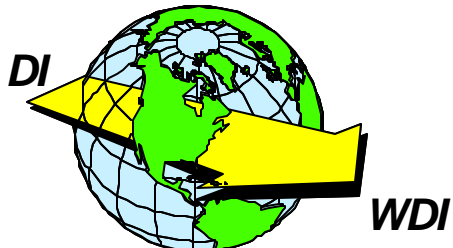


Internet EDI IBM Business Exchange Services provides Economical managed Data Transfer

Nancy Schramm
IBM Corp., Tampa, FL

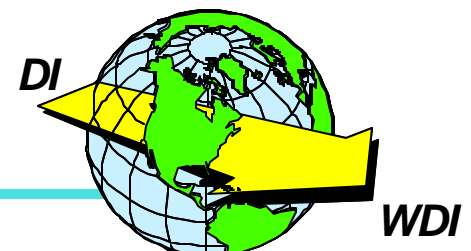
The Next Generation



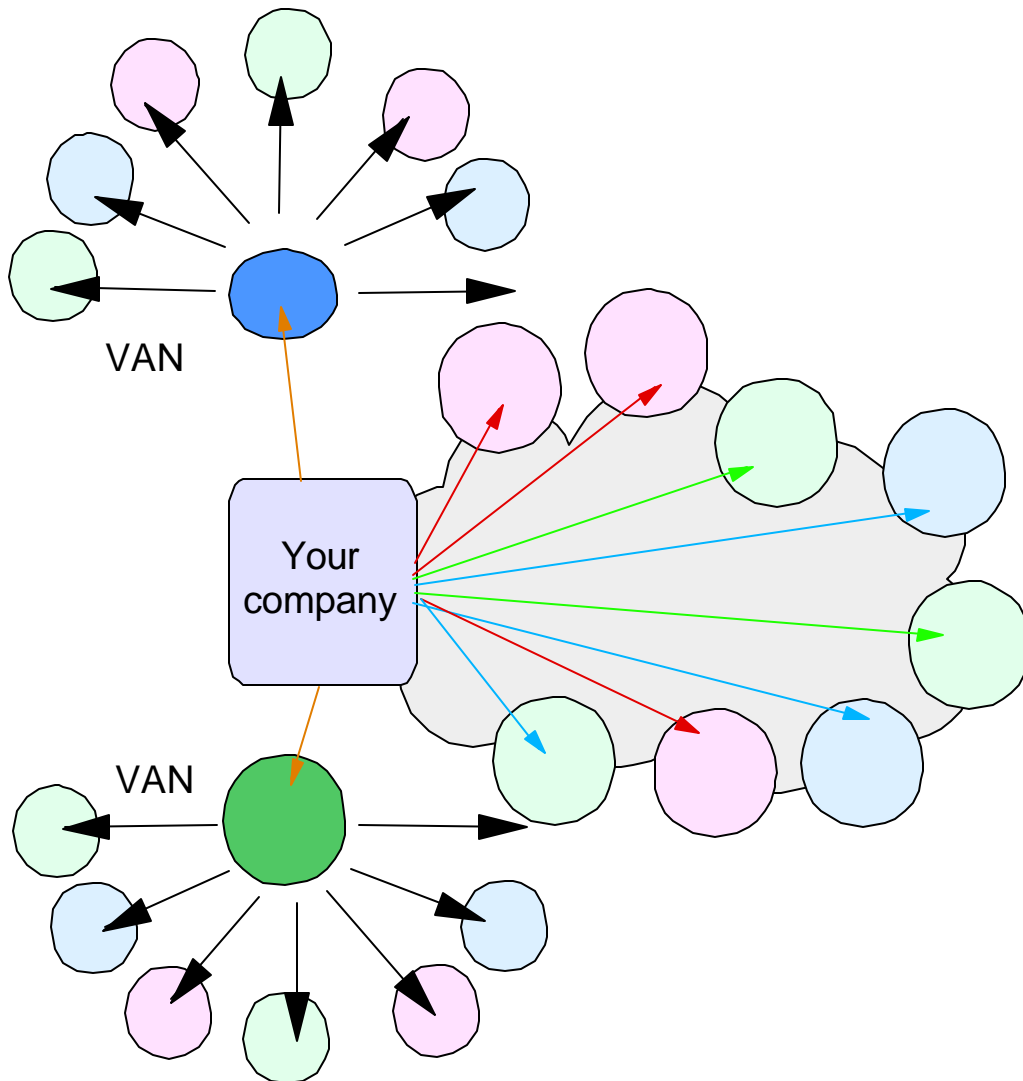
2002 User
Conference

Business Exchange Services

Enabling low-cost, security-rich data transport over the Internet



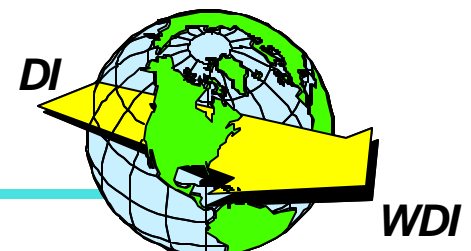
The B2B challenge: Extending your trading network



"Implementing a secure and reliable Internet-based data exchange system without requiring proprietary software at all endpoints, is a prime concern."

