Solace Systems
The Intelligence in the Network.™



Real-Time Supply Chain

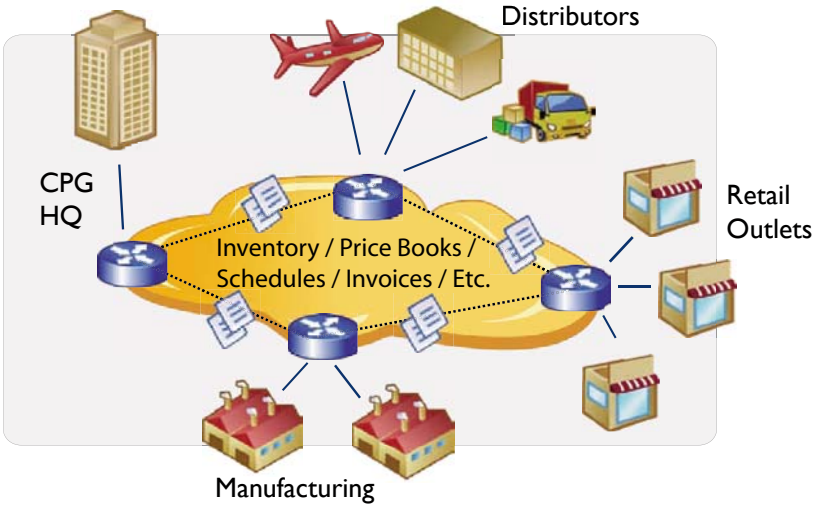
The first few years of the new millennium have seen manufacturing, consumer goods, logistics and retail firms tighten their business controls; however, an inability to share information with supply chain partners continues to plague their overall results. Poor visibility into basic information such as inventory, scheduling and accounting, costs approximately 1.2% of the top-line value of shipments across industries, according to the National Institute of Standards and Technology (NIST).

To date, participating in a supply chain required much patience and expertise. Every interaction with each trading partner is fraught with security challenges, process incompatibilities and expensive, high-maintenance communications links such as EDI. With the emergence of XML and standard schemas such as Electronic Data Interchange Applicability Statement 2 (EDI AS2) as the information-sharing format of choice, companies now have a flexible, cost-effective and reliable way to share information between trading parties of all sizes, large and small.

Value-Added Supply Chain Networks

A hosted value-added supply chain network – integrated into the network infrastructure, managed by the service provider and controlled by the user – offers participants improved visibility into supply and demand, through synchronization of inventory, logistics, manufacturing schedules and financial accounting information. Such visibility drives better analysis, smarter decisions and an improved ability to respond to changing market conditions.

Outsourcing such operations to a trusted, third-party service provider allows the supply chain participant to gain all the benefits of a dedicated solution – at a significantly lower cost. Outsourcing overcomes significant barriers that have prevented companies from achieving the promise of a more efficient, automated supply chain.





Companies need to:

- *Minimize up-front costs.* The initial investment in software, hardware, networks and expertise to build data center solutions for automated supply chains has stalled implementation. A supply chain network solution simplifies the problem. Metered, pay-as-you-go billing offers companies in the chain with an attractive alternative to a large, up-front outlays of capital.

- *Deploy solutions incrementally.* A supply chain network lowers the barrier to entry, shortening the time before large enterprises see a benefit and making automation more practical and feasible for smaller firms. Companies can start automating their supply chain by targeting the areas where they need better access to information and sharing of that information across their supply chain. Then, they can build incrementally, extending and¬ adding functionality over time.

- *Simplify maintenance.* A hosted network infrastructure with a decentralized, event-driven architecture simplifies maintenance. Document schemas are transformed as they travel through the network, simplifying participation for communicating parties.

Service Provider Benefits

Many vendors specialize in software and customized professional services for supply chain coordination but lack the scale and flexibility to deliver bottom-line benefits throughout the supply chain. Solace Systems value-added services platform gives service providers the core capability required to offer a managed service, one that synchronizes and coordinates supply chain information in real time.

Instead of being relegated to the role of providing raw bandwidth, service providers can now deliver an end-to-end solution, including:

- *Support Services.* A trusted third party willing to offer a service level agreement (SLA) that guarantees the availability and behavior of the network is a core asset of global service providers that cannot easily be matched.

- *Connectivity Services.* With a core competency in providing carrier-grade reliability, high availability and security, Solace Systems delivers the infrastructure required for today's 24x7 global transaction networks.

- *Translation Services.* Solace embeds sophisticated transformation between schemas directly into the network, whether all participants in the chain share a common format or they vary by participant.

- *Integration Services.* Solace Systems uses a publish/subscribe model to minimize the ways companies are dependent on one another's information. The network-based solution can automatically resolve differences between how various organizations describe and store similar information. The value-added supply chain network integrates information between source systems directly, or in combination with widely available source system adapters.

Service providers' core strengths are their global reach and their experience delivering secure, reliable communications backed by service level agreements (SLAs). These strengths make them perfect partners for companies looking for a way to build efficient, supply chain networks. Service providers, in turn, can offer companies better information, higher profits and an easier entry to an automated, real-time supply chain.

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