Time* you will make every decision *based on your planned profit.*
- Hold the system accountable REAL TIME.
- Welcome to Applied Operational Profit/Pricing

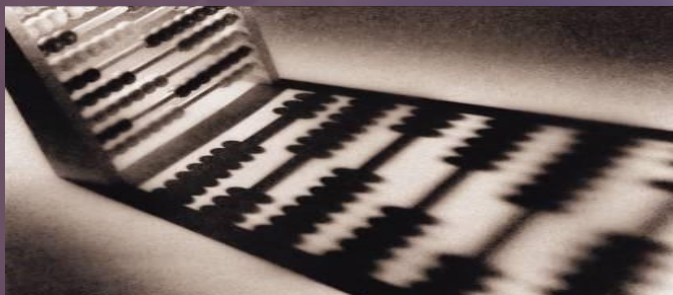


Time is Profit...Profit is Time



- Data (information) trumps including theory .
- CURRENT accurate measured data (information acted on) trumps everything.
- We measure every second of your planned billable hours by activity and informs all stakeholders REAL TIME if the company is ahead, on, or behind your scheduled profit.

“Medieval Accounting” Quantum Profit Science



- The standard accounting system is 500 years old.
- Today's management requires one combined data stream that communicates to each other - Real Time !! Mesh System
- This allows you to see your company correctly for the first time!



“Keep doing what you’ve done and you get what you got!” Henry Ford 1922

QPS’s cloud self-directing platform provides both the current and future information in operations to deliver the company-wide results desired. The four high level items are

- Improved quality the schedule has Statistical Process Control (SPC) embedded in the schedule, Discretionary Review Committee
- Faster on time delivery the schedule has operationalized The Theory of /constraint (TOC) resulting in Just in time and pursuit of Lots size one. Constant flow in Work In Progress Profit.
- Improved Profit with current company assets, resulting in significant less new sales requirements.
- Reward System, GainShare, companywide incentive plan producing Capital Free Profit. For the first time your entire employment team will share the vision and goals you do!

The best news is the Drucker’s disconnect will all but disappear

ZERO RISK OFFER TRY IT, IT’S FREE LOTS OF UPSIDE NO DOWNSIDE

Offering Consists of Three Phases

Phase One; after the initial 3 Day Discovery & Orientation Phase, if you choose NOT TO PROCEED with Training and Hands on Application Assistance, we will return to you the \$750 you paid us.

Phase Two; Introduction to the offering, benchmarking your business against your industry and a starting point for your organization. Setting the benchmarked goals both performance and timing. Start the setup and training for the use of Profit Scheduling, we will return all moneys spent to date if you don’t want to continue.

Phase Three; develop the secure cloud platform and complete the company set up and training. Any time you choose not to continue notification to qpscience and the process will be stopped in 30 days or less. There are no **contracts** involved with our offering.

“Twenty years from now, you will be more disappointed by the things that you didn’t do than by the ones you did do, so throw off the bowlines, sail away from safe harbor, catch the trade winds in your sails. Explore, Dream, Discover and Prosper.” Mark Twain

QPS wishes you a prosperous business day