

The New Europe

Creating a viable plan for trading across a dynamic geography

Contacts:

Clive Longbottom
Quocirca Ltd
Tel +44 118 948 3360
Clive.Longbottom@quocirca.com

Bob Tarzey
Quocirca Ltd
Tel +44 1753 855 794
Bob.Tarzey@quocirca.com

Denise Oakley
GXS Ltd
Tel: +44 1932 776 408
Denise.Oakley@gxs.com

As the EU continues to expand, European businesses must look to how they can trade across increasing numbers of regional boundaries, languages, cultures and laws, both within the EU and across the greater Europe. The opportunities are huge – but the problems will daunt many who wish to enter into a pan-European trading environment.

- **The EU is the largest economic bloc in the world – and yet European organisations are not making the most of it**
The GDP of the EU is over \$17t, yet fewer than 3% of European organisations trade outside of their own country's boundaries. Overall, Europe's GDP of over \$20t makes it 50% larger than that of the second placed trading bloc, the US
- **Although the EU is meant to be moving to a single, harmonised market, it has a long way to go yet**
A mixture of new EU laws, combined with existing country-specific laws and the remnants of older free trade agreements makes the trading landscape in Europe overly complex
- **Language remains a major issue**
For large organisations, English is the de facto language of trade and commerce. However, as we move down to small and medium enterprises, language capabilities can be less assured and, when dealing with specifications and contracts, this can be a major issue
- **Europe will remain a dynamic environment**
The EU still has plans to grow and the addition of new countries will drive further needs to change EU laws. This will also change existing free trade agreements and other trading agreements between those choosing to remain outside the EU or failing to meet the criteria for membership
- **Trust is not the easiest thing to manage across such a diverse market**
The different cultures and approaches to business across such a culturally diverse market is, in itself, a problem. When combined with issues around how well, or poorly, relatively new democratic governments are dealing with issues such as corruption and criminal elements makes trust a minefield for many
- **Organisations cannot look at managing this environment as a core competency**
The cost of skilled resource and maintaining current knowledge in the many complex areas of B2B trading across Europe is well outside the capabilities of the vast majority of organisations
- **Outsourcing the problem enables participation while focusing on core competencies**
External providers managing their own networks with services focused on providing B2B transaction capabilities ensure that organisations can be part of the pan-European market at minimal risk

Conclusions

Europe is a complex market, yet it has too many opportunities for businesses to ignore. The possibilities for ensuring best value supply of parts and assemblies, alongside the need to identify new customers, means that such a massive financial and resource base cannot be overlooked. From basic problems such as language, through common issues such as complex and changing legal frameworks, to issues such as the trustworthiness and quality capabilities of partners, Europe is far too large an issue for individual organisations to deal with. Through the use of external providers focused on the provision of B2B value chain transactional management capabilities, Quocirca believes that organisations can effectively become part of the greater European environment and, as such, optimise their cost base while maximising their B2B sales capabilities.

REPORT NOTE:

This article has been written independently by Quocirca Ltd to provide an overview of the issues facing organisations looking to participate in pan-European B2B ecommerce. The report draws on Quocirca's extensive knowledge of the technology and business arenas, and provides advice on the approach that organisations should take to create a more effective and efficient environment for future growth.

1. Introduction

So – you have an item to sell, and there’s someone who wants to buy it. Sounds like good news, but is it? If you are in the same country, there’s not much that can get in the way, but as soon as borders start coming in to play, it can all become a bit more of a problem.

For example, there’s the basic problem of language. If you suddenly get a message “Może wy dostarczacie jutro?” from your customer, would you be able to respond to ensure that you keep the deal? How about if the driver of the lorry carrying your goods phones the logistics company due to a question around the paperwork for your consignment as they are sitting at the border between Germany and Switzerland?

Carrying out business across borders is not easy - and even though the EU is growing and there is a move towards the harmonisation of some laws that should make cross-border business easier, we are not close to that yet. Added to this is the fact that the EU does not cover all of Europe – for example, such major trading partners as Switzerland and Norway are not included – and that the push through to more EU accession countries only causes more confusion, and we see that pan-European business-to-business transactions are not going to be as easy as, say, doing the same types of business transactions in the US.

