

REALIZING THE PROMISE OF INTEGRATION

How modern mid-market it managers can understand, plan for and act on the rapid growth in data silos within their organizations.

Data silos reaching mid-market

Over half of all small & mid-sized businesses will have ERP and CRM systems by the end of 2006.

Data integration is a priority

Transformation of data from legacy systems to new ones can consume as much as 60% of your IT budget.

Over 48% of CIOs consider application integration a priority for their businesses.

THE CHANGING FACE OF IT IN MID-MARKET COMPANIES.

Technologies and applications, formerly the exclusive domain of very large enterprises, are now being installed by mid-sized organizations focusing on improving in-house systems and becoming more efficient and profitable. In fact, applications such as ERP systems, CRM and Accounting packages are being purchased by a growing number of organizations with fewer than 500 employees and less than \$1B in annual revenues. According to a 2006 AMI Partners study over 23% of Small to Mid-sized businesses (SMBs) indicated that they already deployed an ERP solution and over 31% indicated that they would deploy one in 2006. The same study concluded that over half of the same businesses either already use or would use a CRM system by the end of 2006. The benefits of deploying advanced systems to manage customer interaction and transactions are clear and with a number of new tools available to mid-market companies the rate of adoption is clearly high. Deploying such back-end systems in mid-sized organizations however has also exposed these companies to new challenges and problems that were once the exclusive domain of the large enterprise – legacy data migration issues and the challenge of system integration.

The result of this rapid adoption causes a two-fold problem. First is an increasing set of data silos and repositories – each critical to business needs and each out of sync with the other data repositories in the organization; keeping ERP, Accounting and CRM systems in sync with one another has become a considerable challenge for the mid-tier market. Second – and equally critical – is an increased strain on limited IT resources during system implementations and data migration; setting up new ERP systems and migrating data from legacy applications into the ERP systems can be challenging, frustrating and a severe strain on limited IT staff and budgets. In fact, transformation of data from legacy systems into new ones can consume as much as 60% of an integration project budget.

Ensuring that ERP and CRM roll-outs and integration projects are done smoothly and within budget constraints is a key concern for mid-market companies. A 2004 CIO magazine survey found that there are still dramatic differences in what CIOs at mid-market and small business companies find critical to their businesses versus what their enterprise counterparts focus on and are concerned with. In fact, CIOs at SMB organizations listed inadequate budgets as their key concern for the year 2005 while their Enterprise counterparts only ranked inadequate budget as the third major concern in their outlook for the year. Limited budgets can be strained to the breaking point by deployments of ERP and CRM systems and by the financial challenges of integrating those systems with existing infrastructures. In fact, a 2005 Yankee Group survey of mid-market companies found that the average annual IT budget for a mid-sized company (defined as a company with less than 500 employees) was \$821,000. Typical Application Integration projects can cost upwards of \$400,000, consuming as much as 40% of that budget. It's clear that CIOs at mid-market organizations need more affordable yet equally powerful solutions to resolve this challenge.

Application Integration Saves Money

In a 2005 Baseline article Con-Way (a \$2.6B logistics company) identified Application Integration as capable of reducing costs by as much as 75%

Fast ROI is Key

Providing a fast Return on Investment (ROI) is a critical aspect of any mid-sized business decision process for new software investments

Deploying new back-end systems however does not stop at migrating legacy data to the new system. In fact, making sure that data redundancy is kept at a minimum can be equally daunting and can often become even more challenging than simply migrating the legacy data. This concern was borne out by a 2004 survey by Merrill Lynch found that more than 48% of CIOs surveyed considered application integration a top priority for the coming year. In addition, a CIO Magazine survey of mid-market and small companies for the same year found that integrating or enhancing systems and processes were number one on the list of key planned activities for the coming year. Of course unlike CIOs at enterprise organizations, their mid-market counterparts simply do not have the financial or IT resources to invest in large-scale enterprise-class Application Integration products available from vendors like IBM, WebSphere, BEA and the multitude of other Enterprise Application Integration (EAI) providers now courting the mid-market. With up-front software investments that can easily surpass \$100,000 and deployment costs that can be as high as \$600,000 or more it could be relatively easy for a mid-market organization to spend 80% of its yearly IT budget on Enterprise Application Integration products and deployments.

