



The e-Business journey @ ST

STMicroelectronics

November 2002

STMicroelectronics

Presentation Agenda

- **The global ST acting local**
- **Why e-Business for ST?**
- **ST e-Business Goals and Strategy Framework**



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STMicroelectronics

a **global semiconductor company**

Sales by region % of Q1 2002 sales

15 %
North
America

30 %
Europe

3 %
Japan

44 %
Asia Pacific

8 %
Emerging
Markets*

- Q1'02 Sales : **US\$ 1.36 billion**
- 2001 Sales : **US\$ 6.36 billion**
- Over **40,000** employees
- **17** main production sites
- **12** advanced R&D centers
- **32** design and application centers
- **74** direct sales offices in **27** countries

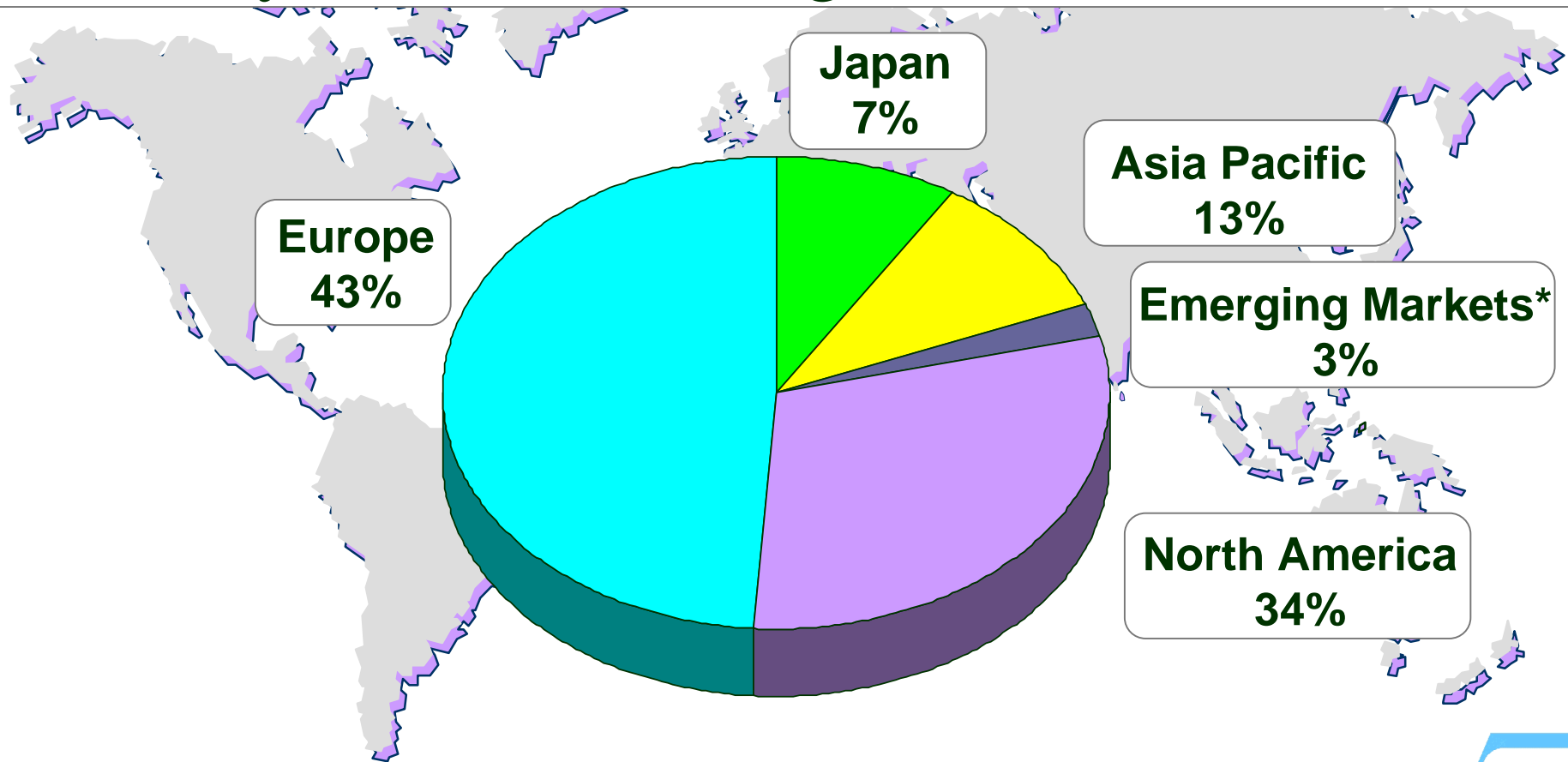
* Eastern Europe, India, Africa, South America, Middle East



