### Discussion Topics

| Landscape Overview       | • Market Drivers  
<table>
<thead>
<tr>
<th></th>
<th>• Competition From Many Angles</th>
</tr>
</thead>
</table>
| Top Competitor Review   | • Sterling Commerce  
|                         | • Inovis  
|                         | • IBM  
|                         | • SPS Commerce  
|                         | • Global Messaging Summary  |
| GXS Winning Strategy    | • Top Differentiators  
|                         | • Relative Positioning  
|                         | • Overcoming Competitor Myths  |
| Additional Resources    | • Gartner Magic Quadrant  
|                         | • Other Analyst Validation  |
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Landscape Overview
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- Relative Positioning
- Overcoming Competitor Myths

Additional Resources
- Gartner Magic Quadrant
- Other Analyst Validation
<table>
<thead>
<tr>
<th>Trends, Drivers</th>
<th>Opportunities</th>
<th>GXS Advantages</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>B2B Outsourcing</strong></td>
<td>• Global B2B consolidation</td>
<td>• Global platform</td>
</tr>
<tr>
<td>• Pressure to reduce IT costs, consolidate infrastructure</td>
<td>• Rapid growth companies</td>
<td>• HA/DR investments</td>
</tr>
<tr>
<td>• Larger push toward BPO of non-core functions, increase strategic value of IT to the business</td>
<td>• Regulatory compliance</td>
<td>• People and Process</td>
</tr>
<tr>
<td>• Increasing pace of M&amp;A, divestiture activity</td>
<td>• ASPAC untapped</td>
<td>• Customer reference base</td>
</tr>
<tr>
<td>• Pressure to reduce risk, ensure regulatory compliance</td>
<td></td>
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</tr>
<tr>
<td><strong>Global Messaging</strong></td>
<td>• Global requirements</td>
<td>• Global presence, reach</td>
</tr>
<tr>
<td>• Continued price pressure, but offset by accelerated SMB adoption, higher value services</td>
<td>• Extend SCM, MDM, ERP</td>
<td>• Market leadership</td>
</tr>
<tr>
<td>• Growth in global sourcing, international trade broadens trading communities, supply chain touch points</td>
<td>• Market consolidation</td>
<td>• HA/DR investments</td>
</tr>
<tr>
<td>• B2Bi becoming more strategic but also more complex (standards proliferation)</td>
<td>• Partner ubiquity, reach</td>
<td>• Flexible on-boarding, portal</td>
</tr>
<tr>
<td><strong>Supply Chain Visibility</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Global sourcing, supply chain globalization</td>
<td>• Enable global sourcing</td>
<td>• Unified messaging + visibility</td>
</tr>
<tr>
<td>• Increased demand variability and multi-tier production chains hamper supply chain responsiveness</td>
<td>• Merging physical and financial supply chains</td>
<td>• Fully on-demand service</td>
</tr>
<tr>
<td>• Pressure to reduce order-execution cycle fueling SCE investments, linkage to SCP</td>
<td>• Extend SCM, ERP suites</td>
<td>• Extends ERP, not compete</td>
</tr>
<tr>
<td><strong>Invoice Delivery</strong></td>
<td></td>
<td>• Global reach, scale esp. Asia</td>
</tr>
<tr>
<td>• Pressure to reduce cost, drive bottom line impact; transformation of traditional back-office function, RCM</td>
<td>• Europe operations</td>
<td>• Flexible on-boarding</td>
</tr>
<tr>
<td>• Integrate stovepipe processes as part of larger source to settle strategy</td>
<td>• Enable compliance, VAT</td>
<td></td>
</tr>
<tr>
<td>• Competitive, regulatory pressures (e.g., VAT); cannot afford to rely on error-prone manual processing</td>
<td>• Automation, outsourcing, shared services</td>
<td>• Broader B2B-SCM platform</td>
</tr>
<tr>
<td></td>
<td>• Community integration</td>
<td>• Physical &amp; financial SCM</td>
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<tr>
<td></td>
<td></td>
<td>• Extend apps; not overlap</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• TP integration, mgt. expertise</td>
</tr>
</tbody>
</table>
Consolidation Drives Varied Landscape

Hybrid integration enabling RTE, seamless business process networks, collaboration.

