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Week Ending October 18, 2002.

### ~~~ REPORT FROM THE FIELD ~~~

#### **The Rules Are Changing for Logistics**

This was the theme of this year' s Council of Logistics Management conference. And when the rules of the game change, Keynote speaker and United Parcel Service Chairman Michael Eskew says, "change the nature of the game." The time has come to think holistically. Throw away the old rules and the old ways of thinking

### ~~~ TRENDS ~~~

#### **Bridging the Chasm between Planning and Execution**

The chasm between such traditional Supply Chain Management (SCM) solutions as Planning (SCP) and Execution (SCE) is preventing users from getting the full measure of cost savings that are possible. However, two new approaches will likely improve the payback of SCM investments by directly addressing this chasm. One is called "Adaptive Planning and Execution" and the other is "Reactive Planning and Execution."

"Despite the gap between planning and execution, SCP solutions still offer solid payback. ARC research shows that the average payback period for Production Planning was 12 months and the average payback for Multi-facility Planning was 16 months

#### **Web Services for Manufacturing Interoperability**

Pervasive use of Internet technologies for distributed computing is rapidly becoming the de facto method of doing business for companies at the enterprise level. Web services are just now emerging as the mechanism for the implementation of service-based architectures.

Manufacturers are beginning to examine both the potential and the limitations of Web services, but most are taking a cautious approach before committing to run their manufacturing processes on these Web technologies and exposing their operations to the Internet and unscheduled interruption.

### ~~~ ACQUISITIONS & PARTNERING NEWS ~~~

#### **Nextjet Technologies Teams with Intech DVS**

Nextjet Technologies, a provider in the global Web-services logistics marketplace, and Intech DVS, a source of logistics technology in Latin America, have partnered to offer the Latin American market real-time execution focused solutions that increase the productivity of transportation and logistics operations. Intech DVS will serve as the exclusive distributor for Nextjet Technologies transportation management software applications throughout Mexico and Latin America. Nextjet Technologies' Web-native, J2EE applications meet the real-time shipment visibility requirements of the Mexican and Latin American market.

### **Siemens Westinghouse Power Buys New Energy**

This acquisition was made in response to an increase in the demand for information technology solutions in the energy industry on a worldwide basis and the desire for Siemens to fulfill its strategy to become a leading total solution provider of information technology in the energy sector. The terms of the transaction were not disclosed. As a Siemens Company, NewEnergy Associates will retain its identity and employees and continue to operate from its Atlanta, Georgia, headquarters. Ralph Genesi, currently SWPC's director of Enterprise Business Solutions, will become the CEO of NewEnergy. The acquisition means that Siemens can provide solutions encompassing generation, transmission, trading, retail, corporate planning, and strategy. The Siemens Enterprise Digital Dashboard now has all the components necessary to manage a corporation's most critical business operations and present the information needed to make its most critical business decisions.

### **Baan Teams with Frango to Enhance Budgeting**

Baan, a unit of Invensys, provides enterprise software. Frango is a supplier of corporate financial management and control software. Under a new agreement, Baan will leverage Frango's specialist corporate financial management software and services portfolio to further enhance the financial budgeting and consolidation functionality of the iBaan solution. Baan will resell the Frango Advisor budgeting support system, Frango Consolidation and Frango Controller solutions, to global financial organizations and interface these applications with its own iBaan Finance suite. The alliance will provide a comprehensive range of financial management and control solutions to help multi-location organizations address the corporate requirements for statutory consolidation, management reporting, analysis, strategic planning and budgeting.

### **Vigilance Completes Merger with Harmony Software**

The move tightly integrates business performance measurement, automated execution/monitoring, and business intelligence dashboard solutions for the discrete and process manufacturing, logistics, and retail industries. The combined company, which will take the Vigilance name, provides a one-stop solution targeting corporate executives who need to gain confidence in their ability to meet their business targets by better controlling their business processes in real time. Terms of the deal were not announced. Individual components of Vigilance's supply chain event management (SCEM) applications and the former Harmony's business performance measurement solutions, which include over 600 audit-ready key performance indicators (KPI's), will continue to be offered separately. More intriguing both to tech industry visionaries, as well as performance-demanding executives, is the ability to now synchronize real-time data from multiple source systems; industry-targeted, audit-ready KPI's and business alerts; and ensure closed loop resolution paths. The new, combined solution also provides easily customizable executive views and historical tracking of past action-to-outcome for better decision-making. The combined solution will be available first quarter 2003.

