



Uniform Code Council, Inc.

Electronic Commerce

UCC XML Strategy

10/26/99

The Global Language
of Business

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XML Strategy Summary

Why UCC?

Introduction



The UCC XML Strategy is a component of the overall UCC EC Strategy.

The UCC XML Strategy:

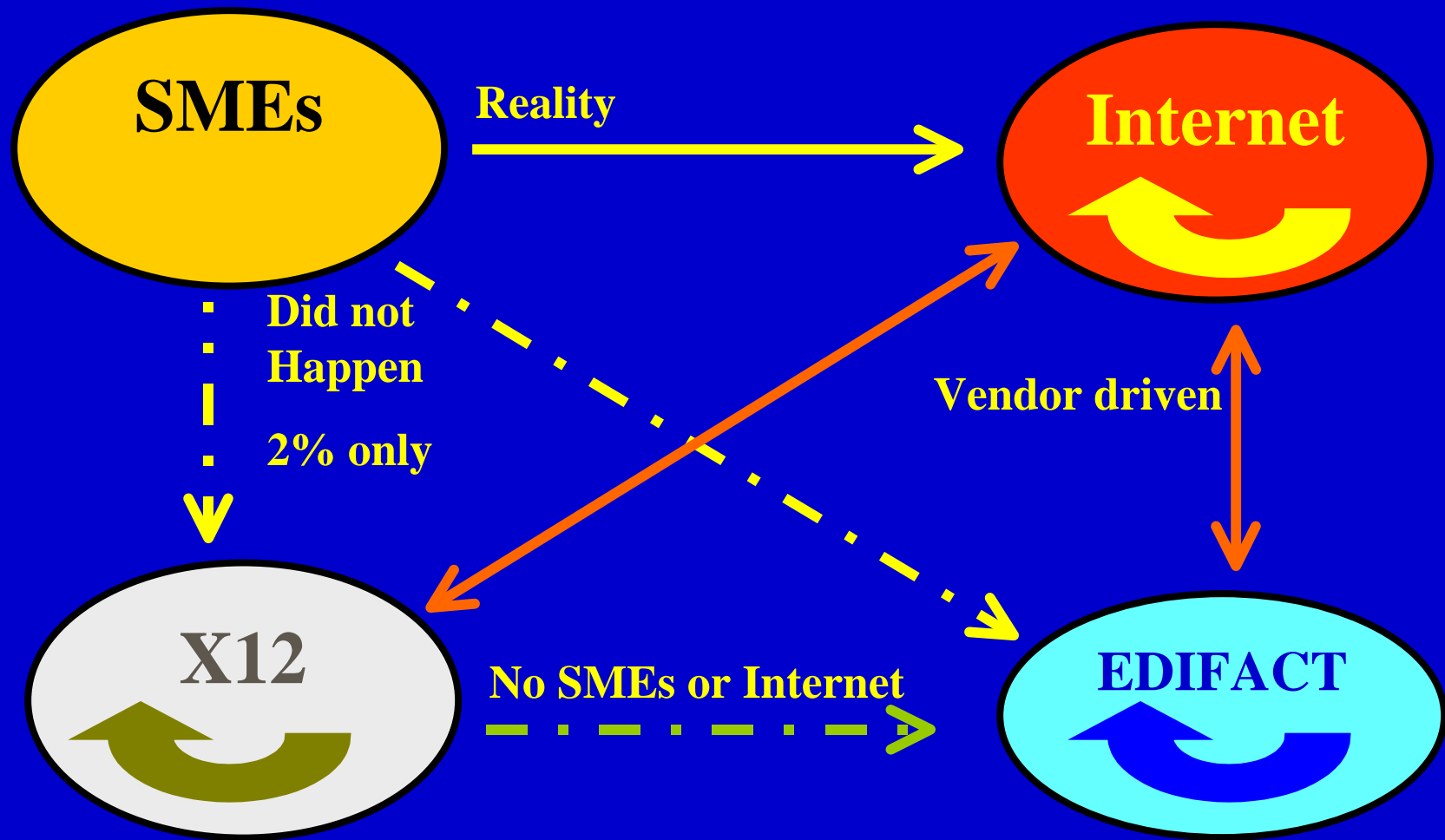
- outlines the UCC position and direction in the EC arena
- is targeted at both business and technical community
- has been developed with industry experts and users participation

UCC Electronic Commerce (EC) Goal

The Goal

“To develop a set of global standards, products and services that will enable trading partners to conduct electronic business while leveraging and enhancing their existing investment in electronic commerce”.

EC Market Categories



Business Scenarios Supported

The strategy will focus on Business-to-Business (B2B) model but it will also support Business-to-Consumers (B2C).

It will enable the following transaction scenarios:

- EDI Buyer to EDI Seller
- EDI Seller to Internet Buyer
- Internet Seller to EDI Buyer
- Internet Buyer to Internet Seller

Why Need XML Strategy?