This report, drawing on Quocirca’s knowledge of the European markets, aims to provide the reader with insights into the many problems that can be found in approaching a pan-European B2B operation, and provides advice on how best to plan to overcome the issues.

2. Europe and the EU

Main Findings:

- **Organisations should not confuse Europe with the EU – there are many trading pacts that cover the greater Europe**
- **The EU is the largest financial trading bloc in the world**
- **Ongoing changes will continue to shape Europe, as more countries move to join the EU, and existing treaties morph and adapt to reflect these changes**

The European Community (EC) was first established in 1967 by the bringing together of three disparate economic and trade bodies – the European Coal and Steel Community (ECSC, created in 1951 through the Treaty of Paris), the European Economic Community (EEC, created in 1957 through the Treaty of Rome), and the European Atomic Energy Community (EAEC, or EURATOM). This initial Community consisted of West Germany, Italy, France, Belgium, the Netherlands and Luxembourg. Denmark, Ireland and the UK joined in 1973. Greece joined in 1981, with Spain and Portugal joining in 1986.

The 1993 Maastricht Treaty formally created the European Union (EU), and Austria, Finland and Sweden joined the new Community in 1995. Cyprus, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Malta, Poland, Slovakia and Slovenia joined in 2004. Romania, Bulgaria and Turkey are hoping to become members in the near future.

As it stands, the existing 27 countries of the EU create an economic community that provides an overall capability

close to \$17t/€12t – the largest single financial trading community in the world, exceeding that of China, India and the US.

The total population is around 500million – a little under a tenth of the total world population, giving the third largest single population market behind China and India.

The EU also has trade agreements in place with non-EU countries. These are covered by European Union Association Agreements (EUAs, or just AAs). There are just over 20 such agreements in place covering Free Trade Agreements with individual countries, with many more in progress.

The EU also has European Neighbourhood Policies (ENPs) that cover trade agreements with many countries, including Morocco, Algeria, Tunisia, Libya, Egypt, Jordan, Lebanon, Syria, Israel, The Palestinian Authority, Moldova, Ukraine, Georgia, Armenia, Azerbaijan and Belarus, as well as special agreements with Russia through the creation of EU-Russia Common Spaces.

Outside of the EU, other trade agreements are in place. For example, the European Free Trade Association (EFTA) covers trade amongst those countries that have effectively chosen not to be part of the EU, these being Iceland, Lichtenstein, Switzerland and Norway. EFTA was a larger grouping of countries, including the UK, Portugal, Denmark, Austria and Portugal. As these countries joined the EU, their membership of EFTA lapsed. The European Economic Area (EEA) then pulls together the EU and the EFTA countries to provide relatively free trade movements between the countries involved.

Similarly, CEFTA (Central European Free Trade Association) covers trade between Croatia, Macedonia, Moldova, Montenegro, Serbia and UNMIK (on behalf of Kosovo). CEFTA also covered Poland, Bulgaria, Slovakia, Romania, Hungary and the Czech Republic, but these countries’ accession to the EU superseded their CEFTA membership. However, there remain trading links between these countries and the remaining CEFTA members. The EU has a Stability and Association process (Sap) in place with CEFTA.

As time goes forward, it is likely that further consolidation between the main economic blocs in Europe will continue. For countries that remain at the edge, such as Turkey, the drive is towards EU membership, and bi-lateral free trade agreements are being put in place with EU members and other countries in an attempt to reinforce credentials as a stable and real force in European trade, as well as a gateway country between Europe and Asia.

This all points to Europe remaining a highly dynamic environment – in both positive and negative ways. On the positive side, Quocirca believes that further consolidation will lead to greater harmonisation and that the barriers to cross-border trade will be lowered. However, alongside this will have to be laid the fact of organisations having to deal with continually changing legal frameworks and laws enacted to deal with point solutions, both in the attempts to drive this harmonisation, and in dealing with the issues that continued expansion of the EU and the move to European/Asian, European/African, European/Middle Eastern and other trade agreements expose.

However, the growing economies of China and India have greater advantages for internal B2B transactions – they are dealing with essentially single linguistic and legal frameworks and, unless European organisations can get to grips with pan-European issues, the promise of such a large

economic trading bloc may be lost, and the emerging markets will take the opportunities and accelerate past Europe.