"The cost of a proprietary system is prohibitively expensive and limits the ability of the consortium to reach all its trading partners."

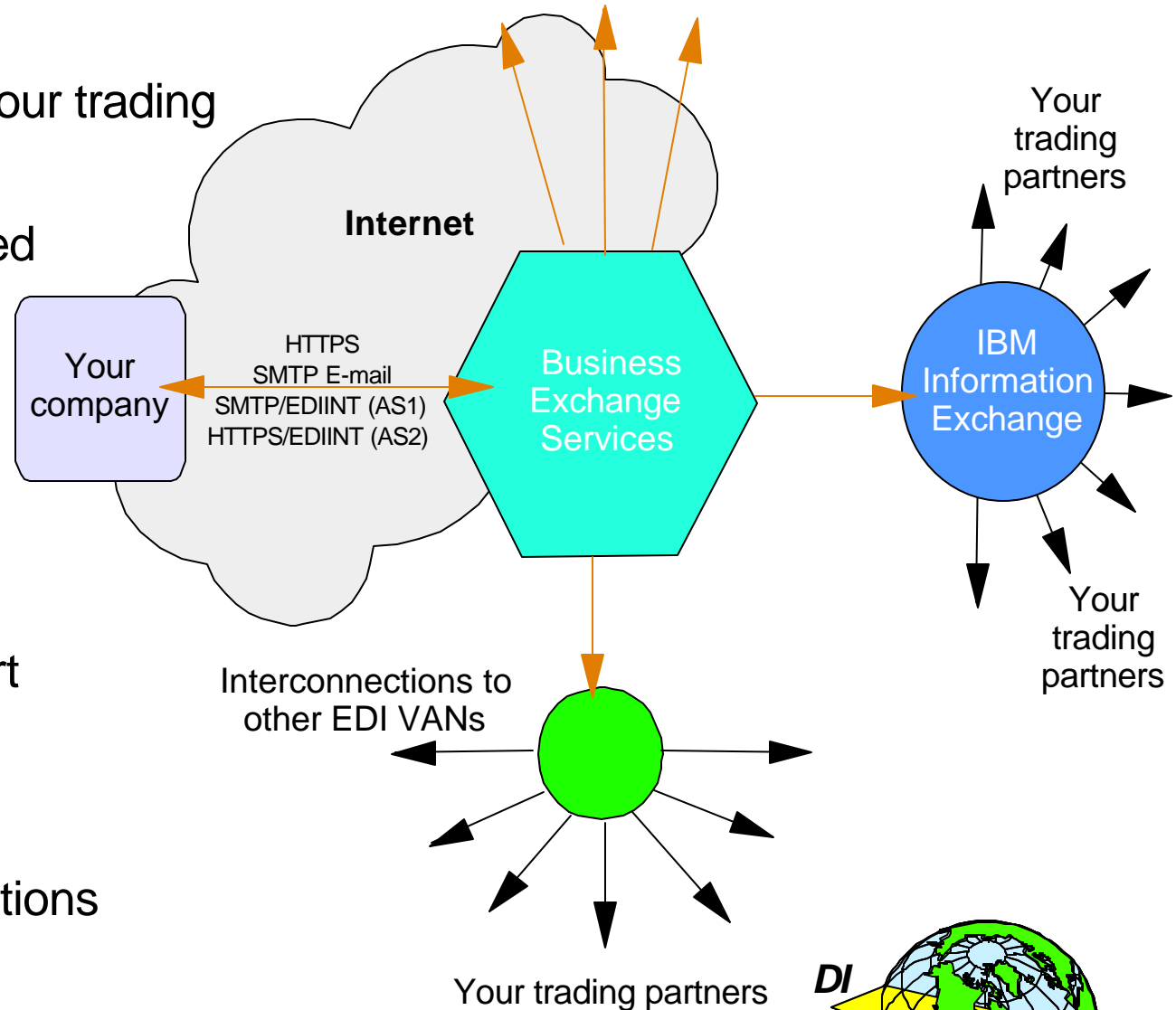
--Ken Vollmer, Giga Information Group



The solution: Business Exchange Services

Business Exchange Services provides: Your trading partners

- ★ A single connection to your trading community
- ★ IBM hosted and managed infrastructure
- ★ Affordable Internet-based data transport
- ★ Rapid implementation, low start-up costs
- ★ Broad standards support
- ★ Works with any type of document or data file
- ★ Bridge to legacy applications
- ★ Solutions for trading partners of all sizes



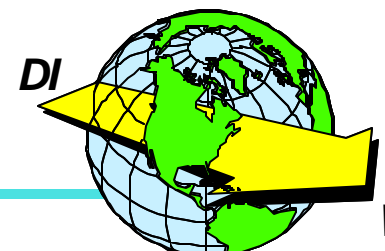
Add up the benefits

★ With Business Exchange Services, you can:

- Get started quickly -- with minimal upfront investment
- Exchange information across a wide range of disparate systems -- *without* having to manage different protocols
- Use existing systems for Internet-based *and* traditional EDI
- Reach large numbers of smaller trading partners cost-effectively
- Increase participation in EDI programs
- Enable new B2B initiatives rapidly
- Reduce data transport costs
- Focus on business issues rather than technology
- Pay as you go with subscription-based pricing
- Accelerate community development with IBM implementation assistance for trading partners