**ENABLERS**
- How
- Why/Where
- What

**PROCESSES**
- Internal
- External

**Integration Software**
- MOM
- EAI
- B2B Gateways
- BAM
- MFT
- Translation

**Integration Services**
- EDI VAN
- TDN/WSN
- BPO
- ISP
- Forms
- Portals

**Supply Chain Planning**
- APS
- S&OP
- CPFR
- WMS
- Invoice-Settle
- Source-Procure
- Order Mgt.

**Supply Chain Execution**
- Transportation Management System (TMS)
- WMS
- VMI
- SaaS
- SCV
- SRM
- BPO
- BI
- Supply Chain Collaboration (SCV)
- Portals

**For Internal Verizon-GXS Use Only**
Consolidation Drives Varied Landscape

Integration Software
- TIBCO
- Sun
- SeeBeyond

Integration Services
- nuBRIDGES
- HUBSPAN
- EASYLINK SERVICES

Supply Chain Planning
- SAP
- ORACLE
- JDA
- Manhattan

Supply Chain Execution
- RedPrairie
- Xign
- Ariba

Global SIs/BPO
- EDS
- IBM
- Accenture

Telco’s
- BT
- Deutsche Telekom
- AT&T

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GXS B2B Outsourcing Landscape

**Solution**
- Product/Service Breadth
- Overall Strengths
- Overall Weaknesses
- Global network infrastructure
- 24x7 global support
- Vendor operated data centers
- Global trading community management
- Dedicated program management
- Hosted translation
- Protocol support
- Full business process management
- Industry tailored solutions
- Visibility and reporting
- Analyst validated services leadership
- Demonstrated experience

**Presence**
- Total Revenue
- B2B Outsourcing Revenue
- Profitability
- Customer Count
- B2B Outsourcing Customer Count
- Global Market Share
- Reference Accounts
- Industry Focus & Depth
- Industry Standards Participation
- Geographic Presence

**B2B Outsourcing Competitive Landscape**

- **Global & Industry Presence**
  - Total Revenue
  - B2B Outsourcing Revenue
  - Profitability
  - Customer Count
  - B2B Outsourcing Customer Count
  - Global Market Share
  - Reference Accounts
  - Industry Focus & Depth
  - Industry Standards Participation
  - Geographic Presence

- **MS Solution Depth & Breadth**
  - Total Revenue
  - B2B Outsourcing Revenue
  - Profitability
  - Customer Count
  - B2B Outsourcing Customer Count
  - Global Market Share
  - Reference Accounts
  - Industry Focus & Depth
  - Industry Standards Participation
  - Geographic Presence

**Competitive Landscape**
- Seeburger
- Inovis
- SPSS
- e2open
- BT
- IBM
- EDS
- Atos
- IBM
- GXS
- Seeburger
- Inovis
- SPSS
- e2open
- BT
- IBM
- EDS
- Atos
- IBM
- GXS

- Represents SI-BPO
- Most direct competitor
- Core focus, low cost

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*For Internal Verizon-GXS Use Only*
# Top Competitors Review

## Sterling Commerce

<table>
<thead>
<tr>
<th>Positioning</th>
</tr>
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<tbody>
<tr>
<td>“As the global leader in B2B collaboration, Sterling offers the only complete solution that allows companies to connect people, process, and technology across boundaries. Sterling software and network services enable organizations to drive business growth by integrating transactions and files, managing business processes, and orchestrating their communities of partners and customers.”</td>
</tr>
</tbody>
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<thead>
<tr>
<th>Market Presence</th>
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<tbody>
<tr>
<td>$530+ million B2B integration suite (EAI-B2B-BPM-MFT); owned by AT&amp;T (via SBC)</td>
</tr>
<tr>
<td>29,000 total network customers including 80% of the Fortune 500; network focus is US</td>
</tr>
<tr>
<td>8 of top 10 FS-Banking companies; 75 of top 100 US retailers (not all MS)</td>
</tr>
<tr>
<td>Key MS references include Hillman Group, Bayer, Fastenal Company, Williams Sonoma</td>
</tr>
</tbody>
</table>

## Inovis

### Strengths
- Flexible software-hosted-hybrid
- Ability to take solution in-house
- Breadth of offering, industry kits
- New reporting/visibility tools
- Market presence AT&T backing

