COVAST EDI ACCELERATOR FOR MICROSOFT BIZTALK SERVER 2004

Who is Covast?

Covast Corporation, a leading provider of EDI (Electronic Data Interchange) integration software, has formed a strategic alliance with Microsoft Corporation to enable businesses with large investments in EDI, other legacy and proprietary systems to easily connect to Microsoft BizTalk Server 2004. The Covast EDI Accelerator for BizTalk complements the document transformation capabilities of BizTalk, providing a comprehensive EDI solution.

What is the Covast EDI Accelerator for BizTalk?

Jointly developed by both Covast and Microsoft on the latest .NET technology, the Covast EDI Accelerator is the recommended EDI solution for BizTalk customers. The EDI Accelerator is tightly integrated with BizTalk and leverages the new BizTalk Server 2004 adapter framework. Simply stated, the Covast EDI Accelerator provides BizTalk users an easy way to introduce complex EDI requirements into the XML framework of BizTalk Server and allows companies to utilize a single platform for handling all of their B2B activities

Covast Value Proposition

By combining Covast EDI Accelerator with BizTalk, businesses gain full support for their end-to-end EDI requirements, allowing them to easily integrate all their EDI infrastructures with internal applications and Internet-based trading partner relationships. Covast EDI Accelerator not only simplifies the technical challenges, it dramatically reduces the timeframe of implementation. BizTalk customers can establish connectivity and begin exchanging documents in weeks or even days. In addition, the solution's scalable design gives businesses the flexibility to migrate to XML one project at a time or across an enterprise.

While typical integration efforts focus on processes and transactions that occur within the enterprise, the EDI Accelerator enables companies to leverage processes outside the enterprise by facilitating transactions with their trading partners (customers, vendors, suppliers, etc.)

The Covast EDI Accelerator enables a company to standardize on the BizTalk Server integration platform. If a company is effectively utilizing BizTalk for all of its internal integration but is running a completely disparate, legacy-based system for EDI, they are not realizing the full potential of an integrated system. The Covast EDI Accelerator completes the picture by providing full visibility throughout the entire value chain.

Covast Key Product Features

The EDI Accelerator is designed to provide the most robust functionality of any EDI to XML solution available in the industry:

- **NEW! Built on the latest .NET platform, tightly integrated with Visual Studio.net (mapper, orchestrations, etc.). Allows easy deployments using wizards, clear distinction between design time and run-time**

- **NEW! Complete auditing and tracking within HAT (all XML and EDI documents in one view)** – Checks inbound and outbound documents for syntactic and semantic completeness, extensive filters, drill down to detail level

- **Full end-to-end support for complex EDI requirements** – Easily integrate EDI infrastructures with internal applications and Internet-based trading partners.

- **Control of EDI specifications and versions** – Maintain storage, management and editing of EDI standards.

- **Designed for the EDI professional** – Uses pre-defined rules or users can customize settings with a simple, intuitive GUI.

- **EDI to XML parsing/serialization** – Automatically render an XML representation of the EDI format.

- **Comprehensive VAN and Internet support** – Full connectivity to all major VANs and support over secure Internet protocols.

- **Advanced EDI capabilities** – From partner-specific outbound document batching to support for emerging Internet-based commerce standards, like AS2.

- **EDI envelope mapping and translation support** – Map to and from any envelope, regardless of its structure.

- **End-to-end functional acknowledgements** – Complete distribution, tracking and error management.

- **Scalable to business requirements** – Designed for one tactical project at a time or across an enterprise.

Why Covast for EDI?

While Microsoft customers have discovered that e-commerce connections are an efficient way to conduct business transactions with their trading partners, traditionally 80 percent of these transactions are still based on EDI. In fact, recent industry statistics show EDI's importance is not diminishing as expected a few years ago. Businesses are adding XML to their business-to business integration efforts to collaborate with trading partners in new ways, such as exchanging non-EDI related business documents.

Analysts report that, "EDI will not be replaced by the Internet, but will actually experience significant growth as systems are modified to link EDI to real-time, Internet-based communications that will provide the foundation for many new and sophisticated e-business process improvements." EDI's longevity is no surprise. Companies worldwide have invested more than 30 years and $100 billion to develop transactions that companies can use to communicate business information.

Originally championed by the auto, manufacturing and transportation industries, today more than 99 percent of the Global 1000 use EDI to support critical business processes. The reality is that many companies' core business processes (e.g., order management, funds transfer) rely on EDI systems. Disrupting these critical business processes is a risk that most businesses are not willing to take.

The combination of Covast EDI Accelerator and Microsoft BizTalk Server 2004 provides full support for end to-end EDI requirements, so businesses can easily integrate their EDI infrastructures with internal applications and Internet-based trading partner relationships. The solution simplifies the technical challenges and reduces the timeframe of bridging the gap from EDI to XML.

Why change an existing EDI system?

The old adage, "If it's not broken, why fix it?" is commonplace in the world of EDI. For most companies, EDI has been an integral part of their business for many years, and in most situations, they have been a long-time customer of their legacy EDI provider. Nonetheless, companies today must look to new solutions and technologies for managing their EDI and Enterprise Application Integration needs more efficiently.