STMicroelectronics

a **global semiconductor company**

Sales by customers' origin % of Q1 2002 sales



* Eastern Europe, India, Africa, South America, Middle East



Broad portfolio

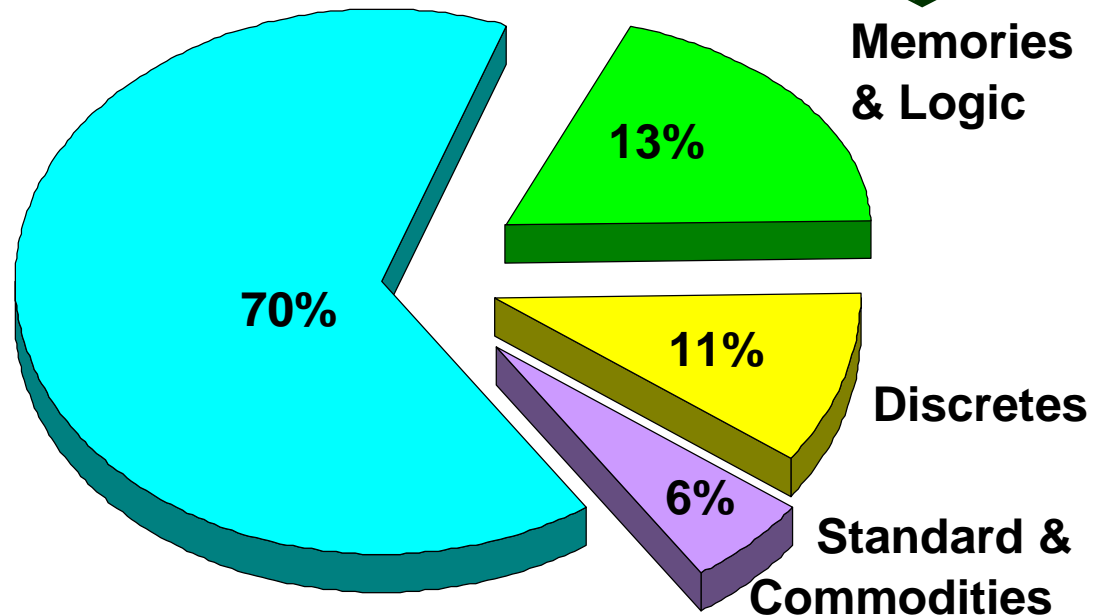
ST Q1 2002 sales
100% = US\$ 1.36 billion

Focus on differentiated products

Selective in standard products

Telecom peripherals & automotive

Consumer & microcontrollers



Differentiated Products



Diversified **customer** base

Top 30* 2001 OEM and Top EMS Customers

Communications

- Agilent
- Alcatel
- Ericsson
- Motorola
- Nokia
- Nortel Networks
- Siemens

Consumer

- Echostar
- Goldstar
- Grundig
- Hughes
- Kenwood
- Matsushita
- Philips
- Pioneer
- Samsung
- Scientific Atlanta
- Sony
- Thomson Multimedia

Automotive

- Bosch
- Daimler Chrysler
- Delphi
- Marelli

Computer

- Acer
- Hewlett Packard
- Seagate
- Western Digital

Smart Card / Industrial

- Delta
- Gemplus
- Schlumberger / Bull

EMS

- Celestica
- Flextronics
- Jabil
- Sanmina-SCI
- Solectron

* Alphabetically listed by main application sector



The global and local challenge

- ST has an integrated global presence in:
 - Products and Solutions
 - Design, Marketing, Sales and Support presence
 - Manufacturing
- So are many of our customers and partners
- **How to be global and act local ?**



And the answer is...

e-Business via:

Personalization → Act Local

Standards → Act Global



Personalization Principles

Authentication

Who are you?

