



EC Legal and Business Issues in Europe

**Survey Results
July 2003**

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Survey Information

- Purpose:
 - To better understand the legal and business needs for Electronic Commerce in Europe. Results will help CompTIA to work with interested parties to look for solutions with a common industry approach that will help reduce business costs, increase operating efficiencies, and increase profitability.
- Methodology:
 - Web-based survey launched May 5, 2003 via www.comptia.org
 - Survey closed July 21, 2003 with 13 total responses

Key Findings

- One-third of respondents are Distributors
- 62% have a corporate standard or specific approach in managing contracts/agreements to cover (legal aspects of) e-Business exchanges
- 54% are required to have a dedicated contract/agreement put in place with Trading Partners when e-Business services are deployed
- 54% are required to have Legal Department support when e-Business agreements in connection with e-Business services are deployed

Key Findings

- Most e-Business services are deployed via both key account managers within a sales force organization and via business managers who are in charge of the commercial relationship with trading partners (69%)
- 54% negotiate such agreements at both the business manager/VP-level when establishing the commercial relationship and the key account manager-level during the deployment process
- 39% sign such agreements at the business manager/VP-level when establishing the commercial relationship

Key Findings

- 69% are aware of the TPA framework
- 78% of those that are aware of the framework are NOT using it
- The number of already signed TPAs varies from two to 60+
- Various reasons given for not using the TPA, for example:
 - Not required
 - No resources
- Those not using the TPA use other tools, such as:
 - Single contracts
 - Previous TPAs
- 67% of those not aware of the TPA are now considering using it

Key Findings

- Areas respondents have business processes that they believe will benefit from e-Business are:
 - Purchasing 23%
 - Invoicing 17%
 - Logistics 9%
- 69% do not encounter legal problems in using electronic commerce in cross-border situations
- Contracts is the most popular area respondents experience EC legal problems in the EU
- Availability Checking and Returns are the most popular areas respondents experience EC legal problems in the non-EU

Key Findings

- Order Placement and Availability Checking are the most important to respondents' firms for electronic commerce problems (70% each)
 - VAT Compliance (63%)
 - Electronic Invoicing (59%)
 - Order Validation (50%)

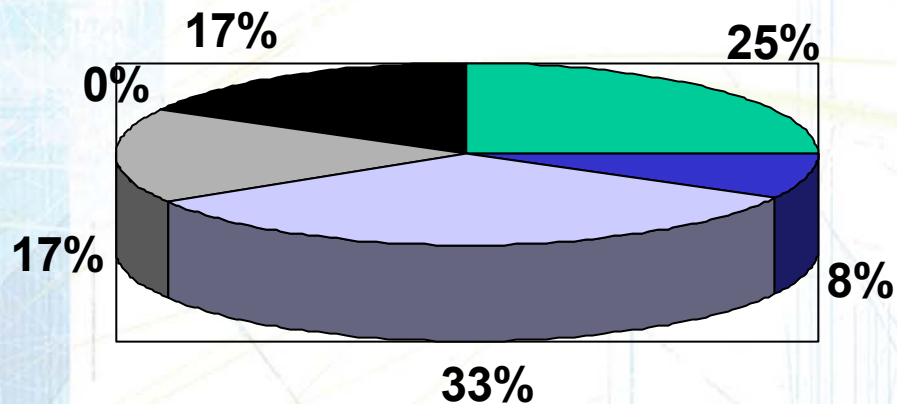
Key Findings







- 54% of respondents are legally required to keep paper documents to support EC transactions
- 75% are required to keep the documents for Germany
 - 50% U.K.
 - 25% for all the remaining EU countries, except Belgium (0%)
- 69% say they're interested in working with a CompTIA European Forum to consider an industry approach to legal and/or operational issues relating to EC



Detailed Results:

Q.1 - What is your organization's primary business segment?



-  Original Equipment Manufacturer
-  Software/Middleware Vendor
-  Distributor
-  Value Added Reseller
-  Service Provider
-  Other (please specify)



Q.1 - What is your organization's primary business segment?

Choice	Count	Percent
Original Equipment Manufacturer	3	25.0%
Software/Middleware Vendor	1	8.3%
Distributor	4	33.3%
Value Added Reseller	2	16.7%
Service Provider	0	0.0%
Other (please specify)	2	16.7%

Q.1Specified_1 - Other (please specify) -

Item	Frequency	Percent
(Not Answered)	10	76.9%
(Unique responses)	3	23.1%
(Total)	13	100.0%

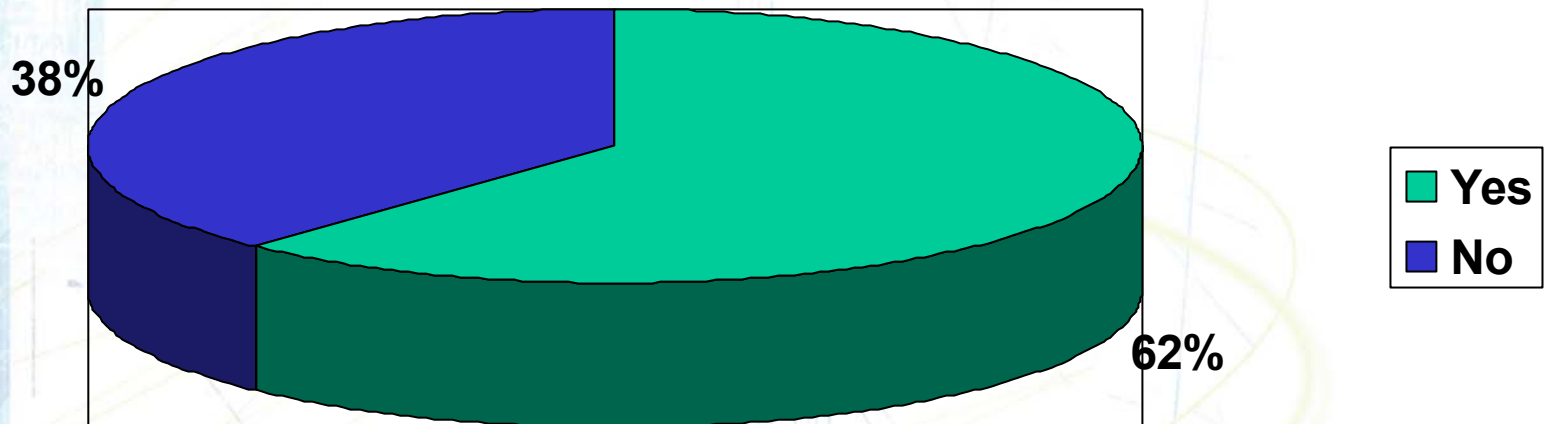
Sample Answering: 3 responses



Other (please specify) -

- Electr. components manufact.
- Semiconductor Industry
- Electronic Components

Q.2 - Do you have a corporate standard or specific approach in managing contracts/agreements to cover (legal aspects of) e-Business exchanges?

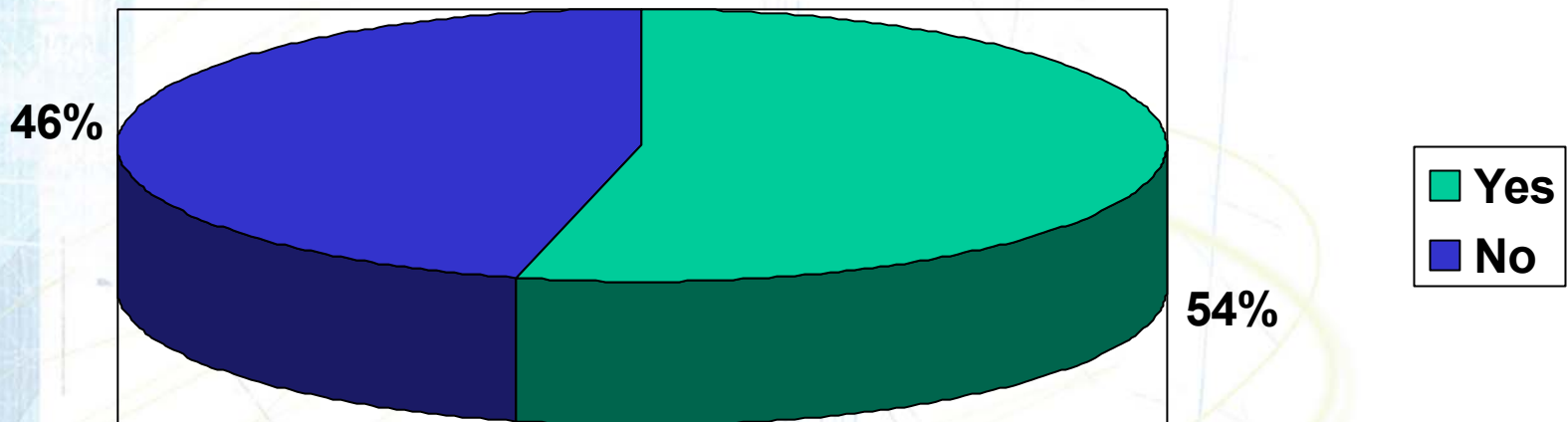




Q.2 - Do you have a corporate standard or specific approach in managing contracts/agreements to cover (legal aspects of) e-Business exchanges?