Issues with EDI

- Complex to understand and implement
- Implementation costs are high
- Standards change process is slow



EDI Market Position

- Did not penetrate SMEs (only 2%) *
- Full integration of transactions with applications is not common

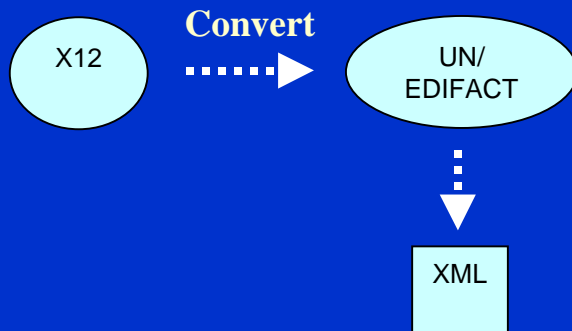


Internet is changing the way businesses operate

- Internet allows companies to conduct global e-business
- Direct business transactions (no third parties)
- Real time transactions

Alternative Solutions Considered

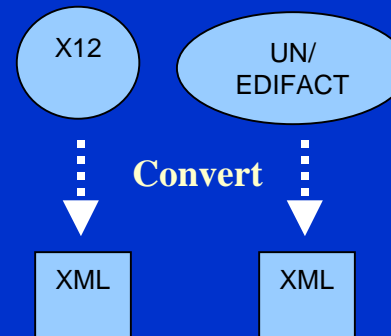
"Migrate, then Convert"



Problems

- Focus on transaction
- Conversion is expensive and time consuming
- Internet opportunity will be missed - someone else will do it

"Convert Directly"



Problems

- Focus on Transaction
- Vendor driven
- How do we manage it?
- Migration to new technologies difficult

Alternative Solutions Considered

"Let's do it right"

Focus on Process

Establish Technology Foundation

Transparent Trade

Common Processes, Data, Data Dictionary

XML Standards

XML Schemas

Application

Non EDI

XML Converter (Optional)

EDI

X12

UN/EDIFACT

Application

Application

Opportunities

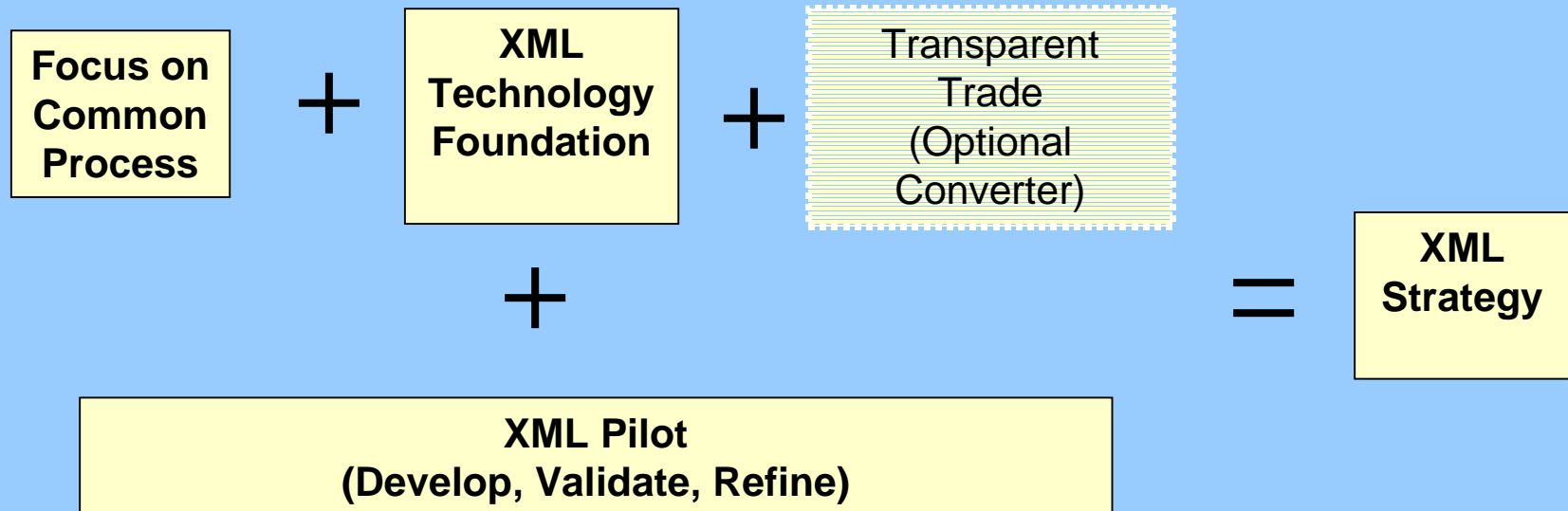
- Industry driven
- XML is manageable
- Unbundle business data from transport mechanism
- Can take advantage of new technologies
- Build bridges to EDI to protect investment
- Can be extended to other industries

Why XML?

XML is a technology that offers a solution that can leverage legacy EDI with the new internet world.