APPLICATION INTEGRATION – THE RIGHT STRATEGY FOR RAPID ROI.

Of course the short-term answer might seem to build a custom application that ties the systems in question together for the particular need you currently have. In fact, a 2002 AMR research study found that nearly 70% of integration projects today are done in house. While in the short term that may seem like a viable solution it's fraught with problems and hidden costs:

- Custom-developed code must be maintained and is dependent on the staff that wrote it. As in-house ERP and CRM systems are upgraded the custom applications that tie them together will require updating as well risking delays and critical loss of synchronization between systems.
- Developing Custom Applications requires skills and resources not easily attainable. With most mid-market companies working on severely limited IT budgets and staff finding the necessary in-house skills and available time to write such custom applications is a costly value proposition.
- Custom Applications break. Even the best designed applications can have flaws and require maintenance and support. Troubleshooting custom written applications can cause critical delays in system implementations and utilizations, potentially costing significant financial strains in lost productivity and lost system uptime.

Large enterprise companies that have the considerable resources required for in-house development, determined long ago that there are significant advantages to integrating in-house systems using third-party Enterprise Application Integration products. In a 2005 Baseline Magazine article Con-Way, a \$2.6B logistics company identified the savings achieved with an Application Integration product with a reduction of as much as 75% in the time required to deploy and integrate new applications. Any return on investment for an Enterprise Application Integration product will be typically measured in increased productivity and faster turn-around times on data handling in-house. The challenge for most mid-tier companies remains the same; arriving at an ROI that is "significant-enough" to justify the expense of traditional EAI packages can be at best

a challenging exercise. What mid-market companies require is a new tool that is low in up-front investment cost and is easy to implement and easy to use, thereby achieving higher ROIs in a shorter period of time.

BUSINESS APPLICATION INTEGRATION – APPLICATION INTEGRATION FOR THE MID-MARKET.

In order for any EAI product to achieve a rapid ROI for a mid-market organization it must meet a defined set of requirements focused on needs that are critical to the mid-market.

- **Easy to Implement:** Mid-sized organizations require a tool that is easy to implement – ensuring that implementation times can be measured in weeks rather than months or years.
- **Easy to grow:** A BAI tool for the mid-market must be easy to expand with expansion kits that allow you to add support for new systems rapidly and with little hassle.
- **Well Supported:** Support is critical to the needs of the mid-market; how much support is your vendor willing to give you? Are you a vital customer to their organization?
- **Rapid Return on Investment:** Finding a product that can quickly provide a return on investment is critical to mid-sized companies with small IT budgets and few implementation resources.

Until today, finding an EAI product that could satisfy the needs of the large enterprise while also fulfilling the requirements of the mid-market organization for ease of use, ease of deployment and power was a challenging proposition. With the introduction in 2005 of EMANIO Unite!, EMANIO has brought the power and advantages of Enterprise Application Integration to the mid-market. Mid-market companies now can fulfill the promise of application integration with “Business Application Integration” – application integration designed to fit the needs, budgets and requirements of mid-market companies.

EMANIO UNITE! – “BUSINESS APPLICATION INTEGRATION”.

EMANIO Unite! was developed from the ground up with the needs of small and mid-sized business in mind. Typical EAI implementations can demand as much as \$400,000 or more in software, implementation & training costs; it’s commonplace for EAI deployments to have Total Cost of Ownership (TCO) numbers that exceed \$1-million. EMANIO Unite! can be purchased and implemented for less than \$100,000 – the type of investment that will make it easier to justify the expenditure without having to sacrifice the features necessary for a successful application integration deployment. Best of all, an EMANIO Unite! Implementation can provide significant return on investment – often in less than one business month. As figure 1 shows below the cost savings of an EMANIO Unite! Implementation can be staggering to the mid-sized business

FIGURE 1 -COST SAVINGS OF USING INTEGRATION

EMANIO Unite! was built for ease of use and ease of deployment. EMANIO Unite! was developed with the needs and requirements of mid-market companies from the start. EMANIO has years of experience writing software for small and mid-sized businesses.