Choice	Count	Percent
Yes	8	61.5%
No	5	38.5%

Q.3 - When you deploy e-Business services, do you require a dedicated contract/agreement be put in place with your Trading Partners?

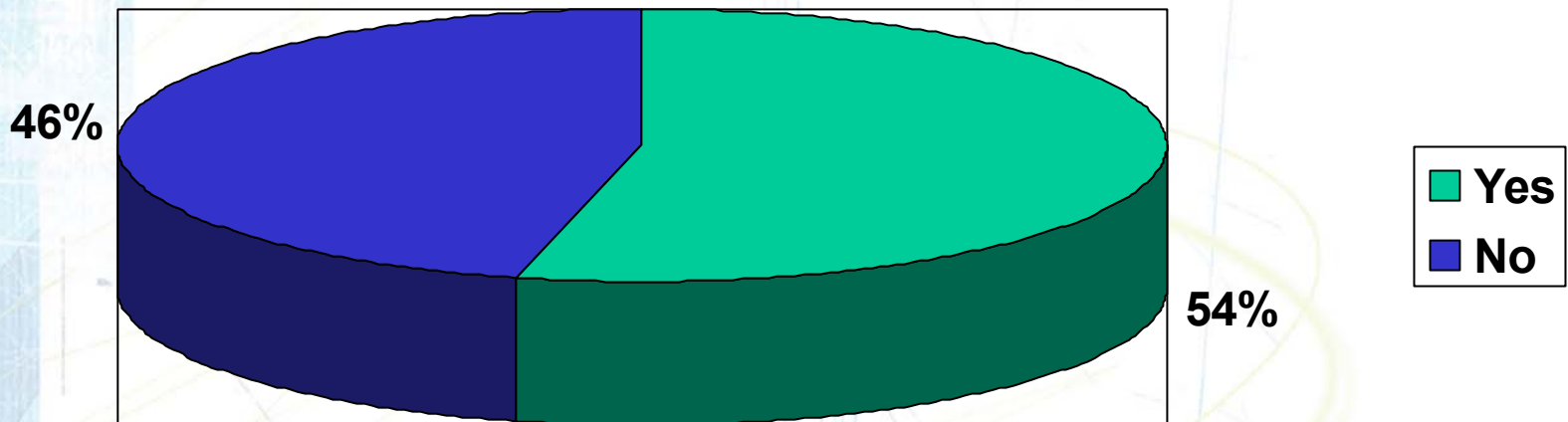




Q.3 - When you deploy e-Business services, do you require a dedicated contract/agreement be put in place with your Trading Partners?

Choice	Count	Percent
Yes	7	53.8%
No	6	46.2%

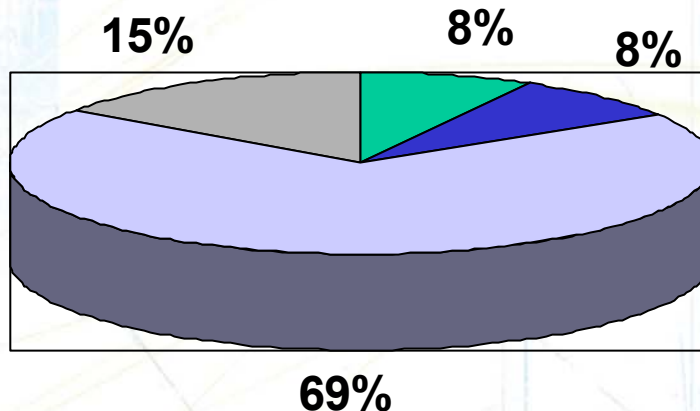
Q.4 - When you deploy e-Business agreements in connection with e-Business services, do you require the support by your Legal Department (at corporate-, regional-, or local-level)?



Q.4 - When you deploy e-Business agreements in connection with e-Business services, do you require the support by your Legal Department (at corporate-, regional-, or local-level)?

Choice	Count	Percent
Yes	7	53.8%
No	6	46.2%

Q.5 - When you deploy e-Business services, how do you deploy them?



- Via Key Account Managers within a Sal...
- Via Business Managers who are in char...
- Both of the above
- Other (please specify)

Q.5 - When you deploy e-Business services, how do you deploy them?

Choice	Count	Percent
Via Key Account Managers within a Sales force organization	1	7.7%
Via Business Managers who are in charge of the commercial relationship with your trading partners	1	7.7%
Both of the above	9	69.2%
Other (please specify)	2	15.4%

Q.5Specified_1 - Other (please specify) -

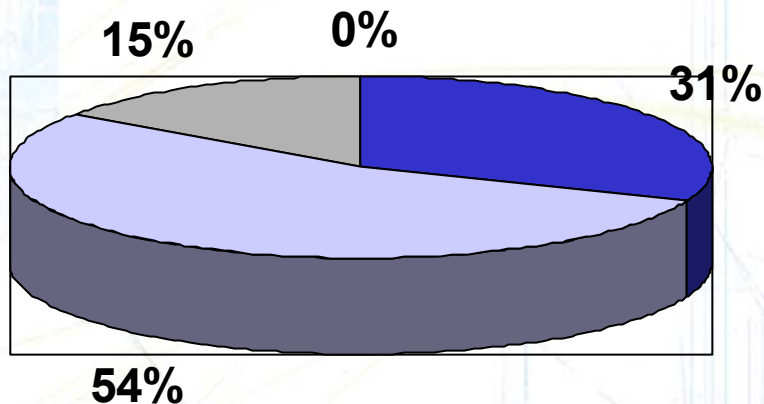
Item	Frequency	Percent
(Not Answered)	11	84.6%
(Unique responses)	2	15.4%
(Total)	13	100.0%

Sample Answering: 2 responses

Other (please specify) -

- via EDI Mgr.
- IT speaks to customer after viability confirmed by commercials

Q.6 - At which level/stage do you negotiate such agreements?



- Business Manager-/Vice President-level...
- Key Account Manager-level during the ...
- Both of the above
- Other (please specify)

Q.6 - At which level/stage do you negotiate such agreements?

Choice	Count	Percent
Business Manager-/Vice President-level when establishing the commercial (buyer/seller) relationship	0	0.0%
Key Account Manager-level during the deployment process	4	30.8%
Both of the above	7	53.8%
Other (please specify)	2	15.4%

Q.6Specified_1 - Other (please specify) -

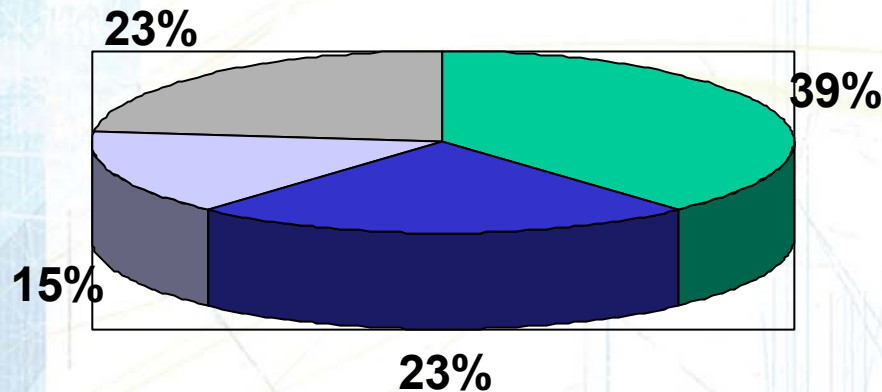
Item	Frequency	Percent
(Not Answered)	11	84.6%
(Unique responses)	2	15.4%
(Total)	13	100.0%





Sample Answering: 2 responses

Other (please specify) -

- EDI Mgr +Legal dept.
- case by case individual from all levels

Q.7 - At which level/stage do you sign such agreements?



-  Business Manager- /VP-level when estab...
-  During the deployment process
-  Both of the above
-  Other (please specify)

Q.7 - At which level/stage do you sign such agreements?

Choice	Count	Percent
Business Manager-/VP-level when establishing the commercial (buyer/seller) relationship	5	38.5%
During the deployment process	3	23.1%
Both of the above	2	15.4%
Other (please specify)	3	23.1%

Q.7Specified_1 - Other (please specify) -

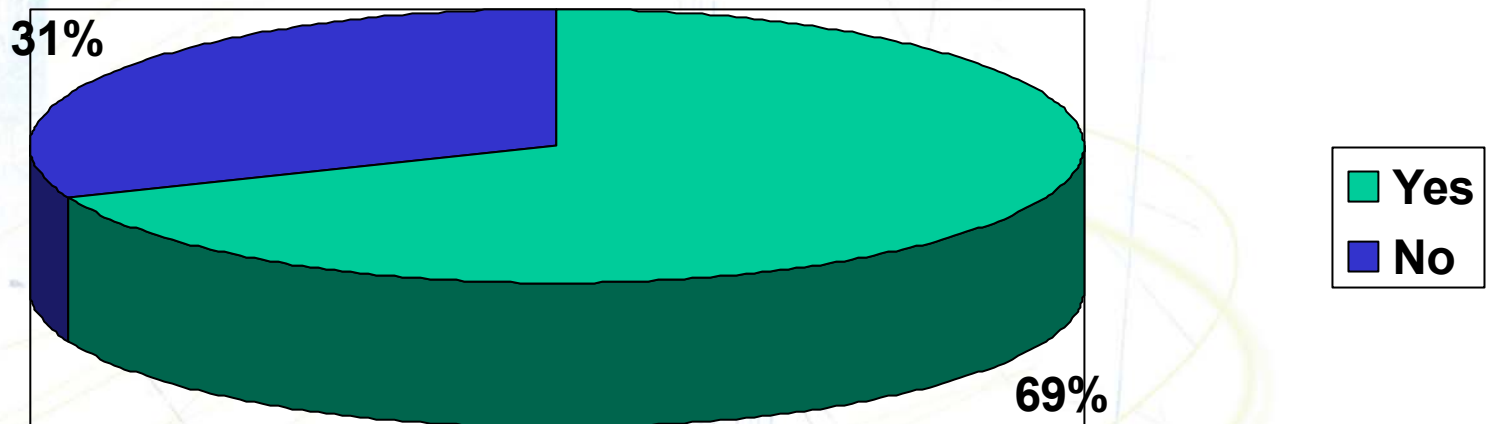
Item	Frequency	Percent
(Not Answered)	10	76.9%
(Unique responses)	3	23.1%
(Total)	13	100.0%

