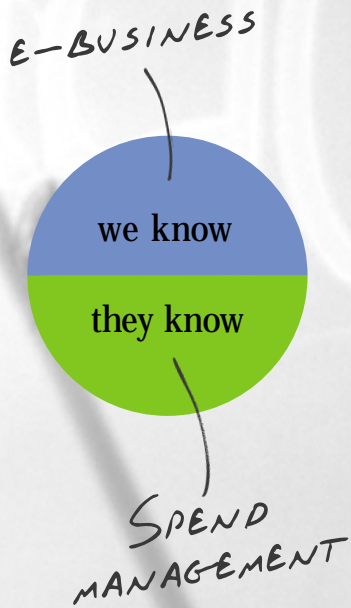
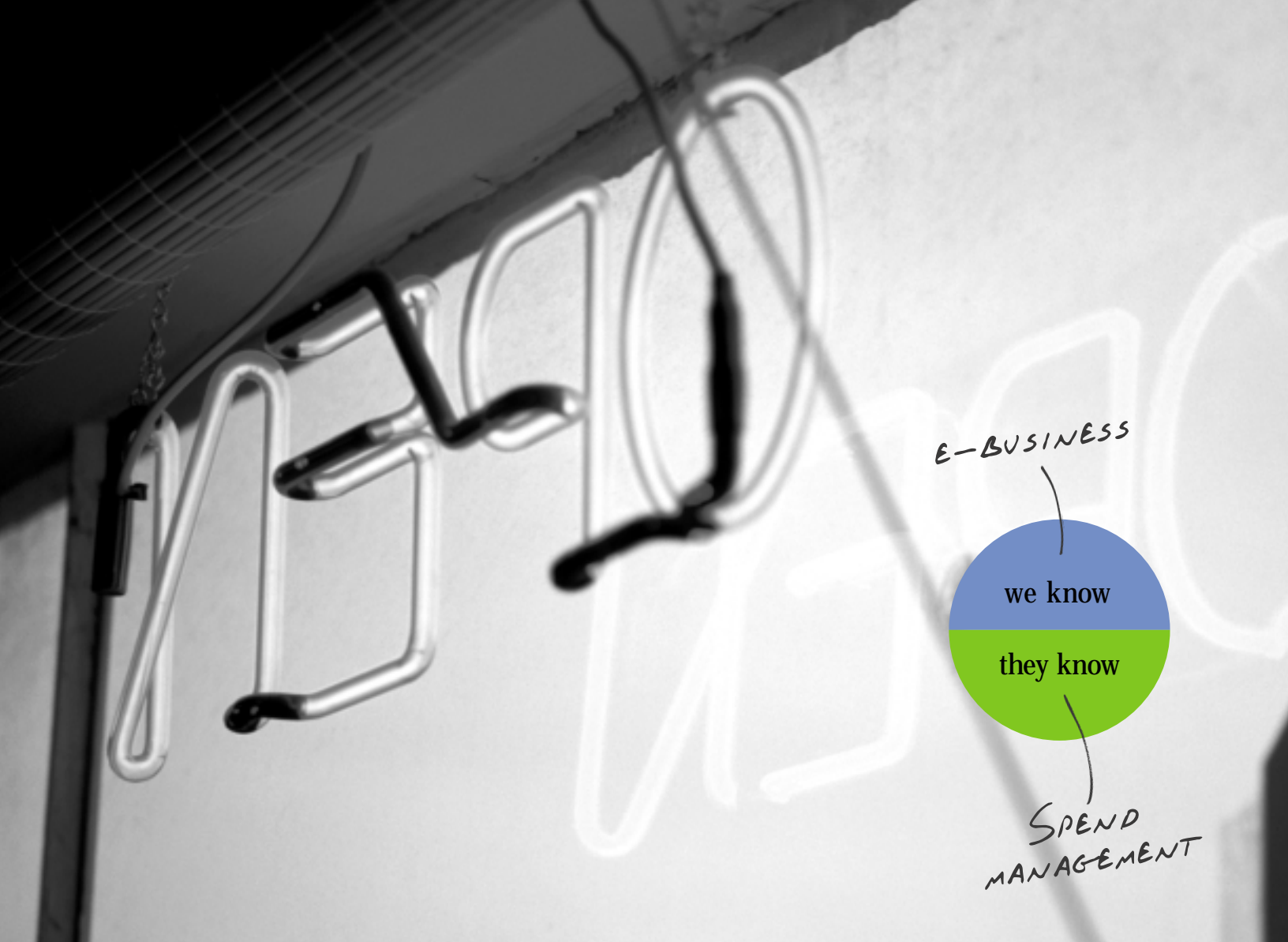