There are a number of business drivers that can motivate a company to explore new EDI solutions:

- Need to eliminate or reduce VAN costs
- Implement a standardized, consistent integration environment
- Approach EDI from a EAI (BizTalk) perspective; eliminate disparate applications within the extended enterprise
- Need to switch or upgrade platforms (e.g. get off the AS400)
- Increase number of electronic trading partners to improve efficiency and reduce costs
- Expand types of electronic documents beyond just invoices and purchase orders
- Take advantage of new technologies (AS2, Web Services, XML, etc.)
- Enable Business Activity Monitoring (BAM) for EDI

- Incorporate EDI in business process orchestrations
- Out-grown EDI environment (technology, standards, volume, etc.)
- Need to handle increased business demand
- Securely and reliably exchange data between cooperating systems (warehouse system changing, new CRM, etc.)
- Need a standard, stable, supportable, architecture to manage B2B processes utilizing XML and EDI via multiple connections: VANs, FTP, HTTP, SMTP
- Need to react to demand or pressure from trading partners (large, new customer or account, large supplier, etc.)

Key Business Benefits

Reducing Complexity

- Companies can use the BizTalk environment to define, manage and react to business process needs (EDI)
- Provides a single, centralized view of business processes throughout the entire extended enterprise

Time to Value

- Implementations can be done in days or weeks, instead of months or years
- Lowering the cost of implementation (internal resources, consultants, personnel, training, etc.)
- Reduced maintenance costs by reusing a common set of integration services (BizTalk)
- Increased IT employee satisfaction through use of latest EDI and ecommerce technologies

Flexibility

- Supports a wide array of EDI and XML standards, protocols, VANs and applications
- Covast EDI Accelerator's scalable design helps businesses migrate to XML at a pace that best suits their environment– one tactical project at a time or across the enterprise.
- For BizTalk users, tight integration with MS BizTalk Server 2004 means an easy and familiar configuration

Handling Common Objections

Objection: Our last EDI implementation took over one year to get us into production… how can you help us meet our demanding timeline?
The Covast EDI Accelerator was designed as a tightly integrated component of BizTalk; therefore, the product can be configured quite easily. BizTalk users who are familiar with creating messaging ports and channels will find the configuration of the interface to be a simple activity. Therefore, typical implementations can be set to meet realistic deadlines.

Objection: Your solution is too expensive…
The Covast EDI Accelerator is price competitive with other BizTalk components and other EDI solutions in the industry. But comparing Covast to a traditional EDI system is a case of apples to oranges. The Covast EDI Accelerator enables you to leverage and extend the capabilities of your existing BizTalk environment. Plus, you will realize a quicker return on investment by utilizing your existing EAI platform and exploring internet based communication protocols (AS2, SMTP, HTTP) that can help reduce your costly VAN fees.

Objection: I'm concerned about the reliability of the Covast product….
Covast Corporation was exclusively selected from a host of best-of-breed technologies to develop a robust EDI solution for BizTalk. Covast now has over 80 satisfied customers worldwide and is the only technology that enables seamless integration to BizTalk.

Objection: I'm concerned about the scalability of the Covast product… can it handle my increasing volume?
Covast EDI Accelerator's scalable design helps businesses migrate to XML at a pace that best suits their environment–one tactical project at a time or across an enterprise. The solution can easily scale in a similar manner to the scalability of Microsoft BizTalk Server 2004 or can be scaled for smaller "seed" projects as business requirements mandate.

Objection: We're trying to save on VAN charges by using the internet, but we have serious concerns regarding security…how does Covast address this?
Earlier internet based transactions carried inherent security risks. Covast supports the AS2 standard for sending EDI transactions over the internet.

Objection: Why do we need two separate products? How is this different than what we are doing now?
The Covast EDI Accelerator is separate product from MS BizTalk; however, it has been developed as a tightly integrated component of BizTalk. Therefore, the product can be configured, controlled and orchestrated through BizTalk.

Objection: What about the mapping? Would this require training someone to do this in both BizTalk and the EDI Accelerator?
All mapping and configuration for XML and EDI documents is facilitated directly through BizTalk.

Objection: In addition to EDI, we also process RosettaNet transactions…
The BizTalk solution, in conjunction with Covast, enables you to handle RosettaNet PIPs and your current EDI transactions.

Tier 1 EDI Providers (Competitors)

For many years, the market has been dominated by large EDI software companies that provide translation software, VAN connectivity and consulting/services. As the demand for EDI solutions increased, EDI providers became price competitive on both software and VAN fees. Most recently, the traditional EDI providers have reacted to customer demand by supporting new technologies and standards. The major providers include:
- Sterling Commerce (Gentran product)
- GXS (formerly GEIS)
- Ascential (formerly Mercator)
- Inovis (formerly Harbinger and Extricity)

Quick Facts: Covast vs. Tier 1 EDI Providers

- Covast is the only EDI solution created exclusively for BizTalk customers; tightly integrated component
- Covast provides support for internet based protocols, which can help a company reduce their VAN charges.
- Implementations can occur within days or weeks
- Mapping and configuration are achieved through one application instead of disparate applications
- Total Cost of Ownership is lowered by leveraging BizTalk for enterprise integration, reducing VAN fees, providing easy and familiar configuration tools (eliminates need to teach new skills or pay for consultants) and shortening the overall timeline for implementation.

How Covast adds value to BizTalk

- Builds opportunities for Microsoft sales engagements where EDI is key to customer
- Provides BizTalk with an advantage over EAI competitors (webMethods, Tibco, SeeBeyond and IBM Websphere)
- Promotes BizTalk as a platform decision (.NET)

Glossary of Terms

EDI – Electronic Data Interchange
X12 – the US / North American standard format of EDI
EDIFACT – the European equivalent of x12
VAN – Value added network (traditional transport mechanisms for EDI messages)
Trading Partner – a supplier, customer, subsidiary or any other organization with which the company does business
Transaction Set – business document such as an invoice, purchase order, advance ship notice, etc.
EDIINT – EDI over the Internet (EDIINT) is a standard for transmitting data over the Internet using AS1 or AS2.
Translation Software – used to translate EDI data to a company's proprietary format and vice versa