- XML is a technology enabling the definitions of customized markup languages (Schemas) for different classes of documents or messages.
- All popular browsers offer XML support.
- Supports robust linking to other documents.
- Is extensible. A complex document can be created from simpler ones.
- XML is a technology that enables disparate systems to exchange structured data.
- XML has support among many vendors, standards organizations and companies.

What is UCC XML Strategy?



The XML Strategy Objectives

1. Focus on Process

To move away from a transaction focus to a process focus. With user community participation, move forward with standards development using Object Oriented Methodology and Unified Modeling Language (UML).

- A Business Process Library/Data Dictionary will be created to act as a repository of processes and data

2. Technology Foundation

To establish a foundation that will let users conduct trade using platform independent standards and quickly take advantage of emerging technologies.

- XML standards and schemas will be created

3. Transparent Trade

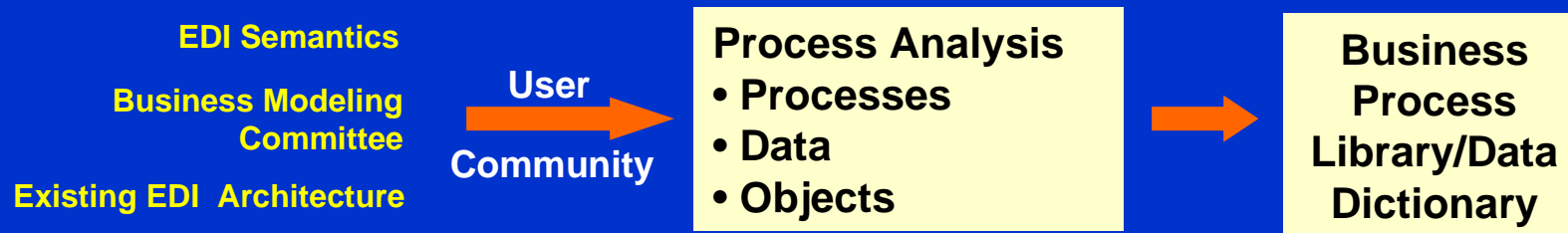
To make it transparent for the users of current EDI (X12, UN/EDIFACT) to conduct trade.

- Optional XML-EDI Converter

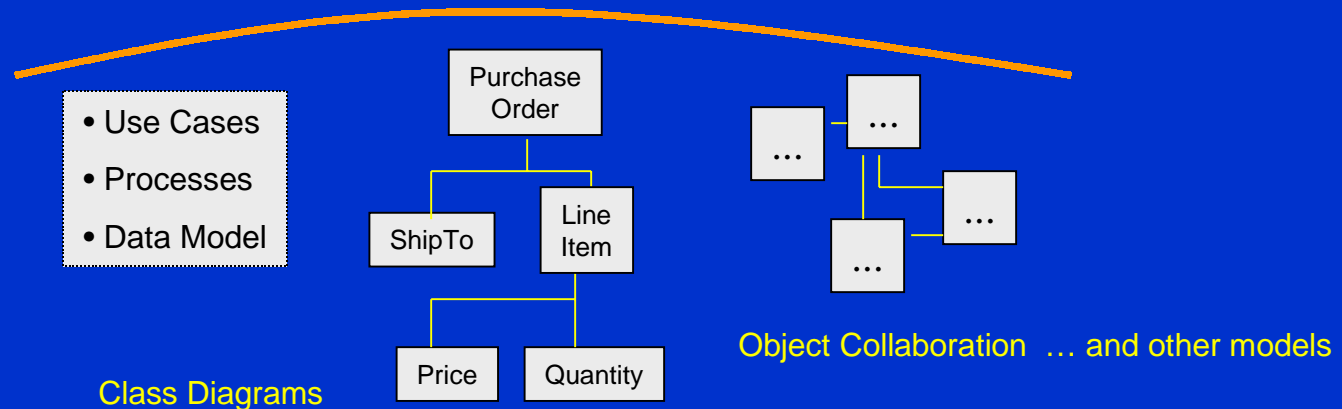
The XML Pilot will validate and refine the approach.

