
Contents

Dedications	v
Acknowledgements	vii
About the Author	ix
Preface	xi
Part I The Big Picture	1
Chapter 1 Introduction	3
1.1. Evolution of Next Generation Enterprises	4
1.2. New Rules of Engagement	4
1.3. B2B E-Commerce	5
1.3.1. What is B2B e-commerce?	5
1.3.2. B2B vs. B2C: Differing strategies	6
1.3.3. Explosive growth in B2B e-commerce	6
1.3.4. What is collaborative e-commerce?	8
1.4. B2B Integration (B2Bi)	9
1.4.1. Integration: The top priority	10
1.4.2. A daunting effort	12
1.4.3. Getting beyond the starting line	13
1.4.4. Selecting the right B2Bi solution	17
1.5. What is the Return on Investment (ROI) on B2Bi?	20
1.6. Conclusion	23
Chapter 2 Components, Benefits, Challenges and Applications of B2B Integration	24
2.1. The Word is Out	25
2.2. B2Bi Components	25

2.2.1. Integration patterns	25
2.2.2. Enterprise Application Integration (EAI)	26
2.2.3. Business Process Management (BPM)	27
2.2.4. Extensible Markup Language (XML)	27
2.2.5. XML standards for e-business	29
2.2.6. Web services	29
2.2.7. Middleware technologies	30
2.2.8. Integration brokers	30
2.2.9. Internet security	30
2.2.10. Wireless technologies	31
2.2.11. Software agents	32
2.3. Benefits of B2B Integration	32
2.3.1. Dynamic business relationships	32
2.3.2. Real-time information	33
2.3.3. Lower transaction costs	33
2.3.4. Participation in online marketplaces	34
2.3.5. Streamline business operations	34
2.3.6. XML-based integration	34
2.3.7. Increased customer service and retention	34
2.3.8. Opportunity to re-architect internal systems	35
2.4. B2Bi Challenges	35
2.4.1. Internal application integration	36
2.4.2. Disparate internal corporate data	37
2.4.3. System heterogeneity	38
2.4.4. Data security	38
2.4.5. Transaction integrity	38
2.4.6. Internal business process management	39
2.4.7. Inter-enterprise business process integration	39
2.4.8. Internal resistance	39

2.4.9. Standards and industry issues	40
2.4.10. Distributed control	40
2.4.11. Performance and scalability	40
2.4.12. Expensive	41
2.4.13. 24/7 availability of the system	41
2.5. B2Bi-Enabled Applications	41
2.5.1. Supply Chain Management (SCM)	41
2.5.2. E-marketplaces and collaborative networks	42
2.6. Conclusion	43
Part II Established Integration Components	45
Chapter 3 Integration Patterns	47
3.1. Types of Integration	48
3.2. Data Oriented B2B Integration	49
3.2.1. Data replication	50
3.2.2. Extract, Transform and Load (ETL) solution	54
3.2.3. Data warehouses and data marts	59
3.2.4. Multi-database server	60
3.2.5. XML and databases	65
3.2.6. Data oriented integration and B2Bi	67
3.3. Portal Oriented Integration	68
3.3.1. Types of portals	69
3.3.2. Components of a portal server platform	70
3.3.3. Portal oriented integration and B2Bi	74
3.4. Application Oriented Integration	74
3.4.1. Application Programming Interfaces (APIs)	75
3.4.2. Remote Procedure Calls (RPCs)	82
3.4.3. Application oriented integration and B2Bi	88
3.5. Business Process Integration (BPI)	89
3.5.1. Business process integration patterns	89