3. The Opportunities

Main Findings:

- **The EU has over 25 million businesses within it**
- **The vast majority are small and medium enterprises – often with little technical or language capabilities**
- **Europe's GDP is \$20.3t – yet less than 3% of European organisations trade outside of their home country**

Given the above, it is obvious that neglecting Europe as a trading bloc does not make great sense in today's markets. Taking the EU as a single entity, the overall gross domestic product (GDP), at \$17t, is top in the world and, at a per capita basis of \$33.5k, places the EU as 13th in the world.

In the EU alone, there are over 25 million non-primary private enterprises (i.e. excluding areas such as agriculture and mining), of which 99.8% are termed as being Craft or Small and Medium Enterprises (CSMEs). With many of these providing services to other businesses (such as manufacturing or services such as logistics), the opportunities to utilise this wealth of available resource should be of interest to the majority of European companies that are involved in business-to-business transactions.

Extending the definition to include all the standard European countries, the population moves from 500 million to 712 million. The overall GDP for Europe is \$20.3t – placing it at 50% greater than the US (\$13.8t), and nearly 5 times that of the third largest world economy, Japan (\$4.3t).

Therefore, if we look at a company that decides to trade just within its own geographic boundaries, we can see that, even if that company is placed in Europe's largest economic country, Germany at \$3.3t, it will only be addressing a sixth of the possible wealth of the total European community.

More to the point, Europe is not a single economic environment when it comes to employment rates, or even raw materials costs. Therefore, choosing carefully, base costs can be trimmed by 50% or more through ensuring that manufacturing is carried out in the cheapest possible countries, that supplies are sourced from the most cost-effective geographies and that optimised supply chains, utilising the most cost-effective logistics capabilities, are used.

Many of the trade agreements within Europe are aimed at making this feasible. Members of the EU cannot, for example, place import restrictions or punitive duties on goods from member countries and, as such, the movement of goods and supplies across European boundaries can be pretty smooth. Many borders are now sparsely managed, letting goods pass through without hindrance. Agreements such as the Schengen Treaty enable people to move freely between countries, enabling greater transfer of skills. European bodies such as the Economic and Financial Affairs Council (ECOFIN) have been working on simplifying certain trade regulations, such as by the provision of its Stability and Convergence programmes and work on Economic Policy Convergence (EPC). However, much of this work has been focused solely on providing easier means for the transactions

of purely electronic transactions, for example those involving the download of software, music, video and so on.

So, if pan-European trade is so attractive, why is that less than 3% of European companies actually do trade outside their own geographic boundaries?

4. Issues

Main Findings:

- **Europe is not a single trading entity – each country still clings to divisive trade and legal differences**
- **Harmonisation is likely to happen mainly at a government level, leaving corporate standards muddled and multi-versioned**
- **Requirements for government security have to be overlaid against the want for open trade – security will always win through and will create continued dynamics in how the laws will be maintained**
- **Language will always remain an issue – although English is the language of trade for large organisations, SMEs do not often have the bandwidth for such skills**

Unfortunately, Europe cannot be regarded as anywhere near a single effective market of federated states, even if we just concentrate on the EU. Even within the EU, we still have 13 different currencies. There are 23 official languages – and this is actually growing as member states support the official usage of localised languages and distinct regional dialects.

Even at the legal framework level, there has been little true harmonisation of trade laws. For example, each country still retains its own tax raising capabilities, and this has a knock-on effect to value added tax (VAT) laws. Indeed, with little centralised control other than targets being set, inflation across the EU cannot be measured at an EU level, but remains an issue for individual countries. Therefore, today's cheapest supplier of goods may be tomorrow's expensive provider. Data privacy and financial reporting laws may also conflict with each other across international boundaries. For example the laws governing an employer's right to access staff email communications vary and conflict between European countries.

The EU is working on attempting to address many of the issues found in cross-border trading within the EU. The Information Technology for Adoption and Intelligent Design for eGovernment (ITAIDE) project is looking to move many government paper-based, cross-border processes to being electronic, based on an agreed format. This then opens up the possibilities for organisations to provide their documents in an electronic format that will be acceptable to the new government processes.