Focus on Process: Process Analysis

Defining Common Processes and Data



Logical Models



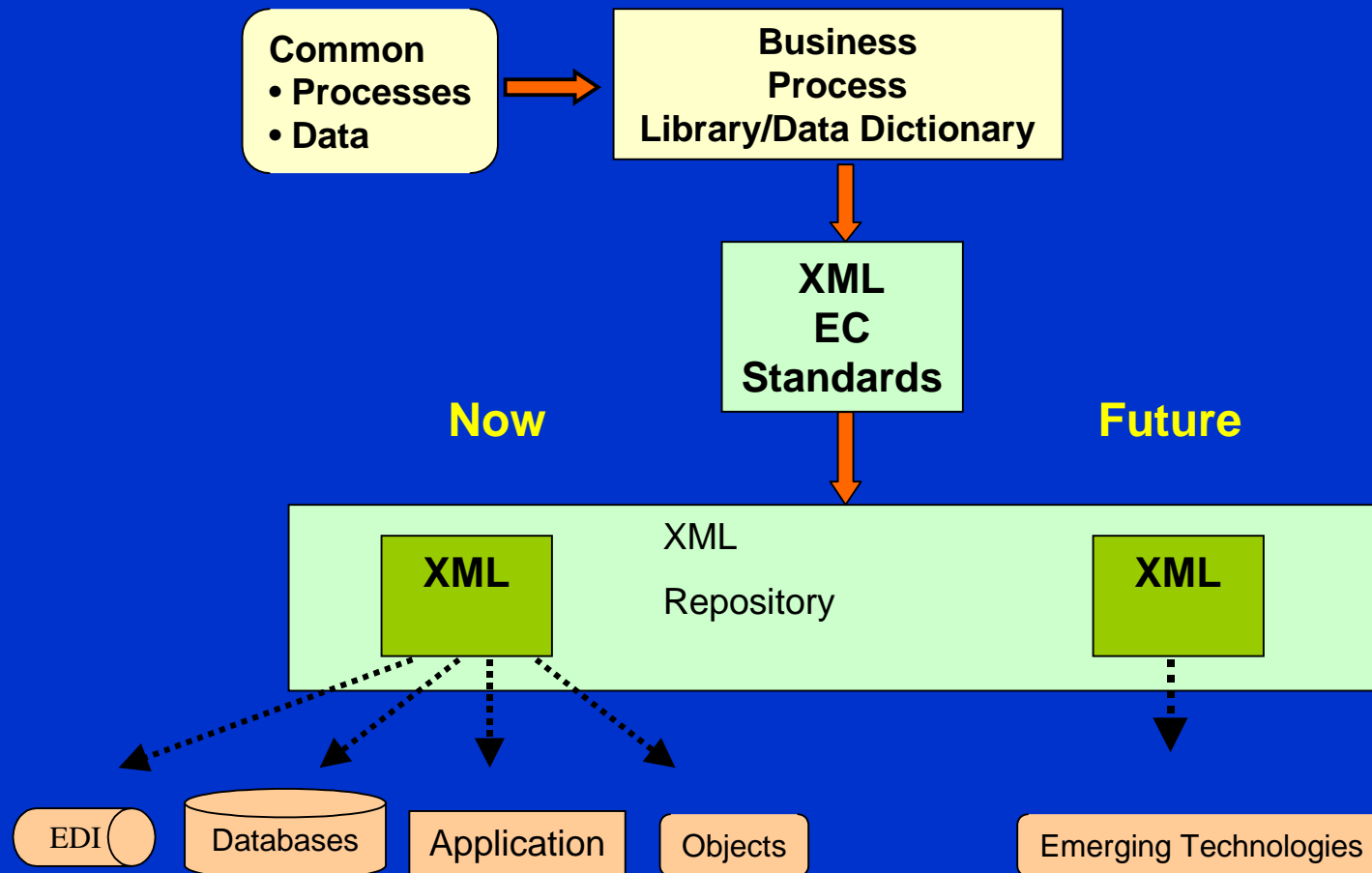
Common Processes ==> Common Data ==> Common XML ==> Common Objects==> Components

Focus on Process: Benefits

Benefits

- Involve user community experts and industry representatives in defining common processes and data.
- Create Business Process Library / Data Dictionary as a shared repository.
- Leverage EDI Semantics and transition business knowledge embedded in EDI to XML.

