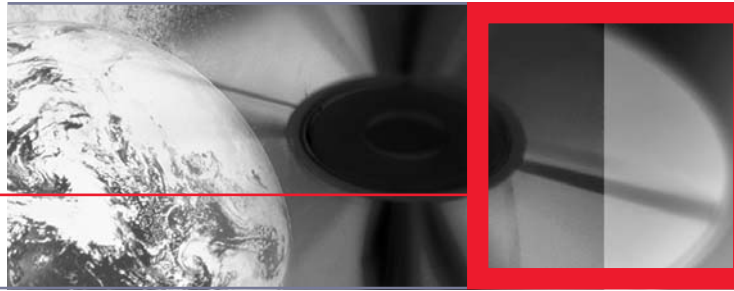


INTERSHOP™
 Success Story



The Federal Office of Criminal Investigation now only investigates online – at least when it comes to sourcing goods and services. It's all part of the e-government initiative BundOnline 2005 launched by the German Government, which requires all public agencies to ensure that, by 2005, services be delivered exclusively online, wherever possible. "Over the next four years, the Government will move 376 services to the Internet, at a projected cost of 1.65 billion euros," says Federal Minister of the Interior Otto Schily. Since mid-2002, the Federal Ministry of the Interior, with its 26 associated agencies – including the Federal Border Guard, Federal Administration Office, and the Federal Office for the Protection of the Constitution – have been purchasing goods and services via the Procurement Office's Öffentlicher Einkauf@uf Online (Public Purch@sing Online) platform. Underpinning this virtual marketplace is the Enfinity Procurement Solution from Intershop Communications, implemented by Siemens Business Services. The system runs on Linux Debian and Linux Red Hat, and fully integrates both buy-side and sell-side activities.



Manual order processing

Responsibility for purchasing goods and services for all the agencies covered by the Federal Ministry of the Interior lies with the Procurement Office, which also handles this task for a number of other customers such as special foundations. Before it switched to the online system, processes were largely manual and based on fax, mail, or phone ordering. Within the organization, the materials management and ordering system was not centralized, and there was no structured use of the Internet and e-mail. Paper-based processing meant a lack of transparency in important areas such as the extent to which global agreements were being leveraged to secure more favorable prices.

The goal of the procurement project was to boost efficiency by creating a central online purchasing system for the public sector. As well as guiding employees through the use of global agreements, clearly defined processes were a priority, since public sector purchasing procedures are subject to special requirements. These include detailed regulations on awarding contracts and rigorous security requirements.

The solution is a marketplace that allows employees to access all the available offerings on the intranet, while suppliers can maintain the portfolio defined in the global agreement online and view the latest orders. "Both Siemens Business Services and Intershop met our objectives in full. We now have a user-friendly, secure application, which can be used as a model for other government agencies," explains Roderich Egeler, director of the Procurement Office.

Implementing the project

As the prime contractor, Siemens Business Services handled technical implementation of the project. Intershop fought off stiff competition to win the contract with its Enfinity procurement software – a function-rich package offering superior performance, failure protection, and flexible graphical definition of processes plus the ability to seamlessly integrate with the Office's existing budgeting systems. In addition, the client capability of the Enfinity solution meant that multiple agencies could be incorporated simultaneously using the same model.

The resulting solution is based on an architecture comprising XML interfaces and components that support central processing via a browser interface. Contractors, customers, and employees of the Procurement Office are all assigned rights that define their respective access to the procurement marketplace. Users are authenticated and authorized by an integrated Public Key Infrastructure (PKI) solution. Product information is dynamically linked to the process data, while product offerings are personalized to match the rights of each user and filtered to take account of any special terms laid down in the global agreement. A dedicated contract management feature makes it easier for Procurement Office staff to manage and monitor legal aspects of the process. They can also take advantage of configurators in certain product categories, such as adapting vehicles to meet the requirements of the Federal Office of Criminal Investigation and the Federal Border Guard.



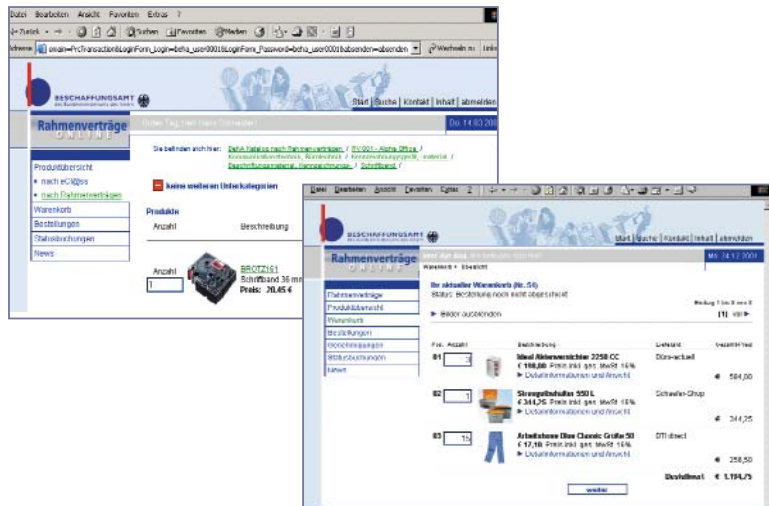
“Both Siemens Business Services and Intershop met our objectives in full. We now have a user-friendly, secure application, which can be used as a model for other government agencies. And ultimately, the tax payer is the winner,” explains Roderich Egeler, director of the Procurement Office.

Hardware architecture with interfaces

To place orders, users access the application server via an Apache Web server. The entire Enfinity system, the Procurement Office’s applications, and the server for the media data all reside on the application server. Linked to it is an e-mail server that supports all mainstream SMTP and POP3 systems. The transaction data is stored in a database server on an Oracle database. The application server is also hooked up to a trust center for the purposes of data verification. Users can also access a DOMEA server to process administrative tasks as a single, IT-supported transaction and save the results.

No orders without a global agreement

A function for importing external catalogs enables staff at the Ministry of the Interior to access all the catalogs of approved suppliers over the intranet. The suppliers are connected via OCI and BMECat, the standard for the electronic exchange of catalog data based on the W3C XML Schema Definition Language (XSDL). The person placing the order can either select the product directly or configure it to specific requirements, as in the case of hardware or office furniture. The entire approval process is precisely defined in advance to minimize the effort involved. After the products have been saved in the shopping cart, a digital signature is added to the purchase order in accordance with the PKI system. Before the order is actually shipped to the supplier, it is checked against the existing global agreements. Alternatively, orders can be placed by first accessing a global agreement. Once the order has been confirmed, the shipping process can begin, and all the data is sent to the Cognos statistics server.



“We anticipate that the implementation of BundOnline 2005 will save us around 400 million euros each year,” says Schily.

Pooling of resources and requirements within associated agencies is an additional feature of this major online initiative. Examples include the Ministry of the Interior and the Ministry of Defense putting out joint tenders for expensive hardware and software to obtain better prices. “By working together in this way, we are able to benefit from significant organizational and financial synergy. And ultimately, the tax payer is the winner,” concludes Egeler.

Intershop Product:

Intershop Enfinity

Integration Partner:

Siemens Business Services



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