3.5.2. Business process integration and B2Bi	91
3.6. Which Approach to Use for Your B2Bi Implementation?	93
3.6.1. Agreement among the trading partners	93
3.6.2. Your integration goals	93
3.7. Conclusion	95
Chapter 4 Enterprise Application Integration (EAI)	96
4.1. Today's Enterprise	97
4.2. What is EAI?	97
4.3. Where Did Things Go Wrong?	98
4.4. Benefits of EAI	100
4.4.1. A word of caution	101
4.5. Types of EAI	102
4.5.1. User interface integration (Refacing)	102
4.5.2. Data integration	103
4.5.3. Function or method integration	103
4.5.4. Business process integration	104
4.6. Types of Enterprise Systems	105
4.6.1. Legacy systems	105
4.6.2. Client/server systems	106
4.6.3. Enterprise Resource Planning (ERP)	106
4.6.4. Customer Relationship Management (CRM)	111
4.6.5. eCRM	113
4.6.6. CRM and EAI	115
4.6.7. Supply Chain Management (SCM)	115
4.7. Leading EAI Solutions	115
4.7.1. BEA eLink	115
4.7.2. TIBCO ActiveEnterprise	116
4.7.3. IBM — WebSphere MQ integrator	118
4.8. Convergence of EAI and B2Bi	121
4.9. Divergence of EAI and B2Bi	122
4.10. Conclusion	123

Chapter 5	Business Process Management (BPM)	125
5.1.	Existence of ‘Organization Silos’	126
5.2.	Fundamentals of BPM	126
5.2.1.	Business processes	126
5.2.2.	Participants	130
5.2.3.	Activities	130
5.2.4.	Business transactions	130
5.2.5.	What is BPM?	132
5.2.6.	Workflow	133
5.2.7.	Roadmap to BPM	134
5.3.	BPM Systems	139
5.3.1.	BEA WebLogic integration	142
5.3.2.	Vitria BusinessWare	143
5.3.3.	Extricity B2B Alliance Manager	144
5.4.	Universal Language for BPM	147
5.4.1.	Business Process Management Initiative (BPMI)	148
5.4.2.	XLANG	149
5.5.	Standard Business Processes	149
5.6.	Conclusion	150
Chapter 6	Extensible Markup Language (XML)	152
6.1.	The Need for a Universal Language	153
6.2.	What is Electronic Data Interchange (EDI)?	154
6.2.1.	How does it work?	154
6.2.2.	Limitations of traditional EDI	155
6.3.	What’s Wrong with the First Language of the Internet — HTML?	157
6.4.	XML: The Universal Language of Data Interchange	158
6.4.1.	The power to know	159
6.4.2.	What is XML?	160
6.4.3.	XML: A derivative of SGML	161
6.4.4.	Sample XML files	161
6.4.5.	XML strengths	163
6.4.6.	XML limitations	166

6.4.7. XML namespaces	167
6.4.8. Brief introduction to the components of XML	168
6.4.9. Advantages of XML over traditional EDI	174
6.5. XSL — Extensible Stylesheet Language	175
6.6. Coexistence of XML and EDI	178
6.6.1. EDI is here to stay	178
6.6.2. EDI based on XML	179
6.6.3. Characteristics of XML/EDI	180
6.6.4. Benefits of XML/EDI over traditional batch EDI	181
6.6.5. Key features of XML/EDI server	182
6.7. Conclusion	186
Chapter 7 XML Standards for E-business	187
7.1. Standards Imperative for B2B Application Integration	188
7.2. RosettaNet's Solution	189
7.2.1. What is RosettaNet?	189
7.2.2. Components of RosettaNet's e-business solution	190
7.2.3. Benefits of using RosettaNet solution	196
7.2.4. RosettaNet embraced by software vendors	197
7.2.5. What's the ROI (Return on Investment) in implementing RosettaNet solution?	198
7.3. FpML — Financial Products Markup Language	200
7.3.1. What is FpML?	200
7.3.2. Benefits of FpML	200
7.4. Commerce XML (cXML)	202
7.5. Electronic Business XML (ebXML)	204
7.6. Simple Object Access Protocol (SOAP)	205
7.6.1. SOAP messages	205

