By Philip Burgert

Timothy Browne
Infoteria Corp.

Planning Ahead For RosettaNet's Future Growth

Convergence of XML Users Keeps Provider On The Move

When an 18-year-old Timothy Browne shaved his head and ran off to join a Zen monastery in Japan in the early 1970s, one of the principal things he says he learned is the value of planning ahead.

The young Wisconsin native didn't know when he arrived in Tokyo that he was still a few hundred miles away from the monastery he was trying to reach in Kyoto, he didn't speak Japanese and he didn't know that the Zen master he was intending to study under for the rest of his life had died years before.

After reaching the monastery, he only stayed for three months but some 30 years later Browne is using things he learned from that experience as co-CEO of Infoteria Corp. He is now fluent in Japanese and heading the U.S. headquarters in Beverley, Mass., of the purveyor of Extensible Markup Language software tools. Infoteria also has a Japanese headquarters in Tokyo.

Planning ahead in the XML business has taken on more importance as some aspects of the industry have taken off more rapidly than expected while others have moved more slowly, says Browne.

"XML a year ago or maybe a year and a half ago was suffering from an incredible volume of frameworks and flavors and dialects," Browne says. "You would have 'motorcycle MLs' in the motorcycle industry and cXML for Ariba but xCBL for Commerce One and you'd have a very complicated world. This year I think almost all analysts clearly believe that there has been a huge convergence that has gone on."

As a result of that convergence, Browne says Infoteria believes that four or five frameworks or higher orders of XML will carry the day and that the first one, "without a doubt," will be RosettaNet, the supply chain standards consortium of 400 companies from the IT, electronic components and semiconductor industries.

This is where Infoteria's planning comes in, since the entire focus of the Japanese-American company is on RosettaNet. "We're all about RosettaNet at this point," says Browne, who is a RosettaNet board member. "This is a case where huge industries have sat down together and they've agreed this is the way they will do business. And this is not like ebXML, which is still in the UN stage, you know, contemplating what something might look like."

Since its founding three years ago by former Japanese and U.S. executives of Lotus Development Corp., Infoteria has already had considerable success winning electronics

Timothy Browne

Title: U.S-based CEO, co-founder and president of Infoteria Corp.

Previous position: General manager of Lotus Notes Marketing at Lotus Development Corp.

Noted achievement: "Completion of what clearly is the first XML native server with every subsystem also being native."

Business motto: "Develop what the customer wants—as long as it's within XML spec."

Current reading: "A Walk in the Woods: Rediscovering America on the Appalachian Trail" by Bill Bryson.

industry customers, particularly in Japan. Late last year Sony Corp. and Infoteria announced that Sony's supply chain would be the first customer for Infoteria's Asteria XML server, and other relationships have been announced with Hitachi Ltd., Quark Japan and Pioneer Corp.

"They have a great set of tools that are very popular in the XML sector," says Peter O'Kelly, a senior analyst with the Patricia Seybold Group in Boston. "They are actually sort of rock stars in Japan."

O'Kelley notes that Infoteria's modular tool set has been moving very agressively to support RosettaNet. "If you look at where they are coming from, their product line has been informed by real customers," he says.

Infoteria's first set of products were tools that ultimately became the Asteria Enterprise Server for RosettaNet, which was introduced in this country early last summer. "As we built the subsystems we'd 'productize' it and release it," Browne says, noting that the privately held company had a "reasonable revenue stream" last year in its first full year of operations in the U.S.

"We're quite certain that RosettaNet is the right way to go, so we have built the first of our plug-ins as a RosettaNet plug-in to the server and now we just track to the RosettaNet adoption curve," Browne says.

"I believe RosettaNet will win the XML wars and that this time next year there will be more than 1,000 companies whose supply chain is compliant with XML," Browne says in forecasting the future of e-commerce.

"You'll see Cisco, Sony and Intel telling their supply chain their preferred way of automating the supply chain is using the RosettaNet

standard and here is our vendor of choice or here is a list of our vendors of choice. So far it's tracked well, meaning that I think the first four people Sony recommended to us have recommended us too, as clients."

Beyond these large customers, Infoteria is also placing emphasis on a mid-tier offering. "While we love Sony using us, what we really want is for Sony to say, 'If you want to do RosettaNet but you can only afford a $50,000 IT spend, there really is only one company you can use, which is Infoteria."

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> —Peter O'Kelly, Patricia Seybold Group

Browne lists such companies as Tibco Software Inc. and webMethods Inc. as among Infoteria's main competitors, while noting that potential competitors like Microsoft Corp. and Oracle Corp. are currently building "sort of RosettaNet one-way transformations" that allow customers to transform data to RosettaNet standards for trading.

"We have a much more rich offering," says Browne. "We tend to think of it as a B2B router. We live at the edge of the infrastructure. And we're really the one you bring in so you're really 100% RosettaNet compliant. Microsoft and Oracle will help you get your data into XML and will follow the RosettaNet standards but they will still, I think in most cases, have to hand off to a company like us."

Browne adds that Infoteria and

RosettaNet also still have considerable work to do scaling up the elegantly designed elements of the standard to handle supply chains of companies as large as Sony.

"There are also these things called PIPS, which you can think of as a work flow process," he says, noting that purchasing represents a series of PIPs in one cluster and that the PIPS are not easy to generate and maintain. "What will happen over the next two years I am 100% certain, because it has already started, is that those PIPs will also begin to carry extensions and as you extend the PIP you will keep people like us in business, as well as the Pricewaterhouses and Accentures of the world."

Browne says RosettaNet is only starting to mature and that, as it matures and is implemented, the Infoteria architecture is likely to be easier to maintain than those of Tibco or webMethods, which have extensive coding that was written long ago for EDI systems.

"For them to play in the RosettaNet game is a much harder progression than for us," he says. "And that's what we've found in the first competitive bids that we've been involved in. I mean at Sony, Kyocera, etc., we were up against webMethods and others and we won really solely on the fact that our implementation time was 1/16th of our closest competitor. And that's because we go in and just put in what we call the first B2B router or B2B gateway.

"We don't take anything out and we think we've built it flexible enough that, whatever is in your infrastructure, we can use a standard methodology add to it and ramp it and at least get it through the DMZ."