MSA Australia gets enabled for e-Business using XML Yes solutions

This case study considers two companies, e-solutions provider XML Yes and end user, MSA Australia, a supplier of safety equipment. The case is in two parts. Firstly it will profile XML Yes, the company and its services, and then it will focus on MSA and the benefits it has enjoyed from using these solutions. This case is a good example of a company that is adopting both peer-to-peer (P2P) and e-marketplace methods to ultimately meet the differing requirements of customers and suppliers. The good news (for SMEs) is that affordable solutions do exist.

By Edwin Kuller, eMarket Services

Industry	**Metal and Mining**
Location	Globally
Company	MSA Australia [www.msa.net.au]
Products traded	Safety Equipment
Company Description	Largest global manufacturer of personal protective equipment
E-market	Quadrem [www.quadrem.com]
E-market Description	Strategic and non strategic goods, services and consumables to support the core mining and extraction industries such as; blasting, smelting, hydrometallurgical and electromagnetic processes and others.

Lessons Learned:

Smaller companies can get into ebusiness and enjoy the benefits at a fraction of the cost of what has been available previously.

XML Yes, founded in 1999, is an Australian privately owned software developer focusing on affordable turnkey solutions that enable companies, regardless of size, to trade electronically with their business partners. XML Yes provides a cost effective way for companies to electronically exchange business documents with a suite of award winning software products that provide turnkey B2B solutions. The patented technology developed by XML Yes delivers a complete B2B solution that handles all five essential steps of collaborative, integrated B2B, namely;

The B2B Pyramid of essentials tasks
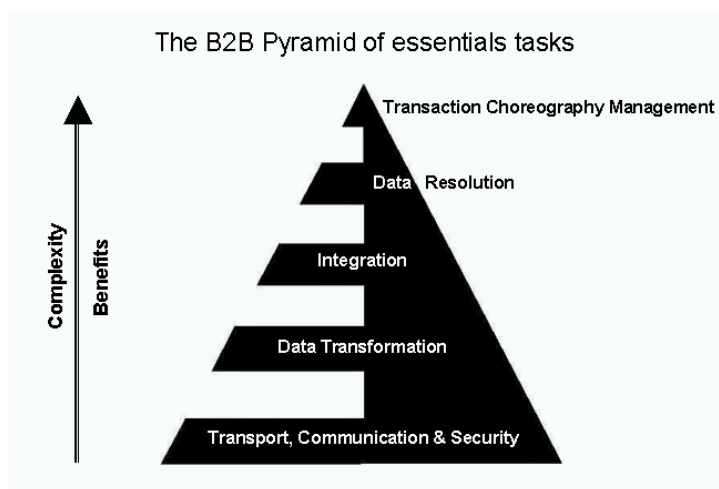
1. Transport/ Communications/ Security
2. Data transformation
3. Integration
4. Data resolution
5. Transaction choreography management

XML Yes has two product streams – TradeRoute and TradeForms – built to an XML based standard middleware functionality. Both solutions can be used in conjunction with a hub, e-Marketplace or Peer-to-Peer technology.

Read on to learn how MSA uses XML Yes's TradeRoute product to trade via the Quadrem e-Marketplace:

Initially MSA chose XML Yes to help them respond to the sophisticated requirements of large customers in the mining industry (PT Newmont) trading via the Quadrem e-Marketplace. At the time, MSA's business processes were manual, paper based, and costly. The flow of transactions via Quadrem however, known as the transaction choreography, is relatively complex and electronic, and the transactions are exchanged in xCBL format. MSA's ERP system was unable to generate the required transactions or respond to messages received. By integrating MSA to Quadrem, the TradeRoute solution provided the required functionality for the e-Marketplace in the required format and in compliance with the processes defined in the Quadrem transaction choreography. So now transactions via Quadrem are integrated with the MSA ERP system in a straight through processing manner that eliminates manual data entry and errors.

An additional benefit experienced by MSA was that because the first mining customer was an export customer as well, the TradeRoute solution also automated the production of all export documents required for trading with overseas customers such as the Shippers Letter of Instruction, Certificate of Origin, Dangerous Goods, EFIC Form, Export Tax Invoice etc. In addition, the data is exchanged electronically with their freight forwarder and Australian Customs, and there is a very positive impact on MSA's bottom line in claiming duty drawback since the relevant data is captured from overseas suppliers well in advance of the goods arrival. The TradeRoute product acts as a 'portal connector' allowing MSA to connect to other emarkets as the need arises. This is occurring domestically with a large Australian hardware distributor, Blackwoods, who purchases MSA products for resale. Blackwoods requested that MSA trade with them via B2BE.com, their B2B gateway. TradeRoute allows MSA to do this in the same way.

Dennis van der Mast, MSA's National Customer Service Manager states, "MSA has been able to increase the number of overseas customers six fold since automating our business

processes with the XML Yes solution and with the same staff levels as before. Our ability to fulfil orders and ship in a timely manner has improved dramatically. Our data entry staff are now proactive customer service focused, resulting in happier customers."

Supply and Demand Chain B2B Enablement

Once MSA had their B2B middleware up and running with suitably B2B enabled trading partners, the next major task in MSA's pursuit of improving their business processes was how to trade electronically with the majority of customers and suppliers who were not enabled for B2B. XML Yes developed a direct connect model for B2B with these trading partners that avoided the problems of fax/email, transactional websites and message exchange hubs.

Greg Doyle, MSA's e-Business Manager says, "What we wanted was a low cost and easy way to trade electronically with the hundreds of trading partners in our demand and supply chains who use the phone and fax for doing business. By integrating the TradeForms B2B solution to our back end system, we eliminate the data entry workload and achieve very significant cost savings and improved service levels at the same time, which is a big win for MSA and our trading partners." The resulting TradeForms solution provides guaranteed, secure messaging between customers and/or suppliers in a flexible, assisted peer-to-peer model. This has many advantages compared to fax/email, proliferating transactional websites, and message exchange hubs that charge transaction fees and do not allow for individual company requirements. MSA is able to distribute an intelligent, Java client to their trading partners that provides an integrated solution for the trading partner as well as MSA. The full spectrum of transaction types and documents can be implemented including an easy to use pricelist with ordering facility that allows MSA customers to choose products and submit the order directly to MSA's ERP system, and receive acknowledgements, backorder information etc. via secure, guaranteed messaging. Unlike a transactional MSA website however, TradeForms can be used by the customer for any of their suppliers, thus increasing the value to the MSA customer even more.

Rob Thompson, Director of XML Yes summarises by saying "Once SMEs learn that they can gain very significant business benefits by integrating to e-Marketplaces and connecting collaboratively to their trading partners (as the case demands) using affordable, low impact B2B solutions that give quick wins, the true value of e-Business can be realised within demand and supply chains"

MSA's Greg Doyle concludes "…..all this allows smaller companies to get into ebusiness and enjoy the benefits at a fraction of the cost of what has been available previously….."

This Case study was first published September 2004