IBM

e-Chemicals launches chemical industry's first online store.

For large chemical manufacturers in the $250-billion U.S. chemical industry, 20 percent of the customers typically generate 80 percent of the revenue. The rest of the customers buy in smaller volumes, so manufacturers have found it difficult to serve them cost-effectively. But no longer, because e-Chemicals is bringing the efficiencies of business-to-business e-commerce to the chemical industry through the Web's first online chemical store.

"As a start-up … we really needed a solid solution we could trust and that had the flexibility to accommodate change— which we found in Net.Commerce, DB2 and Domino."

—Jim Alampi, President and Chief Executive Officer, e-Chemicals

Bringing aboard leading manufacturers, including DuPont and Elf Atochem, *www.e-chemicals.com* has an inventory of several hundred chemical products,

which it supplies to its customers at up to a 20 percent saving compared to traditional wholesale channels. Developed with an e-business solution from IBM, the Web site averages 7,000 hits each week and that number is growing rapidly.

Confident of success, Alampi says, "As a start-up exploiting the business-to-business potential of the Internet, we really needed a solid solution we could trust and that had the flexibility to accommodate change—which we found in Net.Commerce, DB2 and Domino."

Application	Online chemical store
Business Benefits	20% savings on products for customers; first to market; 7,000 hits weekly
Software	IBM Net.Commerce IBM DB2® for AIX® Lotus® Domino™ Lotus Notes®
Hardware	IBM RS/6000®
Services	IBM Global Services

IBM **(e)** ™
an e-business solution ▶

e-Chemicals saves time and money for chemical manufacturers and their customers.

Reaching all market segments cost-effectively

Several hundred businesses have already registered as customers with the online store. For chemical manufacturers, e-Chemicals presents a cost-effective means to broaden their market base. "Most customers buy in small volumes, so one of the toughest challenges for chemical manufacturers is finding the least expensive means to reach markets of all sizes," says Alampi. "Because we are such a streamlined business, e-Chemicals is the perfect way to do it."

Designed for the industry

The e-Chemicals Web store is delivered by Lotus Domino, residing on an IBM RS/6000 server. The server is located at the Schaumburg, Illinois offices of IBM Global Services, which helped construct the site. Net.Commerce enabled e-Chemicals to tailor its Web site to the unique requirements of the chemicals market, providing a shopping cart, an easy-to-search electronic catalog as well as facilities to view order histories and track order status. Domino, which supports industry-standard, 128-bit Secure Sockets Layer (SSL) encryption, provides security for purchases.

When a customer submits an order, it is transmitted through electronic data interchange (EDI) to SunTrust for credit authorization. Once validated, the order is routed to the nearest manufacturer and an advance shipping notice is sent to Yellow Freight, e-Chemical's shipping partner.

IBM DB2 for AIX stores the product catalog, giving e-Chemicals the flexibility and scalability needed to further customize its online store. For example, because chemical pricing is in decimals, not dollars and cents, a relational database that allows such field changes is essential. Explains Alampi, "That's one of the strong points of Net.Commerce and DB2—it's not a big deal to make our database field a three-decimal-point price field. And, as we continue expanding our catalog, DB2 will be there to support our needs well into the future."

Using the ability of Domino to access DB2 and Lotus Notes to make Web site updates, e-Chemicals can easily keep its online product catalog current. This spring, e-Chemicals will deploy a Lotus Notes tool that chemical manufacturers will use to update shipping lead times and prices from a secure page on the e-Chemicals Web site.

Powerful marketing arm

By the end of the year, e-Chemicals hopes to have several thousand customers choosing from among 1,000 products produced by 100 manufacturers. Currently, the company is getting a glimpse of customer browsing and buying habits using a business intelligence product by WebTrends Corporation. To be a true marketing arm for its business partners, the company is evaluating data mining tools—including IBM Intelligent Miner™ for Data—which its marketing team can use to customize promotions.

Says Alampi, "It's exciting to be the first true e-commerce, business-to-business venture in the chemical industry and to be filling an important need for chemical customers and manufacturers alike. And, having IBM as one of our business partners sends a message of security, competence and scalability."

For more information, please contact your

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