ECOFIN continues to look at how inter-country electronic transactions can be more effectively enacted. However, the largest amount of action is really taking place in the emergence of new EDI standards, based around the use of the eXtensibleMarkup Language (XML) content standard. Although this shows great promise for the future, it also runs the risk of being an additional burden to the average organisation, inasmuch as such new standards will rarely completely replace what has gone before, but will be

additive. Therefore, companies wishing to adopt harmonised B2B XML-based EDI standards will have to mandate these – and many of their suppliers and customers will decide not to participate due to the cost of introducing such capabilities.

For many, the submission of electronic documents to the authorities will be mandated, and this will drive the need for an organisation to support multiple EDI standards – one (hopefully) harmonised EDI standard for government documents, and other EDI standards for the organisation’s suppliers and customers.

One of the major issues still facing legislators is the need to ensure that opening up borders for trade does not threaten overall security – either at basic informational and goods level (i.e. basic theft), but also at a terrorist and criminal level such as arms, drugs and people trafficking. Treading the thin line between fully open borders and the safety of individual countries cannot be taken lightly. Indeed, as the EU has expanded and the boundaries have moved from the historically “solid” boundaries of the Iron Curtain to the more fragile European/Asian boundaries, the possible impact of not only terrorist threats, but also of greater intellectual property impact through massive counterfeiting have to be taken in to account.

Also, the breaking down of the Iron Curtain has not just led to the opening up of trade between ex-Soviet and communist states and other EU countries, but has led to further problems. For example, many of the countries involved have struggled to move from a very strict centralised control environment to a more democratic approach, and criminal elements have taken the opportunity to create pseudo legal fronts for money laundering of assets gained through drug and people trafficking. Although the majority of the countries involved are working hard to crack down on such practices, it is unlikely that any short-term solutions will be forthcoming – and this leaves organisations looking for legal transactions open to many issues.

Indeed, many government and financial institutions have grave reservations as to the probity of many of the EU and other European countries. The US Special 301 Report identifies Hungary, Italy, Romania, Poland and Lithuania as having insufficient controls in place to ensure that intellectual property rights are secured. Should an organisation then outsource the supply of patented parts or assemblies to organisations based in these countries?

Transparency International has identified that Romania, Bulgaria and Poland have levels of corruption at both commercial and government levels that are similar to Ghana and Namibia. With many countries now having laws prohibiting the payment of bribes or kick-backs to a supplier or customer, avoiding such issues is of paramount concern.

Stop Child Trafficking identifies Romania, Poland and Bulgaria as major sources for child trafficking, and much of this is carried out through logistics companies based in these countries.

Therefore, although major savings can be made in sourcing supplies across Europe, there are many issues that make it difficult for all but the largest companies to manage at an effective level.

Although the majority of organisations have chosen not to trade outside of their own geography due to not being aware of the opportunities, many that have investigated the possibilities have decided that the problems outweigh the opportunities, and have made the choice to remain trading in a single country.

Is it possible to move to a pan-European model in an effective manner?

5. How to plan for pan-European B2B trading

Main Findings:

- **There are many considerations that are needed to be taken in to account for effective B2B trading**
- **Many of these are complex and costly for an organisation to consider doing well internally**
- **The complexity of the situation should not stop organisations from considering creating a pan-European trading environment**

Trading across Europe may seem to be too complex, based on the issues identified above. However, with careful planning, Quocirca believes that any organisation in Europe can make use of the resources available across the whole of Europe, and can therefore be a major player and be highly effective against their competitors in the market.

The main areas where Quocirca believes that an organisation should focus are:

- **Reach**

Europe offers great reach. As shown in the opportunities section of this report, reaching out from a single country approach to a pan-European approach gives the possibilities of a minimum of a 6-times economic market increase, and a 15 or more times reach to the number of possible companies in a supply chain. However, organisations must not get confused between quantity and quality – it is still necessary to ensure that the quality of goods brought in to the organisation is of the right level.

- **Costs**

As the market conditions continue to look poor, organisations take the inevitable focus on direct and indirect costs, and the cost of raw materials and incoming supplies always ranks high on this list. Therefore, being able to choose from a broader range of suppliers not only provides a greater opportunity to find lower costs, but also provides opportunities for greater price negotiation.

- **Logistics**

Moving goods around within a single country tends not to be too taxing. An agreement can be forged with a single logistics company, with pricing being driven down based upon volume of goods transported and single supplier agreements. However, when we look at the possibility of trading across over 50 different countries, the capability of a single logistics company to effectively provide services over such an environment is highly suspect. Therefore, a more dynamic approach is required to ensure that cost-effective logistics, often involving multiple organisations in a single supply chain, can be managed.