Profiling

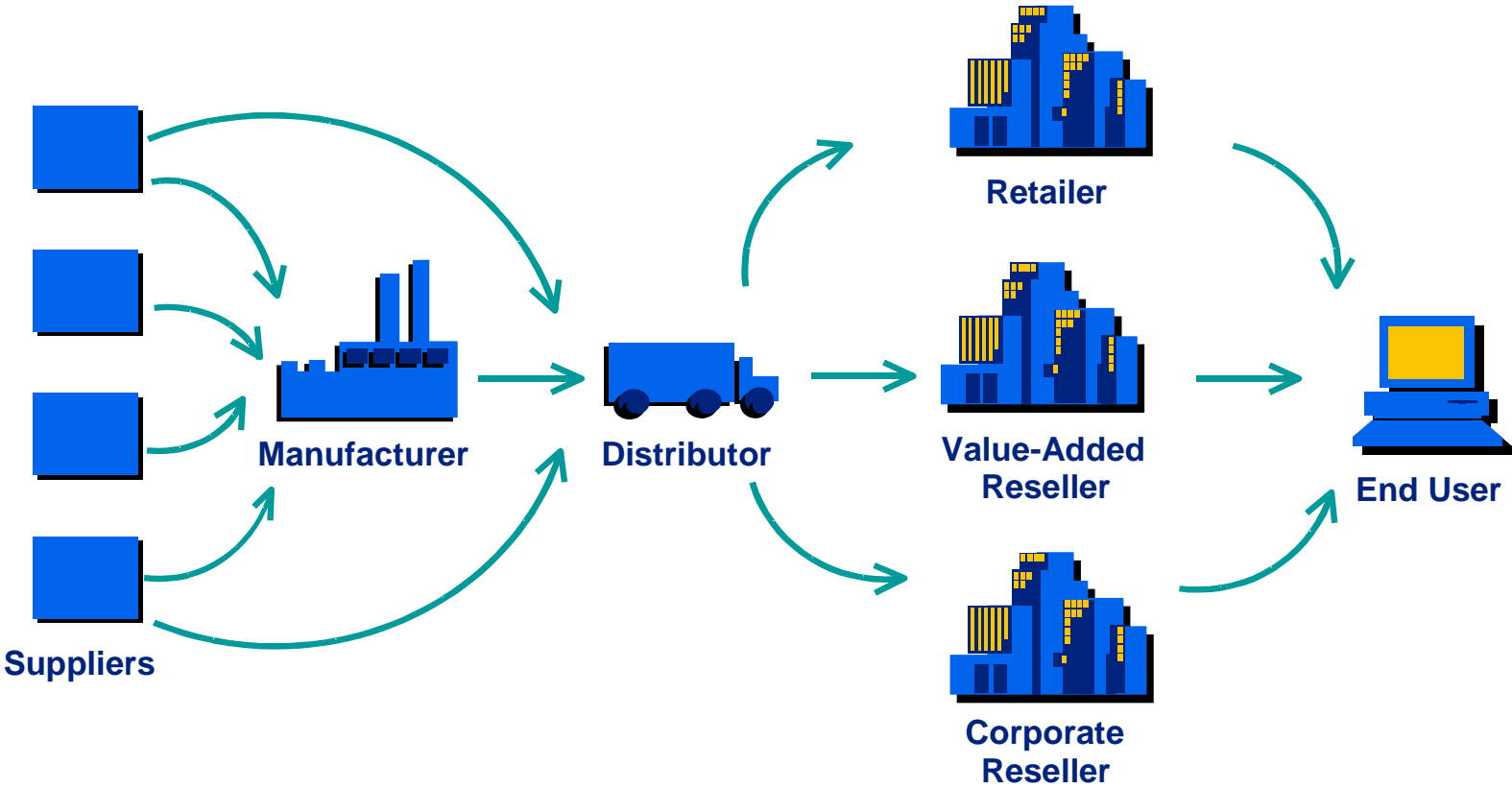
How to better serve you?

Authorization

What can you do?



Transition from Linear Supply Chain...



To Dynamic Supply Chain Networks

YOU NEED



Why Standardize?

- Makes e-Business efforts efficient and repeatable
- Allows for rapid reconfiguration of dynamic supply chains
- Leverages expertise and experience of those that have come before you
- Builds business value through speed and agility





Why RosettaNet?

*To align the electronic business interfaces between
Dynamic Supply Chain Partners*

Semiconductor Manufacturing →

Electronic Components →

Electronics Industry Segments →

What is RosettaNet ?