Technology Foundation: Now and the Future

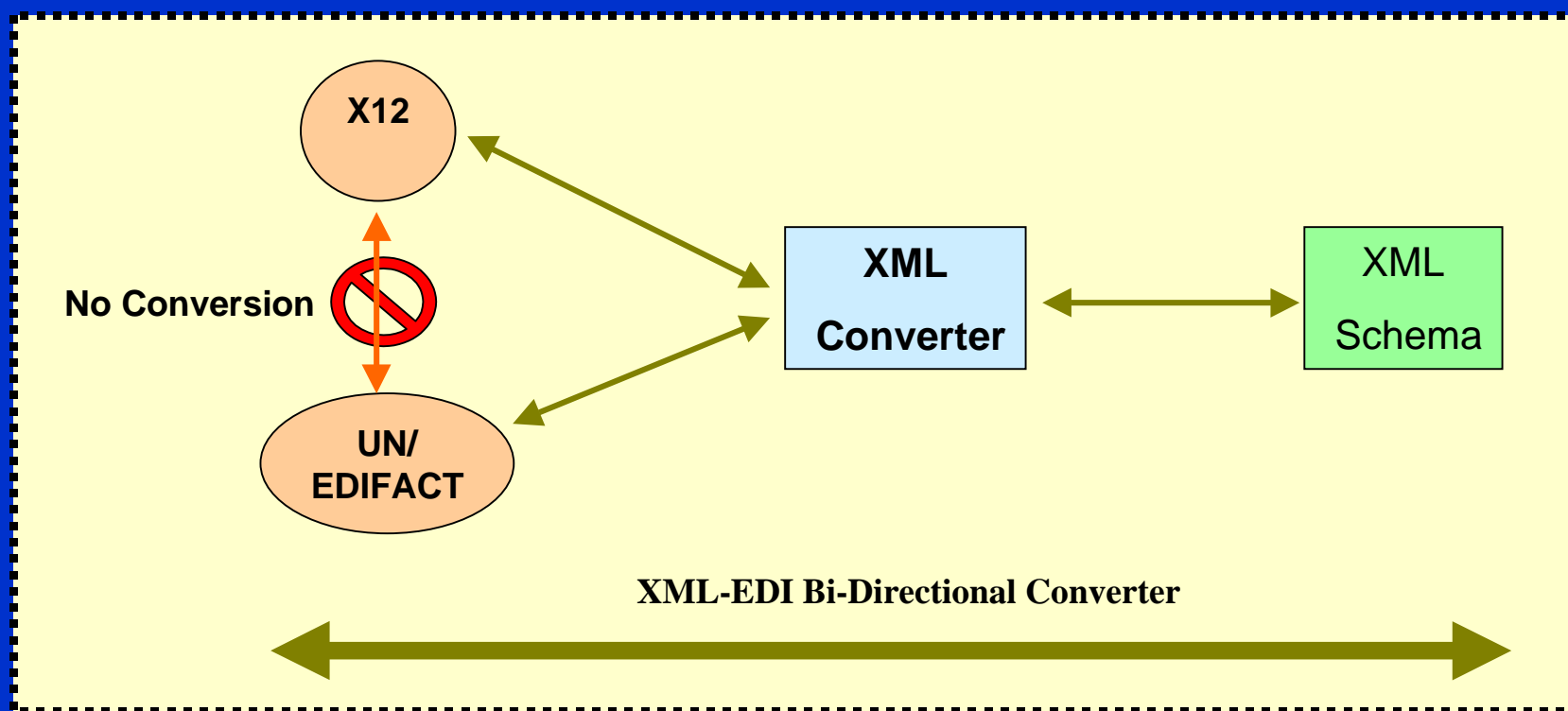


Technology Foundation: Benefits

Benefits

- Easier to translate business requirements to XML
- Independence: Platform and transport mechanism
- Flexibility: objects can be assembled from multiple components
- Implementing XML now will enable the transition to emerging technologies in the future.

