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Orders flow into different ERP systems

Corporate Express fulfills customers' wishes online

The people in charge of product catalogs at office supplier Corporate Express faced an early challenge to come up with catalogs suitable for e-procurement, especially as office supplies are considered particularly well suited for online procurement. The firm could not afford any mishaps en route. For Stuttgart-based Corporate Express, to put off customers like DuPont or Lufthansa would be fatal.

By Matthias Ahrens*

To ensure friction-free exchange of business data, Corporate Express invested over DM 200 million in data processing systems around the world two years ago to make the company fit for e-business. Its aim was to cut process costs perceptibly in-house and at the customer's and thereby to remain attractive as a preferred supplier. At the time, the management was readily convinced of combining modern Internet technology and intelligent logistics processes as a strategic approach. "To write an e-business success story," says CIO Holger Kießling, "we had to help our customers too to reduce their process costs."

Customers call for friction-free data traffic

Frankfurt Airport (FAG) is an example of the results that intelligent applications can achieve. Its procurement solution, which was awarded a prize in 1998 by the German Materials Management, Procurement and Logistics Association (BME), contributed toward a reduction in process costs per order of non-strategic articles (C articles) by nearly 90% to an average DM 36, while FAG employees no longer had to wait about 30 days for the goods they had ordered, as in the past, but only 3 days. On about 36,000 orders a year the savings were handsome.

Large customers such as FAG, DuPont or Lufthansa make ex-

ting demands on suppliers. They demand friction-free data traffic. As products and suppliers in the office supplies trade are fairly interchangeable, suppliers suffer from considerable pressure on margins and prices. To hold their own against the competition, companies like Corporate Express therefore have to offer low-cost order processing with a high degree of automation while at the same time being able to deal individually with the customers' specific communications requirements.

Technically, Corporate Express does not face the task of integrating in-house processes. Its main need is to reconcile the many materials management and accounts systems that are used by business partners, customers and suppliers and to enable e-procurement and marketplace applications that do not communicate uniformly with each other to do so. Corporate Express and its international subsidiaries use different ERP systems that range from Baan in Germany and SAP in the Netherlands to ASW in Sweden. To make data traffic manageable, its in-house IT specialists have enough programming of interfaces to do as it is. An even larger task is that of linking Ariba, Commerce One, Intershop or SAP-BBP shop systems and opening them up in equal measure for marketplaces such as Emaro, Quibiq, T-mart, CC-Chemplerer

and others. To fulfill the e-business requirements that are typical of suppliers, electronic catalog data must be available in different formats such as Pricat, BMEcat and other XML derivatives. Automatic transmission and reception of movement data such as orders, order confirmations or invoices must also run smoothly on a variety of communications channels such as mail, X.400, FTP or MQ Series. Last but not least, customers' buyers will want to be able to find out inventory details online in real time, and that cannot be done without direct access to Corporate Express's ERP system.

Alongside a reduction in process costs, decision-makers expect swifter, leaner processes. They must all go ahead securely and without media breaks, of course.

About Corporate Express:

Corporate Express, a subsidiary of the Dutch Buhrmann Group, deals in office goods and services. At 52 locations around Germany, the Stuttgart-based company maintains a payroll of about 1,900 employees. In 2000, Corporate Express sales totaled approx. DM 960 million. With over 26,000 employees in 30 countries, the parent corporation posted revenues of about DM 18 billion.

Prior to the present project, if a customer ordered a variety of office articles on the website, the order was relayed to a member of staff automatically but still had to be keyed into the materials management system by hand, and another member of staff was then at the ready to organize and handle the logistics of delivery.

Corporate Express is now on its way to going fully electronic. From 2003, digital business with

and industrial standards, such as BMEcat, XML, cXML, xCBL and European Edifact standards. This was a requirement that foiled U.S. providers in particular: Many American systems are not even compatible with European EAN bar codes on products.

Once the pilot projects were completed successfully, the software systems were installed in November 2002, and the first customers and suppliers were

received from Siemens, which has installed the Healy Hudson Ecos Order e-procurement solution, and from Lufthansa Airplus, which uses XML Order. A mail module receives them and relays them to the Business Integration Server. The mail module also feeds in orders from other sources such as a Web shop. Once orders have been converted into the Baan Emis format, they book themselves into the materials management system automatically.

Integration of numerous other systems still has a long way to go before it is completed. The first to be integrated were the message formats SAP XML Idoc (Intermediate Document), the German DaimlerChrysler VDA-4913 EDI specification and Edifact. Corporate Express recently became the first and so far only German firm to gain BMEcat certification. BMEcat is a standard format for product data exchange that has come into its own, especially among German suppliers, in the C article segment.

