



IBM Software Group

## 2005 B2B Customer Conference

*Pioneering New Horizons – Solutions that Evolve*



### Blazing a New Trail: B2B at Michelin

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WebSphere. software

ON DEMAND BUSINESS

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## Agenda

- Trail Markers - Getting to Know Michelin
- Blazing a New Trail – Michelin's Approach to B2B
- Life on the Frontier – Challenges and Opportunities
- Frontier Settlements – Michelin Projects
- Success on the Frontier – Futures & Recommendations



## Michelin Overview

### Trail Markers



### Michelin Market Sectors...

- Tires - Passenger, Truck, & Specialty



- Mobility Assistance Systems



- Travel Assistance Services



### Michelin means...

- 75 manufacturing locations
- 1 Technology Center on 3 continents
- 6 rubber plantations in 2 countries
- Close to 127, 000 employees
- 2004 consolidated sales of 15.7 billion Euros

### Michelin yearly production...

- 194 million tires
- 19 million maps and guides



## Michelin Innovations

### Trail Markers



- 1891: First removable bicycle tire
- 1895: L'Eclair: the first motor car on pneumatic tires
- 1900: The Red Guide
- 1905: The steel studded sole
- 1906: The removable rim
- 1910: Road maps
- 1912 : The petition for road numbering
- 1913: The steel spare wheel
- 1931: Road signs
- 1936: Le Métalic: the first tire with a steel casing
- 1946: Patent lodged for the radial tire
- 1955: Majority of European manufacturers adopt radial technology
- 1952-84: Radial technology adapted to all types of tires
- 1994: Energy
- 1995: Space shuttle tires
- 1998: Pax system
- 2001: NZG radial on the Concorde



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## World Wide Approach to Integration

### *Blazing a New Trail*



- **Established a Global Integration Service Center**
  - Consolidated worldwide integration architecture and development in our NA headquarters
  - Established front-office operations in each zone
- **Established a standard technology footprint**
  - Standardized on the WBI stack
  - Implemented a decision tree based on standard patterns
  - Working on conversion efforts to get to the standard stack
  - Working on creating a global standard infrastructure to meet the needed SLA's



## World Wide Approach to Integration

*Blazing a New Trail*



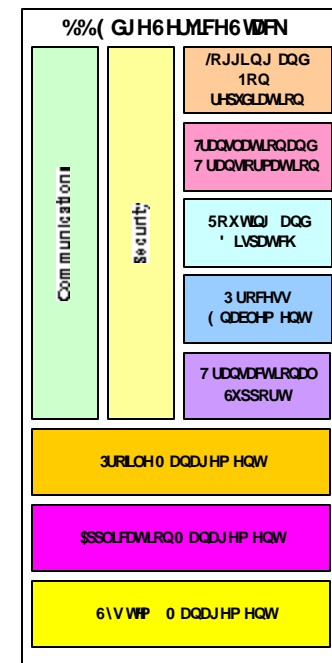
- **Created Foundation Projects to...**
  - Understand the technology and its capabilities and limitations
  - Establish the technology infrastructure
  - Establish the organization and processes
- **Established a Relationship with Software Provider to...**
  - Get support
  - Provide feedback
  - Evolve the product

## World Wide Approach to Integration *Blazing a New Trail*



### Documented our Vision for Integration Services

- **Communications** - Ability to handle various styles of communication and B2B protocols
- **Security** - Ability to handle authentication, authorization, audit, and administration
- **Profile Management** - Provide a vehicle for storing critical information about trading partners and the established exchanges
- **Application Management** - Provide a vehicle for managing the B2B applications environment and its interactions with partners
- **System Management** - Ability to monitor the status of the systems environment and to stop and start components gracefully





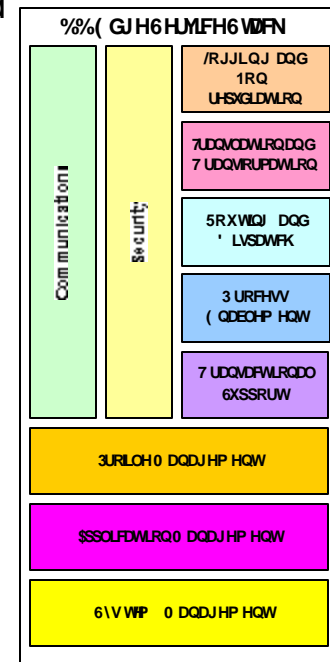
## World Wide Approach to Integration

### *Blazing a New Trail*



### Documented our Vision for Integration Services

- **Logging and Non-Repudiation** - Ability to persist detail and summary information about the message in its original format from the partner
- **Translation and Transformation** - Ability to handle accept various document formats (X12, xCBL, BODs, PIPs, csv, COBOL, ...) and provide complex syntactical and semantical transformations
- **Routing and Dispatch** - Ability to launch the appropriate application service(s) upon receipt of a message
- **Process Enablement** - Ability to launch the appropriate business process upon receipt of a message
- **Transactional Support** - Ability to maintain state of a long or short running transaction with a business partner and to compensate for failed transactions