7.7. BizTalk Framework	207
7.7.1. Components of the BizTalk Framework	207
7.7.2. The envelope	208
7.8. Conclusion	212
Chapter 8 Middleware Technologies	213
8.1. What is Middleware?	214
8.2. Transaction Processing (TP) Monitors	216
8.2.1. How they work?	217
8.2.2. Benefits of TP monitors	218
8.3. Message Oriented Middleware (MOM)	219
8.3.1. Why use message queues?	221
8.3.2. Types of communication	222
8.3.3. MOM frameworks	224
8.3.4. MOM middleware	226
8.4. Distributed Objects and Components	231
8.4.1. Distributed components	233
8.4.2. Distributed object frameworks	234
8.4.3. OMA — CORBA 3	235
8.4.4. Windows DNA — COM+	239
8.4.5. J2EE — EJB	244
8.4.6. J2EE application servers	249
8.5. Conclusion	253
Chapter 9 Integration Brokers	254
9.1. Introduction	255
9.1.1. Integration brokers enable (best-of-breed) BOB approach	256
9.2. Architecture of Integration Brokers	256
9.2.1. Hub-and-spoke architecture	256
9.2.2. Message bus architecture	257
9.2.3. Multi-hub architecture	258
9.3. Components of Integration Brokers	259
9.3.1. Messaging services	260
9.3.2. Application adapters	262
9.3.3. Data transformation component	264
9.3.4. Workflow manager	266

9.3.5. Metadata repository	266
9.3.6. Administration tool	266
9.4. Services of Integration Brokers	267
9.4.1. Enable all types of integration	267
9.4.2. Web services	268
9.4.3. Interoperability	268
9.4.4. Open architecture	268
9.4.5. Support for all communication protocols	268
9.4.6. Directory services	269
9.4.7. Trading partner management and personalization	269
9.4.8. Security	270
9.4.9. Scalability	270
9.4.10. Transactional integrity	270
9.4.11. Integration broker connectivity	271
9.5. Selecting an Integration Broker for Your Company	273
9.6. Leading Integration Brokers	274
9.6.1. Microsoft BizTalk Server Suite	274
9.6.2. SeeBeyond eBusiness Integration Suite	278
9.6.3. webMethods B2B platform	279
9.6.4. BEA WebLogic integration	283
9.6.5. ROI on integration brokers	285
9.7 Conclusion	285
Chapter 10 Internet Security	287
10.1. Internet Security (E-Security) Critical for B2Bi	288
10.2. B2Bi — Makes a Company Highly Vulnerable to Security Risks	289
10.2.1. Complex nature of applications	289
10.2.2. Anonymous relationships in B2B e-commerce	289
10.2.3. Software undergoing frequent change	289
10.2.4. Human factor involved	290

10.3. Employees and Other Insiders Pose the Biggest Threat	290
10.4. E-Security Strategy	291
10.5. Basic Security Services in B2Bi	291
10.5.1. The strength of the chain is as strong as its weakest link	292
10.6. Key Concepts in E-Security Solutions	293
10.6.1. Cryptography	293
10.6.2. Private key encryption	294
10.6.3. Public key encryption	295
10.6.4. Best of both worlds — The digital envelope	296
10.6.5. Digital signature	296
10.6.6. Digital certificates and role of Certificate Authorities (CAs)	300
10.6.7. Using SSL (Secure Sockets Layer) to establish secure sessions	301
10.7. Shielding an Organization from the Outside World	302
10.7.1. Firewalls	302
10.7.2. Functions performed by firewalls	303
10.7.3. Types of firewalls	304
10.7.4. Considerations in choosing a firewall	306
10.7.5. Enterprise firewall appliance	306
10.7.6. Virtual Private Networks (VPNs)	308
10.7.7. Check Point's VPN solution	310
10.8. B2Bi and E-Security	311
10.8.1. Revamp your security	311
10.8.2. B2Bi software	312
10.8.3. Security features in the leading B2B integration servers	313
10.8.4. E-security tailored to XML	314
10.9. Secure Payments Over the Internet	315
10.9.1. Need for trusted third party entities	316
10.10. Security Trends for the Future	317
10.11. Conclusion	322