### Weaknesses
- Ad-hoc, no dedicated team/infra
- Network defocus, expertise loss
- Will push software components
- Global network, ramping reach
- Technology > People-Process

### Opportunities
- Large Gentran, SIB, MFT base
- Hybrid & SCM-driven deals
- AT&T corporate clients

### Threats
- Taking on SAP/Oracle unviable
- Global sourcing: global solution
- AT&T commitment, leveraged

## IBM

### Key Capabilities
- Network translation, SOA
- Community management
- Map development
- Provisioning, testing

### GXS Differentiators / Winning Strategy
- Our tier-1 customer references win deals over Sterling
- Global presence and onboarding are key differentiators
- Stress GXS core focus on services model vs. software
  - GXS acquired IBM EDI network vs. Sterling Yantra, Comergent software app buys
- Question Sterling ability to support all day-to-day activity with dedicated people, systems
- Reuse existing EAI-ERP-SCM investments; not overlap
- Don’t give up if decision goes to Sterling; very difficult to negotiate with; customer may not reach final contract

## SPS

### Positioning
"As the global leader in B2B collaboration, Sterling offers the only complete solution that allows companies to connect people, process, and technology across boundaries. Sterling software and network services enable organizations to drive business growth by integrating transactions and files, managing business processes, and orchestrating their communities of partners and customers.”

### Key Capabilities
- Application/SCM outsourcing
- Reporting, visibility, BI tools
- Security management
- Based on commercial GIS, C:D

## Target Industries
- Financial Services
- Retail/CPG
- Manufacturing, Logistics, Telecom, Healthcare

## Market Presence
- Financial Services
- Retail/CPG
- Manufacturing, Logistics, Telecom, Healthcare

## Product SWOT

<table>
<thead>
<tr>
<th>SWOT</th>
<th>Strengths</th>
<th>Weaknesses</th>
<th>Opportunities</th>
<th>Threats</th>
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</thead>
<tbody>
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</tbody>
</table>
## Top Competitors Review

### Inovis

#### Positioning

“As project-based consulting to outsourcing your entire EDI operations, Inovis’ Outsourced Services provides cost-effective solutions that help you realize the full value of your investments. Our solutions enable you to simplify operations by leveraging offsite hosted capabilities and lower TCO.”

#### Target Industries

- Retail/CPG clear top focus
- Others include Auto, High-Tech, Energy, Financial Services

#### Market Presence

- $120M total revenue, est. $100M VAN including Catalogue; MS revenue est. ~ $10M
- 20K total customers; 79 customers specifically for MS (but count all NBT customers!)
- References include National Semi, ON Semi and Toshiba but questionable status
- Narrow US focus, presence; minimal Europe assets with Harbinger—trying to establish

#### Strengths

- Low cost; simple pricing model
- Network focus
- Single, common platform
- Network portal, dashboards
- Profitable, ‘clean’ financially

#### Weaknesses

- Narrow view of outsourcing
- Limited event mgmt., BAM (TLM)
- Very US centric, not global
- Poor references, cust. support
- No industry, SCM solutions

#### Opportunities

- Tactical SMB requirements
- Large Catalogue customer base
- M&A activity from Golden Gate

#### Threats

- DIY software alternatives
- Global sourcing: global solution
- Parent commitment, cash-out

### SPS

#### Key Capabilities

- On-network translation (IBM DCs)
- Dataroom access
- 3rd party cert.

### IBM

#### Key Capabilities

- Mapping
- Strong self-service portal
- Optional community mgmt.
- Big discounts, TP-pricing

### Product SWOT

#### Opportunities

- Tactical SMB requirements
- Large Catalogue customer base
- M&A activity from Golden Gate

#### Threats

- DIY software alternatives
- Global sourcing: global solution
- Parent commitment, cash-out

#### GXS Differentiators / Winning Strategy

- Our tier-1 customer references win deals; Inovis references don’t return prospect calls!
- Push value over cost—Inovis will lead on price
- Global presence and onboarding are key differentiators
- Level set apples-to-apples comparison: define ALL that is involved in B2B MS to highlight Inovis’ narrow offering
- Show ability to ‘grow’ with GXS into SCM solutions; Inovis is network only
- Point to TG07 investment, innovation vs. no new Inovis solutions, dropped many (PIM, Service Bureau, Reveal)
**Top Competitors Review**

### IBM

**Positioning**

“IBM is an industry pioneer and has deep and broad experience. We have one of the largest global infrastructures. We have created and can leverage world class methods, tools, processes and intellectual capital to create high service levels. We are one of the most respected groups of IT skills in the industry.”