Sample Answering: 3 responses

Other (please specify) -

- legal dept.
- N/A as relationships dependent on trade
- N/A

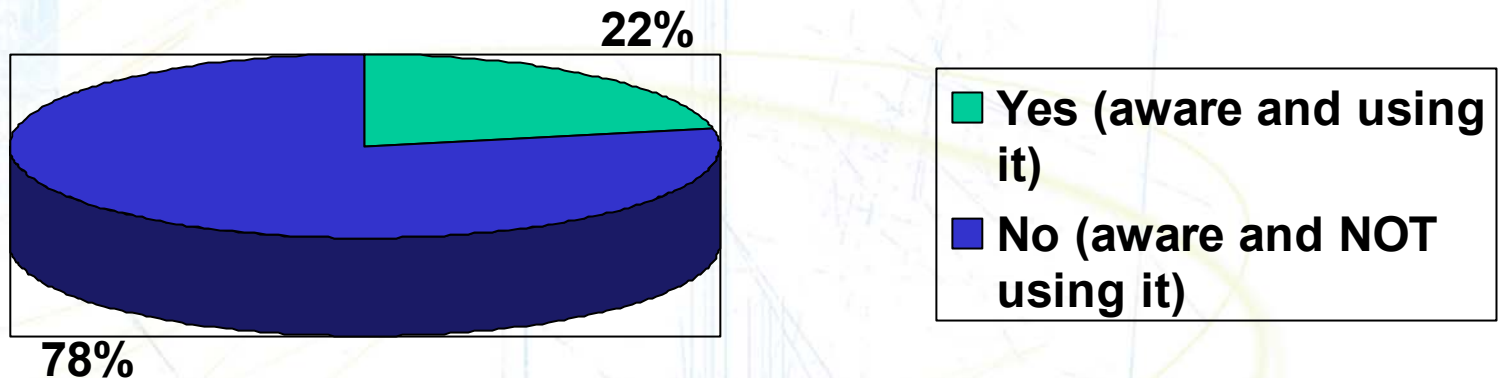
Q.8 - Are you aware of the Trading Partner Agreement (TPA) framework developed jointly by RosettaNet, EDIFICE, ESIA, UN/CEFACT to cover (legal and technical specification aspects of) general e-Business exchanges (EDI, XML, and Portal-based technology)?



Q.8 - Are you aware of the Trading Partner Agreement (TPA) framework developed jointly by RosettaNet, EDIFICE, ESIA, UN/CEFACT to cover (legal and technical specification aspects of) general e-Business exchanges (EDI, XML, and Portal-based technology)?

Choice	Count	Percent
Yes	9	69.2%
No	4	30.8%

Q.9 - If you are aware of the Trading Partner Agreement framework, are you using it?



Q.9 - If you are aware of the Trading Partner Agreement framework, are you using it?

Choice	Count	Percent
Yes (aware and using it)	2	22.2%
No (aware and NOT using it)	7	77.8%

Q.10_1 - Number already signed - If you are using the Trading Partner Agreement, how many did you sign already (approximately)? (You may go directly to question 13 after answering this question.)

Item	Frequency	Percent
(Not Answered)	10	76.9%
(Unique responses)	3	23.1%
(Total)	13	100.0%

Sample Answering: 3 responses



Q.10_1 - Number already signed - If you are using the Trading Partner Agreement, how many did you sign already (approximately)? (You may go directly to question 13 after answering this question.)

- 2
- none
- 60+

Q.11_1 - What is the reason for not using the TPA - If you are NOT using the Trading Partner Agreement:

Item	Frequency	Percent
(Not Answered)	7	53.8%
(Unique responses)	6	46.2%
(Total)	13	100.0%

Sample Answering: 6 responses

Q.11_1 - What is the reason for not using the TPA - If you are NOT using the Trading Partner Agreement:

- not required
- Adds nothing above existing T&Cs
- No Resources
- own TPA available
- Probably will use it but has not so far been needed. The standard EDI agreement has been sufficient until now.
- Other workload

Q.11_2 - What prevents you from using the TPA - If you are NOT using the Trading Partner Agreement:

Item	Frequency	Percent
(Not Answered)	9	69.2%
(Unique responses)	4	30.8%
(Total)	13	100.0%

Sample Answering: 4 responses

Q.11_2 - What prevents you from using the TPA - If you are NOT using the Trading Partner Agreement:

- Nothing; if required
- No Resources
- own TPA available
- Other workload

Q.11_3 - What is your approach or best practice in this domain (what contract/tool are you using) in place of the TPA? - If you are NOT using the Trading Partner Agreement:

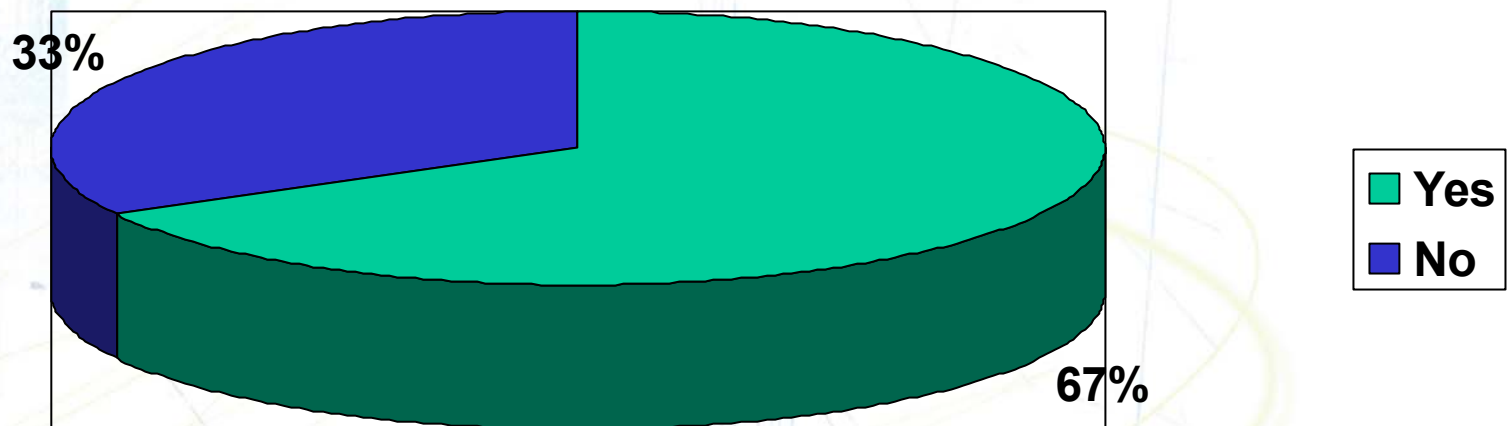
Item	Frequency	Percent
(Not Answered)	8	61.5%
(Unique responses)	5	38.5%
(Total)	13	100.0%

Sample Answering: 5 responses

Q.11_3 - What is your approach or best practice in this domain (what contract/tool are you using) in place of the TPA? - If you are NOT using the Trading Partner Agreement:

- volume of trade
- Existing supplier/customer T&Cs
- single contracts
- own TPA available
- Previous TPA's

Q.12 - If you were not aware of the TPA framework, are you now considering it to be possibly used at your Company?



Q.12 - If you were not aware of the TPA framework, are you now considering it to be possibly used at your Company?

Choice	Count	Percent
Yes	4	66.7%
No	2	33.3%



Q.13 - In what areas do you have business processes that you believe will benefit from e-Business? (If you have more than five, you may enter all the remaining in the last box.)