Part III Evolving Integration Components	323
Chapter 11 Web Services	325
11.1. Service Oriented Architecture (SOA)	326
11.1.1. Components and operations of SOA	326
11.2. What are Web Services?	327
11.2.1. Application of SOA-based framework to B2Bi	328
11.3. Essential Features of a Web Services Environment	329
11.4. Universal Description, Discovery and Integration (UDDI)	330
11.4.1. What is UDDI?	330
11.4.2. UDDI built on SOAP	331
11.4.3. UDDI data structure	331
11.4.4. UDDI APIs	333
11.5. Web Services Description Language (WSDL)	333
11.5.1. WSDL schema	334
11.5.2. WSDL and UDDI	334
11.6. Web Services Flow Language (WSFL)	335
11.7. Putting Everything Together	335
11.8. Essential Features of a Web Services Framework	336
11.9. Security Requirements for Web Services	337
11.9.1. Authentication	338
11.9.2. Authorization	338
11.9.3. Data protection	338
11.9.4. Non-repudiation	338
11.10. Where to Start?	339
11.10.1. Leverage existing assets	339
11.10.2. Build an internal repository for web services	340
11.10.3. Bottom line	340
11.11. Web Services Networks	340
11.12. Conclusion	341

Chapter 12 Wireless Technologies	342
12.1. Introduction	343
12.2. The Wireless Internet Today	344
12.2.1. Definition and growth	344
12.2.2. Mobile benefits	345
12.3. Wireless Application Architecture and Components	347
12.3.1. Wireless Access Protocol (WAP)	350
12.3.2. Wireless Markup Language (WML)	351
12.3.3. WMLScript	352
12.4. Wireless Security Issues	353
12.4.1. Security of mobile systems	353
12.4.2. Security issues in WAP	355
12.4.3. Generic mobile solutions	358
12.5. B2B Wireless Applications	360
12.5.1. Business uses of the mobile Internet	360
12.5.2. B2B wireless portals	362
12.5.3. On-demand trading	363
12.5.4. Business-to-Employee (B2E) connections	363
12.5.5. B2B, B2C, B2E and wireless	365
12.6. Enterprise Integration Issues for M-commerce	366
12.7. Leading M-commerce Solution Providers	369
12.7.1. BEA WebLogic m-commerce solution	369
12.7.2. IBM's WebSphere everyplace suite	372
12.8. To be or not to be... Wireless: Pertinent Strategic Considerations	372
12.8.1. Goal and business definition	372
12.8.2. Formulation of technology strategy	374
12.9. Conclusion	379

Chapter 13 Software Agents	381
13.1. Software Agents Enabling the Formation of Virtual Organizations	382
13.2. What are Intelligent Software Agents?	382
13.3. What are Agent Systems?	384
13.4. Agent Classification	384
13.5. Agents and Autonomy	387
13.6. Multi-Agent Environment	387
13.6.1. The 3 Cs of prime importance	388
13.6.2. Advantages of a multi-agent environment	388
13.6.3. Disadvantages of a multi-agent environment	388
13.7. Agents and Negotiation	389
13.7.1. Types of negotiation strategies	390
13.7.2. Not revealing negotiation strategy paramount	390
13.8. Agents and Mobility	391
13.8.1. Benefits of using mobile agents	391
13.8.2. Potential risks involved in use of mobile agents	392
13.9. Agents' Role in B2B E-Commerce and B2Bi	393
13.9.1. Information gathering and filtering	394
13.9.2. Uncovering quality sales prospects	395
13.9.3. Value chain integration	395
13.9.4. Optimization of business processes in light of B2Bi	396
13.9.5. Efficient e-marketplaces	397
13.9.6. Maintaining customer relationships	399
13.9.7. Effective e-procurement	399
13.9.8. Integration with legacy systems	400
13.9.9. Enable privacy in B2B transactions	400
13.10. Need for a Universal Language	402
13.10.1. XNS: A dictionary and address book for web agents	404
13.11. Conclusion	405