Use Business Exchange Services for:

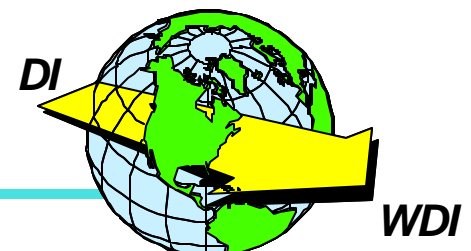
- ✓ Word processing documents
- ✓ Spreadsheets
- ✓ Database files
- ✓ Proprietary data files
- ✓ EDI-formatted data
- ✓ XML-formatted data
- ✓ Graphics files
- ✓ CAD drawings



How companies are using Business Exchange Services today

★ Companies are using the service to:

- Send large numbers of files and documents each day
 - ✚ To vendors, partners or service providers
 - ✚ Between multiple company locations
- Achieve higher levels of security, reliability and tracking than regular Internet e-mail can provide
- Send very large files such as engineering drawings
- Implement new e-business initiatives using new technologies
- Build Internet-based trading communities
- Replace VAN services with lower-cost, Internet-based solutions
- Meet trading partner requirements to use the Internet for EDI



A single connection to your trading community

How the Internet transfer feature works:

★ You establish an Internet connection to the service

- One protocol, one client - your choice

★ IBM delivers documents and data to your trading partners via the Internet

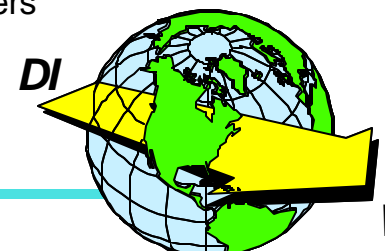
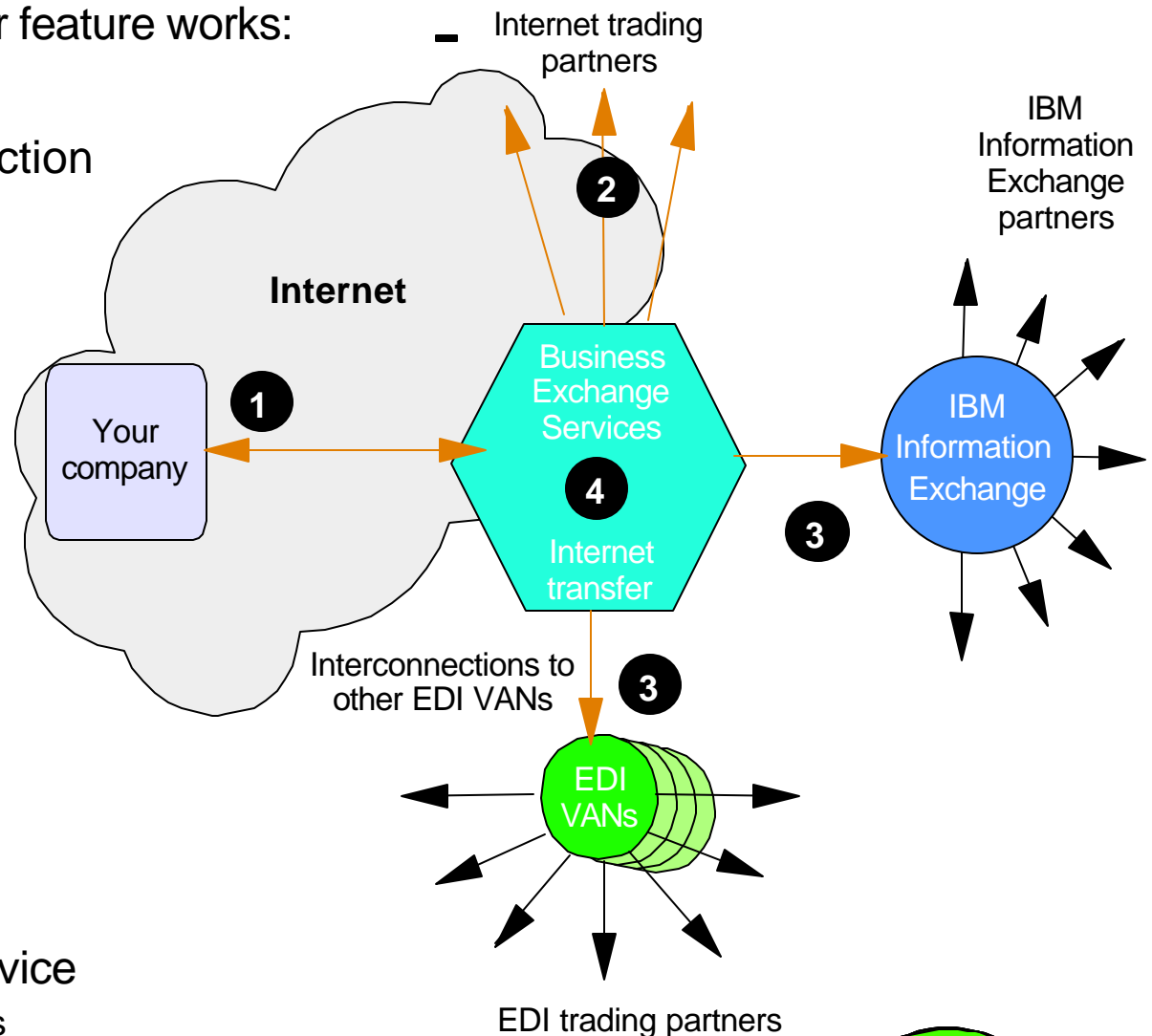
- Trading partners use their choice of protocol and client