Transparent Trade: Optional Bridge to Legacy EDI Applications

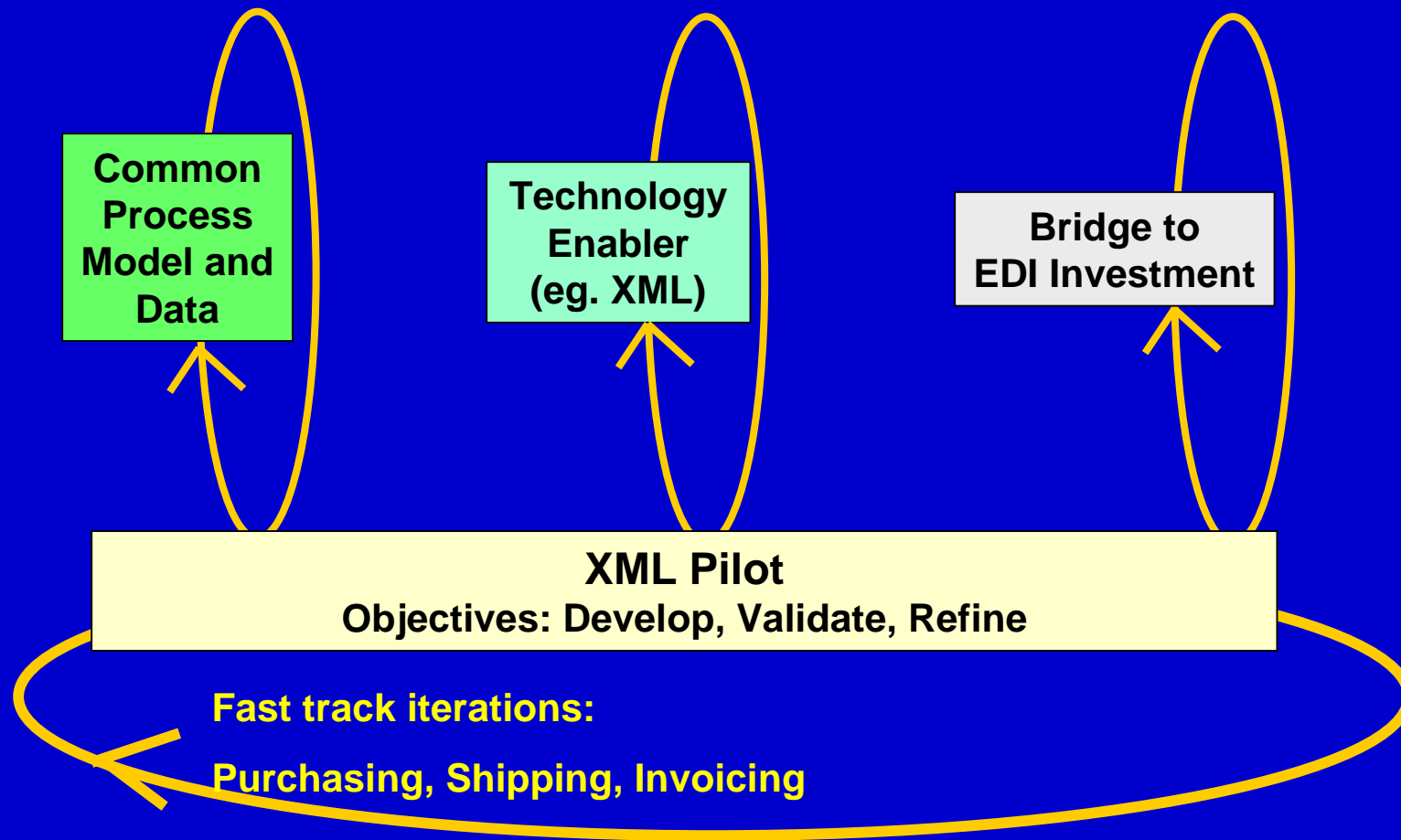


Transparent Trade: Benefits

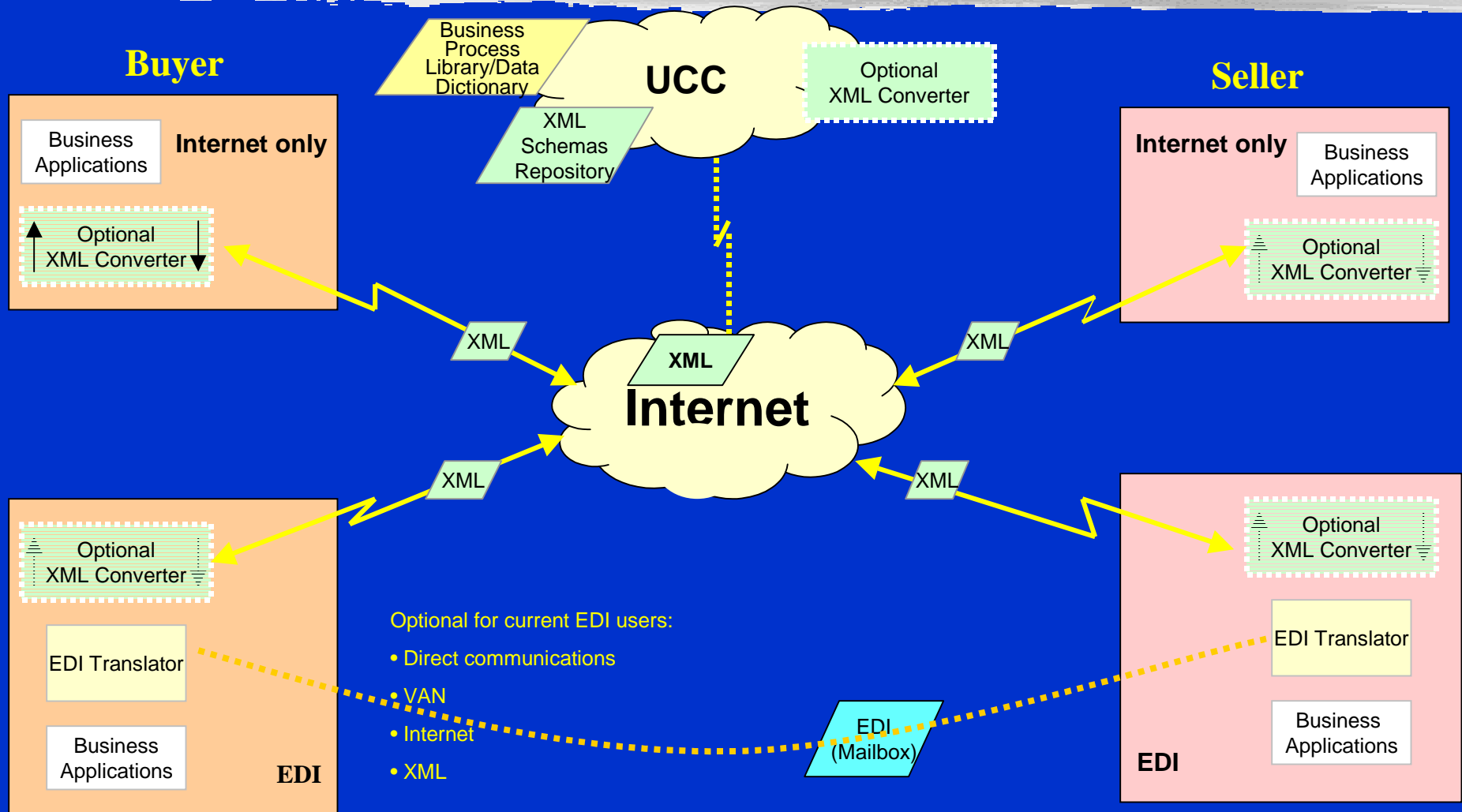
Benefits

- Preserves Legacy EDI Applications and enables Internet trading.
- No time consuming and expensive conversion from X12 to UN/EDIFACT.
- Generic solution will benefit users.