*A Business Consortia for the Dynamic Supply Chain
defining open and common interface processes to do
e-Business over the Internet.*



RosettaNet's Advantages

- Provide new business scenarii with our Trading Partners which wasn't possible with existing e-business solutions such as EDI
 - Dynamic Collaborative Planning process
 - Online Technical Product Query
 - Design Win with Distributors
- Online & Synchronous Business Processes
- Based on IP connectivity, available with any Trading Partners
- Provided in few months, business scenarii, technical framework, dictionaries, and XML based transactions. Due to the large community of Companies committed to RosettaNet, Software suppliers included rapidly this standard in their Solutions portfolio



How RosettaNet contributes to ST Strategy

- Contribute to “ Best in Class” in Service by providing quality information to our Trading Partner at the right time
- Contribute to “Strategic Alliances” with Customers
- Speed up the “Supply Chain” cycle time
- Contribute to “Globalization” of Business processes
- Contribute to “Environmental Protection” by providing paper free processes



RosettaNet Implementation Approach

- Driven by Business Process
 - Collaborative Planning and Inventory management
 - Order Cycle
 - Technical Product Query
 - Design Win
 - ...
- Not seen as an EDI alternative
 - RN complements EDI
 - Mixed RN & EDI Business Process solutions
 - Also mixed of System to System & Portals Business Process solutions



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Why e-Business?



What is e-Business ?

ST definition:

- **e-Business is about the transformation of current business activities over the Internet**
 - require a cultural change
 - e-Business is a end to end process
 - Selling and Services are an integral part of each e-Business activities.
 - we are all Actors!



e-Business Solution strategy fundamentals

- First define the **Business strategy** and goals, the partners and the **business processes**.
- Then, define the **e-Business strategy** in support of the business strategy and translate it into an **e-Solution** that is made of:
 - The Application(s) and Data resources (ERP or others)
 - The e-Business Infrastructure Services (Portals, Hubs, Transactions servers, etc...)
 - Applications Integration and Middleware Services
 - The Communication and Security Services (LAN, WAN, Firewalls)
 - e-Business Standards and Dev tools
 - Trading Partners e-Business capabilities



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e-Business goals for ST

- **BE AS EARLY AS POSSIBLE IN THE DESIGN CYCLE**
 - FIND – TRY – DESIGN – BUY
- **BE AN EASIER COMPANY TO DO BUSINESS WITH**
 - Personalized Portals for:
 - *Self-Service applications*
 - *Knowledge sharing*
 - *Collaboration*
 - *External and Internal audiences*
- **EXTENDING CURRENT ST BUSINESS MODEL USING INTERNET TO:**
 - Improve the sales coverage, marketing and support
 - develop new customers
 - increase ST value for existing customers



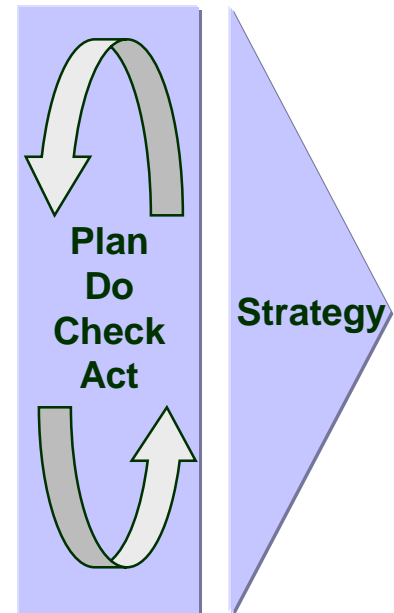
ST e-Business Strategic Framework



e-Business Project overview

e-Business Initiatives

- **e-Marketing**
 - the “**Sell-side**” of ST
- **e-Procurement**
 - the “**Buy-side**” of ST
- **e-Services**
 - the “**In-side**” of ST



ST e-Business Solutions

e-Business Solutions

e-Marketing Solutions:

- Collaborative Supply Chain
- Collaborative Commerce
- Collaborative design
- Collaborative publishing
- Web presence
- e-Intelligence
- Self-Service Personalized Solutions
- etc...

e-Services Solutions:

- Self-service applications
- Knowledge database
- e-learning
- etc..

e-Procurement Solutions:

- Business to Business procurement from negotiated catalogues
- Collaborative Supply Chain
- Low dollar Web purchase
- Self-Service Personalized Solutions
- etc...