#### ~~~ COMPANY NEWS ~~~

##### **Tecnomatix to Acquire a Teradyne Product Line**

Tecnomatix Unicam will Acquire Teradyne's CIMBridge CAD/CAM optimization software product line. The CIMBridge acquisition expands the current alliance between Teradyne and Tecnomatix, which began in 1994. The terms of the transaction were not disclosed. Tecnomatix Unicam, a wholly owned subsidiary of Tecnomatix Technologies, will incorporate CIMBridge solutions into its Manufacturing Process Management (MPM) product line, and will provide the CIMBridge installed base with solutions that include the latest in software development, while guaranteeing a seamless migration path to its best-in-class assembly technology. Tecnomatix Unicam will increase its market share and technology base through the addition of the CIMBridge intellectual property, installed customer base, and R&D team.

#### ~~~ PRODUCT NEWS ~~~

##### **Made2Manage Systems Enhances Its SCM Solution**

Its supply chain management solution, M2M SCM, is a suite of interlocking tools that include demand forecasting, planning, and scheduling applications. The company has added several new functions to its enterprise portal, M2M VIP, and enhanced its Electronic Data Interchange (EDI) capabilities with XML technology in its enterprise integration tool, M2M Link. Both applications are fully integrated with the M2M SCM solution and the Made2Manage Enterprise Business System. In addition, Capable to Promise (CTP) functionality has been imbedded

within M2M ERP to work in tandem with M2M Synchronizer, an application server that enables the M2M SCM planning and scheduling functionalities

### **New Baan Platform for Business Process Solutions**

OpenWorldX is a new enabling platform for the rapid creation and deployment of business process solutions. Baan, a unit of Invensys, also has launched its iBaan Value Apps strategy. This strategy helps customers manage key business activities across people and applications, enabling companies to unlock the value contained in their existing IT investments. The iBaan Value Apps strategy also helps customers better respond to the current challenging economic climate by creating more responsive, end-to-end business processes throughout the extended enterprise. OpenWorldX is the next generation of Baan's integration, information, and collaboration technologies that reduces the time and effort required to configure and deploy iBaan solutions. Examples of planned iBaan Value Apps include Supplier Collaboration, Configuration and Commitment, and Engineering Design Collaboration. The first iBaan Value Apps will be available shortly after the first shipments of OpenWorldX.

### **Omron's New DRT2 Smart DeviceNet Slave**

The DRT2 smart slave allows users to remotely monitor and diagnose such common problems as low network voltage, communications errors, and short circuits for connected devices, providing preventative maintenance and troubleshooting abilities. When combined with Omron's Configuration Software, users gain the capability to connect and monitor the factory floor network over an Ethernet connection without the need of any control programming or interruption. It also monitors the number of operations and total operation time. By monitoring this information, the slave unit can provide notification when maintenance is required. The DRT2's expansion capabilities provide for a single node to be able to attach a single expansion block of either inputs or outputs to the main block, which reduces the number of total nodes required for a system.

### **New Sterling Commerce Solutions for UCCnet**

The solutions provide Sterling's customer base in the retail and consumer packaged Goods (CPG) industries with a way to connect with UCCnet and leverage their existing integration investments, while lowering the risk, cost and complexity of adding the new capability. UCCnet is a not-for-profit, tax-exempt organization that provides item registry and data synchronization services for electronic commerce based on industry-developed standards. The organization's services enable supply and demand side customers to register item and partner information in a

neutral, central location, and synchronize, updated, standards-compliant data in a secure environment. Sterling Commerce is offering customers the ability to connect to the registry and access stored information through a broad range of UCCnet integration solutions. Sterling has developed a UCCnet adapter for its integration broker software solution that passed technical certification.

### **New Dendrite Pharmaceutical Sample Solution**

Dendrite, a Customer Relationship Management (CRM) supplier to the pharmaceutical industry, has announced that its SAI business unit has launched eSample Guardian (eSG), a system for sample accountability and sample compliance management. The Web-based solution includes tools and management information that pharmaceutical companies need in order to comply with PDMA (Prescription Drug Marketing Act) regulations regarding sample distribution, storage, disposal, record keeping, and security. The solution will also feature eSG Remote, a PDA-based tool for field-based sample tracking and management. eSG monitors the entire lifecycle of all samples, maintains an audit trail, continuously identifies inventories for reconciliation, and alerts home office personnel to any problems. eSG enables users to manage disbursements, returns, transfer and shipment data, and track storage location inspections. Utilizing the Web-based interface, clients can create user-defined business rules that provide infraction monitoring and error-management capabilities.

### **New Covisint Upgrade to Online Quote System**

Covisint, the independent e-business environment for the automotive industry, has released Covisint Quote Manager 4.0, the newest version of the company's electronic RFQ (Request for Quote) management tool. It provides automotive suppliers and OEMs with a collaborative solution for sourcing complex systems and components on-line. It will allow buyers to reduce the number of hours they spend with an RFQ from the average 134 to an average 34. Delays, errors, and miscommunications will be reduced through the use of templates and the elimination of manual processing. The new version, which will help shorten internal approval times through the use of automated workflows, is now being rolled out by two global automotive manufacturers and is being considered for implementation by a number of other OEMs and automotive suppliers.