Part IV B2Bi-Enabled Applications	407
Chapter 14 Supply Chain Management (SCM)	409
14.1. Introduction	410
14.2. Fundamentals of Supply Chain Management	410
14.2.1. A few definitions of SCM	410
14.2.2. What is a supply chain?	411
14.2.3. A typical business process flow in a supply chain	412
14.2.4. Activities in a supply chain	413
14.3. Legacy Supply Chain	415
14.3.1. Push-based supply network	415
14.3.2. What's wrong in a legacy supply chain?	416
14.4. B2Bi-Enabled Supply Chain	417
14.4.1. Principles of SCM	418
14.4.2. Pull-based supply network	419
14.4.3. ROI in moving from pull-based to push-based supply network	420
14.4.4. Features of B2Bi-enabled supply chain	420
14.5. Supply Chain Planning and Execution	422
14.5.1. Supply Chain Planning (SCP)	422
14.5.2. Supply Chain Execution (SCE)	423
14.5.3. E-procurement — The transformation of corporate purchasing	424
14.5.4. E-logistics: Integrating warehouses, distribution centers and customer interaction processes	427
14.6. SCM Challenges	428
14.6.1. Synchronization in supply chain	428
14.6.2. Building trust through supply chain	428
14.6.3. Operational stability	428
14.6.4. Inertia for change	429

14.6.5. Supply chain complexity	429
14.6.6. Managing supply chain for short lifecycle products	429
14.6.7. Integration challenge within the organization	429
14.6.8. Integration challenge with supply chain partners	430
14.6.9. Inter-company business process synchronization	430
14.7. SCM Techniques	430
14.7.1. Vendor Managed Inventory (VMI)	431
14.7.2. Just-in-Time (JIT)	431
14.7.3. Collaborative Planning, Forecasting and Replenishment (CPFR)	431
14.8. SCM Systems	434
14.9. Conclusion	437
Chapter 15 E-Marketplaces and Collaborative Networks	438
15.1. What are E-Marketplaces?	439
15.2. Basics of B2B E-Marketplaces	440
15.2.1. Pre e-marketplace era	440
15.2.2. E-marketplace era	440
15.2.3. Classification of e-marketplaces	441
15.2.4. Market makers	444
15.2.5. Dynamic trading through B2B e-marketplaces	444
15.2.6. Governance of e-marketplaces	445
15.2.7. Benefits of B2B e-marketplaces	445
15.2.8. Which e-marketplace to join?	449
15.2.9. B2B e-marketplaces services	453
15.3. How E-Marketplaces Fit into a Company's B2Bi Plans	457
15.3.1. Catalog publishing	457
15.3.2. Receiving and processing orders	458
15.3.3. Data transformation	459

15.3.4. Integrating credit, financing and collection system with ERP	460
15.4. Emergence of B2B Collaborative Networks	460
15.4.1. Just another point of connection	460
15.4.2. Lack of support for collaborative commerce	462
15.4.3. B2B collaborative networks	462
15.5. Conclusion	466
Part V Conclusion	467
Chapter 16 B2B to P2P Evolution	469
16.1. Why Peer-to-Peer?	470
16.1.1. Let your imagination run wild	470
16.1.2. What is P2P?	471
16.1.3. What is a peer group?	471
16.1.4. Features of a P2P application	471
16.2. Leading P2P Protocols	473
16.2.1. Jabber	473
16.2.2. Juxtapose — JXTA	474
16.3. Examples of P2P Applications	477
16.3.1. NextPage — NXT 3	477
16.3.2. FirstPeer — Professional servant	478
16.3.3. Groove networks — Groove 1.0	478
16.3.4. Gnuetella	478
16.3.5. Applied MetaComputing — Legion	478
16.4. Benefits of P2P-Based Applications in B2B Integration	479
16.4.1. Collaboration	479
16.4.2. Enhanced performance	479
16.4.3. Intelligent agents	481
16.4.4. P2P marketplaces	481
16.4.5. Information discovery using search engines	483
16.4.6. Eliminate the need for cataloging in multiple formats	483

16.5. But the Road is Winding	484
16.5.1. Network bandwidth	484
16.5.2. Security	484
16.5.3. Complex architectures and difficult maintenance	485
16.6. Conclusion	485
Acronyms	487
Appendix	
A. PIP2A1: Distribute New Product Information	493
B. UDDI Technical White Paper	519
Bibliography	531
Index	541