

Managed File Transfer for Large Enterprises

\$10B GLOBAL SERVICES FIRM

Original Goal

- 100% compliance
- Improve service levels

Strategic Value

- Eliminated \$150,000 in monthly point-to-point connection fees

- 40% savings in support labor
- Reduced software maintenance fees 50%
- Reduced new trading client onboarding time to 2 weeks
- 100% compliance

If your business focus is making, moving or selling products or services, data in motion is not necessarily the heartbeat of your company. Unlike a financial institution, this data on the move is secondary, simply a supporting element of the core business. Does that make transporting data less important, less hazardous? What would happen if a confidential partner contract, or the blueprints for an innovative new product, or an employee's stock option agreement went awry? According to BusinessWeek, more than \$50 billion worth of intellectual property is lost every year. Even more disturbing is the risk of legal and regulatory non-compliance—potentially millions of dollars in fines and legal fees for each incident.

In thinking about these risks, connectivity to third parties like customers, supply chain partners, government agencies, and even your own financial institution may become an elevated concern. Most businesses' electronic data interchange (EDI) protocols deal relatively well with structured data like invoices, payments and standard transactions. However, even the most robust EDI cannot adequately handle the complex documents required for business relationships. Furthermore, when combined, the movement of structured and complex files may total thousands or hundreds of thousands. The sheer volume places a tremendous burden on the ability to effectively manage data-in-motion, not to mention monitor, enforce or report.

Managed file transfer [sometimes incorrectly referred to as secure file transfer], eliminates the complexity of data movement, and in many cases can become a differentiator as firms

can quickly provision services (on-board). One Fortune 50 company streamlined file transfer across corporate customers with managed file transfer and eliminated \$150,000 per month in point-to-point (frame relay) connection fees, achieved a 40% savings in support labor, and reduced software maintenance fees by 50%. These achievements were in addition to satisfying the firm's original goals: more rapid on-boarding of new trading partners, now two weeks instead of three months, and improve availability and compliance. Their success was a direct result of the desire to ease business community complexity.

The message is clear: the infrastructure necessary to support the business community offers an opportunity to significantly reduce operating costs, while improving compliance, security and reliability. Managed file transfer eliminates the complexity created by point-to-point connections coupled with layered architectures and systems. Leading companies are also looking to managed file transfer to meet governance and reporting requirements, to streamline communications, and quickly provision services (on-board).

To fully understand the value of managed file transfer, it's helpful to take a quick glance back at history and how data and files have been mishandled along the way. Data exchange is not a new idea, and methods have evolved over the years. At first, email was the preferred method, with large files as attachments. Security, reliability and traceability are hallmark problems of this medium, and as early as 2007 Gartner predicted that by 2010, 40% of companies using email will employ alternate means of transporting files of any size. Interestingly, instant messaging became a workaround for those who wanted to circumvent email attachment restrictions. Even more vulnerable than email, this vehicle also meant that sender and receiver had to be online simultaneously in order to move the data from point A to point B. Certainly a most inconvenient obstacle.

FTP, or file transfer protocol, has become the popular method for moving data and files. It's a step in the right direc-

CRITICAL SERVICES

Provisioning fast time-to-value

Validation protection—only those with authorization send/receive files

Visibility for governance and compliance

Monitoring seamless, transparent remediation

Enforcement fast response and resolution, avoid risk

Measurement clarity for those who make decisions and take action

tion, but still does not meet the very stringent requirements imposed by government regulation or even typical business process reporting needs. The audit trail is still absent, and there's no guarantee that recipients actually retrieve files. In many ways, FTP is still a manual process.

Finally, recent third-party and internal solutions lack the capacity and capabilities necessary to handle the full spectrum of complex file types used throughout business today. Home-grown systems in particular place an unusually large burden on the business, in order to support otherwise unnecessary skill sets.

This basic understanding of what companies have already tried helps pave the way toward exploring the critical capabilities that define managed file transfer. These very specific services work in harmony and become the hallmark of a “complete” solution, whether it is deployed as software or as software-as-a-service (SaaS). Select a managed file transfer without best-in-class across these key services, and you might as well return to archaic connections.

Provisioning (on-boarding) as a fully integrated, automated, self-service process within the managed file transfer platform vastly improves time-to-value as new divisions and trading partners on-board within days rather than weeks or months, and they quickly begin to contribute financially.

Validation, or a rules-based file transfer process”, ensures that those sending data or documents have the authority to do so, and that the recipients have the correct authorization to receive the material.

Visibility across the entire business, regardless of disparate systems, enables corporate, business units, partners and those responsible for corporate governance to take appropriate

steps to ensure conduct within approved processes. When the solution provides for roles-based views and infinite drill-down, it masks the complexity across customers and external trading partners, as well as the complexity of IT components. It becomes the framework for robust reporting and auditing of service level agreements and other complex documents.