**Key Capabilities**

- Global PS resources, IGS
- Global network presence
- Viacore BusinessTone for SCO
- Industry focused practices
- WebSphere integration platform
- Business transformation/BPR

**Target Industries**

- FinServ (29% of corp. rev.)
- Government
- Industrial, High-Tech, Telecom
- Essentially all G2000

**Market Presence**

- It’s IBM… leader in general IT outsourcing, BPO, EAI software
- But B2B MS customer count, revenue unclear, diluted
- Strong presence in outsourcing AR/AP, payroll, logistics, procurement functions
- References: Visteon, Lucent, Cisco, Skyworks, Ericsson, Amkor, Arrow Elec., Gap, Qualcomm

**Strengths**

- Part of total BPO-SI offering
- Market presence, ‘safe’ choice
- Global infrastructure, support
- Reporting/KPI in BusinessTone
- End to end integration, collabor.

**Weaknesses**

- PS-led engagements, high TCO
- No core B2B focus
- No dedicated staff, network
- No community onboarding
- Married to IBM-centric platform

**Opportunities**

- Overall BPO trends
- Global requirements
- IP alternatives to VANs

**Threats**

- Niche, domain specialists
- Low cost, integrated alternatives
- Offshore BPO shops

**Product SWOT**

**GXS Differentiators / Winning Strategy**

- Emphasize importance of B2B domain expertise, core focus, dedicated infrastructure and people
- Question commitment to B2B outsourcing—sold B2B network to GXS in 2005
- B2B outsourcing is more than throwing bodies at a program—requires specialized people-process-tech
- With IBM, your support needs are in long line of larger, more strategic customers
- Stress easier to take GXS program in-house vs. disjointed WebSphere toolset (69 components!)
- Flexibility of implementation, packaged onboarding tools
## Top Competitors Review

### SPS Commerce

#### Positioning

“As a hosted service, SPS has the EDI hardware, software, networking, mapping and operations available to you for a monthly usage fee. Within just hours, you can be performing EDI with your key customers. We do the EDI, so you can remain focused on your business.”

#### Target Industries

- Retail
- Grocery
- All other segments / no strong vertical focus

#### Market Presence

- $18-20 million, profitable; claim 48% growth in 2006, 8 quarters sequential revenue growth
- Primary North America focus, no presence in Europe, Asia
- 12,000 customers (3,200 from Owens Direct acq.), 1,000 hubs; 52,000 cumulative
- References include Lamps Plus, Spencers, Sears, WMH Tool; all customers claimed to be “MS”

#### Strengths

- Low cost, simple price models
- Pure-play outsourcing focus
- Library 700 maps, fast enablers
- Community of connected SMBs
- Grocery presence, mind-share

#### Weaknesses

- No reach, presence outside US
- Small, limited mass (acq target)
- Limited reporting, visibility
- Limited domain, vertical offering
- Poor HA-DR infra., plans

#### Opportunities

- Spoke focus evolving to hubs
- Strong growth in SMB adoption
- Tactical hub compliance needs

#### Threats

- DIY software alternatives
- Backlash on testing, other fees
- Sustained growth/differentiation

#### Product SWOT

- Online ordering, inventory mgmt.
- IP-based VAN, in-line translation
- Onboarding, testing services
- EDI, AS2 services, Web forms
- Order management, labeling
- “Retailer Network” map library

### GXS Differentiators / Winning Strategy

- Our tier-1 customer references win deals
- Push value over cost—SPS will lead on price
- Global presence and onboarding are key differentiators
- Question ability to support large hubs vs. spoke-centric
- Stress that customer claims are misleading—often just a pre-built map to a retailer… not a relationship with
- Question SPS depth; count Forms customers as “MS”
- Leverage analyst validated leadership; SPS has none
## Global Messaging Foundation