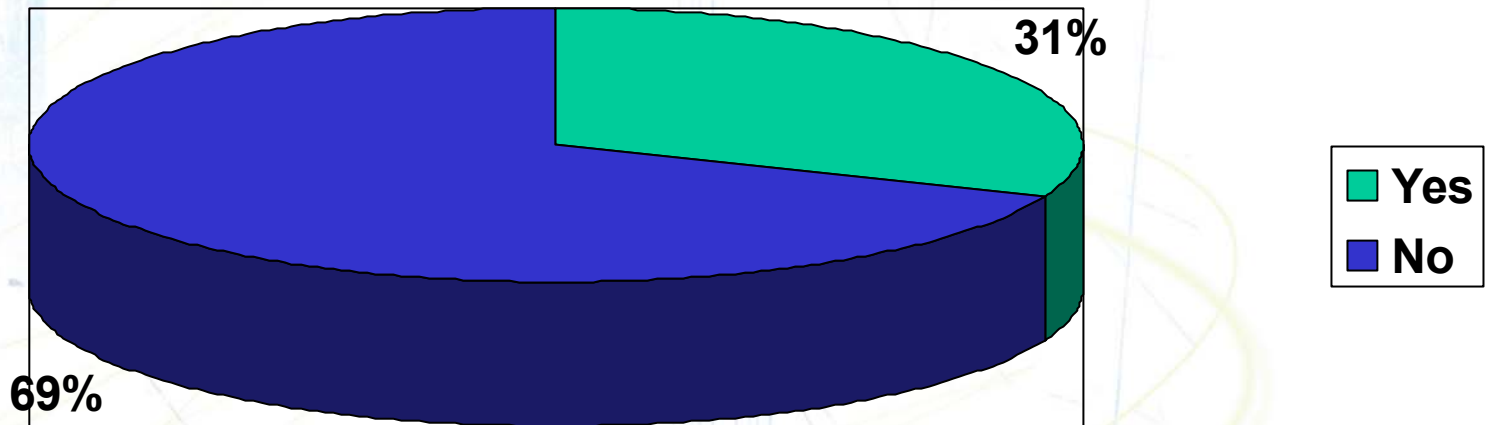
Item	Frequency	Percent
(Not Answered)	(2)	N/A
Purchasing/Orders/Procurement/POs	12	22.6%
Sales/Sales reports/e-Sales	4	7.5%
Invoicing/Billing/Finance/Accts Rec/Pay	9	17.0%
Logistics/Distribution/Shipping	5	9.4%
Quoting	2	3.8%
Product information	2	3.8%
(Unique responses)	19	35.8%
(Total)	53	100.0%

Sample Answering: 11 respondents (5 open-ended text boxes)

Q.13 - In what areas do you have business processes that you believe will benefit from e-Business? (If you have more than five, you may enter all the remaining in the last box.)
Unique Responses

- Sales Out Reporting
- Standard Business Processes
- design win
- Supply Chain
- Confirmations
- Accounts
- Inventory mgmt
- Reporting
- Consignment Stock
- Customer services
- Customer Information
- Forecasting
- Marketing mgmt
- Price & Availability
- Delivery plans
- Extranets
- Data dissemination
- Collaborative Planning
- Knowledge Sharing
- Finance
- Manufacturing
- Delivery tracking
- Inventory Management
- Returns
- Design Wins
- Product Catalogue
- Technical Product Information

Q.14 - Are you encountering legal problems in using electronic commerce in cross-border situations?



Q.14 - Are you encountering legal problems in using electronic commerce in cross-border situations?

Choice	Count	Percent
Yes	4	30.8%
No	9	69.2%

Q.15 - If so, in what areas are you experiencing electronic commerce legal problems?

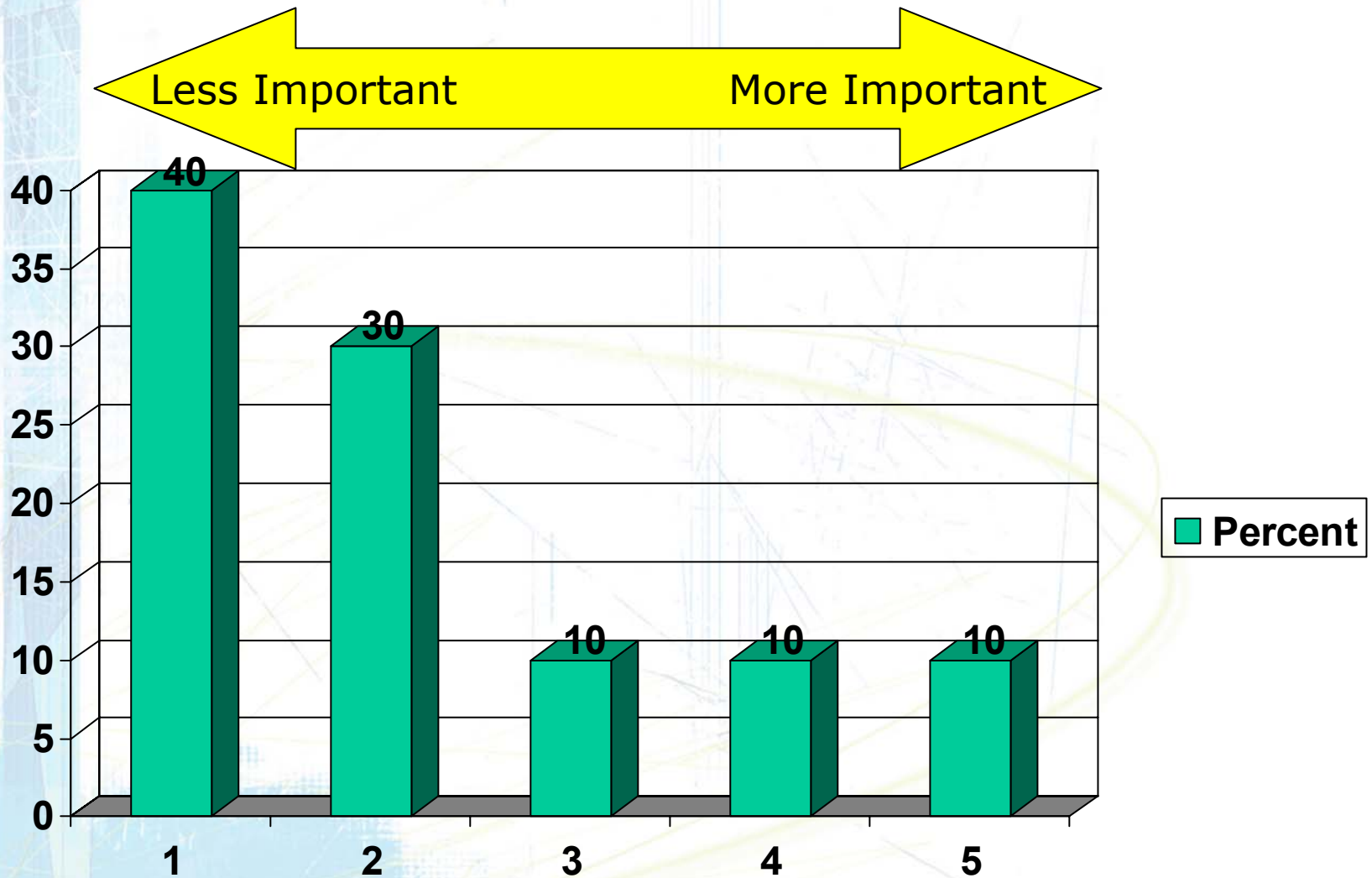
Subject Area	EU			Non EU		
	Question	Count	Percentage Answered	Question	Count	Percentage Answered
Contracts	Yes	3	100%	Yes	1	100%
	No	0	0%	No	0	0%
Order Placement	Yes	1	100%	Yes	1	50%
	No	0	0%	No	1	50%
Order Validation	Yes	1	50%	Yes	1	100%
	No	1	50%	No	0	0%
Availability Checking	Yes	0	0%	Yes	4	100%
	No	1	100%	No	0	0%
Warranty Work	Yes	1	50%	Yes	1	100%
	No	1	50%	No	0	0%
Returns	Yes	0	0%	Yes	3	100%
	No	1	100%	No	0	0%
Electronic Invoicing	Yes	0	0%	Yes	1	100%
	No	2	100%	No	0	0%
VAT Compliance	Yes	0	0%	Yes	0	0%
	No	1	100%	No	0	0%
Other	Yes	0	0%	Yes	0	0%
	No	2	100%	No	0	0%



