



E-Seminar



Extranet VPN

Internet Technology Solution Seminar





Extranet VPN

Internet Technology Solution Seminar

- 3 Welcome
- 4 Objectives
- 5 Traditional Business Interactions
- 6 Extranet Defined
- 7 VPN Review
- 8 e-Procurement
- 9 Supply Chain Management
- 10 Security
- 11 Benefits
- 12 Conclusion



Extranet VPN Seminar

Welcome

Welcome to the Technology Solutions E-seminar on Extranet VPNs.

As businesses become more and more global, interactions with customers, suppliers and other business partners have become a vital part of their daily operation. How these interactions are happening may have a significant impact on a company's success.

Extranets provide a means for business partners to increase and enhance their business communications with each other. They allow companies to streamline their collaboration and exchange processes, and improve the efficiency and quality of their business relationships.



Extranet VPN Seminar

Objectives

In this seminar, we will discuss both the business and technical aspects of Extranets or Extranet VPNs.

We will first explain what an Extranet VPN is.

Next, we will discuss a number of examples and practical applications of Extranets between business partners.

Finally, we will discuss the potential benefits of using Extranets between your company and your key business partners.



Extranet VPN Seminar

Traditional business interaction

Almost every company has a select group of suppliers, vendors and other business partners they do business with. Business interactions between these organisations include communication, collaboration and, in many cases, commercial transactions.

Traditionally, these activities were planned, agreed and carried out using human-intensive and paper-based communication methods: face-to-face meetings, phone calls, letters, faxes, and so on. More recently, more and more companies are using email communication for a part of their communication with each other, but this is still a non-automated and non-focused tool for routine business exchanges.

In today's rapidly changing and highly competitive global economy, speed and cost can determine a company's success or failure. As the traditional business exchange methods often prove to be slow, paper-based, time-intensive, and expensive, companies are looking to improve the efficiency and effectiveness of their business-to-business interactions. That's where Extranets come into the picture.

An Extranet is a private network connecting the networks of two or more businesses, enabling secure communication, collaboration and commerce



Extranet VPN Seminar

Extranet Defined

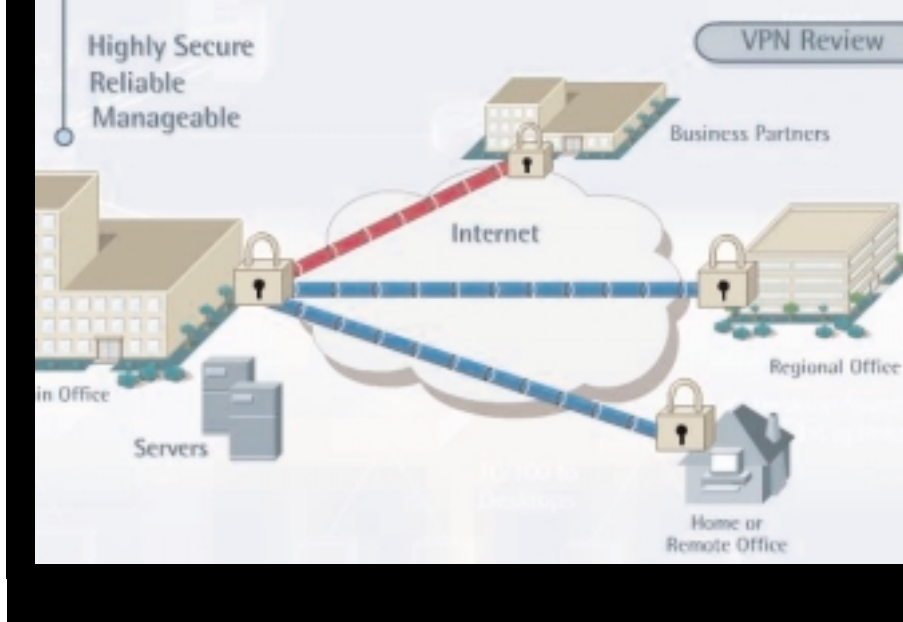
Let us first define what an Extranet is.

An Extranet is a private network connecting the networks of two or more businesses, enabling secure communication, collaboration, and commerce.

Different technologies can be used to establish an Extranet, the most relevant being a Virtual Private Network, or VPN

An Extranet can enable employees of the companies involved, to research products, place and fulfil orders, and track each others supply and delivery processes. By involving customers and suppliers, an Extranet VPN smoothes the transition to electronic commerce. It can enable productivity-boosting applications, and streamline business processes such as ordering, shipment and billing.

Extranet-based business-to-business communication usually happens over the Internet or via a shared Service Provider IP network.