<table>
<thead>
<tr>
<th>Attribute</th>
<th>GXS</th>
<th>Sterling SIB/SCN</th>
<th>Inovis works</th>
<th>SPS Commerce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unified portal interface, Universal access</td>
<td>Robust</td>
<td>Partial</td>
<td>Robust</td>
<td>Lacking</td>
</tr>
<tr>
<td>Central data store</td>
<td>Robust</td>
<td>Partial</td>
<td>Robust</td>
<td>Lacking</td>
</tr>
<tr>
<td>Security and reliability</td>
<td>Robust</td>
<td>Partial</td>
<td>Robust</td>
<td>Lacking</td>
</tr>
<tr>
<td>Certified standards compliant</td>
<td>Robust</td>
<td>Partial</td>
<td>Robust</td>
<td>Lacking</td>
</tr>
<tr>
<td>Global Ultra infrastructure</td>
<td>Robust</td>
<td>Partial</td>
<td>Lacking</td>
<td>Lacking</td>
</tr>
<tr>
<td>Business process networks</td>
<td>Robust</td>
<td>Partial</td>
<td>Robust</td>
<td>Lacking</td>
</tr>
<tr>
<td>Global support resources</td>
<td>Robust</td>
<td>Partial</td>
<td>Lacking</td>
<td>Lacking</td>
</tr>
<tr>
<td>Internationalized, multilingual</td>
<td>Robust</td>
<td>Partial</td>
<td>Lacking</td>
<td>Lacking</td>
</tr>
<tr>
<td>Global community building &amp; partner management</td>
<td>Robust</td>
<td>Partial</td>
<td>Lacking</td>
<td>Lacking</td>
</tr>
<tr>
<td>Flexible integration options</td>
<td>Robust</td>
<td>Partial</td>
<td>Robust</td>
<td>Lacking</td>
</tr>
<tr>
<td>Legacy &amp; modern protocols</td>
<td>Robust</td>
<td>Partial</td>
<td>Robust</td>
<td>Lacking</td>
</tr>
</tbody>
</table>

- **Robust**: Full functionality, high performance, and strong support.
- **Partial**: Partial functionality, limited support, or some features may be lacking.
- **Lacking**: No functionality, poor support, or critical features are missing.

**Unified portal interface, Universal access**: Single TGO global access point to all services, common UI and role-based sign-on, access, administration, security.

**Central data store**: Centralized & secure transaction, metadata & archival repository proven scalable, universally accessible.

**Security and reliability**: A federated environment featuring strong uptime for secure, guaranteed message delivery.

**Certified standards compliant**: Certified support for industry business processes and standards (15 RosettaNet badges, AS1/2/3, GDSN).

**Global Ultra infrastructure**: Own data centers around the world to ensure global interoperability, rapidly enable new services and value.


**Global support resources**: Worldwide professional services organization for direct local support and resources on a global basis.

**Internationalized, multilingual**: Customer proven to meet unique business, technology, language requirements worldwide (20+ languages).

**Global community building & partner management**: 30+ years experience in global community enablement and management, cross-community trading, more.

**Flexible integration options**: Flexible hybrid, outsourced integration options; GXS or 3rd party broker options; webMethods/Microsoft BTS.

**Legacy & modern protocols**: Unmatched protocols, X12, EDIFACT, AS2/AS3, FTP, SFTP, RNIF, ebMS, iDOCS, OFTP, X.400, etc.
## Global Messaging Foundation (cont.)

<table>
<thead>
<tr>
<th>Attribute</th>
<th>GXS TGMS</th>
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<th>Inovis works</th>
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</tr>
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<tr>
<td>Flexible connectivity</td>
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<td>✅</td>
<td>✅</td>
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<tr>
<td>Service bureau for SMBs</td>
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<tr>
<td>Direct ERP integration</td>
<td>✅</td>
<td>✅</td>
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<td>✅</td>
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<tr>
<td>SMB accounting adapters</td>
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<td>✅</td>
<td>✅</td>
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</tr>
<tr>
<td>Transaction management</td>
<td>✅</td>
<td>✅</td>
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<tr>
<td>Data transformation</td>
<td>✅</td>
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<tr>
<td>Data validation/compliance</td>
<td>✅</td>
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<tr>
<td>Data sync &amp; data pools</td>
<td>✅</td>
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<tr>
<td>Data quality management</td>
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<tr>
<td>Analytics &amp; reporting</td>
<td>✅</td>
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<tr>
<td>Event choreography/BAM</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
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</tbody>
</table>

