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— KAZUMASA YABE,
CHIEF STAFF OF INFORMATION,
HONDA FOUNDRY CO., LTD.

HONDA
The Power of Dreams



Honda Foundry Accelerates Trading with B2B Integration

GXS's Application Integrator Streamlines Business Transactions for Japanese Auto Components Maker

Corporate Profile

Japanese Auto Parts Manufacturer

Honda Foundry, a division of the Japanese automotive giant Honda Group, manufactures light aluminum components for high-performance vehicles, including pistons, cylinder heads, intake manifolds and sub-frames. The company is fully integrated and covers product function analysis and Computer Aided Engineering to material development, trial product supply and the design and manufacturing of metallic molds using CAD/CAM technology. Machined and sub-assembled parts are delivered directly to Honda Foundry's customers' assembly lines. The company has around 900 employees based in Japan, the US and China.

The Business Challenge

Bring More Efficiency to Business Transactions

With intensifying competition from overseas, the major Japanese auto parts makers are focusing on finding new ways to solidify market share. Honda Foundry, one of the leaders in the sector, chose to start with enhancing the efficiency of its business transactions. The company wanted to:

- Reduce the potential for introducing errors in transactions by removing manual order entry, and, at the same time,
- Increase its capacity to handle business documents.

It was critical for Honda that the new investment worked with the current IT infrastructure. Kazumasa Yabe, Honda Foundry's Chief Staff of Information, explains: “We wanted to improve the way we worked with our customers and thereby capture more orders, and simultaneously retain the benefits of our existing back-office systems.”

The Solution

Data Mapping and Translation Powers B2B Transactions

Honda Foundry turned to Application Integrator™, GXS' data mapping, translation and management system. Application Integrator enables the company to transfer business documents electronically between its back-office systems and between the company and its customers. It handles 13 different document types for Honda Foundry, with more planned in the future.

As the Honda Group is one of Honda Foundry's biggest customers, it was critical that the data transformation software could adapt to the Group's recently implemented IMPACT-III business-to-business system. IMPACT-III uses the EDIFACT standard for document exchange.

Yabe comments, "Unlike similar integration software offerings, Application Integrator doesn't need customizing, or any change to our back-office systems for us to receive orders from the Honda Group, apart from creating the data conversion rules."

Honda Foundry operators log on to the Honda Group Web site, the core of the IMPACT-III system, and where Honda Foundry's and other suppliers' order data is displayed. The operators download the data in EDIFACT format from the site, and then send it to the data conversion system. The orders are then converted into a format compatible with Honda Foundry's AS/400-based back-office applications.

The Results

Order Processing Time Cut, Improved Customer Service

Application Integrator has enabled Honda Foundry to transact more easily with its customers. Seventy percent of Honda Foundry's customer orders are now processed through Application Integrator. The automated process has helped to ensure that the company achieves the highest level of accuracy and consistency in its business transactions. The new document conversion capability:

- Enables the company to save time and reduce errors associated with manual order entry
- Eliminates the need for Honda Foundry to make costly modifications to order processing systems
- Boosts its capacity to handle business documents

Yabe adds, "With no changes needed to the interface, the implementation took only one month—much faster than we expected. And since it's been running, we've reduced order entry time and eliminated errors. Our customers are getting their orders processed faster."

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As the company increases the volume of orders, Yabe predicts that the use of Application Integrator will extend to its entire customer base—which includes major industry players such as Subaru, Mitsubishi and Kawasaki—and completely eliminate the re-keying of order data.

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About GXS

GXS is a leading provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration. Organizations worldwide, including 75 percent of the Fortune 500, leverage GXS' GS1 certified global interoperability and supply chain execution solutions. Active in the global standards arena, GXS offers solutions, powered by the Trading Grid™, that enable customers both large and small, to connect with global partners, synchronize product information and optimize the execution of supply chains. Headquartered in Gaithersburg, MD., GXS provides sales and support to businesses and their partners worldwide. For more information about GXS visit www.gxs.com.