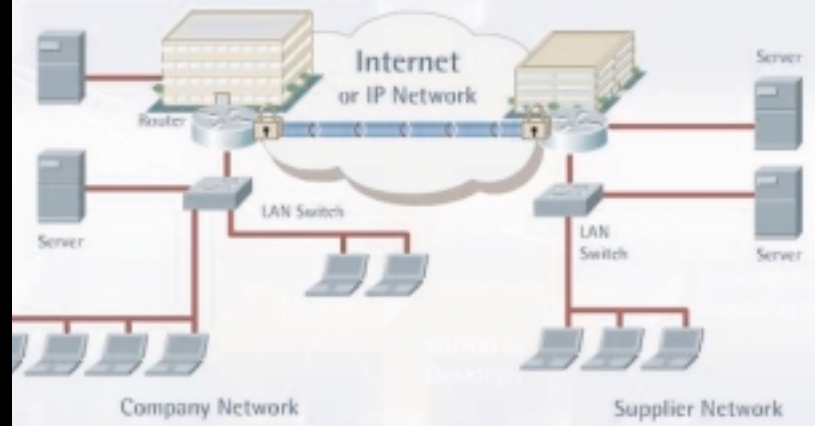
Extranet VPN Seminar

VPN Review

As explained, Extranets are a particular type of VPN. In general, a VPN is a company network deployed on a shared infrastructure, and employing the same security, management and performance policies that are usually applied in a private network.

VPN technology provides a way for using public network infrastructures, such as the Internet, to provide private, secure access to applications and company resources to employees in remote or home offices, to business partners, and even to customers.

Business-to-business traffic sent across an Extranet VPN is therefore highly secure, reliable and manageable.



Extranet VPN Seminar

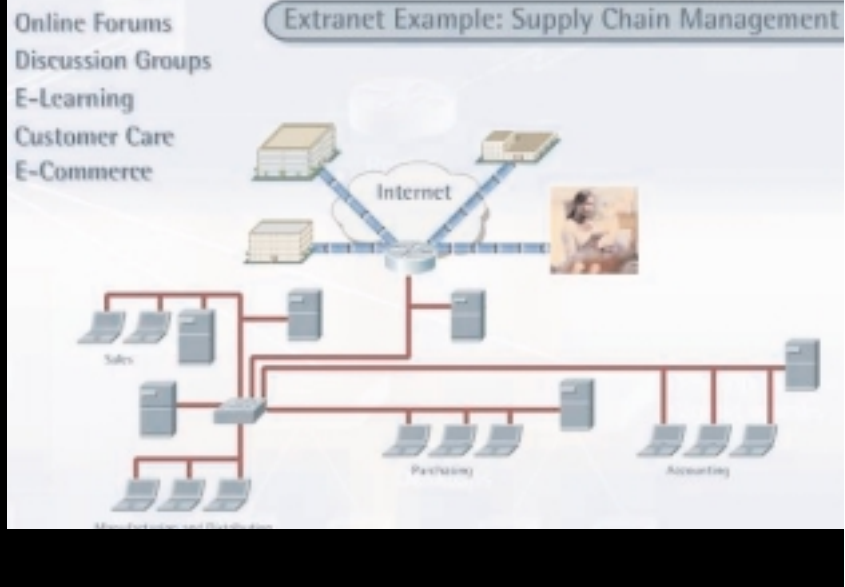
Example: e-Procurement

Let's have a look at two practical cases of Extranet applications between two companies.

E-Procurement is an automated, Internet-based way for a company to purchase the goods and services it needs to conduct business.

Such procurement goods and services may include product components, standard raw materials, special customised supplies, or supplies needed for maintenance, repair, or general operation. E-procurement allows organisations to conduct the purchasing process over their Extranet, without the use of paper.

E-procurement applications usually require one or more servers, either within your company network, or outside of it, for instance for access from your suppliers. Using VPN technology, secure tunnels can be created over the Internet or over a Service Provider IP network, so that the appropriate servers and applications on either side can be accessed in a secure and reliable way.



Extranet VPN Seminar

Example: Supply Chain

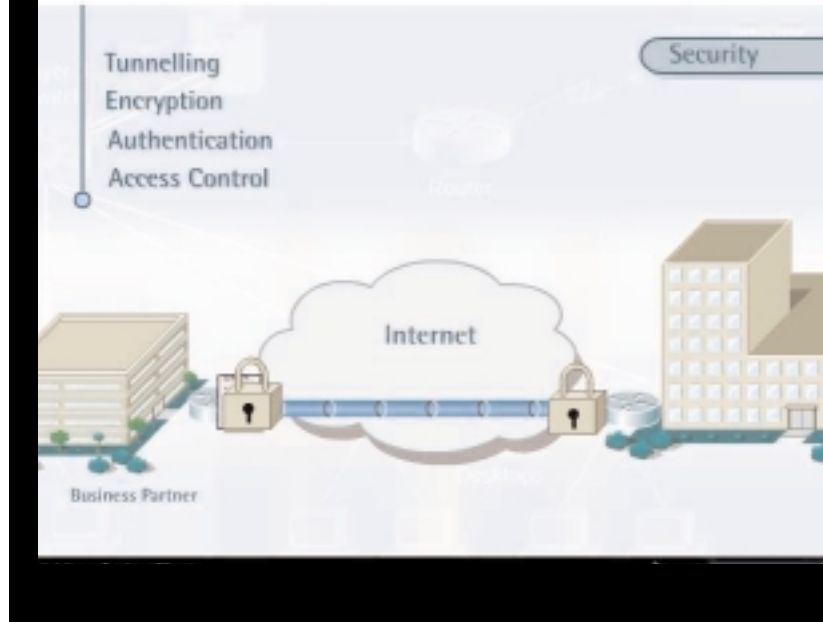
Another typical business solution that makes extensive use of Extranets is Supply Chain Management.