Infrastructure Solutions:

- Portals (Human Centric Collaboration)
- RosettaNet and EDI transaction Servers (Process Centric Collaboration)
- Application Integration
- Network
- Security

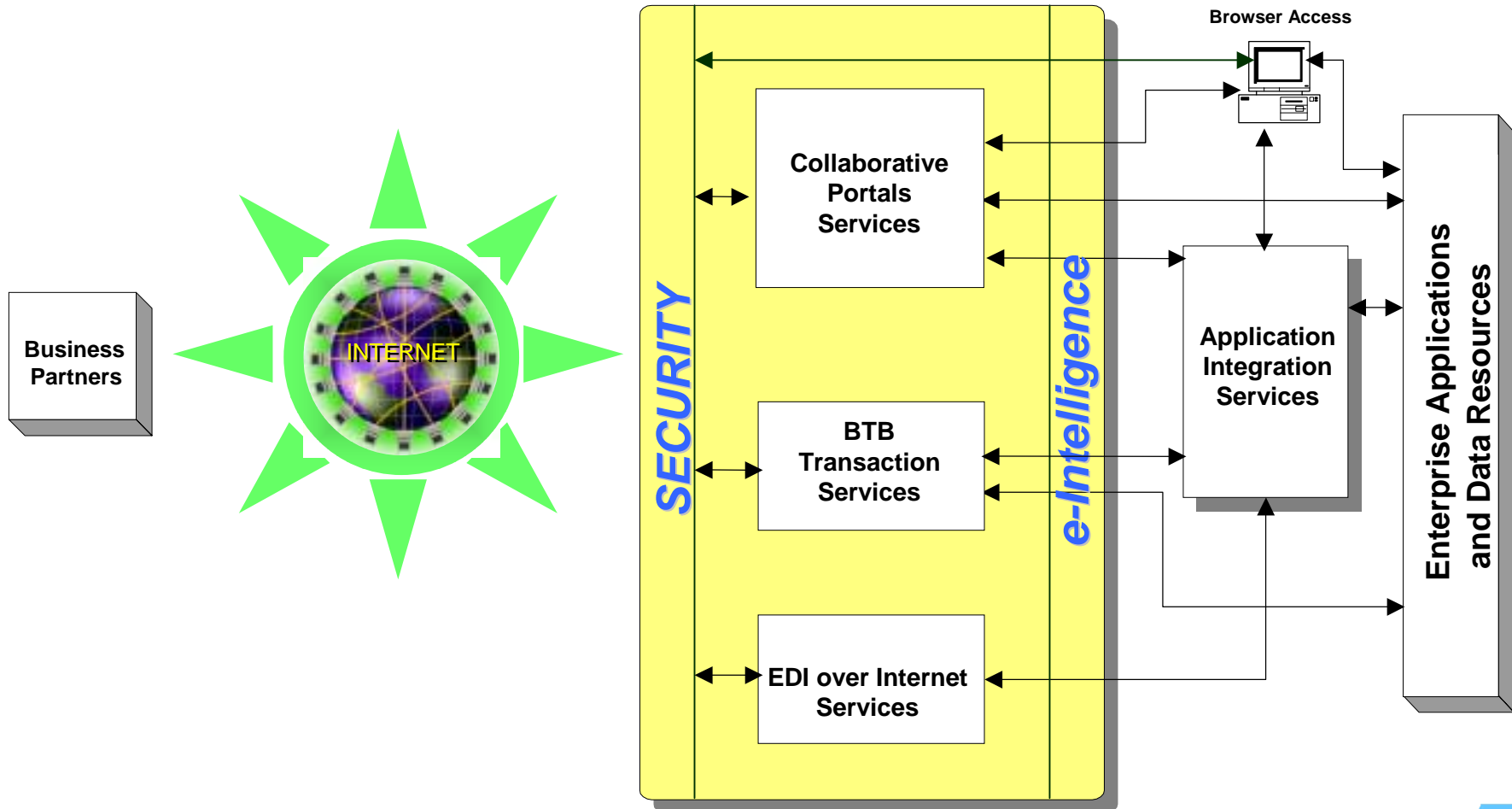


ST "New" e-Business Architecture

ST External

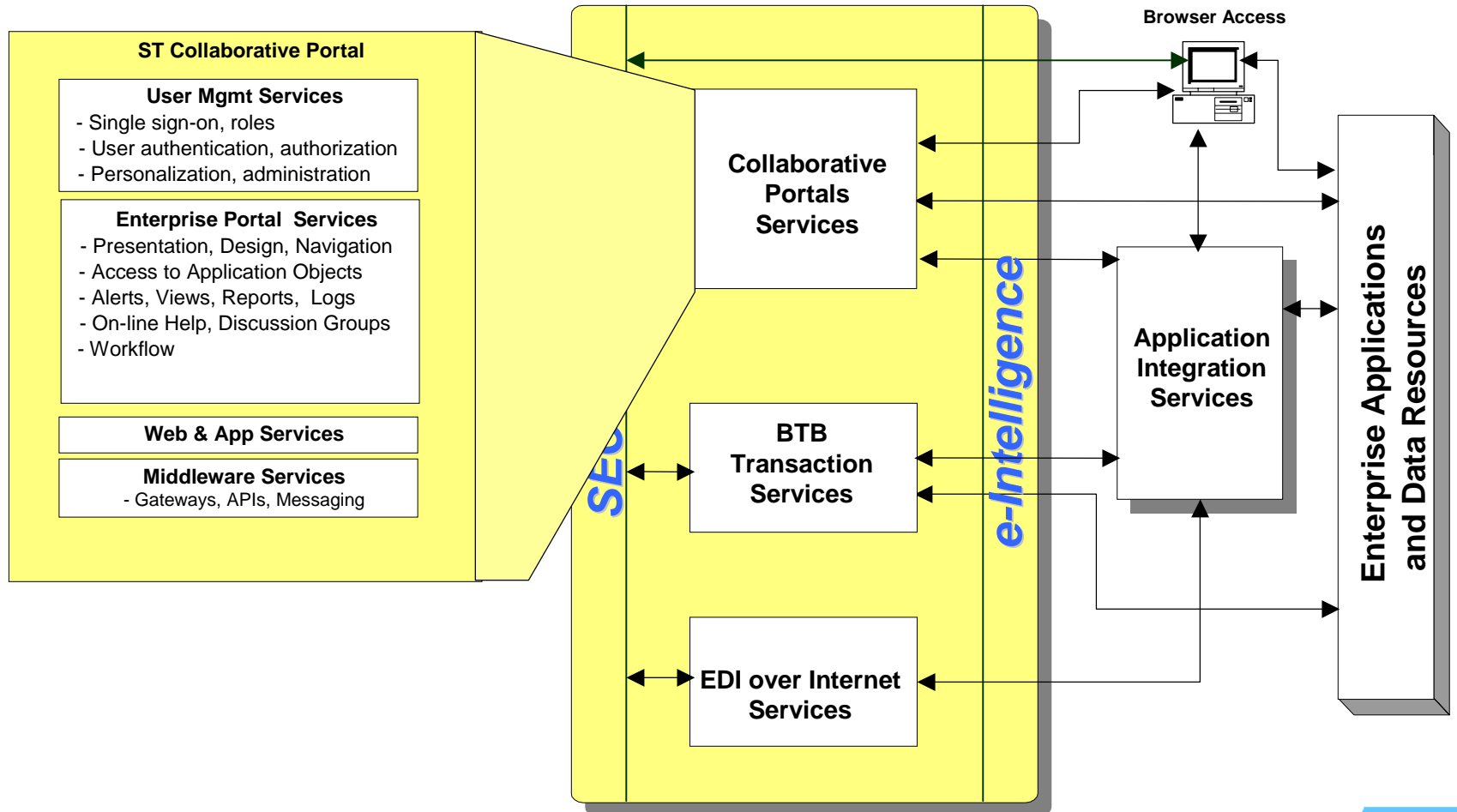
Conceptual view

ST Internal



“New” e-Business Architecture: STpartner (Customers & Suppliers) Portals

ST Collaborative Portal Architecture Conceptual View





Welcome Jean-Claude



STpartner

STMicroelectronics

Mail us | Logout

Search

GO



Message Alert

No messages for you.



Feedback

Rate this Portal

Post a suggestion

Is the "customize" feature of Favorites useful?

- Yes
- I don't know how does it works
- No

Vote

SVI Infocenter e-ID About

SVI Supply Visibility Information

- ▶ Last Extraction Date: 23 June 2002
- ▶ You have early warnings.
Click [here](#) to display the Early Warning list
- ▶ [Connect to SVI application](#)



InfoCenter

- ▶ [SVI Infocenter](#)
- ▶ [SVI Publication](#)

Click here to check current status and last publishing time.



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[SI2 - ECIX](#)

[TMM_INFOCENTER/TMM_INFOCENTER](#)

[The Official Bluetooth SIG site](#)

