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**Avicon Leads Hard Rock Cafe's Successful Transition to Outsourced Logistics, Fulfillment and Distribution**

*Avicon Engagement to Provide Improved Working Capital, Inventory Management and Operating Margins*

**WALTHAM, MA, December 1, 2003** – Avicon, architects of the new supply chain, today announced the successful implementation of its logistics outsourcing engagement at Hard Rock Cafe International, which will result in improved working capital, operating margins and customer service levels.

“We hired Avicon as a strategic advisor to determine if outsourcing was the best model to attain the functionality and cost efficiencies we needed for our retail apparel and gifts operations. Avicon’s expertise in the logistics industry was invaluable. They helped us select the optimal 3PL to meet Hard Rock’s strategic and operational objectives,” said Tony Paladino, director of planning, distribution and logistics at Hard Rock Cafe. “Avicon’s proven Logistics Outsourcing Methodology and deep experience in transportation and global distribution helped us make a critical long-term strategic decision.”

Projected benefits from Hard Rock Cafe’s logistics outsourcing initiative include:

- Reduced North American warehouse space by 44%
- Reduced operational costs by 20%
- Improved service levels by 22%
- Real-time web based supply chain visibility
- Optimized transportation costs
- Optimized distribution network
- Optimized contract terms and liability protection
- Improved operational efficiencies

Avicon served as an advisor and consultant to Hard Rock Cafe as they transitioned their in-house back office activities to an outsourcing model for their logistics, fulfillment and distribution functions. Employing its PICO™ framework, which assesses the supply chain from four different yet interrelated views: Process; Information; Cash and Organization, Avicon helped Hard Rock Cafe break from traditional operating models and move to a virtual organization that will significantly reduce operating costs and improve performance metrics.

“We were able to successfully address Hard Rock Cafe’s operational challenges including obsolete inventory, low inventory turns, and high back office fulfillment/logistics costs,” said Mark Holmes, director of business consulting at Avicon. “By focusing on its core competencies

in the retail apparel & gifts business and outsourcing non-core functions, Hard Rock Cafe will be better able to support its strategic objectives and business goals.”

**About Avicon**

Avicon, architects of the new supply chain, designs and implements supply chain strategies and architects the underlying business processes and IT solutions that bring those strategies to life. Avicon’s customers include Boston Acoustics, Cisco Systems, EMC Corporation, Enterasys Networks, Hard Rock Cafe, Hewlett Packard, Kuehne & Nagel, Lucent, NMS Communications, Nortel Networks, Schenker, Siemens, and United Technologies Corporation. Headquartered in Waltham, Massachusetts, Avicon is on the web at [www.avicon.com](http://www.avicon.com).

**About Hard Rock Cafe**

Hard Rock Cafe, one of the most globally recognized music, entertainment and dining brands, has a network of more than 100 signature Hard Rock Cafes in 40 countries and a music memorabilia collection valued at nearly \$32 million. Hard Rock Cafe is also known for collectible and fashion merchandise, live concerts, Hard Rock Live performance venues, [hardrock.com](http://hardrock.com) and Hard Rock Hotels and Casinos. Hard Rock Cafe International, Inc. is a wholly owned subsidiary of London-based The Rank Group Plc (NASDAQ: RANKY). Hard Rock is on the web at [www.hardrock.com](http://www.hardrock.com).

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