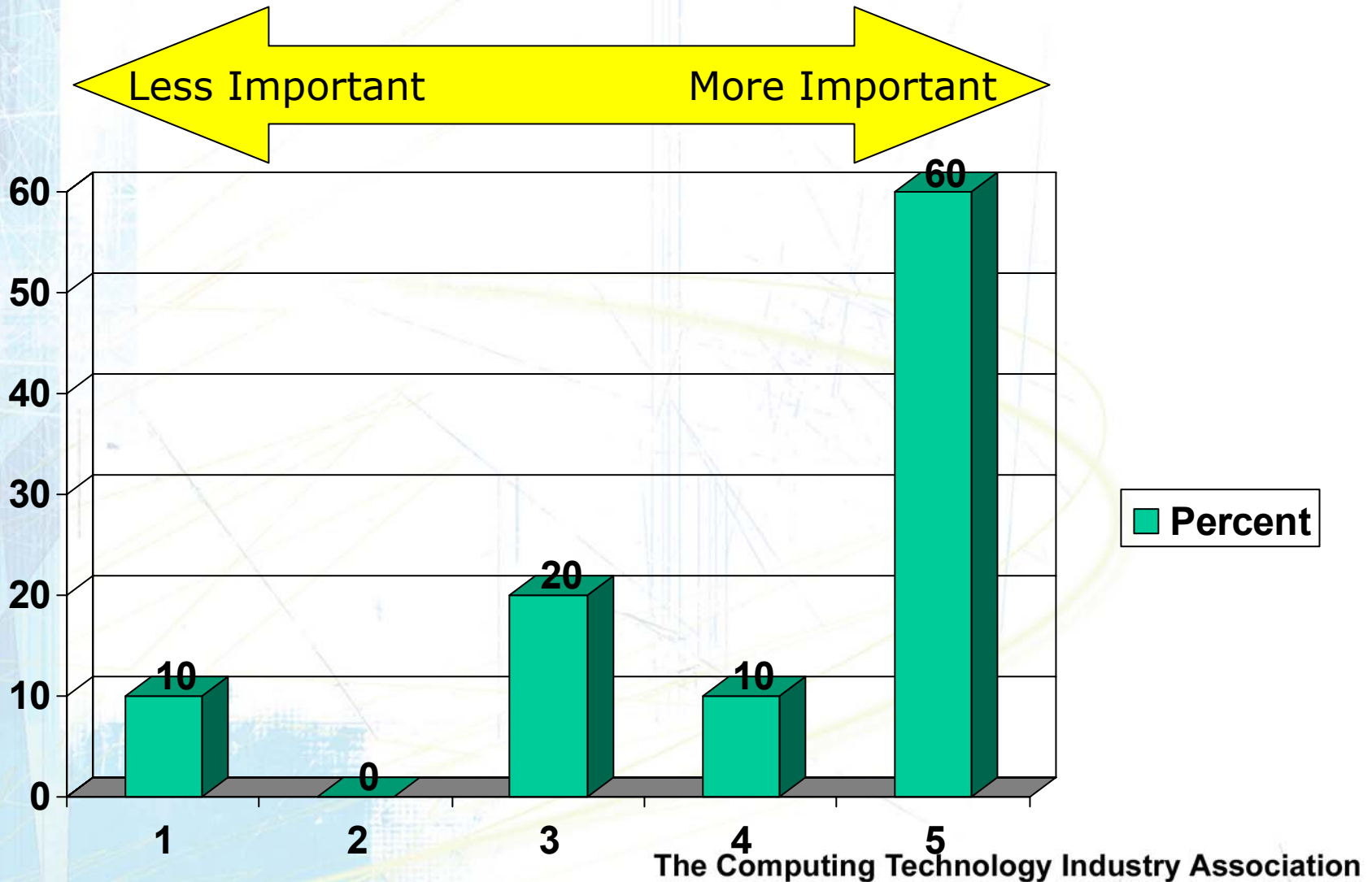
Specify "Other" - If you chose 'Other' in 15a, please specify here:

- hard copy invoices needed still in some countries

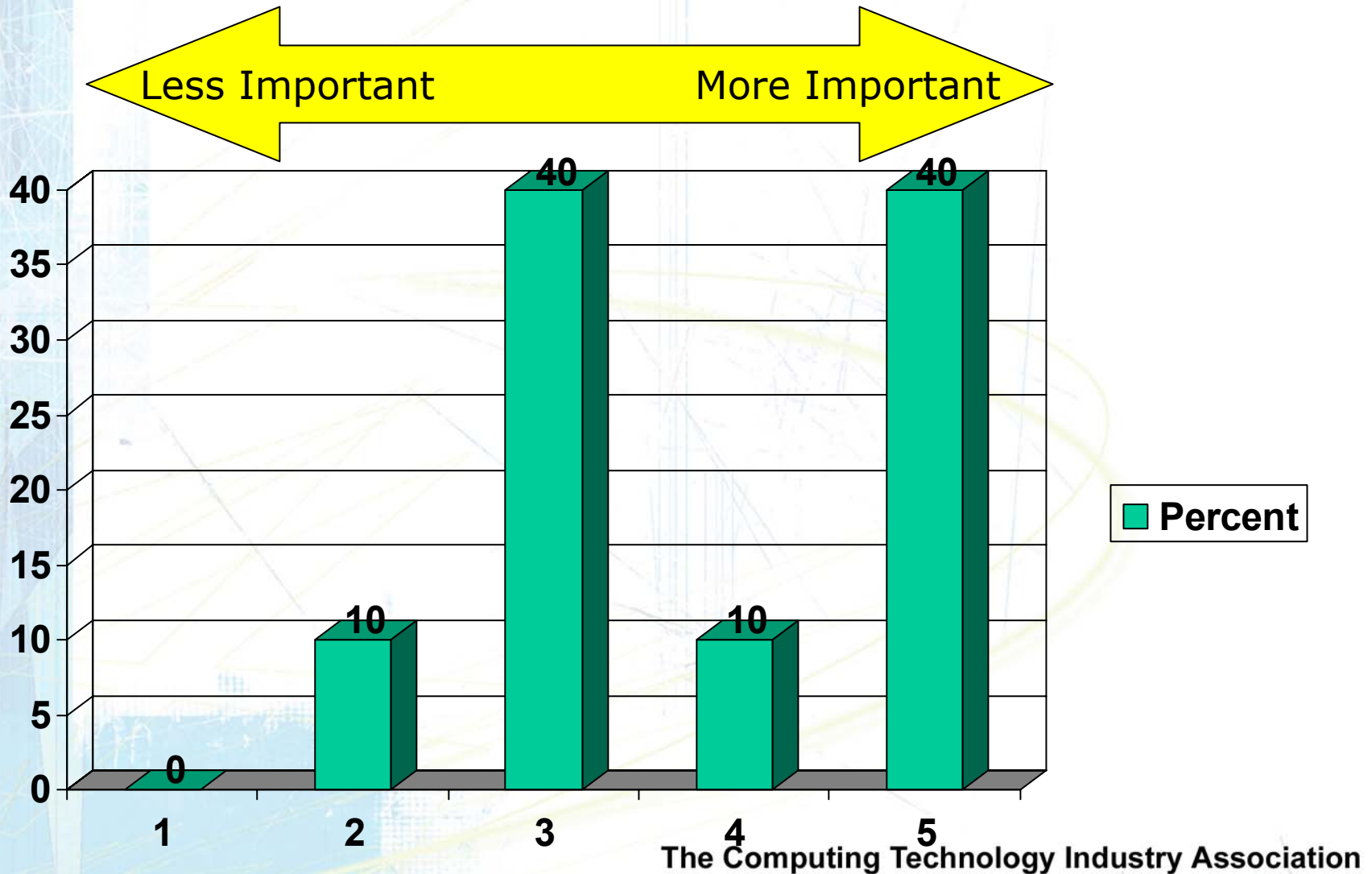
Q.16 - Please rate the importance to your firm for electronic commerce problems for **Contracts**



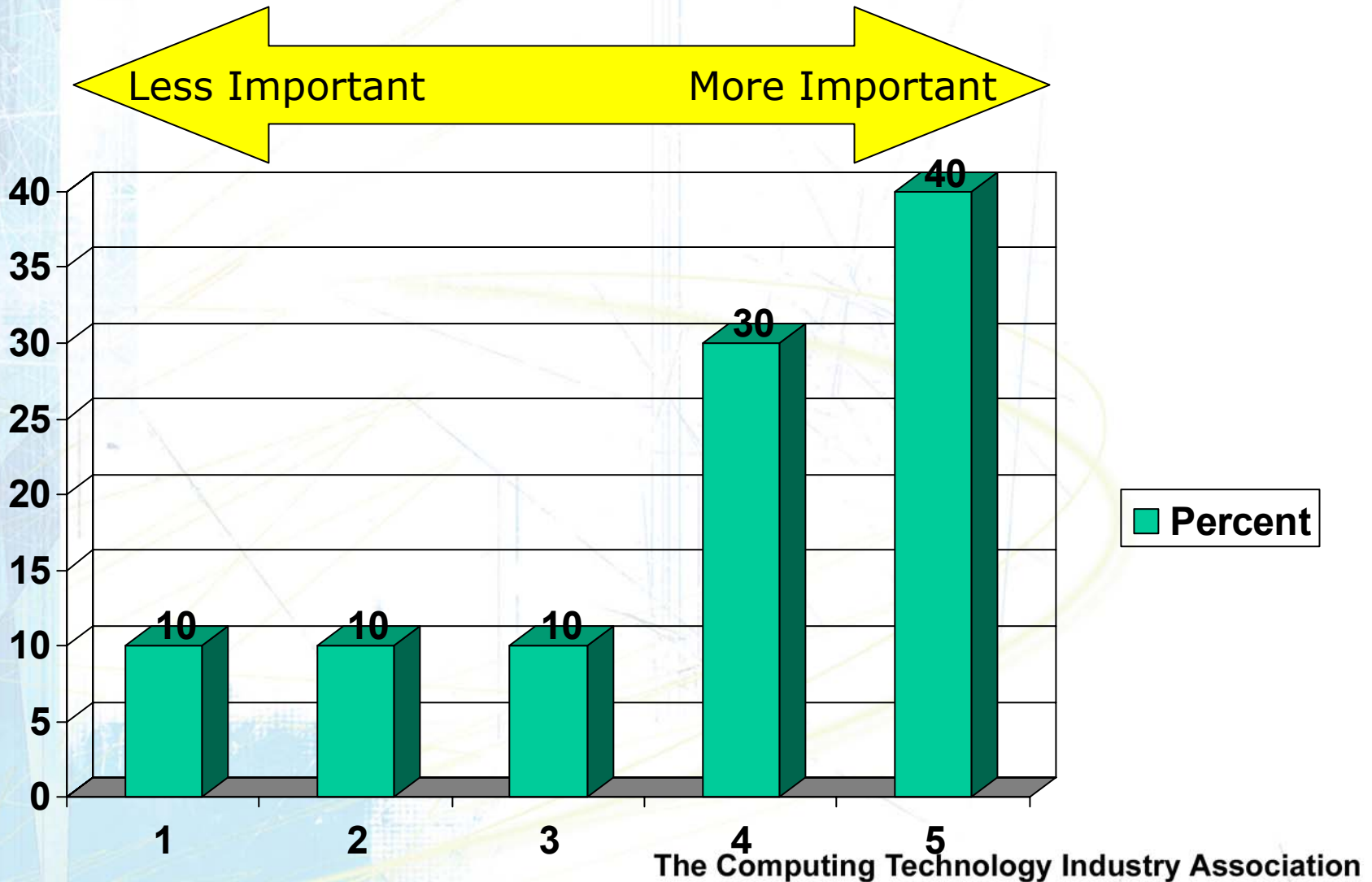
Q.16 - Please rate the importance to your firm for electronic commerce problems **Order Placement**