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- Homesteads and Settlements – Michelin Projects
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## Challenges and Opportunities

*Life on the Frontier*



- B2B is difficult stuff, no matter how easy some try to make it sound.
  - Interoperability (format, semantics, connectivity)
  - Security
  - Quality of Service Guarantees
  - Operations
  - Management
- Managing client expectations
  - Secure, non-repudiated, once-only guaranteed delivery with notification but they want to use native FTP?
- Turf issues with applications development teams



## Challenges and Opportunities

*Life on the Frontier*



- Level of partner B2B maturity
  - Ability or willingness of partner to play well with you
  - Special demands of key partners
- Maturity of the product as compared to our needs and requirements
- Back-end systems ability (or lack there of) to integrate
- Operational visibility of transactions end to end
- Testing with partners is challenging and time consuming
- Lack of interoperability with partner's tooling (nuances)
- Standards are a moving target



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# Michelin Projects – Integration Foundation

## Frontier Settlements



### Business Objectives:

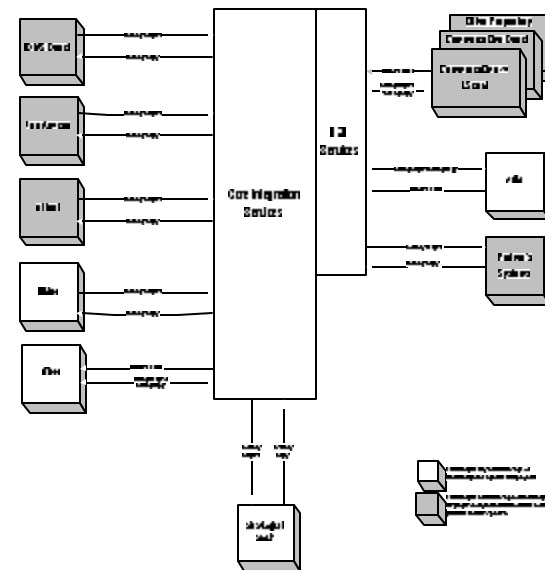
- Install and test Michelin's integration infrastructure
- Provide a set of reusable integration services

### Key Characteristics:

- A2A & B2B interaction
- Synchronous Request Reply Messaging
- Key Technologies: IDMS on the mainframe, Ariba cXML & CommerceOne XCBL, mainframe web services, XML transformation

### Transactions:

- Inventory Inquiry
- Catalog Punch Out
- Purchase Order



## Michelin Projects – Delta

### Frontier Settlements



#### Business Objectives:

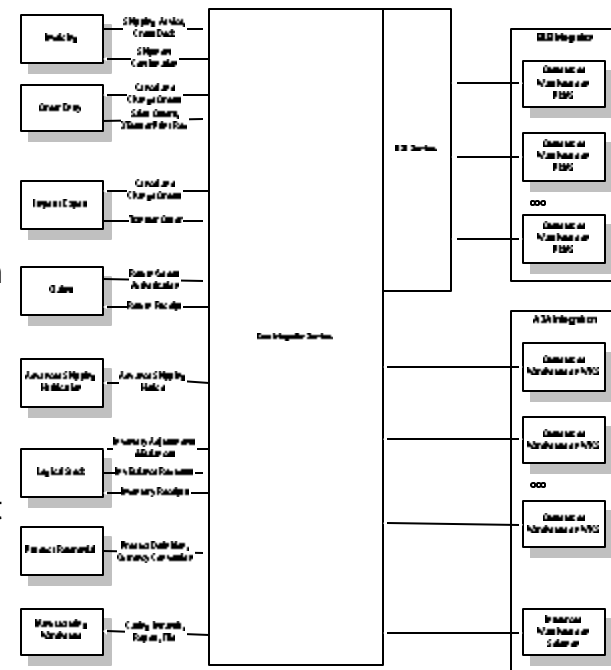
- Provide a real-time EAI/B2B framework to enable outsourcing Michelin's distribution network and allow the outsourcer to use their own system.