★ IBM delivers documents and data to your trading partners via VANs

- IBM Application Hosting - EDI Services
- Other VANs (Sterling, GXS, Peregrine, for example)

★ IBM hosts and manages the service

- Managed connections to other services
- Profile, security and delivery management
- Hosted Cyclone Interchange servers
- Redundant, high-availability environment



IBM managed services simplify B2B e-commerce

Profile Management

- IBM establishes and manages trading partner profiles
- Profiles specify trading partner preferences for
 - Communications/transport
 - Security
 - Transaction types
 - Data formats, standards

Communications

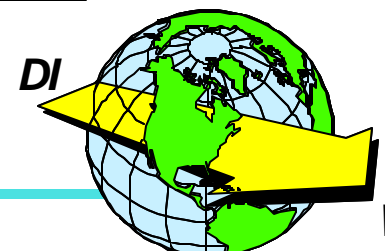
- IBM enables information exchange between dissimilar systems
 - Routes documents and data to trading partners
 - Handles addressing and protocol conversions

Security Management

- IBM provides a flexible, security-rich environment
- Security features include:
 - Partner authentication
 - X.509 digital certificates
 - Digitally signed receipts
 - Privacy and protection from tampering

Delivery Management

- Push technology for immediate message forwarding
- Message delivery tracking
- Support for Message Delivery Notifications (MDNs)
- Backup of transactions



Security-rich, highly available environment

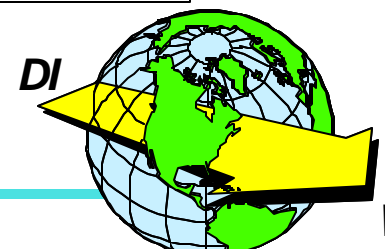
A service you can trust with your business-critical communications

Accepted trust models

- S/MIME certificates with encryption
- Secure Sockets Layer (SSL) authentication
 - Automatic encryption
 - Electronic signatures
 - Sender authentication
- X.509 digital certificates
- Public key cryptography

Redundancy

- Mirrored Cyclone servers
- Transaction backup upon receipt
- State-of-the-art e-business Hosting Center™ facility
- Redundant Internet router access via HACMP
- Redundant firewalls via HACMP
- Redundant switch routing
- Redundant power



Support for open standards

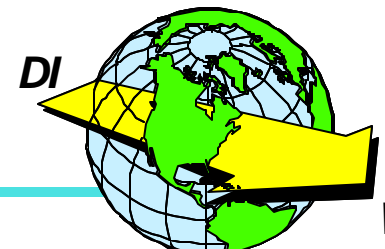
Protocol and client support

- **HTTPS**
 - Cyclone Interchange
- **HTTPS/EDIINT**
 - EDIINT AS2-certified clients (e.g. webMethods or SeeBeyond)
 - Cyclone Interchange
- **SMTP/EDIINT**
 - EDIINT AS1-certified clients (e.g. IPNet or EXCpert)
 - Cyclone Interchange

Data format support

- For addressing and routing, Internet transfer supports
 - XML (ebXML, cXML, xCBL, RosettaNet, BixTalk, ICE)
 - EDI (ANSI X12, EDIFACT)
- Internet transfer also supports:
 - Proprietary data formats (including other XML formats)
 - Binary files (word processing, spreadsheets)

For a current list of tested clients, contact your IBM representative



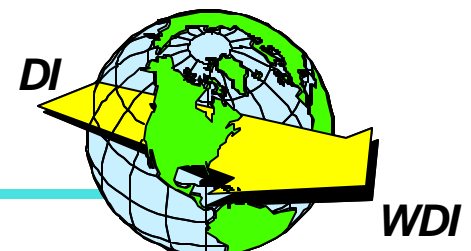
Subscription-based pricing

- ★ Tiered subscription plans

Plan	Monthly	Usage	Overage
Lite	\$50	.5MB	\$150/MB
Standard	\$500	5MB	\$50/MB
Premium	\$1,000	20MB	\$40/MB
Platinum	\$2,000	60MB	\$20/MB