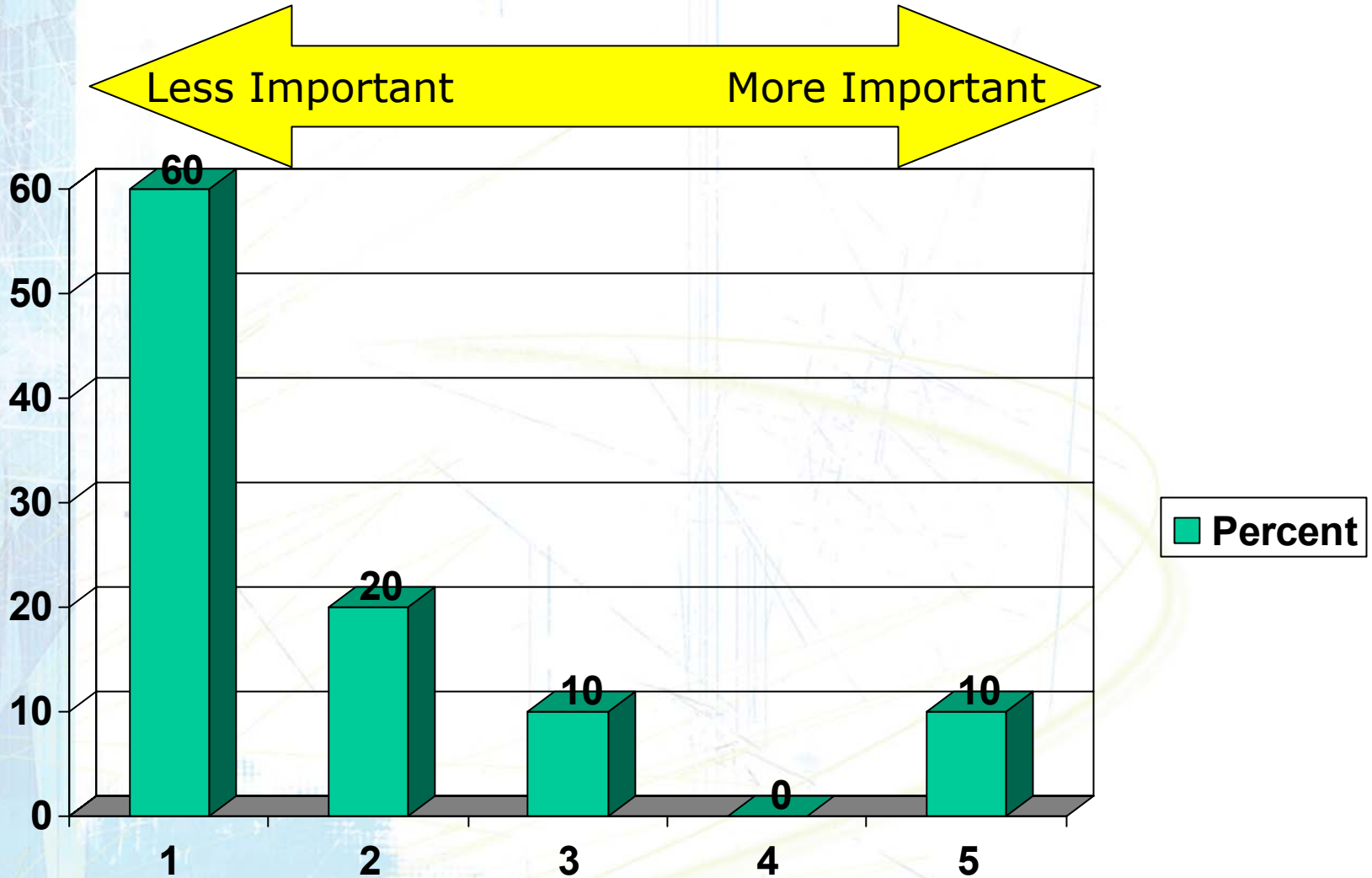
Q.16 - Please rate the importance to your firm for electronic commerce problems **Order Validation**



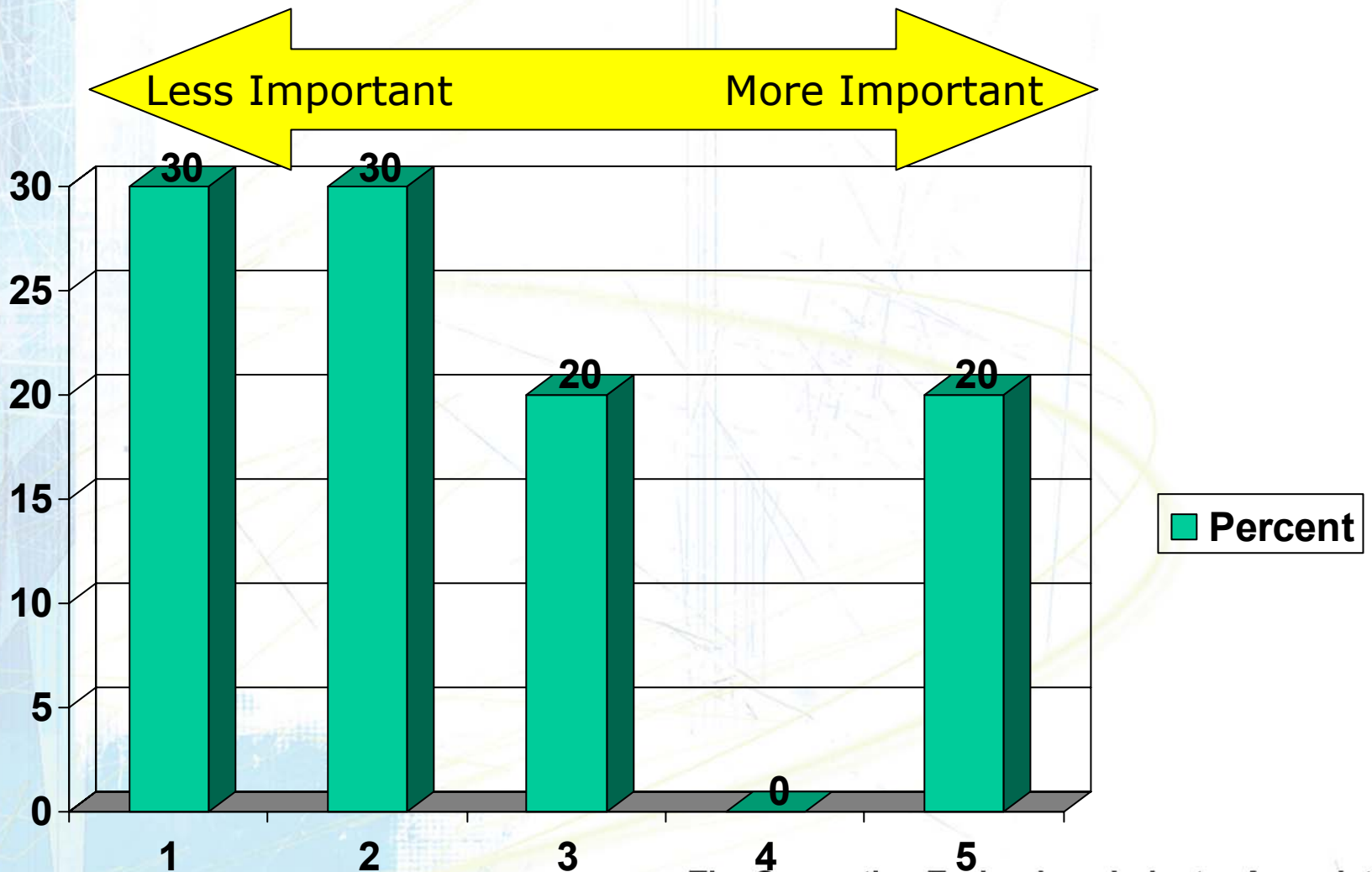
Q.16 - Please rate the importance to your firm for electronic commerce problems **Availability Checking**