IBM AND ARIBA. GROUNDBREAKING ENTERPRISE SPEND MANAGEMENT SOLUTIONS



ESM solutions put spend visibility in focus, giving your company the ability to better identify trends, track expenditures and forecast for strategic planning. At the same time, you gain the ability to standardize procurement processes and improve supplier connectivity and relationships. By helping to reduce process costs and maximize the value of every transaction, the benefits of ESM go straight to the bottom line.

IBM and Ariba have joined forces to bring you a comprehensive solution designed from the ground up to manage and optimize enterprisewide spend. The IBM-Ariba alliance provides a suite of integrated offerings, leveraging IBM e-business expertise and the Ariba® Spend Management™ Suite, which enable you to manage, control and leverage the entire spend lifecycle.

Pinpoint spending leaks. Plug them. Save.

With ESM, chief financial officers and procurement professionals finally have access to a single, centralized solution that puts them in control of spend. At the heart of the IBM-Ariba ESM solution is the Ariba Spend Management Suite, which integrates analysis, sourcing and procurement solutions to give you a straightforward approach to managing spend. Our solution will help you find where you can save money, get the most savings possible and keep those savings on an ongoing basis.

Analysis—find savings

To find potential savings, your company must scrutinize every spend process category.

- Ariba® Analysis™ is an application that enables you to collect and analyze complex spend data so you can understand current spending patterns and identify opportunities for improvement. Ariba Analysis provides a single repository of accurate spend data and easy-to-use tools to analyze that data, which can help your company identify sourcing opportunities, consolidate demand across divisions and spot emerging trends. Buyers are able to negotiate better pricing terms, and identifying maverick users who are not buying with contracted suppliers becomes easier.

Sourcing—get savings

The ability to automate the sourcing process, negotiate better contracts with suppliers and improve sourcing productivity is essential to reducing and controlling costs, and increasing savings.

- Ariba® Enterprise Sourcing™ helps you achieve greater competitive advantage and profitability by moving from traditional, event-based sourcing to enterprise sourcing. Ariba Enterprise Sourcing streamlines and automates the entire sourcing process, from definition and aggregation of spending requirements to supplier management, negotiation and establishment of optimal contracts with suppliers. Buyers and suppliers can capture purchasing trade-offs and optimize sourcing activities with flexible bidding options and decision support tools.

Procurement—keep savings

Driving widespread compliance with negotiated contracts enables you to keep and sustain savings. The Ariba Procurement Solution provides plan-to-pay functionality and requisitioning capability to help drive enterprisewide compliance with negotiated contracts. Ariba Procurement Solution applications include:

- Ariba® Buyer™—an integral part of the Ariba Spend Management Suite and hub of the Ariba Procurement Solution. It provides requisition management and online purchasing capabilities for all users and commodities. Ariba Buyer



securely automates the full buying cycle for improved management and tracking of spend. In addition to restricting maverick buying and other uncontrolled spending by driving compliance with negotiated contracts, Ariba Buyer delivers rapid cost savings by increasing the efficiency of the entire procurement process from requisition to payment—slashing transaction expenses, decreasing cycle times and leveraging supplier relationships.

- Ariba® Contracts™—a new application that helps your procurement professionals manage contract usage and compliance, and eliminate contract leakage. Ariba Contracts provides comprehensive enterprisewide management of the entire contract lifecycle and provides buyers access to a centralized repository of contracted products and services. From Ariba Contracts' centralized contract management tool, buyers can launch purchasing transactions, extend contracts, renegotiate service terms and monitor the compliance levels of suppliers.

- Ariba® Invoice™—a new application that automates and streamlines every step in the invoicing process to help your company reduce reconciliation cycle times and improve exception handling. Ariba Invoice replaces manual and paper-intensive activities with efficient electronic invoicing. Ariba Invoice provides an intuitive user interface, robust workflow-based exception handling and realtime supplier communication for greater time, resource and cost efficiencies.