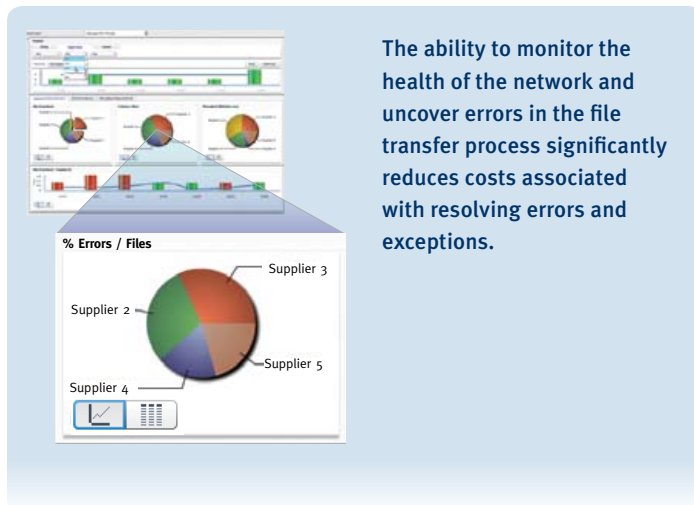
Monitoring enables seamless, transparent remediation to resolve chronic errors across internal teams, trading partners, and third parties. It tracks the messages, files and transactions across systems and people, and provides real-time actionable intelligence regardless of sender or recipient type—from person or machine, to person or machine. In this context, there is a mechanism to ensure the audit trail combined with the ability to take action on specific issues.

Enforcement and the policies around performance, risk, identity, access and authentication, is closely tied with validation, which can only take place when there is a robust structure to define and control policies. Furthermore, a central console reduces the number of environments and specialized scripting, which improves compliance. Fully automated exception management provides the ability to monitor the health of the network and data movement to uncover errors in the file transfer process. Alerts, triggered notifications and drill-down views to root causes speeds up response and resolution, and significantly reduces the cost associated with resolving errors and exceptions.

Measurement makes it possible to assemble and present the data about file transfer performance and compliance. Bringing clarity to every facet of data-in-motion, those involved in the process, or who have a need to make decisions or take action have permission-based access to report cards and metrics, improving trading relationships, customer service and enabling competitive differentiation.

While complexity and service levels may drive a need for managed file transfer, scalability and security are usually the two most common attributes business community managers demand. The range of integrated services and the delivery method can offer tremendous value as well. “Scalability” and “security” though, are relative terms, and many providers' systems are as disconnected as the business community they're trying to support. Companies should look for fully integrated services, especially those identified as the most critical

value drivers. With the right managed file transfer solution, businesses should achieve reliable connectivity, the ability to quickly on-board trading partners, eliminate the backlog of demand, and wipe out the even larger backlog of unresolved transaction “exceptions.” The infrastructure intended to enhance and manage connections to third parties can be cost efficient, highly available, and relieve businesses of a critical process that exists outside their core expertise.



About GXS

GXS is a leading global provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration among trading partners. Organizations worldwide, including more than 70 percent of the Fortune 500, leverage the on-demand services on GXS Trading Grid® to extend supply chain networks, optimize product launches, automate warehouse receiving, manage electronic payments and gain supply chain visibility. GXS Managed Services, GXS' B2B outsourcing solution, empowers customers with the expertise, technical infrastructure and program support to conduct B2B e-commerce with trading partners globally. Based in Gaithersburg, Md., GXS has an extensive global network and has local offices in the Americas, Europe and Asia-Pacific regions. GXS can be found on the Web at www.gxs.com.

INOVIS, A GXS COMPANY

11720 AmberPark Drive
Suite 400
Alpharetta, GA 30009, US
+1-877-446-6847 t
+1-404-467-3000 t
+1-404-467-3730 f
www.gxs.com

NORTH AMERICA AND GLOBAL HEADQUARTERS

9711 Washingtonian Blvd.
Gaithersburg, MD 20878, US
+1-800-560-4347 t
+1-301-340-4000 t
+1-301-340-5299 f
www.gxs.com

EUROPE, MIDDLE EAST AND AFRICA

18 Station Road
Sunbury-on-Thames
Middlesex TW16 6SU
United Kingdom
+44 (0)1932 776047 t
+44 (0)1932 776216 f
www.gxs.eu

ASIA PACIFIC

Room 1609-10
16/F China Resources Building
26 Harbour Road, Wanchai
Hong Kong
+852 2884-6088 t
+852 2513-0650 f
www.gxs.asia.com