EMANIO Unite! Yields ROI.

EMANIO Unite! can provide you with the benefits of Application Integration without the expense of traditional Enterprise solutions. Our customers see a return on investment in as little as one business month.

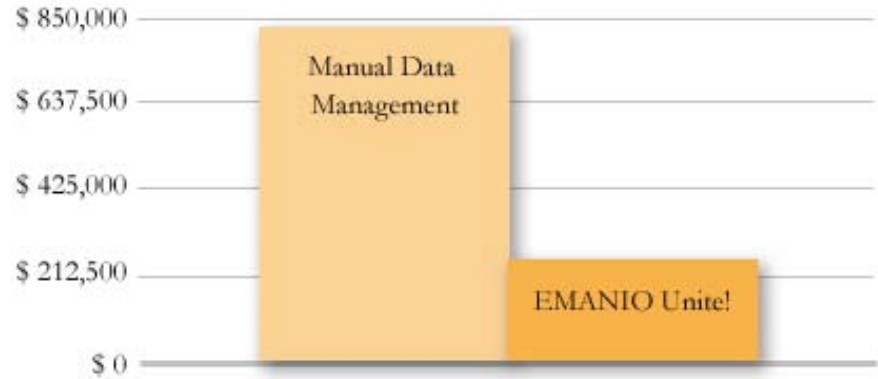
Call EMANIO today

Call your sales representative today to find out how EMANIO Unite! can solve your application integration requirements.

EMANIO Unite! provides small and mid-sized businesses with an affordable platform for integrating any type of data. Unite!'s ease of use and speed are unmatched and provide for fast learning curves and rapid deployment times.

Our TradingPartner EDI software has been installed in thousands of locations worldwide and is a favorite among small businesses that need to easily and quickly adopt EDI with their customers and vendors. Unite!'s modular architecture allows the product to easily and quickly gain functionality while the easy to use interface allows for minimal training time and rapid adoption. Among some of Unite!'s key features are:

- EMANIO Unite!'s drag-and-drop user interface was designed from the be-



ginning to allow ease of map development without having to write a single line of code.

- Unite! can be expanded with pre-defined kits that reduce the amount of time spent mapping systems together.
- EMANIO's 360° Care program EMANIO will work with you to install, define maps, train and support the product to ensure 100% satisfaction.
- Unite! includes ODBC drivers – providing the ability to tie directly into ERP or CRM database architecture and giving mid-market companies have the ability to visually map one system to another easily and with speed.
- The ability of the product to run unattended or manually gives IT staff the opportunity to have as little or as much control over the data exchange process as they desire.

EMANIO Unite! not only provides the ease of use and power necessary for mid-market application integration projects; it does so at prices that are affordable even for the most cash-strapped IT organizations. Typical EMANIO Unite! customers spend less than \$100,000 to get the software installed and operational giving mid-market companies for the first time the ability to justify the expense of application integration.

As mid-market organizations grow it is becoming increasingly clear that adopting new back-end systems like ERP and CRM are not the only pressing issues. Migrating legacy data and integrating those new systems and applications into other in-house applications is even more critical for the long-term success and viability of the company. Enterprise Application Integration products have been proven as viable, cost effective tools that can link in-house systems and provide data uniformity through the company. Making EAI applications available to mid-market companies however has been challenging and a very costly proposition. With traditional EAI implementations costing upwards of \$400,000 mid-market companies are searching for new solutions that can provide

the power and flexibility of EAI without the cost and implementation hassles. EMANIO brings EAI to a new market – Business Application Integration – application integration for small and mid-sized organizations with EMANIO Unite!. Powerful, flexible, easy to deploy and learn it provides the application integration platform that the mid-market has been craving, without the onerous budget requirements of traditional tools. Call one of our sales representatives today at (510) 849-9300 to learn how Unite! can help your business today.

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