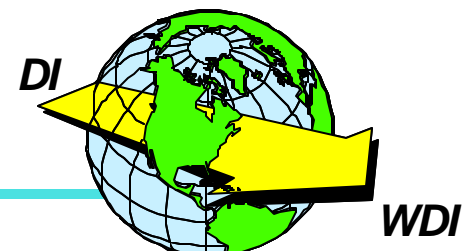
- ★ Invoice or credit card billing

- ★ Cyclone Interchange client separately priced



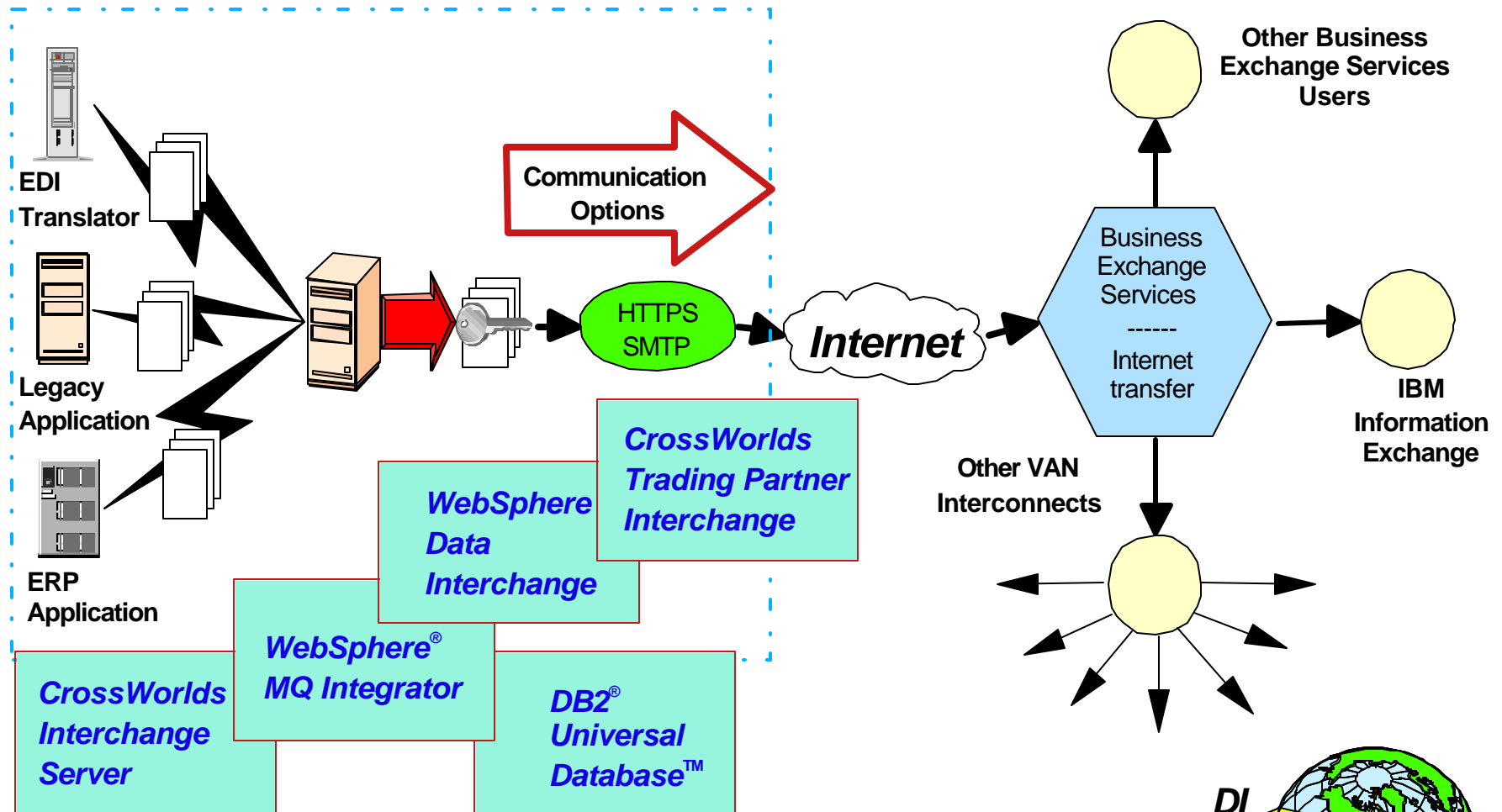
Cyclone Interchange is a superior client option

- ★ Cyclone Interchange 4.0 options for connecting to Internet transfer
 - Solo - Single trading relationship, fast and easy desktop solution
 - Standard - Up to 10 trading relationships, broader integration, client-server capable, flexible scheduling
 - Enterprise Editions - Up to 100 trading relationships, API support, scalable, tunable, extensible enterprise application
- ★ Java™-based architecture, multiple platform support
 - Microsoft® Windows®, AIX®, OS/400®, HP-UX, Linux, Solaris, OS/390®
 - ✎ Solo not available for OS/400
 - ✎ Solo and Standard not available for OS/390
- ★ Works with any SQL database for simple back-end integration
 - Supports DB2®, MS SQL Server, Oracle, Sybase
 - ✎ External database support only available with Enterprise Editions
 - Ships with Sybase SQL Anywhere
- ★ Supports SMTP, HTTPS, SSL, S/MIME, EDIINT AS2, EDIINT AS1
- ★ IBM Customer Solutions Agreement to resell Cyclone Interchange
 - One-stop shopping
 - Customer support



