



Supply Management Market Update for September 2008

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Upside Software upgrades by integrating Workshare's DeltaView comparison engine to its CLM product

Upside Software integrated **Workshare's** DeltaView comparison engine with its contract lifecycle management (CLM) product. The company's enhanced product enables customers to compare documents, analyze document contents, identify sensitive information, suggest or enforce appropriate remediation, and provide an audit trail to help enforce corporate policies. Companies using the Upside CLM product can now track their changes to tables in their documents and metadata at a contract-clause level. One great improvement is the ability to intelligently identify paragraph moves. In many cases, companies only had visibility into the add-delete feature offered in Microsoft Word. In addition, Workshare customers with a DeltaView desktop now have the added bonus of collaborating on their current desktops while Upside Software does the processing.

The jury is still out on customer testimonials. However, this integration seems to indicate another level of risk management enhanced by CLM products.

Triple Point Technology scores sourcing hedging points

Triple Point Technology (TPT) is a global commodity applications business. The company has a multi-commodity platform that provides straight-through transaction processing and real-time risk reporting. The Triple Point Commodity XL product is a commodity hedging platform for companies that need assistance in agriculture, biofuels, freight, metals, power, coal, gas, and oil. Commodity XL operates across multiple markets worldwide and integrates with Excel, enterprise systems, and market feeds. The product is uniquely positioned as it ties finance and supply end to end. It provides value with counter-party credit analytics, scoring, and collateral management. It also integrates invoice and settlement as well as supply chains and logistics.

TPT's recent acquisition of **INSSINC**, a provider of FAS 133 and FAS 39 compliant hedge-accounting technology for corporate treasurers, is a true testimonial of the company's ability to cross organizational functions for a true end-to-end product. The integration now means the regulatory side of hedging is tied into the economic side, which bodes well for consumer packaged goods (CPG) companies that watch their core commodities climb and sales drops as consumers move away from even the smallest luxuries, like sweets. CPG companies are actively pursuing employees with commodity trading skills for commodity risk management, which is now front and center in supply chains. Watch for more from TPT—its clients are reaping rewards of commodity hedging strategies that tie directly to its global supply chain products.

Quadrem ties into supply chain finance with Gresham Computing

Taking a suggestion from **BMO Financial**, **Gresham Computing** and **Quadrem International Limited** have announced a partnership to offer banks a suite of white-labeled applications for procurement, payment, and working capital finance. It will be offered by Gresham as part of its Clareti product suite.

The message behind this partnership is clear: The collision of finance and physical is underway and starting a new chapter in supply chain with supply chain financing (SCF). More news is sure to come as these two worlds come together.

RockBlocks is now Arigo

A provider of global retail sourcing products, **RockBlocks** has offered the basic building blocks for many retail sourcing platforms. The time was right, however, for these products to receive a new brand identification, a name change, as well as new functionality.

Under the new name **Arigo**, the company brings more emphasis on international trade, compliance, and global sourcing. The new product is modular and web based, providing companies with the flexibility to pick and choose their approach. The Arigo product suites include Private Labeling and Sourcing (PLS), Total Cost Management (TCM), Supplier Relationship Management (SRM), Compliance and Quality Management (CQM), and Collaborative Order Management (COM). With such a powerhouse, Arigo will bring a strong punch to the retail sourcing market.

Watch for more to come as Arigo brings its intelligent trade products forward. AMR Research expects them to capture market share from other retail sourcing providers.

CombineNet introduces optimization for the masses

Sourcing technologies can be intimidating for new users. When complex categories such as transportation are on the opportunity docket, the sourcing task can be daunting, with multiple modes of transportation, parameters of product packaging requirements, and container and load requirements. Once these are mixed together, a comparison of lanes and service requirements must be done.

To help companies through this process, **CombineNet** has introduced its OnCall Sourcing Solutions, which is a series of optimized sourcing products that combine the CombineNet sourcing technology with category-specific best practices. The first OnCall products are OnCall Truckload and OnCall Ocean.

The product is a packaged tool, with training and support to enable users to run events quickly. The OnCall product premise is shorter time to value in even the most complex sourcing events, bringing faster ROI to the customer. Several customers in consumer products (CP) and retail have already purchased the product and are running events that are making differences in their global transportation businesses. We expect this product to provide quick value for customers needing to tackle complex sourcing events.

Endeca bridges the gap between design and sourcing

Endeca has become a competitor in the spend analytics and design-for-supply markets, with products that take intelligent search and guided navigation and marries them with business intelligence (BI).

Endeca's Spend Analysis ties into product lifecycle management (PLM), component supplier catalogs, ERP systems, and other types of structured and unstructured data repositories. The company's commodity visibility, with drill-downs across commodity and part attributes, enhances the value proposition for large supply chains trying to reduce their parts, use inventories, and streamline supply. Although the product doesn't cleanse or enrich the data without outside content-cleansing partners, it does provide immediate information to take proactive action. Consider Spend Analysis as a cost containment and working capital enhancement.

The Design for Supply product gives design engineers visibility into their part choices as they design new products. Endeca provides both component part and supplier data that enhances the right part selection. Best-price products are easily compared against field performance and WEEE or RoHS requirements. Tying this into a PLM system would be a great next step for Endeca.

Ariba enhances On-Demand Supplier Network with collaborative abilities

Ariba enhanced its Supplier Network, a web-based business commerce and collaboration platform, with new capabilities that provide greater global collaboration among buyers and suppliers. The new capabilities include a supplier discovery service, transaction dashboard, and invoice quick enablement.

The supplier discovery service provides buyers the ability to identify new suppliers that support their business strategies. The suppliers can also tap into new business opportunities with the new profile attributes that provide buyers with a broader, more detailed view of the supplier's capabilities. Although suppliers have traditionally waited for payment for their services while purchase orders were matched to invoices, they are now quickly brought on board, enabling invoice generation without waiting on a purchase order.

The new dashboard functionality provides a broad view into transaction activities for suppliers and enables the supplier to manage the order lifecycle, including invoices. Greater visibility allows suppliers to quickly respond, providing more enhanced B2B processes.

With this enhanced network processing, Ariba is quickly becoming a major player in the B2B market. Watch for more to follow as the company positions itself as the B2B network.

User update: Indirect and services procurement technology demand has increased

More companies have been reaching out to AMR Research about indirect procurement over the past three months. The inquiries fall into two camps:

- Direct materials groups that want to help their indirect or corporate colleagues
- First-time CFOs and procurement directors that need assistance with managing their expenses

Global procurement, rising prices, and a focus on cost containment and reduction are driving the need. One high-tech direct materials sourcing agent put it this way: "I am responsible for 7% savings on a quarterly basis, but my indirect materials and services colleagues are still transaction focused. It's only now, with our CFO involved, that the bigger picture of all spend under management is understood."

Our "Supply Management Spending Report" was published earlier this year, citing supply management technology growth of at least 14.5%. While many said it was bullish, we see it as dead-on accurate, based on increased inquiry calls about applications, functionality, and capabilities; cost containment and reduction strategies; value-driven supply management performance metrics; and the increased attendance we see at vendor prospect conferences.

I look forward to your ideas and feedback—mnorthrizza@amrresearch.com.

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