### Attributes Descriptions

- **Flexible connectivity**: Range of connectivity from dial-up to fax to web forms to private IP network, bisync, frame relay, more.
- **Service bureau for SMBs**: Enablement regardless of B2B maturity to fully enable trading communities; fax to EDI – EDI to fax.
- **Direct ERP integration**: Native adaptors to leading business apps for seamless integration without impacting business processes.
- **SMB accounting adapters**: APA delivers hosted connections to 36+ popular SMB accounting packages via unique eBridge partnership.
- **Transaction management**: Secure, reliable, efficient message brokering featuring total protocol support (RosettaNet, AS2, ebXML…).
- **Data transformation**: Market leading inline data translation enabling entire communities regardless of location-standards-protocols.
- **Data validation/compliance**: Rules-driven processing, end user testing, exception management for data validation and compliance.
- **Data sync & data pools**: GDSN-certified exchange of product data with TPs and data pools; more country data pools than any other (27).
- **Data quality management**: End to end suite of capabilities for data quality management within and beyond the enterprise.
- **Analytics & reporting**: Analytics and decision support tools for KPIs, for transactions AND supply chain processes.
- **Event choreography/BAM**: Best of breed webMethods BAM drives decision support for unforeseen changes in the supply or demand chain.

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*For Internal Verizon-GXS Use Only*
Global Messaging Key Points

• Uniquely global solution—from physical infrastructure to local support
• Strong investments in TG Ultra availability, recovery
• Business intelligence—supplier scorecards and KPIs increase control
• Best of breed webMethods event management, activity monitoring
• Enabler for on-demand supply chain business processes and visibility
• Strong platform for total community enablement
  – APA, IWF, hosted AS2, Community Link, ACT Service Bureau, full B2B outsourcing
  – Unified portal interface for universal access, provisioning
  – Enhanced and flexible online customer support
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Critical to Keep in Mind:

Many competitors claim to offer ‘B2B Managed Services’…

Can be a ‘murky’ segment.

Must level-set playing field by defining the solution—ensuring an apples-to-apples comparison.
GXS B2B Outsourcing Differentiators

GXS Defines the Segment, Sets the Benchmark

- Global infrastructure, intercontinental disaster recovery
- 24x7 global operations support vs. 1-2 sales offices
- Vendor owned and operated world class data centers
- Flexible onboarding, global/ASPAC community building
- Dedicated program management available worldwide; we become extension of customer IT, SCM team
- Mapping and translation expertise, capacity
- Fully event-driven services architecture, deep visibility
- Large customer base, strong customer references
- Flexibility of deployment, redeployment in-house
- Company size, viability, leadership, presence, reach
## GXS Top-10 vs. Sterling & Inovis

