

ERP Extends to the B2B Cloud

An Interview with Andrea Brody—Originally Recorded on Trading Grid Radio

Difficulties integrating ERP into the B2B ecosystem will be overcome by the use of a collection point within a B2B cloud service to enable both buy side and supply side to access the same view and data, reconciling supply chain discrepancies to improve supply chain efficiencies.

Steve Keifer: Welcome to Trading Grid Radio. My name is Steve Keifer and I am your host for the program today. Today we are happy to welcome a new guest to the show, Andrea Brody. Andrea is the Vice President of Product Management for GXS. Welcome, Andrea.

Andrea Brody: Thank you for having me, Steve.

Steve Keifer: We asked you to come on a special edition of the program that we are having today to actually talk about some of the top ten predictions that GXS subject matter experts have for 2009, and we specifically wanted to talk to you about B2B and ERP applications. So to start off, I was hoping maybe you could just give us a little bit of background. For those people that aren't familiar, what is the relationship between B2B and ERP applications? What is really the significance of B2B to an SAP or an Oracle application?

Andrea Brody: Well you can almost say that you can't really have one without the other. I mean when you talk about ERP applications, the data that feeds into ERP, thirty percent of that data comes from outside the organization. So if you think about manufacturing, logistics, distribution; the information that feeds ERP is significant—coming from outside the organization, so you can't really have one without the other.

Steve Keifer: Excellent point. Yeah, all of that stuff, whether it is banking data or logistics manufacturing data, is coming in from somewhere, especially with the outsourcing boom. So what are some of the challenges that you think companies are having? In your role, I imagine you talk to a lot of customers about the challenges they are having with ERP applications and connecting to their suppliers or their customers or their 3PLs.

Andrea Brody: Yeah, you can consider B2B and ERP changes constantly. It's complex, it's continuous and it's ever-changing. So even when an organization upgrades their ERP application, lots of things touch and feed ERP, so things have to change constantly. So what companies look to do is, or the best way to leverage kind of the existing investments in ERP is, to try to find ways to protect all of those changes. So some of the things are, number one, it's just continuous change, and the other thing is the quality of the data. So whether it's really controlling quality at the source or stopping the flow of bad data before it gets into ERP, I would say those are the two things. It's just keeping up with all of the changes, both from trading partner changes as well as ERP technology upgrades, in addition to the flow of bad data—because we know the supply chain is only as good as the data that gets entered into it.

Steve Keifer: So I guess my next question would be for you then, how can technology help? How can the emerging SaaS and cloud computing, and all of these different new technologies we read about in B2B integration, help companies with these challenges with ERP?

Andrea Brody: You almost have to take kind of the service-oriented architecture approach, and that means looking at component-sized different parts of the infrastructure so that you can limit the amount of changes. So,

for example, if information is coming from your trading partners into your ERP, and those changes are continuous, but you don't want to have to constantly change your ERP, you can address those in a cloud service. So it's things like, you know, communications, protocol mediation; keeping those things outside in the cloud and make those changes there—to ensure data quality. Create business roles so that, and again, you are creating data quality at the source. So even before a firewall, work with the trading partners and give them technologies that limit the amount of bad data that could enter in before it gets into your ERP. The same thing in translation, visibility and tracking; all those things are better off being in a service. So you can leverage technologies with services, especially technologies that seamlessly integrate into your ERP. So, for example, GXS is working a partnership with Microsoft in the GXS Trading Grid, enabling dynamics so that, out of the box, you have access to trading partners and the cloud will handle all of those continuous changes so that you can protect the existing investments in your ERP.

Steve Keifer:

So that's interesting—having a software application that actually calls out to a cloud kind of service and ships with those adapters.

Andrea Brody:

Yeah.

Steve Keifer:

That's an interesting approach. But I agree, that makes a lot of sense to have a much more elegant model where you handle those types of things in the cloud and certainly would be less expensive for ERP upgrades, which is a challenge.

Andrea Brody:

Yeah.

Steve Keifer:

Well unfortunately we are out of time for this edition of the show, but I want to thank you for coming on and sharing your insights and we'd love to have you back in the near future to talk more about this topic or some of the other things that GXS is doing.

Andrea Brody:

Thank you very much for having me.

Steve Keifer:

And thanks to everyone for listening in, we hope you will join us in the near future for another edition of Trading Grid Radio.
<http://www.gxs.com/tradinggridradio>



About GXS

GXS is a leading global provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration among trading partners. Organizations worldwide, including more than 70 percent of the Fortune 500, leverage the on-demand services on GXS Trading Grid® to extend supply chain networks, optimize product launches, automate warehouse receiving, manage electronic payments and gain supply chain visibility. GXS Managed Services, GXS' B2B outsourcing solution, empowers customers with the expertise, technical infrastructure and program support to conduct B2B e-commerce with trading partners globally. Based in Gaithersburg, Md., GXS has an extensive global network and has local offices in the Americas, Europe and Asia-Pacific regions. GXS can be found on the Web at www.gxs.com.

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