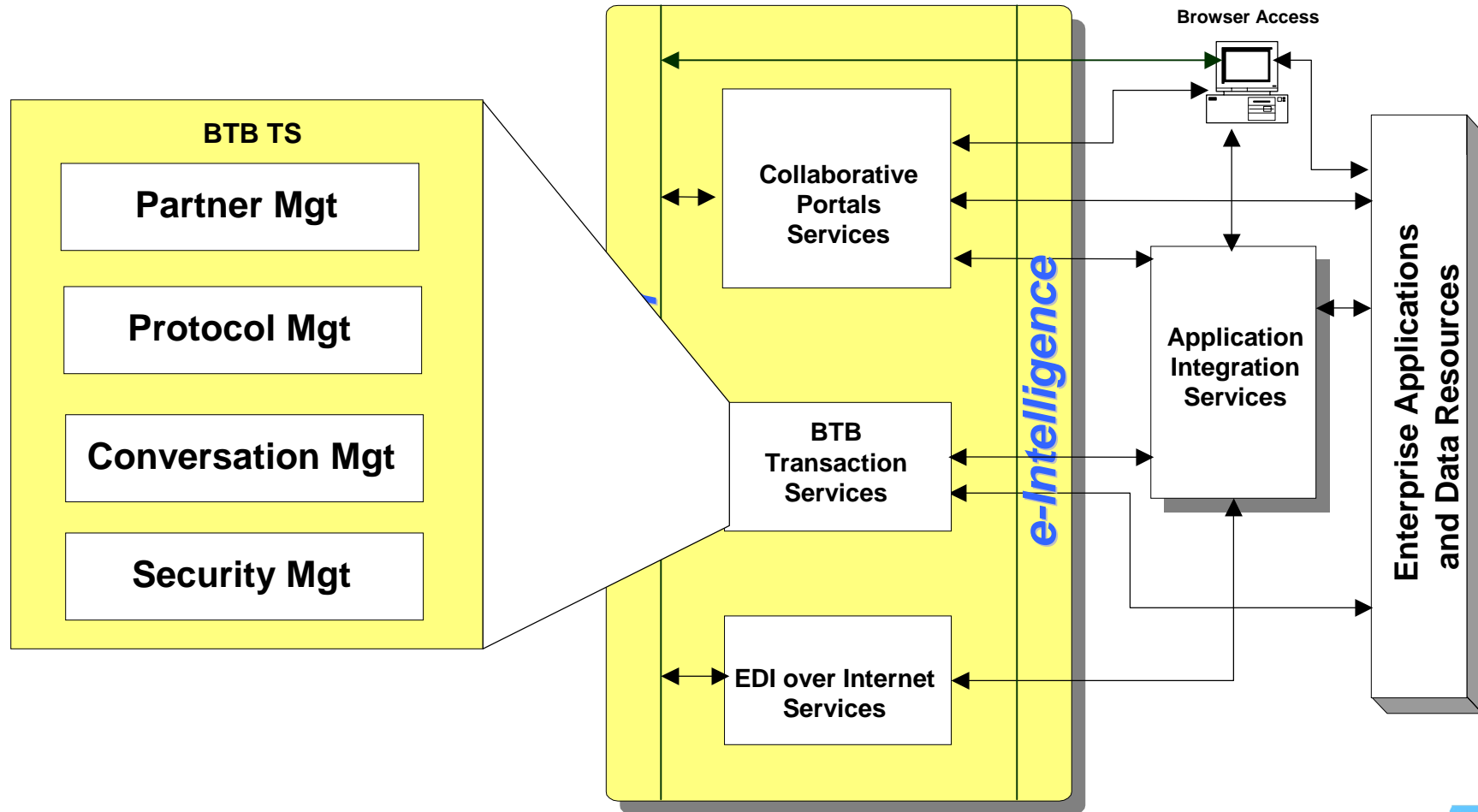


Internet

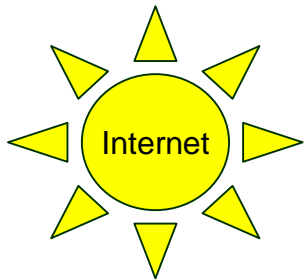


“New” e-Business Architecture: BTB Transaction Services

BTB Transaction Server Architecture Conceptual View



B2B IMPLEMENTED MODULES in Oct. 2002



B2B Integration Server V4.6 and Trading Network V4.6							
HTTPS	RN IM	0A1 in/out	3A1 in	4A1 in/out	5C1 out	7B1 in	Oracle JDBC IM
RNIF1.1			3A4 in	4A2 in	5C2 in	7B2 in	STXML
XML		2A9 in	3A7 out	4A3 in	5C4 out		EDI/Flat file IM
RNIF2.0		2A10 out	3A8 out	4A4 in/out	5C5 in		SAP IM
ebXML		2C7 out	in out	4A5 out			HTTP HTTPS SMTP FTP
		2C8 out	3B3 out	4B2 in			
EDIINT AS1 & AS2			3C6 In	4C1 in/out			EAI