- **Language**

Single language B2B transactions can be bad enough, for example where one party wishes to work in imperial measures and another in metric. However, when we expand this to include multiple different languages, the possibility for misunderstandings and errors are amplified enormously. With the extension of the EU into non-Latin language countries, the problem is even further amplified – for example, can incoming electronic forms and communications be even rendered correctly on your PC screen?

For the majority of organisations, even trying to maintain full capabilities in more than two languages would be problematic, costly and add time to any transaction. It is necessary to ensure that any issues with language are minimised – and this generally points towards a need for incoming and outgoing communications to be effectively translated to the reader's language.

- **Financial considerations**

Although the Euro is the main currency of the EU, twelve other currencies are in use within the 27 member states. When we look at greater Europe, we see a total of over 40 currencies that need to be dealt with.

Even within the EU, the individual currencies are not irrevocably linked, and each currency floats against the others on the open markets. Therefore, a contract agreed a few months in advance may lead to a different amount of money being realised at the end of the transaction.

Alongside this, there also has to be taken into account the relative financial stability of certain countries' financial institutions. Whereas an organisation may feel safe carrying out financial transactions with a named institution in its own geography, how secure should that organisation feel in carrying out a financial transaction with an institution it doesn't recognise in a country that it is unsure about?

- **RFI, RFQ, RFP and Contract exchange**

Even if you manage to identify a suitable list of suppliers and customers across Europe, exchanging information with them remains a problem. The majority of organisations are still wedded to email and facsimile information exchange, which can rapidly get out of control and create an audit nightmare when things go wrong. Also, the mixed laws around document retention can add further to the problem and proving audit across a complete value chain involving multiple countries can be difficult – to say the least.

However, the main issue still comes down to language. The lack of capability for the vast majority of organisations to provide documents in the reader's language means that either poorly translated documents are provided where errors and omissions are manifest, or that documents are provided in the writer's native language, and the translations carried out by the reader leads to misinterpretations and problems.

- **Transaction management**

As organisations have moved towards more electronic forms of contract and transaction management, the perception has grown that this will solve many of the issues of transaction business across borders. However, Quocirca has found that the evolution of standards in

this area has not been to the overall benefit of organisations.

As an example, let us look at the case of a food retailer looking to source food items from around Europe. It may be looking for citrus fruit from Spain, salad goods from Greece, tinned items from Poland and meat products from Denmark. Firstly, it has multiple languages to deal with – two of which are not fully Latin character based. Then, it has three currencies to deal with (four, if we assume that the retailer is UK based).

Then, it has to look at its own IT systems. If the company has been trying to move with the times, it may well have some electronic data interchange (EDI) capabilities. It may well be that it has UN/EDIFACT transaction capabilities, or even AS2. However, it could well be the case that one of the suppliers may have software that is ANS ASC X12 capable, or more likely is incapable of providing much in the way of EDI-based capabilities at all. Managing information flows in this way becomes costly, and errors will occur.

All this while, the retailer has to ensure that it adheres to the EU general Product Safety Directive, the EU Privacy Directives and the UK Food Safety Act, as well as PCI/DSS.

Therefore, it is necessary to investigate the means of dealing with different information interchange methods in an effective and efficient manner.

- **Visibility of product**

The majority of in-geography organisations will be able to provide a catalogue of products or services, or will be capable of reading such a catalogue provided by you as the possible supplier. However, this may not be so simple for an organisation outside of your organisation's country. Web sites may be in the native language only, creating issues in navigation and in the identification of the right product. Physical, paper-based catalogues may be difficult to source and expensive to mail, and may take too long to reach the recipient. Faxed copies may be of limited use due to low quality.

Just how do you ensure that products can be shown to people, or seen by yourself, in a meaningful manner? Electronic catalogues are the best means of doing this, but do require a common means of navigation, particularly if these goods are being searched as part of a competitive environment. The use of common catalogues is growing, but individual companies cannot maintain these themselves, needing to look to outside organisations for this capability.