<table>
<thead>
<tr>
<th>GXS</th>
<th>Sterling Commerce</th>
<th>Inovis</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. GLOBAL PRESENCE, REACH - ESP, ASPAC</strong>&lt;br&gt;Operations in 18 countries, support in 20 languages, global data centers</td>
<td>Network is Americas only, EMEA with SW resellers, just starting ASPAC</td>
<td>US network focus, trying but not gaining any traction in UK, resellers</td>
</tr>
<tr>
<td><strong>2. ULTRA INFRASTRUCTURE &amp; HA INVESTMENT</strong>&lt;br&gt;Leading investments in HA platform, unique intercontinental fail-over, SLAs</td>
<td>Modernized but 3 years ago, software focus since; some reporting/VM gains</td>
<td>Consolidated assets; US only; focus is UI; rely on IBM DCs for MS translation</td>
</tr>
<tr>
<td><strong>3. DATA QUALITY MANAGEMENT</strong>&lt;br&gt;End-to-end GDS, PIM, Data Quality, Data Pools; UDEX buy shows focus</td>
<td>An afterthought in GIS, low end TR2 apps for 1SYNC connection only</td>
<td>Only proprietary, closed community Catalogue; dumped BizCatalog users</td>
</tr>
<tr>
<td><strong>4. UNIFIED MESSAGING-SCM VISIBILITY</strong>&lt;br&gt;Single platform for global messaging &amp; BAM, visibility; uniquely fully hosted</td>
<td>VM/reporting gains in SCN, but SCM visibility, SCE via software-led Yantra</td>
<td>New Transaction Lifecycle Mgt. (TLM) for visibility, but tactical--no SCM apps</td>
</tr>
<tr>
<td><strong>5. TGO PORTAL &amp; SMB ENABLEMENT</strong>&lt;br&gt;Community Link, IWF, Accelerators, self-provisioning, hosted AS2, global</td>
<td>No sign of unified portal, SMB story limited to forms; few adapters, partners</td>
<td>Strong Inovisworks portal but limited SMB enablers, forms, APA, maps</td>
</tr>
<tr>
<td><strong>6. FULLY HOSTED OR HYBRID, EXTEND ERP</strong>&lt;br&gt;Flexible implementation does not rely on software, reuses infra. investments</td>
<td>Strong B2B software/services options but lead with SW, replace SCM &amp; EAI</td>
<td>Hosted or hybrid options, but only for B2Bi, not SCM/business processes</td>
</tr>
<tr>
<td><strong>7. SINGLE VENDOR &amp; BEST OF BREED</strong>&lt;br&gt;Flexible, best of breed options: MSFT, JDA, webMeth., eBridge, IBM forms…</td>
<td>Try to be all things to all people but not BOB, tier-2 EAI, niche SCM apps</td>
<td>Very limited partnership strategy, only recent focus with tier-3 partners</td>
</tr>
<tr>
<td><strong>8. INDUSTRY DEPTH &amp; BREADTH</strong>&lt;br&gt;Deep process, domain expertise in target industries, eg LPS-IDS-PG-PIM</td>
<td>Strong industry focus esp. with Yantra and C:D in FinServ, but SW-led depth</td>
<td>Industry focus limited to GMA, no tailored business apps, solutions</td>
</tr>
<tr>
<td><strong>9. INNOVATION &amp; MARKET LEADERSHIP</strong>&lt;br&gt;Market share leader, visionary, clear strategy &amp; commitment, innovation</td>
<td>#2 but unclear commitment, GIS+SW buys, high EDI attrition/new SCM reps</td>
<td>Not a leader except Catalogue, limited vision/innovation, tactical low-$ focus</td>
</tr>
<tr>
<td><strong>10. OUTSOURCING DEPTH &amp; INFRASTRUCTURE</strong>&lt;br&gt;Richer People-Process-Technology combo, global, dedicated resources</td>
<td>Most are hybrid with SW aspect, no dedicated PMs, technology centric</td>
<td>Narrow vision for, VAN+PS, limited event mgt., poor references, US only</td>
</tr>
</tbody>
</table>
## Overcoming Common Competitor Myths

<table>
<thead>
<tr>
<th>Competitor Claims</th>
<th>Verizon-GXS Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>GXS is just an EDI VAN; it is not specialized for business needs, like AP processes</td>
<td>GXS has led the evolution of the VAN toward business process networks, on-demand SCM; TG07 is an event-driven business integration platform that extends internal apps</td>
</tr>
<tr>
<td>VANs are not needed; you can use the Internet for free or run your own software with existing IT staff</td>
<td>Internet and IT staff are not free; industry TCO studies show cost of P2P integration: set up, maintain, upgrade, add protocols, test, deploy, help desk—does this add value?</td>
</tr>
<tr>
<td>GXS-Verizon do not offer a single-vendor, end to end solution</td>
<td>Sterling is no more integrated with AT&amp;T—check AT&amp;T.com; customers are better served with best of breed solutions that leverage leaders in each domain</td>
</tr>
<tr>
<td>Verizon is not an expert at B2B integration; you will have to call multiple vendors for support</td>
<td>Partnering with GXS provides Verizon customers with a best of breed, proven scalable and market leading solution that enables each vendor to deliver core domain expertise</td>
</tr>
<tr>
<td>GXS offers services only; they have limited software options to take your B2B program back in-house</td>
<td>GXS MS leverages commercially available ES and AI; maps/integration metadata can be redeployed, brought in-house with minor modification; ask for customer successes</td>
</tr>
<tr>
<td>GXS serves only large buyers; it is not for the mid-market or for suppliers</td>
<td>GXS delivers both buyer and supplier solutions &amp; pricing; we bring unique focus on SMBs, offer flexible tools (Web Forms, Accounting Accelerators), bundled pricing etc.</td>
</tr>
<tr>
<td>GXS is not investing in the network—only serving its debt; Trading Grid is a new face on old technology</td>
<td>GXS invests millions in R&amp;D per year, all for on-demand integration (the Grid); TG 2007 is a $100M investment in features &amp; infrastructure; investments dwarf our peers’</td>
</tr>
<tr>
<td>Trading Grid is dependant on webMethods; GXS is not in control of the solution… may go sour with SAG</td>
<td>GXS acquired Fabric code with full access rights; we have &gt; 350 developers building new/enhancing code; relationship remains strong; use BOB vs. reinvent the EAI wheel</td>
</tr>
<tr>
<td>GXS has service reliability issues</td>
<td>Interconnects show that all networks have outages; TG07 represents the largest HA investment; analysts assert GXS sets the mark; have more platforms as global leader</td>
</tr>
<tr>
<td>GXS is narrowly focused only on the Retail industry</td>
<td>GXS brings deep domain expertise, presence and targeted solutions to multiple industries, e.g. Retail-CPG, Auto, High-Tech, FinServ; we focus to deliver more value</td>
</tr>
</tbody>
</table>
Discussion Topics

