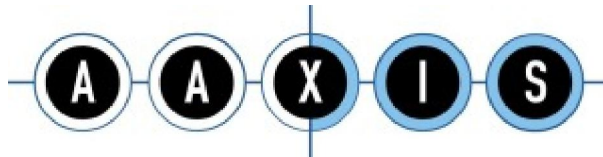


AAXIS Case Study: Residuals payments solution

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Providing an enterprise-wide residuals payments solution

CLIENT OVERVIEW

Our client is one of the major American media conglomerate founded in the early 1900s. Today, they produce and distribute film and television products worldwide, generating \$32 billion in annual revenue.

BUSINESS NEED AND PROJECT OBJECTIVE

Our client had been trying to resolve an issue that plagues the entire entertainment industry for many years- payments for residuals.

CHALLENGES/ REQUIREMENTS

There are many challenges in building an enterprise residuals payment system, which had prevented our client, and its peers in the entertainment industry, from being successful at prior attempts over the last decades:

1. The contractual terms with the guilds and their interpretation varied widely and are not well documented. Expert knowledge seems to exist only among individuals who had worked in the Residual department for decades, and on a per contract, case-by-case basis.
2. The data required to complete a residual calculation are spread throughout multiple systems within the enterprise
3. Modeling and chaining complex rule sets in an intuitive manner while providing an audit trail for complex calculation paths
4. Since our client's existing residual system was built on an obsolete technology platform, many aspects of building a replacement solution were extremely challenging:
 - § migration of legacy data is not trivial since the existing systems were not compatible with the modern, relational data model
 - § calculated results cannot be compared to a reference, making the job of assuring quality an enormous challenge

ROLE OF AAXIS

Due to the unique domain knowledge requirement of residuals terms and contracts, AAXIS partnered with a group of subject matter experts to build the bulk of the business requirements. Being the primary technology partner, AAXIS provided end-to-end solution services to our client.

| Project Activity | Methodology Used |
|---|---|
| Requirements Gathering and Analysis | § Object-Oriented Analysis and Design (OOAD) with UML notations |
| Technical Design | § Object-Oriented Analysis and Design (OOAD) with UML notations § Regular architecture reviews |
| Implementation and Unit Testing | § n-tier, open standards, J2EE technologies § test driven development § iterative and frequent release cycles § J-Unit development testing |
| Quality Assurance and Control | § manual functional testing § calculation verification via Excel macros to model real business scenarios § automated functional and regression testing via Mercury Interactive WinRunner § performance and stress testing via LoadRunner |
| Data migration from legacy system | § Oracle PL/SQL scripts § Custom scripts to verify accurate mapping and identify data integrity issues |
| Reporting | § Crystal Reports |
| User Acceptance Testing and Training | § Conducted per iteration and business modules |
| Deployment and Go-live maintenance and transition | § Utilized development resources from the client's IT organization towards the end |

It took 20 AAXIS professionals two years to create a comprehensive solution to tackling the industry wide problem of residual payments.

We accomplished this by doing the following:

- § We overcame the challenge of capturing the elusive business requirements by adopting object-oriented analysis and design techniques (OOAD), which eased the communication and validation processes with business users and project sponsors

- § We architected an n-tier enterprise application on open standards J2EE technologies to enhance system scalability and maintainability
- § We provided a rapid implementation that exercised every technology layers involved-a methodology refers to as an *executable architecture* to validate our own proposed technology stack and system design to the client, and used frequently when building large-scale, and complex systems

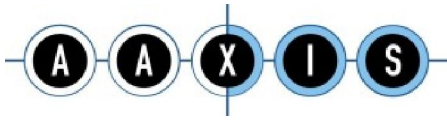
As a global organization, AAXIS provided tremendous support to help our client resolve tremendous challenges in other areas, including managing changes, meeting planned timelines, and staying within budgets. We leveraged our offshore capability to expedite project schedules and reduced overall development costs for all reporting features. They also served as a quality control mechanism for on-shore deliverables. This model was cost effective and exemplifies our test-driven methodology.

We owe our tremendous success to our engineers worldwide. Exactly on the mark that we had estimated two years prior, AAXIS delivered on time and within the fixed-bid budget. As a result, we received an on-time delivery award from our client for a successful launch and transition to the new system.

RESULTS

- § The new system allows 70% of residual payments to be calculated within 10 seconds or less. Even the most complex calculations, which used to take over a week and multiple vendors to complete, are now performed in a single transaction in no more than 15 minutes.
- § Each residual payment calculation can be proved, traced, and audited so that every possible contractual terms and scenarios are accounted. This significantly reduced, if not eliminated, our client's exposure to costly litigations.
- § Our client has a flexible system that allows the residual department to define new media products, distribution channels, and new markets within minutes to keep up with the digital revolution in the entertainment industry.
- § Removed our client's dependency on outsourcing different parts of residuals calculations to external vendors. The new system streamlined our client's business process, provided better data security, and accuracy. Today, all calculations are done in-house and with built-in reports based on real-time data.
- § Relieved our client's IT organization of maintaining an unsupported, legacy technology platform which hosted their prior system
- § The success of the new system stirred strong interests among other studios who approached our client to re-license the software

For details on any of our services or to inquire how AAXIS can assist your organization, contact sales@aaxisgroup.com



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