

## Ashland Awards Inventory Monitoring Contract to Industrial Evolution

*Web\*VMI™ service to be applied to over 140 chemical storage tanks*

**PHOENIX, ARIZONA, October 18, 2006** — Industrial Evolution today announced that Ashland Inc. has selected Industrial Evolution as its exclusive provider of VMI (vendor-managed inventory) services.

Under the terms of the contract, Industrial Evolution will establish communications to level gauges and telemetry devices installed locally on over 140 tanks at 28 physical locations throughout the United States. Inventory data will be gathered continuously into a PI System from OS/soft, located in Industrial Evolution's data center. PI is more than capable of handling this project and any later expansions Ashland may plan.

Marketers and logistics personnel at Ashland and their customers will be able to access the inventory data using Web\*VMI, an internet-based service that shows dynamic trends and displays of past, current and future inventories; provides electronic alerting and reporting.

VMI is a business model adopted by most of the large chemical suppliers whereby they manage the inventory of product supplied to their customers on their customer's behalf. In many cases the inventory is provided on consignment basis – it is only paid for when consumed. The customer saves inventory finance cost and is guaranteed never to run out of product. In return, the supplier often gets a more certain supply contract and can optimize his own logistics costs.

"Because this is a true win-win for supplier and customer, VMI is one of the most successful internet strategies adopted by the chemical industry to date," commented Simon Wright, CEO of Industrial Evolution. "As the largest provider of VMI services to the chemical industry, Industrial Evolution is delighted to have received this contract from Ashland. As a leader in innovative collaborative business models, Ashland is a company we are truly proud to count among our customers."

Ashland has been providing its customers with VMI services for a number of years. As part of their global standardization process they decided to look for a vendor with the required technical capabilities, a proven track record in the industry and the business strategy to remain a supplier for the long-haul. Industrial Evolution impressed Ashland with both their technical solution and their responsiveness to Ashland's needs – a company that has made data sharing among large chemical companies its strength and is a clear leader in the field.

For more information contact your local Industrial Evolution representative.

### **About Industrial Evolution**

Industrial Evolution specializes in Data Services that capture, store, transform, exchange and present real-time process data. Large process companies are increasingly forming collaborative partnerships with their suppliers, customers and even competitors, focused on improvement in operating performance, reduction of inventory, increase in supply chain efficiency and optimization of logistics. Our services are tailored to the non-operating partner's need for real-time data from an operation in which it has an economic interest.

Industrial Evolution is headquartered in Phoenix, Arizona, and also has operations in Edmonton, Alberta Canada. Additional information is available on the Internet at [www.industrialevolution.com](http://www.industrialevolution.com) or call Simon Wright on +1 (602) 867-0416.

### **About Ashland Chemical**

Ashland Inc. (NYSE: ASH), a diversified, global chemical company, provides quality products, services and solutions to customers in more than 100 countries. A FORTUNE 500 company, it operates through four wholly owned divisions: Ashland Performance Materials, Ashland Distribution, Valvoline and Ashland Water Technologies. To learn more about Ashland, visit [www.ashland.com](http://www.ashland.com).