Landscape Overview
- Market Drivers
- Competition From Many Angles

Top Competitor Review
- Sterling Commerce
- Inovis
- IBM
- SPS Commerce
- Global Messaging Summary

GXS Winning Strategy
- Top Differentiators
- Relative Positioning
- Overcoming Competitor Myths

Additional Resources
- Gartner Magic Quadrant
- Other Analyst Validation
Gartner, the leading independent industry analyst firm, asserts:

- “GXS' strengths include its large and unmatched global presence, user base and total revenue stream, and its viable Trading Grid strategy and platform.”

- “In 2005, GXS completed the acquisition of G International (the IBM VAN assets), a move that increased its global operations presence, customer base and integration service provider revenue.”
GXS Launches Trading Grid 2007 with Enhanced Failover, Performance and Integration Capabilities

Brad Shimmin
Principal Analyst, Application Infrastructure
March 2, 2007

Event Summary
February 28, 2007 - GXS announced the launch of GXS Trading Grid 2007. Core to this launch is GXS's new high availability architecture Trading Grid Ultra, which provides improved service level commitments as well as greater speed, reliability and security. Trading Grid 2007 also brings to market a new multi-lingual, Web-based portal, additional Web forms capabilities, and a new messaging gateway enabling multi-protocol and enterprise resource planning (ERP)/system integration.

Analytical Summary
• Current Perspective: Very positive on GXS's launch of Trading Grid 2007 (TG07) as the move solidifies the company's leadership position within the B2B integration marketplace by introducing a standardized, next-generation architecture capable of 99.9 percent availability, zero-concurrent fail-over and improved supply chain visibility and partner tools.

• Vendor Importance: Very high to GXS as this TG07 represents a 100 million dollar infrastructure investment designed to move the vendor beyond its history as an asynchronous value-added network (VAN) provider and into the realm of a hosted and managed B2B integration service provider able to support synchronous yet loosely coupled B2B integration transactions.

• Market Impact: Very high on the hosted B2B markets as this Innovation moves GXS substantially ahead of its competition (primarily Inboun and Snapnet Commerce) in terms of network performance, reliability and availability. The company's expanding set of a hosted SOA solution also sets the tone within a market seeking continued relevancy in an age of business-driven commerce.

“GXS Trading Grid 2007 Moves GXS Substantially Ahead of its Competition”
Other Analyst Accolades

**Gartner**
“GXS’ strengths include its large and unmatched global presence, user base and total revenue stream, and its viable Trading Grid strategy and platform”

**Gartner**
“GXS is the world's largest integration service provider, offering a wide range of supply chain integration services…”

**yankee group**
“By collaborating with best-of-breed solutions vendors, GXS quickly established a platform that can easily extend a company and its trading partners further along the supply chain collaboration frontier”

**yankee group**
“GXS has positioned itself to become a leading B2B solutions provider. GXS has strategically acquired and collaborated to provide significant value propositions to its Trading Grid platform quickly”

**Current Analysis**
“TG07 moves GXS substantially ahead of its competition in terms of network performance, scalability and availability… solidifies the company's leadership position within the B2B integration marketplace”

**Current Analysis**
“GXS is the largest established global provider of EDI… The firm’s global operations are a major differentiator”
Thank You