A company's Supply Chain is the end-to-end process required to procure, produce and deliver products and services to customers. It usually involves moving goods from suppliers to manufacturers, distributors, retailers and, finally, the customer. During this process, and based on the customer order, raw materials, supplies and components are modified into finished products and then distributed to the customers.

Supply Chain Management is the management of all these flows and processes in the Supply Chain. All the different pieces of the chain must be coordinated, while keeping the costs as low as possible and the product quality and customer satisfaction as high as possible.

Supply Chain Management uses networking technology to streamline the interaction and communication of all participants along the Supply Chain. Extranet VPN technology ensures that all these interactions can happen in a reliable way, by creating secure tunnels over the Internet or over a Service Provider IP network.

Extranets can be used in many other areas. Additional examples include: online forums and discussion groups, e-learning, customer care and e-commerce. In fact, any communication, collaboration or commerce currently practiced between businesses, can be enhanced with Extranet technology.

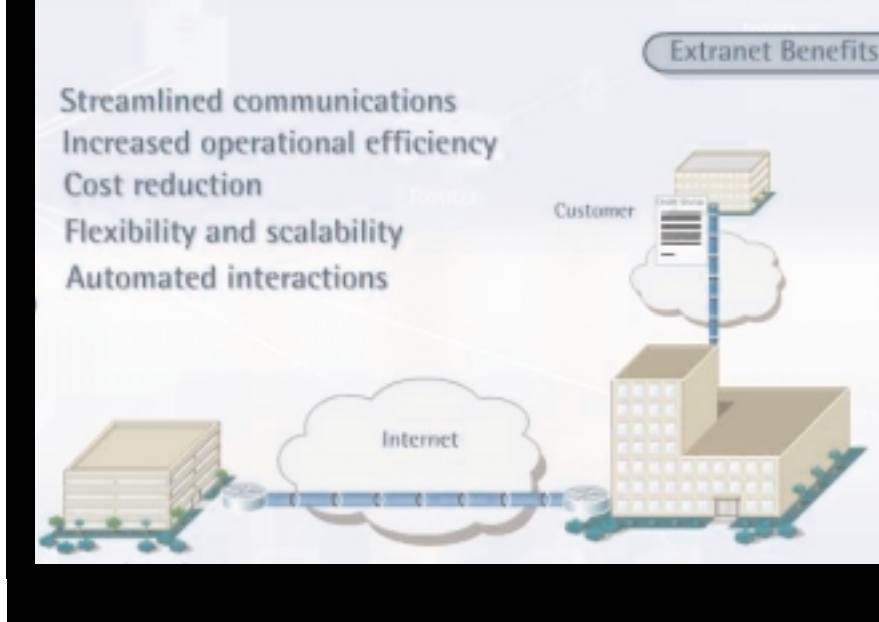


Extranet VPN Seminar

Security

For a company to open its internal network to a business partner or a customer, security is not something that should be taken lightly. Only designated users or applications of these partners should be authorised to access your systems. Your business partners will also protect their systems from unwanted access or improper use.

As far as the network in between is concerned, the security features of VPN technology take care of data privacy and secure network connectivity. VPN technology uses a combination of tunnelling, encryption, authentication, and access control mechanisms to carry traffic over the Internet or a Service Provider's IP backbone.



Extranet VPN Seminar

Benefits

So why is it better to interact with your business partners using Extranets than through paper-based communication, phone calls, faxes and ad-hoc emails?

Firstly, an Extranet streamlines your communication with your partners and customers, and increases your operational efficiency. Documents and processes are moved online, so that information such as product catalogues, price lists and documentation can be accessed or downloaded anytime, from anywhere.

As VPN technology provides a secure and reliable way to communicate over the Internet, communication costs are low. Furthermore, costs are reduced as there is less need for frequent meetings, and an overall reduction in paper and phone communication.

An Extranet VPN is very flexible and scalable. It can easily be adapted to the changing nature of your interactions with your business partners.

Finally, as systems, servers and applications can interact with each other, a high degree of automated communication and decision-making is possible. Customers, suppliers and other partners will have faster access to more accurate information.

For example, e-commerce customers who want to track their order online, can access an order status application, which itself could, through your Extranet, check supplier systems to verify where exactly in the supply chain the product or its components are. Such possibilities for customers could very quickly turn into a significant competitive advantage, for any company.



Extranet VPN Seminar

Conclusions

Let's summarise the most important points.

Extranet VPNs extend selected resources and applications from a central company network to users outside the company, such as suppliers, customers and partners. These connections and interactions can happen in a secure way and can be limited to particular systems and designated people.

Extranets improve your business relationships and result in higher degrees of cooperation between companies. As a result, efficiency is increased, and communication happens faster and more cost-effectively.

When properly utilised, Extranets are a win-win for all business partners involved.