At the end of 2001, they were joined by Ariba's cXML and Commerce One's xCBL. Corporate Express customer DuPont, for examples, uses the Ariba Buyer e-procurement system. Orders that it generates in the cXML format land on Corporate Express's central Web server, where the Seeburger

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other companies is scheduled to account for 80% of total sales revenues. In the quest for a technical base, the people in charge at Corporate Express, led by CIO Kießling and Sven Wachtel, head of e-business, decided in favor of the Seeburger Business Integration Suite.

650 business partners hooked up already

European providers TIE and Esperanto, also in the running, were eliminated at an early stage. Until the decision was made, Webmethods remained the strongest competitor. Its software is already in use in Corporate Express's North American sales region. The reason why, in the end, Seeburger made the running was, in addition to its wide industrial experience and proven competence at integrating different ERP systems, above all its better grasp of EDI, or rather Edifact. A further point in its favor was the software firm's sales and consulting structure. Seeburger is represented in many European countries and thereby in a position to provide suitable flanking support for Corporate Express's proposed international B-to-B project.

In the project managers' opinion, the Seeburger software suite, consisting of the Business Integration Server and the Business Integration Converter, has one major advantage. It has a good command of most sectoral

hooked up only a few weeks later. The project team consisted solely of Corporate Express and Seeburger staff. The services of consultants were not required.

The suite runs under Windows NT on an applications and a database server. In February 2002, the hardware configuration was enlarged to include another server as a backup. It is a Dual Xeon with 1 GB of RAM and a clock speed of 1.5 gigahertz, and it uses a Raid hard disk system with a capacity of 150 gigabytes.

Via XML catalogs Corporate Express now also supplies external e-procurement systems and marketplaces. Fully automated orders



Photo: Corporate Express

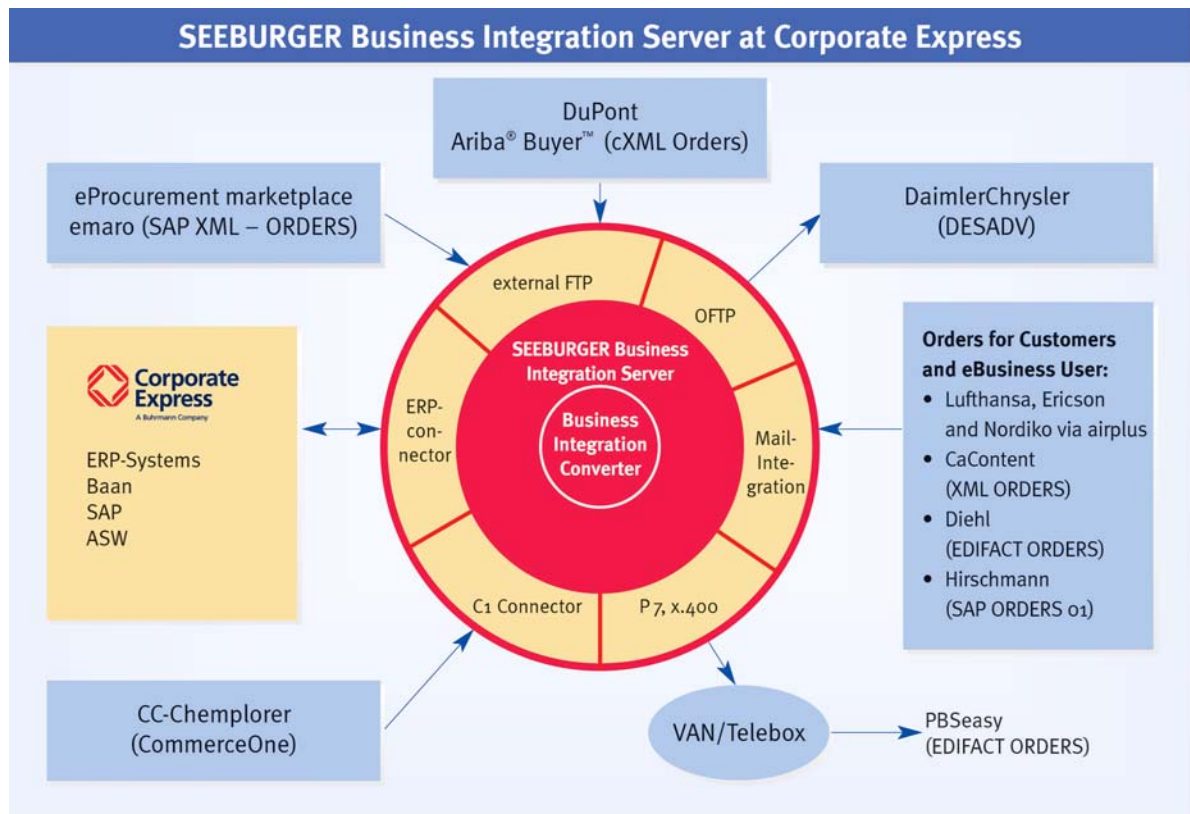
Business Integration Server collects them using the FTP file transfer protocol. After the system has allocated orders to the national companies, they are relayed to the respective ERP systems in accordance with the specified workflow rules. Due to the large number of ERP systems with their proprietary in-house formats that are used in the Corporate Express

Group, the Business Integration Converter converts the data into the required formats (SAP Idoc, Baan Emis, etc.) while the workflow is under way.