- Ariba® Workforce™—extends the benefits and cost savings of ESM to the procurement of temporary staffing, contractors and consulting services. By automating the complete workforce procurement lifecycle, Ariba Workforce enables you to dramatically improve process efficiency, cut costs, enhance supplier collaboration and interaction, reduce billing and payment errors, and better understand and manage your contingent worker spend.

The Ariba Spend Management Suite also includes Ariba® Supplier Network™ (Ariba SN), the most widely adopted global commerce network for transparent collaboration between buyers, suppliers and distribution channels, with over 32,000 enabled vendors. Ariba SN provides companies and their suppliers with a single point of connection to facilitate all spend management processes.

Industry-leading e-business know-how, infrastructure and support services

IBM and Ariba provide advanced technology solutions and services to help businesses reap the greatest possible benefits from ESM. Together, we can help your business rapidly integrate ESM solutions and cutting-edge technologies into your infrastructure to maximize business opportunities.

IBM offers a single point-of-contact, including hardware, software, services, support and financing for quick implementation and dynamic execution. IBM has built value chains—using proven, comprehensive solutions and services—for every industry. IBM capabilities encompass business transformation consulting, implementation and support services, middleware, hardware and outsourcing.

 ***“The IBM team expertly integrated Ariba Buyer with our backend enterprise systems and deployed the solution in just 67 days—enabling an even faster return on investment.”***

—Dan Olsen, director of Supply Management Services, Hydro One



IBM service professionals have the knowledge and skills to quickly deploy and adapt processes and applications worldwide. Based on experience working with a wide range of information technology systems—including complex, heterogeneous environments—IBM can leverage your infrastructure to help automate end-to-end ESM processes.

IBM technology and capabilities include:

Services—IBM offers a variety of strategic consulting services to help your company determine its ESM strategy, then implement it using our knowledge of e-business and industry best practices and leading methodologies. IBM can also host and manage your ESM solution so your information technology team can focus on core competencies.

Software—IBM has combined database strengths in IBM DB2®, security strengths in Tivoli® systems and e-business integration solutions with powerful offerings such as IBM WebSphere MQ and the IBM WebSphere® business integration solutions, so that IBM can help you integrate existing systems (legacy, ERP and more) with new ESM applications from Ariba.

Hardware—IBM robust solutions power e-commerce around the world. For example, the IBM @server line, from Intel-based servers to mainframes, is designed to provide the best scalability, availability and dependability to fit your business requirements.

IBM also has an extensive system- and solution-testing infrastructure, supported by a team of several thousand professionals at more than 100 sites worldwide. Research and development experts test product interoperability, scalability, proof of concepts and performance to drive ultimate benefits for you.

Becoming spend-wise with help from IBM and Ariba

IBM and Ariba have merged advanced technology, high-level e-business infrastructure and swift implementation capabilities to help you gain enterprise-wide spend visibility quickly and easily. IBM, with our e-business expertise and global implementation and consulting services, is ready to power your business with a comprehensive, world-class ESM solution. And the integrated and automated Ariba Spend Management Suite for analysis, sourcing and procurement provides effective management solutions for the full spend lifecycle. Supplier connectivity and relationships take on whole new meanings. As does process control. The money that was once lost to unobserved processes, poor communication and loose relationships can now be found, captured and kept. And the savings goes straight to where you need it most—the bottom line.

For more information

To learn more about IBM and Ariba ESM solutions, please call 1 866 426-6010 or visit:

www.ibm-ariba.com

Ariba spend management:

- **Significant reductions in spend**
- **Enterprisewide visibility and control**
- **Spend lifecycle solution—analysis, sourcing and procurement**

Harnessing spend—enterprisewide

Like forces of nature, market forces are difficult to predict and impossible to control. Savvy business leaders have always known that effectively and efficiently managing earnings is critical to weathering storms and out-performing competitors in favorable economic climates. But a lack of effective tools has always made this a challenge.

Enterprise Spend Management (ESM) is a new class of strategic solutions that incorporates analysis, sourcing and procurement solutions to help companies gain the visibility they need to fully manage and leverage their enterprisewide spend and address these longstanding dilemmas:

- Poor spend visibility*
- Lack of sourcing leverage*
- Inadequate supplier enablement*
- Inability to optimize vendor relationships*
- Lack of user compliance to negotiated contracts.*



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