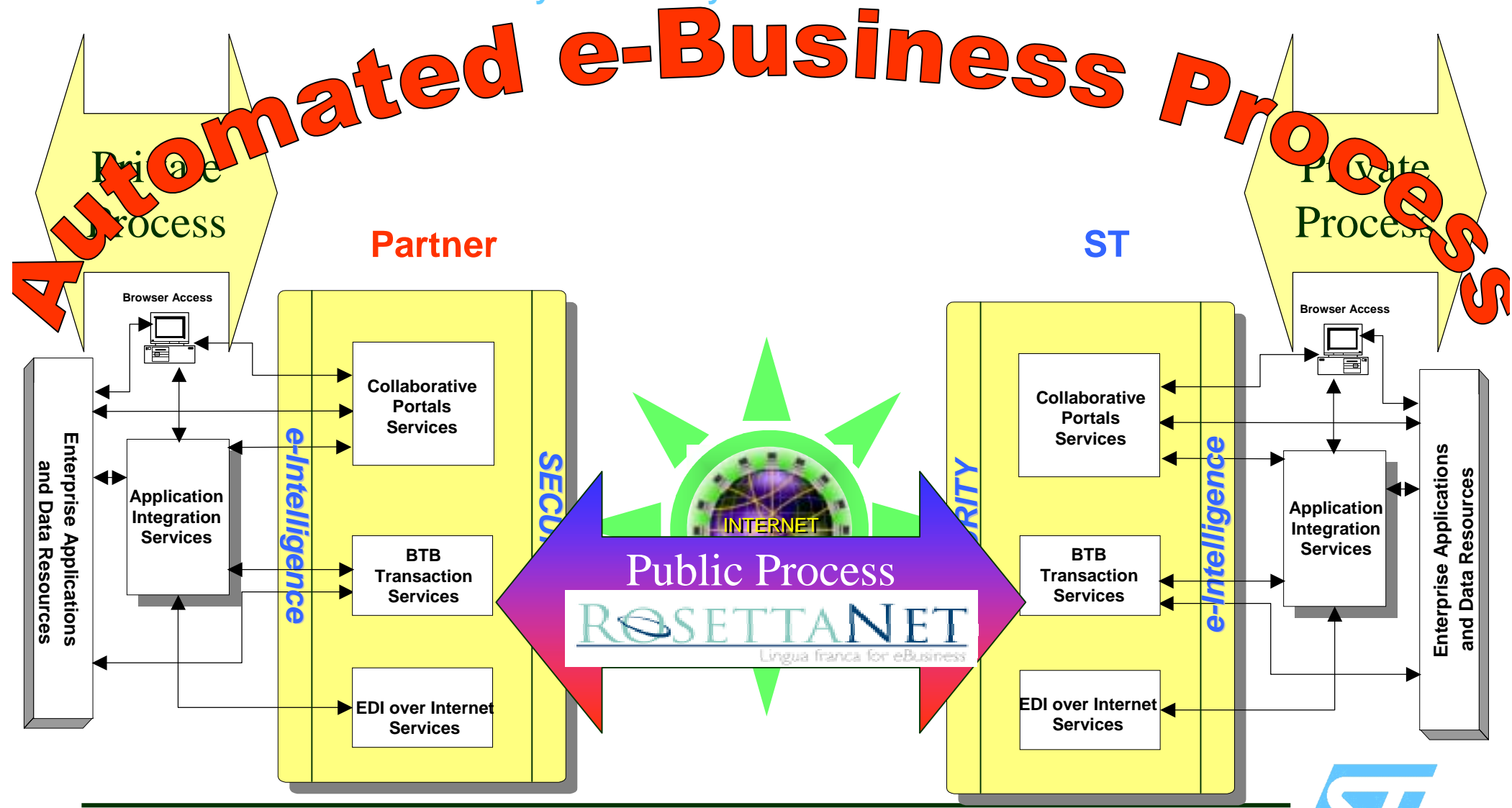
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Operational	In Development	Planned	Under evaluation	Standby
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Process Centric Collaboration Example: Dynamic Replenishment Process (DRP)

Systems to Systems with RosettaNet



ST DRP Solution - Key Benefits

- **30% Improved capacity utilization**
- **50% reduction in contract costs**
- **80% of manual transaction eliminated**
- **40% of Inventory turn increase**
- **10 times more responsive due to improved inventory management**
- **Increased visibility throughout the supply chain**
- **A RosettaNet standard-based repeatable solution!**



Final thoughts.....



e-Business is not an option
for ST --
It's the way toward ultimate
AGILITY

***Pasquale Pistorio, President & CEO STMicroelectronics
and e-Business Sponsor***