#### Key Characteristics:

- A2A & B2B interaction
- Publish and Subscribe with significant transformation
- Near-real time asynchronous messaging
- Key Technologies: IDMS on the mainframe, MPE on HP3000, web services, Tibco on the partner side
- 8 mainframe applications and 20 distributed warehouses with 3 different warehouse management systems

#### Transactions:

- 44 transactions grouped into 4 major categories related to the management of a distribution center



## Michelin Projects – Point of Sale

### Frontier Settlements

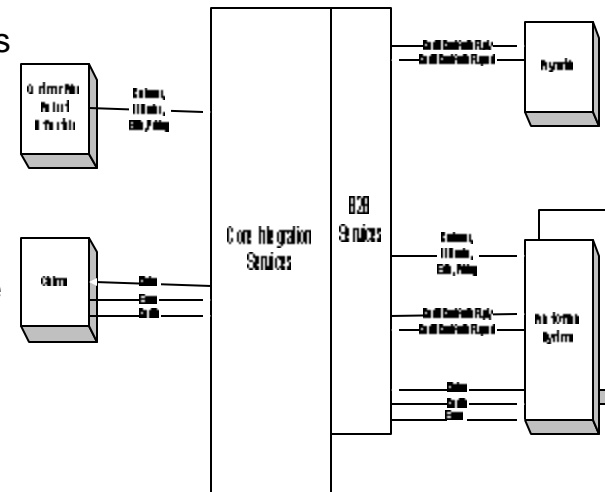


#### Business Objectives:

- Stimulate e-business between Michelin and our dealers
- Eliminate double keying of key transactional data thus improve the quality of the data and reduce billing errors

#### Key Characteristics:

- B2B interactions
- Synchronous Request Reply Messaging & Reference Information Propagation
- Key Technologies: IDMS on the mainframe, web services with an outside provider, AS2



#### Transactions:

- 8 Reference Files (Customer, Notes, Pricing, ...)
- Credit Card Authorization Request and Reply
- Claims & Credits





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## Futures For Michelin

*Success on the Frontier*

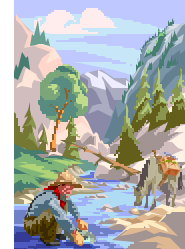


- WebSphere Partner Gateway 6.0 upgrade
- Study EDI using WPG
- Execute and Deliver in 2H 2005 through 2006
  - Finish Environment Standardization Project
  - 34 Major Business Projects
  - 3 Enabling Projects
  - 11 Significant Enhancement Projects



## Key Recommendations

### *Success on the Frontier*

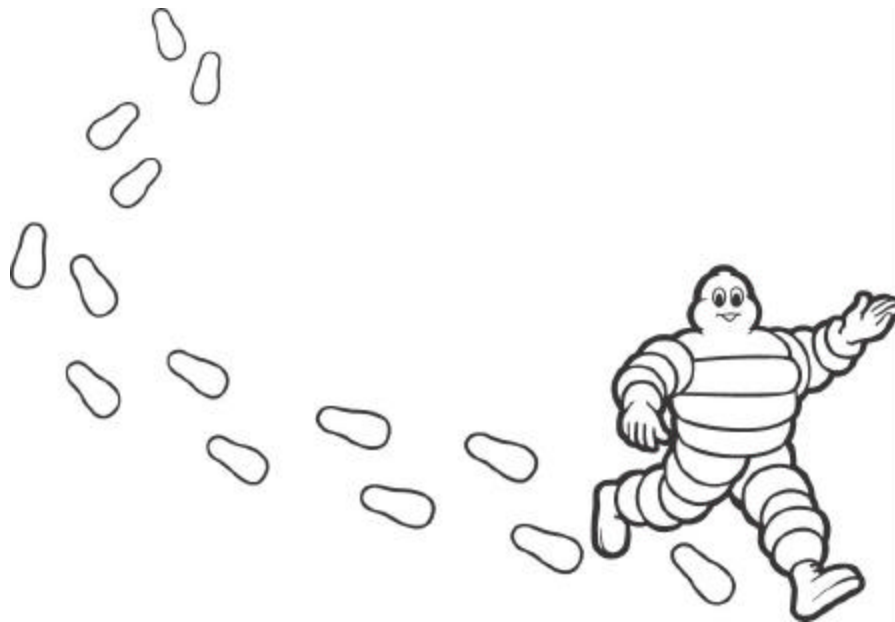


- Develop a B2B strategy which...
  - includes a consistent approach for doing B2B integration instead of project by project
  - leverages a B2B gateway to enforce your business policies
  - considers the organizational implications and outlines the necessary processes for success – including your business clients
- From the start,
  - plan for B2B to become core to your business operation and make the environment reliable and fault tolerant
  - protect your environment with appropriate security measures
  - limit highly coupled solutions as a B2B network isn't as reliable as your internal network
  - Don't underestimate the skills and operational tools required to manage complex B2B integrations



## Questions and Answers

*Success on the Frontier*



*Thanks for  
your attention!*



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