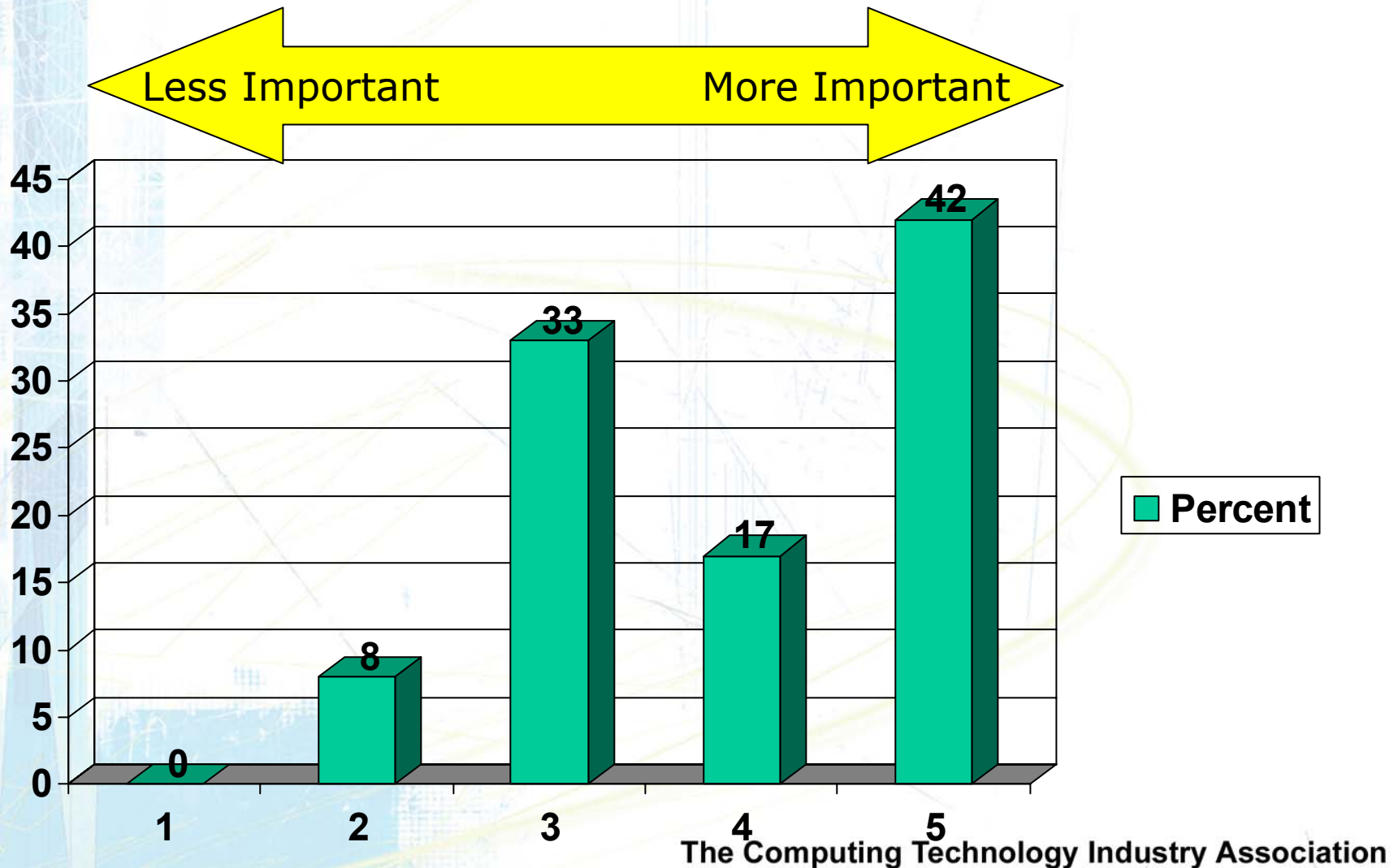
Q.16 - Please rate the importance to your firm for electronic commerce problems **Warranty Work**



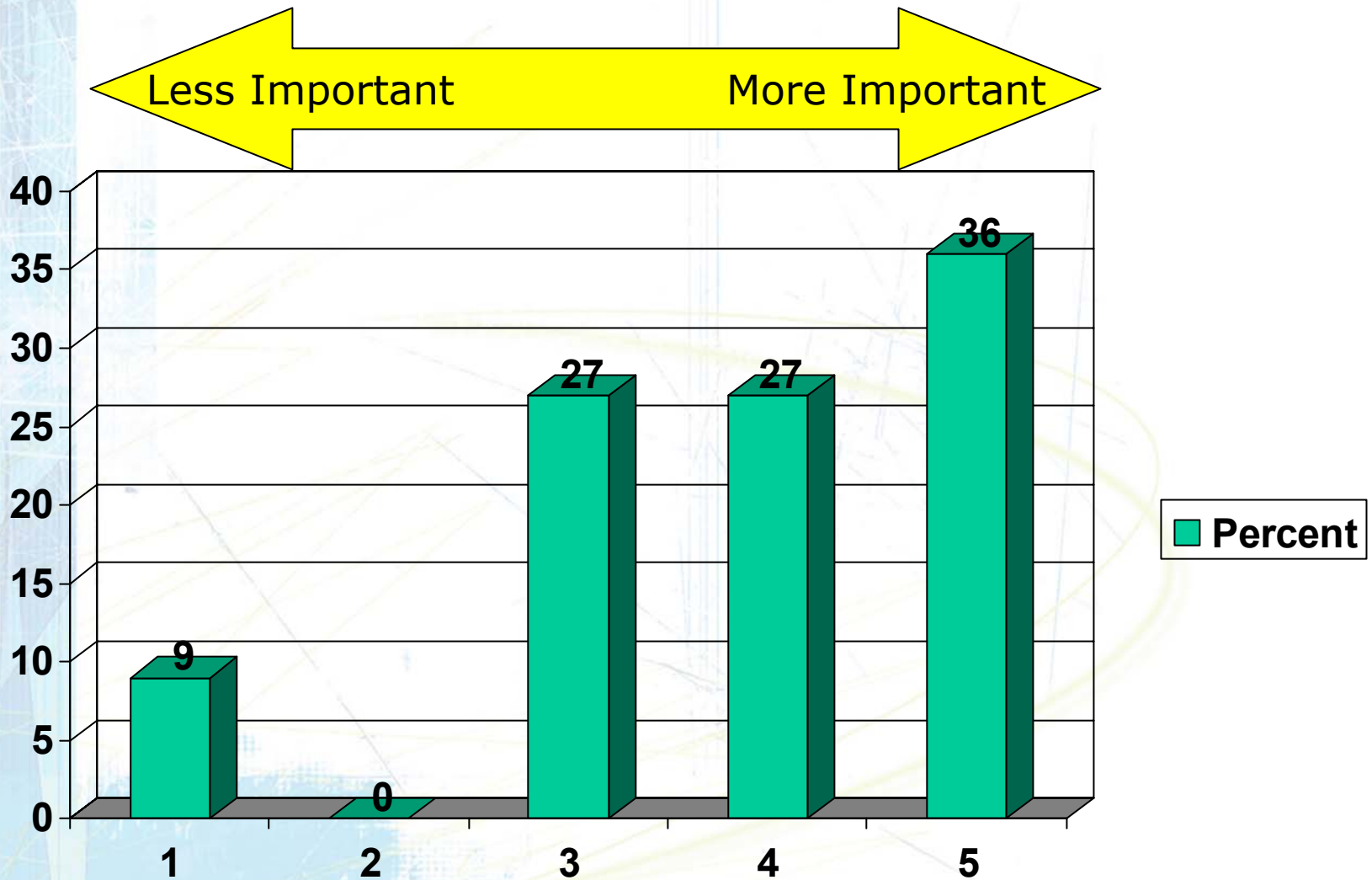
Q.16 - Please rate the importance to your firm for electronic commerce problems **Returns**