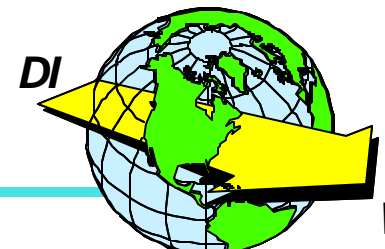
Example implementation with IBM software components

your In-house Infrastructure and Applications

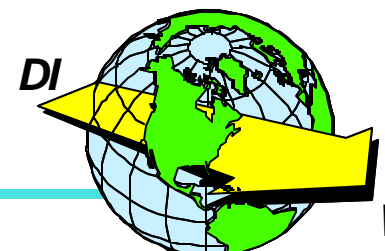
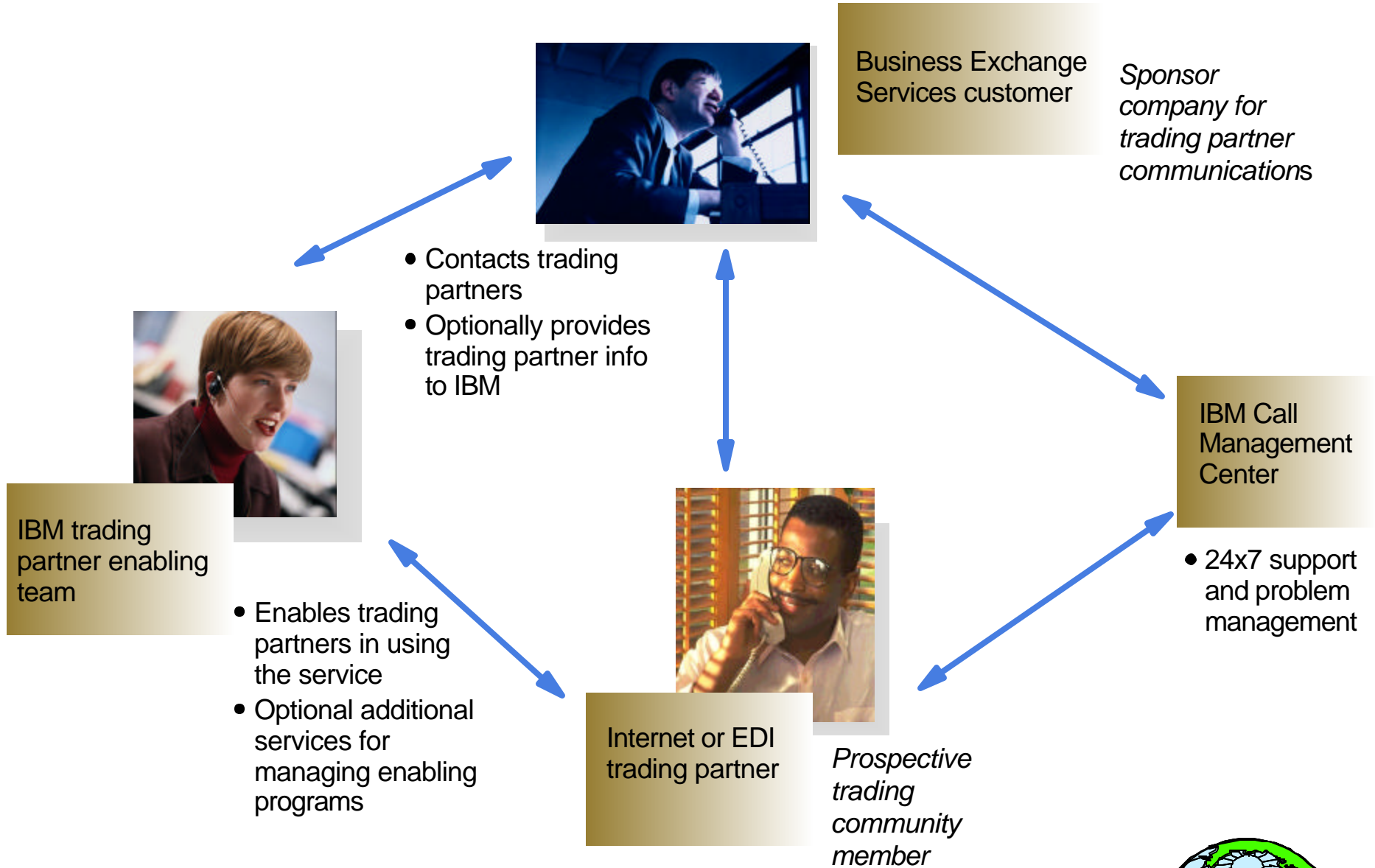


Cyclone Commerce Client software prices

- ★ Optional Cyclone Interchange Solo client software
 - Only connection is to Internet transfer service
 - \$2,800 - 2-year license and maintenance (regardless of system)
 - \$3,450 - 3-year license and maintenance (regardless of system)
- ★ Optional Cyclone Interchange Standard client software
 - connection to Internet transfer service plus point-to-point with up to 9 other TPs
 - \$48,000 - 2-year license and maintenance (regardless of system)
 - \$58,000 - 3-year license and maintenance (regardless of system)
- ★ Optional Cyclone Interchange Enterprise client software
 - Connection to Internet transfer service plus point-to-point with up to 99 other TPs
 - \$108,000 - 2-year license and maintenance (regardless of system)
 - \$129,000 - 3-year license and maintenance (regardless of system)
- ★ Cyclone client software not required
 - (SMTP/SMIME and EDIINTAS1/AS2 clients also supported)