6. Outsourcing

Main Findings:

- **Outsourcing the problem can free up an organisation to make the most of a pan-European approach, yet enable them to focus on core competencies**
- **The majority of vendors providing such outsourced services will also have a range of value-add services that are outside the base level B2B supply chain service**

For the majority of organisations, trying to manage a pan-European trading structure internally is just not financially possible. The cost of following the changing legal frameworks, ensuring that chosen partners are trustworthy and can work to quality and supply chain levels as well as maintaining language capabilities is just an impossible task.

However, Quocirca believes that organisations should only concentrate on their core competencies – which, for the majority, does not include their IT systems, contract management, language capabilities or financial value chains. For a manufacturer, it should be around focusing on design and development. For a retailer, it should be concentrating on sales.

Pan-European trade requires distinct and in-depth skills that even large organisations struggle to maintain. However, there are companies on the market who provide the main capabilities that Quocirca believes organisations should be looking for to enable access to the European markets.

Within these capabilities, the main one is providing access to the system. As an organisation, creating an environment that can support as many standards for EDI as possible is one thing – providing the means for a large number of possible partners to participate is another. An external provider will be able to take any formal EDI format and many less formal data structures (such as Excel comma delimited format and email structured forms) and provide a common output format that fits the requirements of the recipient. Through this means, the supply chain remains open with no company being forced to invest in a specific EDI format that may only be supported by a single member of their own value chain. Each participant can continue working as they see fit, yet transactions can be suitably automated up and down the value chain.

Many of Europe's CSME organisations still have minimal connection capabilities beyond basic internet connectivity. However, those vendors dedicated to providing outsourced solutions for B2B transactional management tend to provide easy access via standard internet on-ramps, enabling organisations to participate in fully-electronic solutions within minutes. When compared to older-style dedicated EDI solutions, where dedicated connectivity or fully-protected virtual private networks (VPNs) were required, this now removes the main barrier for full electronic transactions to be carried out.

Once a means of connecting the various constituents in the value chain has been created, we then need to look at how items are requested and offered. Here, a fully managed common catalogue of supplies needs to be provided. Through this, suppliers can ensure that their products are always up to date and are available to possible customers at all times. When combined with inventory details, this means

that prospects can more rapidly make decisions and arrange deals.

Alongside this is the capability to present information in the reader's language. Some of the providers in this space offer the capability for the translation of catalogue information, ensuring that this does not present a hurdle between supplier and customer.

Also, this translation capability should go further, providing the capability to translate documents such as RFIs, RFPs, RFQs and contracts in both directions.

An external supplier should also be able to deal with all the paperwork that will be required for the logistics involved in the supply chain – in the required languages and dealing with all the cross-border possibilities that the logistics companies involved may find.

As an external provider will be dealing with a larger group of suppliers and customers than any single organisation would be doing, it should also be capable of providing a collaborative group environment where information can be exchanged on how other organisations perform compared to their promises. This can provide important information enabling organisations to make better-informed decisions on whom they should trust.

Also, an external provider should be able to manage the payment chain, providing the capabilities to enact transfers of money between financial institutions, across multiple currencies.

An outsourced service provider in this space will also be able to provide services for carrying out standard auctions, reverse auctions and many will provide Dutch auction capabilities, further enabling the optimisation of revenue and spend on transactions.

Additionally, an external provider should have enhanced security capabilities, be able to ensure that all information is managed in a manner which offers the maximum uptime, should be able to manage response times and provide multi-lingual human support for the constituents of the value chain.

Through the use of an external B2B management company, organisations can be freed up to concentrate on their core competencies – and so be more effective and competitive in their businesses. An external provider opens up new reach for the organisation, creating opportunities for B2B sales and supplies that can provide new revenue streams and cost savings at minimum risk.

7. Conclusions and Recommendations

Main Findings:

- **Pan-European B2B trading holds much promise – but also has its complexities**
- **Looking to outside B2B service providers offers the capability to participate across Europe, yet concentrate on core competencies**
- **Outsourced providers also offer cost effective means of identifying new suppliers and customers, while optimising revenue streams and cost structures over the value chain**

The opportunities for organisations breaking out from a single country B2B approach to a pan-European approach are manifold, and yet the issues are complex and overly

expensive for individual organisations to effectively deal with.