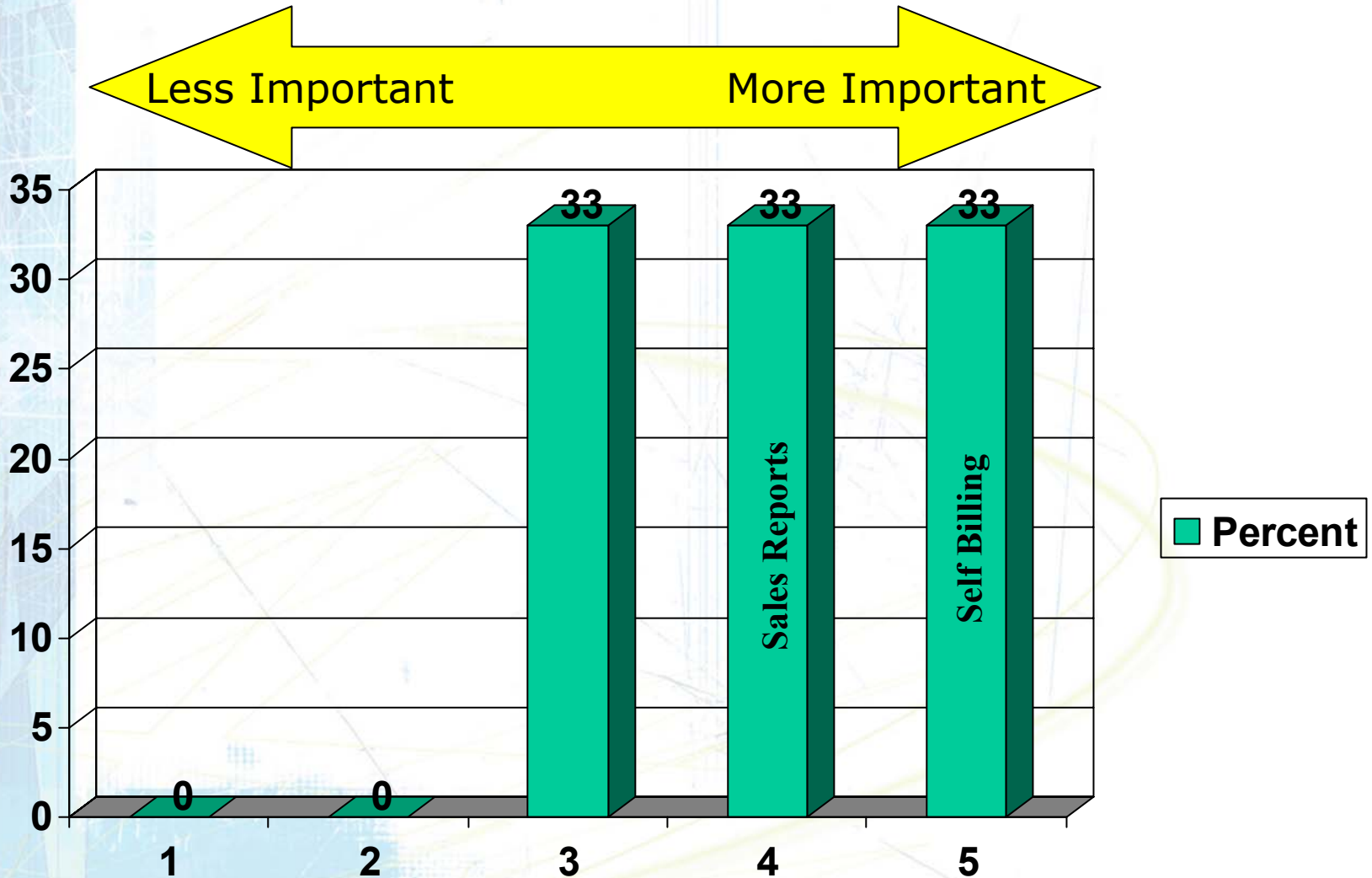
Q.16 - Please rate the importance to your firm for electronic commerce problems **Electronic Invoicing**



Q.16 - Please rate the importance to your firm for electronic commerce problems **VAT Compliance**



Q.16 - Please rate the importance to your firm for electronic commerce problems **Other (specify below)**

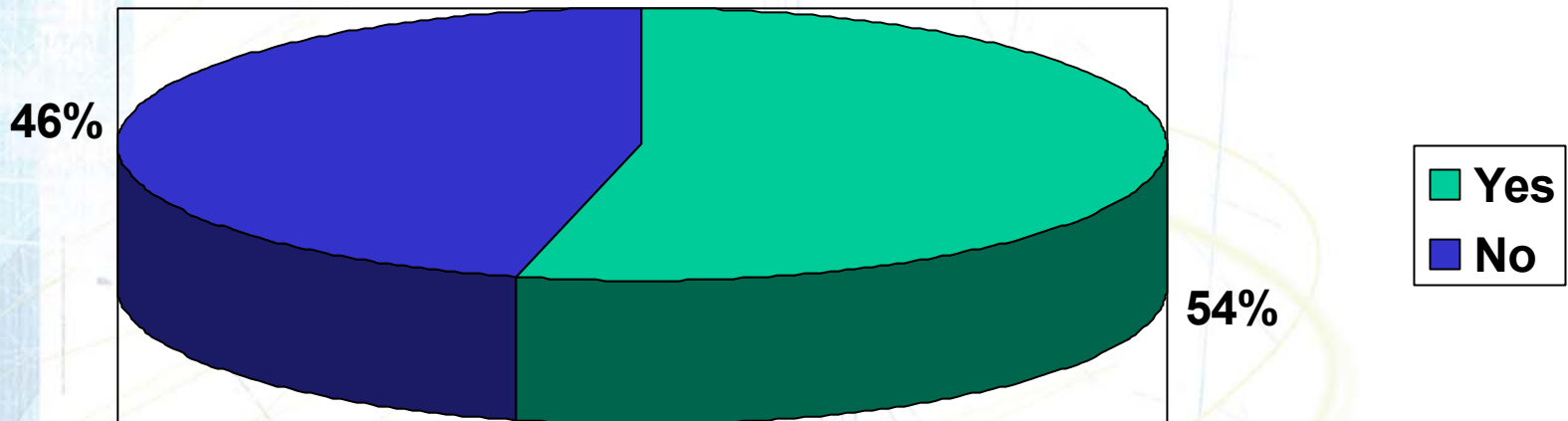




Specify "Other" - If you rated 'Other' in 16a, please specify here:

- sales reports 4
- self-billing 5

Q.17 - Are you legally required to keep paper documents to support electronic commerce transactions?



Q.17 - Are you legally required to keep paper documents to support electronic commerce transactions?

Choice	Count	Percent
Yes	7	53.8%
No	6	46.2%

Q.18a - If so, for which of the following EU countries are you required to keep these paper documents? (Please choose all the countries that apply, then list the document(s) required for that country.)

Choice	Count	Percentage Answered
Austria	1	25.0%
Belgium	0	0.0%
Denmark	1	25.0%
Finland	1	25.0%
France	1	25.0%
Germany	3	75.0%
Greece	1	25.0%
Ireland	1	25.0%
Italy	1	25.0%
Luxembourg	1	25.0%
Netherlands	1	25.0%
Portugal	1	25.0%
Spain	1	25.0%
Sweden	1	25.0%
United Kingdom	2	50.0%

Austria -

- Several countries contracts invoices VAT

Germany -

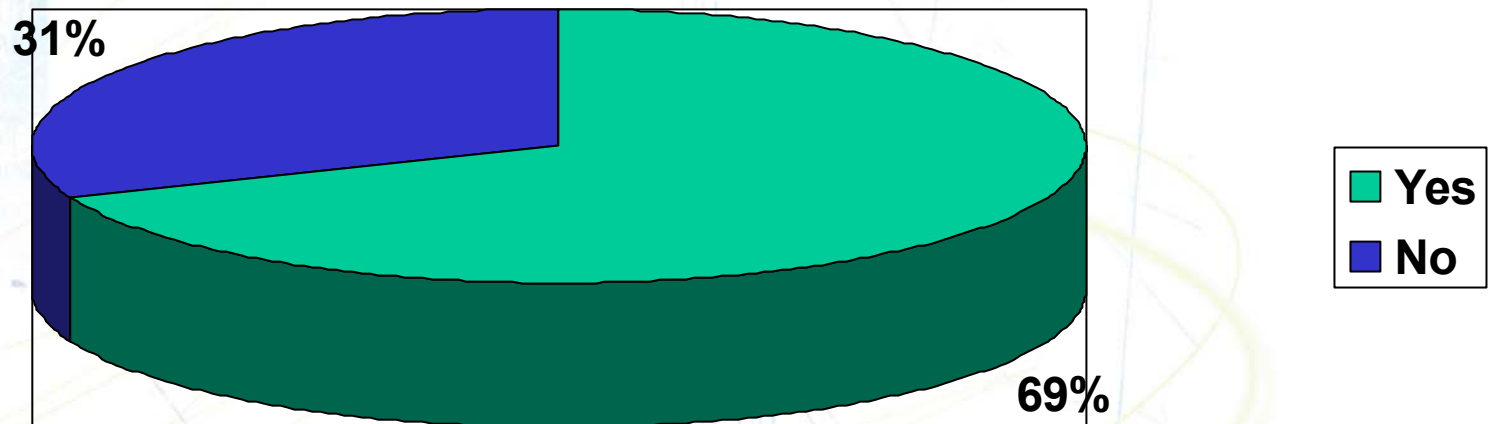
- Any information relating to VAT



Q18b - If so, for which of the following Non-EU countries are you required to keep these paper documents? (Please choose all the countries that apply, then list the document(s) required for that country.)

Choice	Count	Percentage Answered
Albania	0	0.0%
Andorra	0	0.0%
Azerbaijan	0	0.0%
Bosnia/Herzegovina	0	0.0%
Bulgaria	0	0.0%
Croatia	0	0.0%
Czech Republic	0	0.0%
Georgia	0	0.0%
Hungary	0	0.0%
Iceland	0	0.0%
Malta	0	0.0%
Monaco	0	0.0%
Norway	0	0.0%
Poland	1	100.0%
Romania	0	0.0%
Russia	0	0.0%
Serbia/Montenegro	0	0.0%
Sweden	1	100.0%
Switzerland	1	100.0%
Turkey, Republic of Ukraine	0	0.0%

Q.19 - Are you interested in working with a CompTIA European Forum to consider an industry approach to legal and/or operational issues relating to Electronic Commerce?





Q.19 - Are you interested in working with a CompTIA European Forum to consider an industry approach to legal and/or operational issues relating to Electronic Commerce?

Choice	Count	Percent
Yes	9	69.2%
No	4	30.8%