A total of 650 business partners are now hooked up to the B-to-B solution. On average, 2,050 workflows a day are handled. In the medium term, traffic is to be increased to 4,500 electronic proces-

ses daily. Corporate Express most recently linked up the Commerce One procurement marketplace CC-Chemplerer. With this node safely under its belt, the company anticipates a strong increase in the volume of data to be processed. (rg)

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Business Integration with SEEBURGER

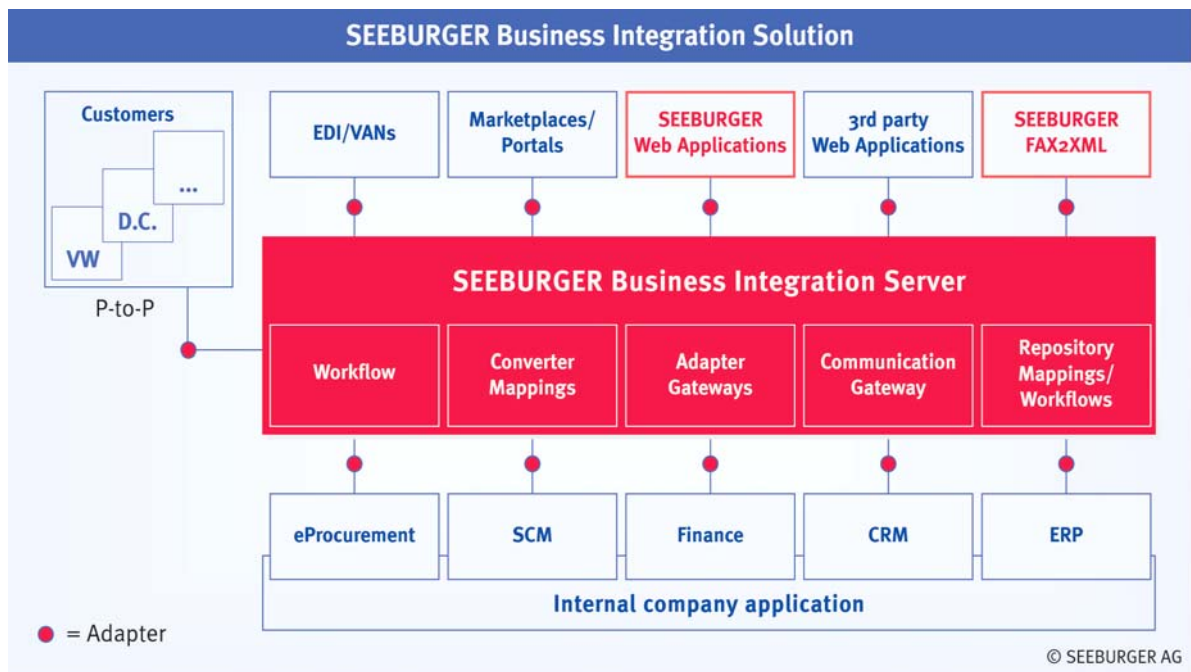
SEEBURGER is a leading Business-to-Business Integration (B-to-Bi) provider in the European market. Founded in 1986, it is a software company that develops products and solutions to integrate processes with external business partners in the context of collaborative commerce. The focus is on integrating B-to-B solutions such as virtual marketplaces, portals, e-procurement systems, Web solutions, EDI and XML into the cross-company IT architecture. Software solutions from SEEBURGER are a promise of automa-

ted integration and processing of B-to-B data that eliminates media breaks.

The target of our Business Integration Solutions is to achieve a high rationalizing effect by the complete connection of business partners. With our products we are in a position to enable our customers a 100 % connection to their partners. Concerning the external integration to the partners, SEEBURGER is a B-to-B-integrator, but it offers at the same time the EAI-functionality that companies need in order to integrate the overlap-

ping processes with the internal systems.

More than 15 years experience of providing business integration solutions and currently more than 5,000 customers coupled with the efficiency of our software solutions have been the key to our continued success and our position as market leader for business integration in Europe. Companies of all sizes and of all branches can profit by SEEBURGER's software and realize a maximum return on investment.



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