The larger European trading bloc, particularly when viewed under the subset of the EU, provides a great opportunity for European organisations to source cheaper suppliers and identify more business customers. Issues can arise in identifying which of these customers and suppliers are trustworthy, and in dealing with language, local cultural issues and legal frameworks.

Quocirca recommends that organisations look towards an external provider to manage their B2B transaction capabilities in this space, making the most of the added value services that these providers can supply.

Further, Quocirca recommends that organisations see such providers as accelerating the move towards the automation of their value chains, recommending or mandating that their customer/supplier partners utilise such open systems to exchange necessary information.

About GXS

GXS is a leading worldwide provider of business-to-business integration, synchronisation and collaboration solutions. The company operates a highly reliable, secure global network services platform enabling more than 30,000 businesses, including over half of the Fortune 500, to conduct business together in real time. GXS offers an extensive range of solutions to help companies, both large and small, connect worldwide with their business partners, synchronise product and price information, optimise inventory levels and demand forecasts, and speed the overall execution of their global supply chains. With the broadest array of capabilities and an unsurpassed worldwide reach, GXS ensures No Trading Partner is Left Behind™. For more information, please see www.gxs.com or contact GXS at:

Global Headquarters

GXS
100 Edison Park Drive
Gaithersburg, MD 20878
U.S.A.
Tel: +1 800-560-4347
Tel: +1 301-340-4000
Fax: +1 301-340-5299

Europe, Middle East and Africa

Headquarters
GXS Limited
18 Station Road
Sunbury on Thames
Middlesex TW16 6SU
England
Tel: +44 (0)1932 776047
Fax: +44 (0)1932 776216

Asia Headquarters

Hong Kong
GXS International
1608-10, 16/F, China Resources Building
26 Harbour Road
Wanchai, Hong Kong
Tel: +852-2884-6088
Fax: +852-2513-0650



About Quocirca

Quocirca is a primary research and analysis company specialising in the business impact of information technology and communications (ITC). With world-wide, native language reach, Quocirca provides in-depth insights into the views of buyers and influencers in large, mid-sized and small organisations. Its analyst team is made up of real-world practitioners with firsthand experience of ITC delivery who continuously research and track the industry in the following key areas:

- Business process evolution and enablement
- Enterprise solutions and integration
- Business intelligence and reporting
- Communications, collaboration and mobility
- Infrastructure and IT systems management
- Systems security and end-point management
- Utility computing and delivery of IT as a service
- Sustainability and environmental issues
- IT delivery channels and practices
- IT investment activity, behaviour and planning
- Public sector technology adoption and issues
- Integrated print management

Through researching perceptions, Quocirca uncovers the real hurdles to technology adoption – the personal and political aspects of an organisation’s environment and the pressures of the need for demonstrable business value in any implementation. This capability to uncover and report back on the end-user perceptions in the market enables Quocirca to advise on the realities of technology adoption, not the promises.

Quocirca research is always pragmatic, business orientated and conducted in the context of the bigger picture. ITC has the ability to transform businesses and the processes that drive them, but often fails to do so. Quocirca’s mission is to help organisations improve their success rate in process enablement through better levels of understanding and the adoption of the correct technologies at the correct time.

Quocirca has a pro-active primary research programme, regularly surveying users, purchasers and resellers of ITC products and services on emerging, evolving and maturing technologies. Over time, Quocirca has built a picture of long term investment trends, providing invaluable information for the whole of the ITC community.

Quocirca works with global and local providers of ITC products and services to help them deliver on the promise that ITC holds for business. Quocirca’s clients include Oracle, Microsoft, HP, IBM, T-Mobile, Xerox, Vodafone, EMC, Symantec and Cisco, along with other large and medium sized vendors, service providers and more specialist firms.

Sponsorship of specific studies by such organisations allows much of Quocirca’s research to be placed into the public domain at no cost. Quocirca’s reach is great – through a network of media partners, Quocirca publishes its research to a possible audience measured in the millions.

Quocirca’s independent culture and the real-world experience of Quocirca’s analysts ensure that our research and analysis is always objective, accurate, actionable and challenging.

Quocirca reports are freely available to everyone and may be requested via www.quocirca.com.

Contact:

Quocirca Ltd
Mountbatten House
Fairacres
Windsor
Berkshire
SL4 4LE
United Kingdom
Tel +44 1753 754 838