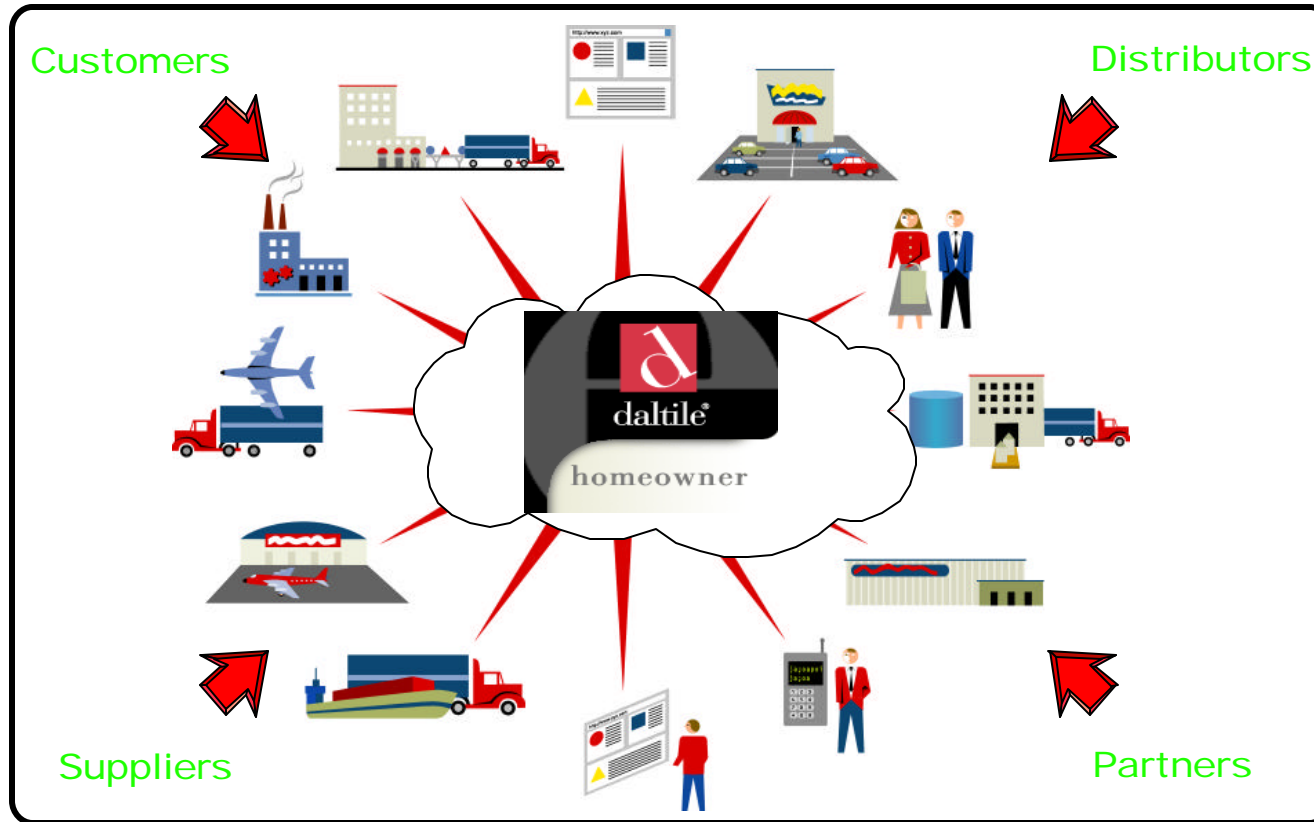


End-to-end support for trading partners



Manufacturing sector solution

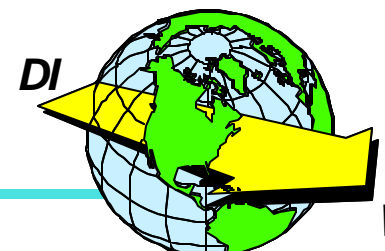
Requirement: Security-rich data transport over Internet, integrated with legacy EDI system



"IBM's service enabled us to expand our data transport alternatives and seamlessly integrate critical information between the Internet and our legacy networks"

.....Dave Fling, Dal-Tile, manager of electronic data interchange services

- ★ Business Exchange Services provides secure, data transport for largest home center retailer to send and receive order, shipping and invoicing data with Dal-Tile
- ★ Minimal increase in infrastructure costs to Dal-Tile
- ★ Bridges legacy EDI systems to Internet technology



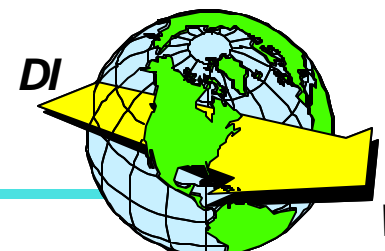
Financial services sector solution

Requirement: Secure data transport over Internet for new file

transfer project



- ★ Business Exchange Services utilized for communication with vendor for payroll processing, reducing bank's data transport costs
- ★ Minimal software investment required
- ★ In-house EDI resources utilized for new service