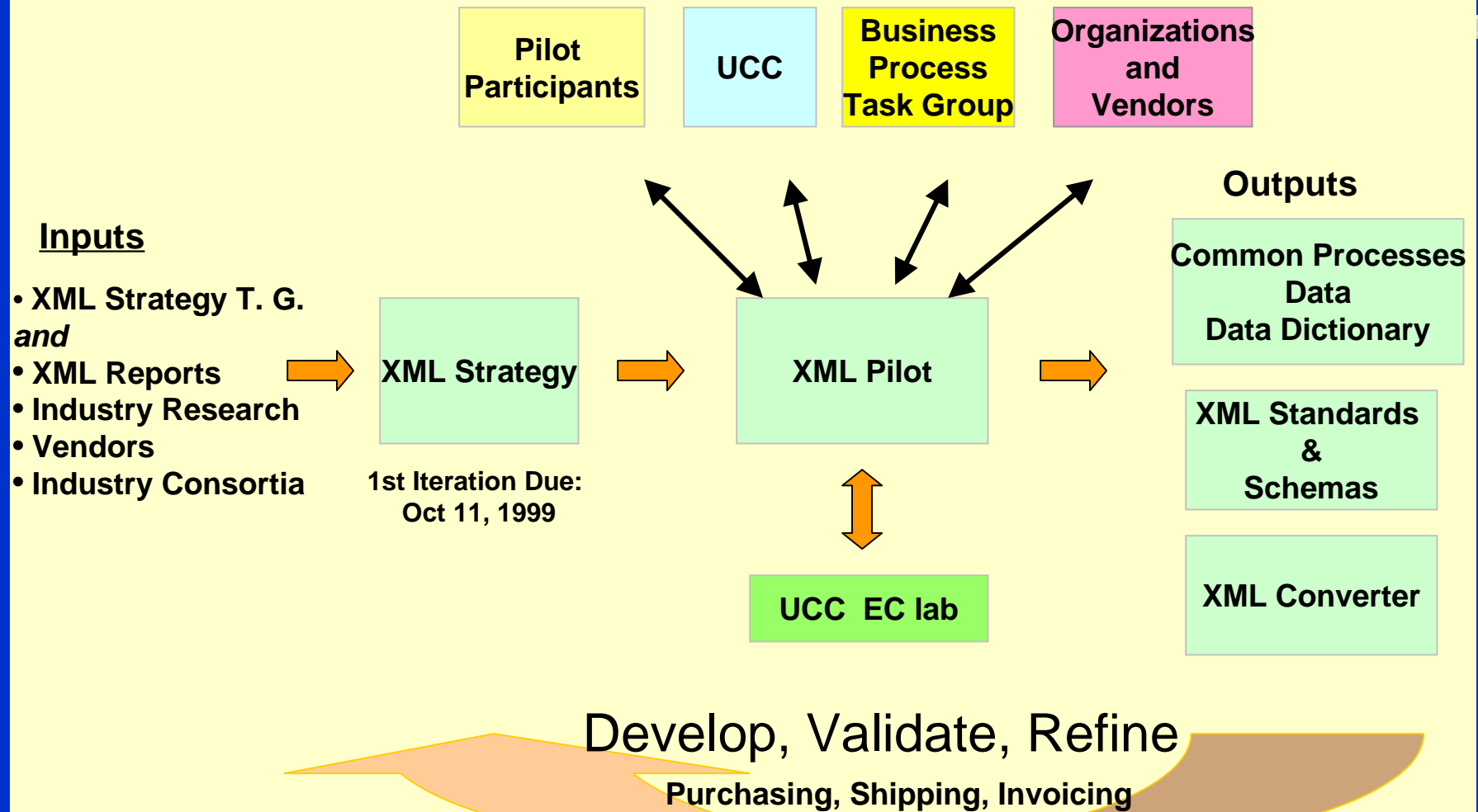
Pilot brings it together



Execution Architecture



XML Pilot



Pilot Deliverables

Strategy Objectives:

Focus on Process

Technology Foundation

Transparent Trade

Deliverables:

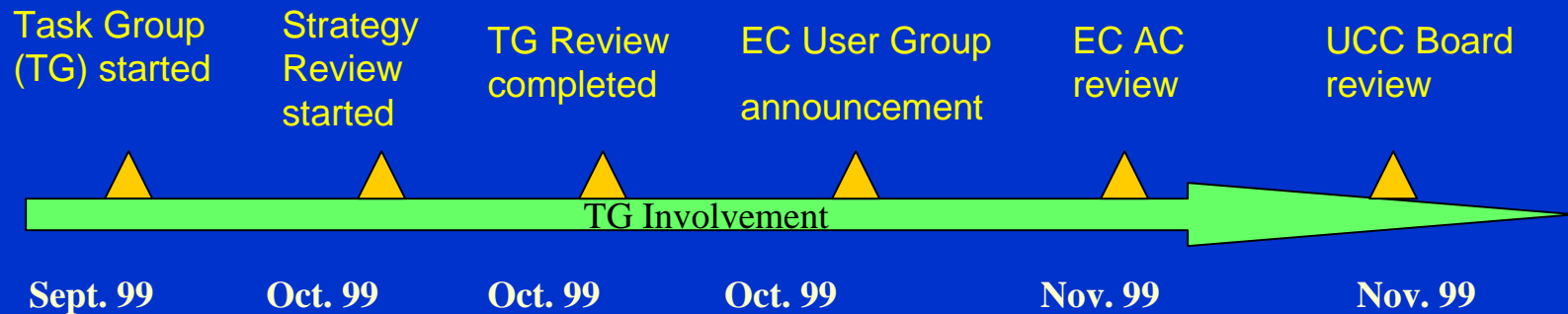
- Common Processes and Data
 - Business Process Library/Data Dictionary
 - XML Standards and Schemas
 - Frameworks (for development and implementation)
 - Schemas for Purchasing, Shipping, Invoicing
 - Repository
- XML Converter Specifications

Pilot Participants

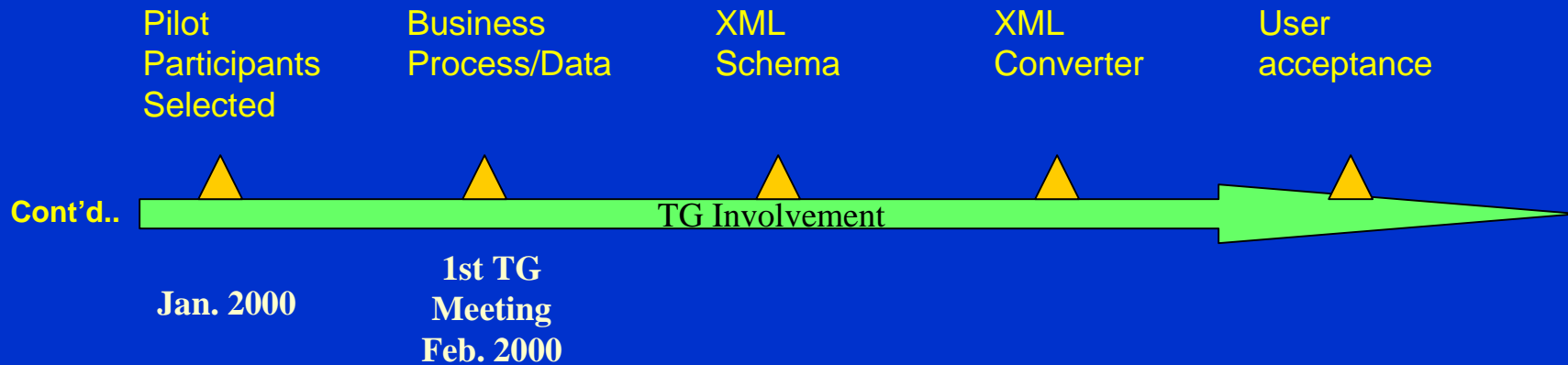
XML Pilot Participants

- Cross-section of companies in global presence, company size and technical platforms.
- Pilot Participant Requirement Document is being drafted.
- Several companies are interested.

XML Strategy Milestones



Three iterations:
Purchasing, Shipping, Invoicing



XML Strategy Implications

- **There are many solutions**
Need to surface above proprietary, narrowly focused solutions available from vendors and other XML initiatives. Indications are that the approach will work (RosettaNet).
- **Need to develop an accelerated XML standards development process**
- **Role and participation of EDI and XML organizations and vendors**
- **UCC has a short window of opportunity and must act now.**

XML Strategy Summary

UCC XML Strategy

- New standards will be built by focusing on processes. The knowledge embedded in EDI will be leveraged
- XML will establish technology foundation that will position us to take advantage of emerging technologies
- Trading for EDI users with non-EDI users using Internet will be transparent.
- XML Pilot is paramount to successfully implement the XML Strategy in a reduced time frame.

Why UCC?

We are well positioned to succeed in implementing the XML Strategy.

UCC has:

- Expertise in standards development.
- Access to experts and user forums.
- Relationship with software providers.
- Relationship with Value Added Networks.

UCC can make it happen faster.

UCC XML Strategy