Distribution industry solution

Requirement: Reduced costs for secure data transport to

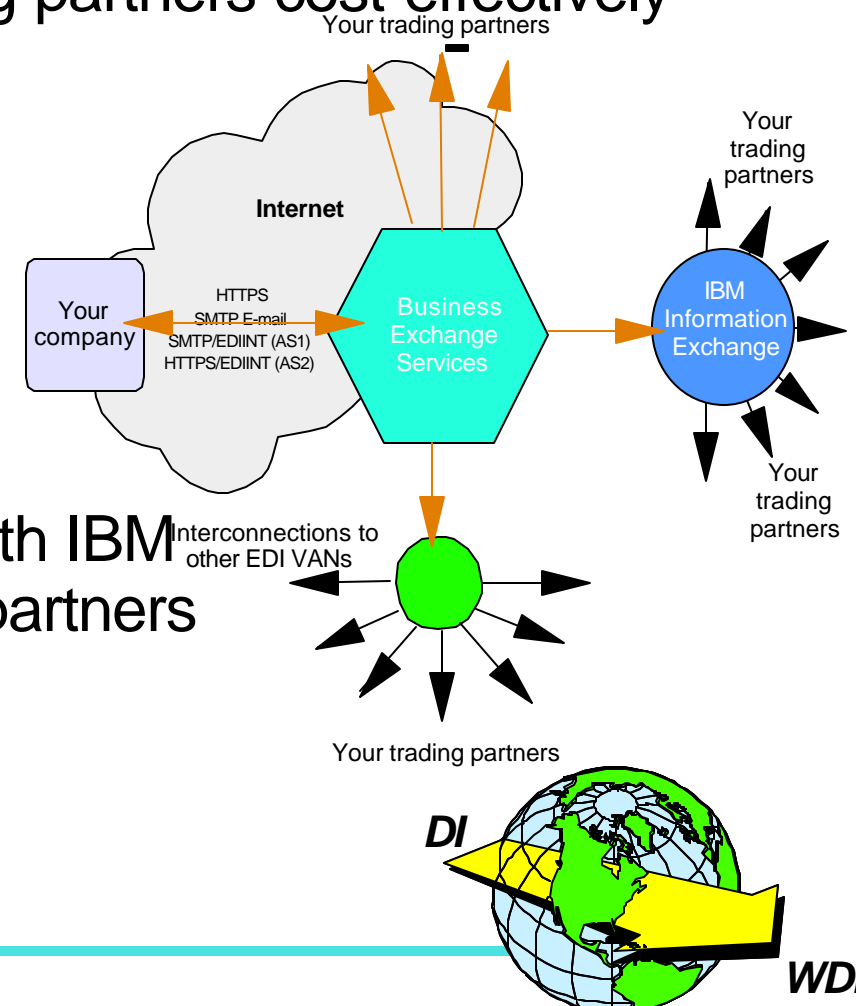


- ★ Business Exchange Services chosen to replace legacy communications with customers on competitive networks
- ★ Cyclone software also used for direct connections to largest 4 customers
- ★ Continued use of legacy EDI for IBM trading partners



Summary: Business Exchange Services value proposition

- ★ Get started quickly -- with minimal upfront investment
- ★ Exchange information across a wide range of disparate systems -- *without* having to manage different protocols
- ★ Use existing systems for Internet-based *and* traditional EDI
- ★ Reach large numbers of smaller trading partners cost-effectively
- ★ Increase participation in EDI programs
- ★ Enable new B2B initiatives rapidly
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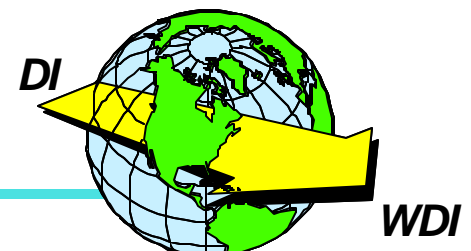


Want more information?

For more information,
contact:

Nancy Schramm
813-356-4785
nschram@us.ibm.com

ibm.com/e-business/ondemand



Internet transfer supported client software

★ Clients enabled for the service

- IPNet - SMTP (AS1)
- Microsoft® Outlook® - SMTP SMIME
- Microsoft® Exchange - SMTP SMIME
- Netscape EC Expert - SMTP (AS1)
- SeeBeyond - HTTPS (AS2)*
- Softshare Vista Professional - SMTP SMIME
- Sterling Enterprise IDX - SMTP (AS1)*
- TDAccess version 2.1 - SMTP (AS1), HTTPS (AS2)
- TDNgine version 2.2 - SMTP (AS1), HTTPS (AS2)
- TDPeer version 2.1 - SMTP (AS1), HTTPS (AS2)
- Templar - SMTP (AS1)
- webMethods - HTTPS (AS2)

★ Clients confirmed as not supported

- Outlook Express (Does not conform to standard SMTP SMIME specifications)
- Netscape Messenger (Incompatibilities with digital certificate support)
- Lotus® Notes® (Incompatibilities with digital certificate support)

*Coming soon



WDI

Internet transfer and Information Exchange (IE) compared

Feature/Function	Internet transfer	Information Exchange
Store and Retrieve	No	Yes
Store and Forward	Yes	No
Carbon Copy / Redirect	No	Yes
Data Formats (EDI, XML and Proprietary)	Yes	Yes
Web Administration access	No	Yes
File Size limitations	5MB SMTP 100MB HTTP	280MB
EDI VAN Interconnects	Yes	Yes
MQSeries access / ANX access	No	Yes
Retention Period	7 days	1-180 days (30 is default)
Trading Partner Usage Reports	No	Yes
Archive	IBM re-send on request	Yes
Message Class, Library Functions	No	Yes

