

Vale Unleashes Potential of Partner Relationships With Informatica



"Innovations in the way we on board and manage partner relationships are helping to lower the cost of our channel relationships, usher in an enhanced partner experience with Vale and drive business growth worldwide."

- Christiane Bof, B2B Project Manager, Vale

One of the World's Top 3 Metals and Mining Companies

The statistics are staggering: five billion metric tons of iron ore mined in 70 years history, 3,900 square kilometers of operations worldwide, and environmental investments conserving an area three times this size. Make no mistake—Vale is vast. The company is one of the three largest metals and mining companies in the world, with a market capitalization of approximately US\$70 billion. Headquartered in Brazil, Vale has a presence in more than 30 countries and employs 140,000 people.

The secret of Vale's success is maintaining a prosperous pipeline of multi-commodity, mineral exploration programs. Innovation and a keen eye on efficiency are driving revenue growth and increased shareholder value. Partners also play a vital role in transforming Vale's natural resources into prosperity. Whether it is iron ore

prospecting partners in Peru, copper engineering consultants in China, or the banks in Brazil that pay staff salaries, Vale works with companies of different sizes in different locations at various stages in the production chain.

In recent years though, it has become increasingly difficult for Vale to cope with the volume of new partners coming on board and the amount and type of data they exchange with Vale. Data was arriving in ever-greater volume, variety and velocity. Part of the reason for this is the popularity of the cloud, which makes it so much easier for partners—especially ones working in very remote mining locations—to share data with Vale.

Vale's legacy systems and processes struggled to cope, with each new partner and new data format requiring significant manual intervention prior to integration into Vale. The problem was visible on the front line. The on-boarding of partners was time consuming, slow and expensive. Once on board, partners experienced



Overview:

\$70 billion metals and mining company streamlines partner management worldwide and reduces the cost of operation.

Business Need:

- Lower the cost of managing partner relationships worldwide
- Provide a more rewarding experience for partner ecosystem
- Grow revenues through streamlined and agile partner relationships
- Increase data transfer security, minimizing fraud risks
- Provide end users visibility of processing and transaction steps

Challenges:

- Advent of cloud leading to greater volume and variety of unstructured and semistructured data
- Reliance on legacy mainframe platform demanded significant manual intervention in document exchange

an indifferent user experience, with minimal self-service visibility into transaction monitoring. And strict file size limits prevented external partners from sharing large files, such as engineering design plans for new specialist mining equipment.

Unleashing Information Potential

To put the potential of its partner data to work, Vale has standardized worldwide on a new partner management gateway that improves operational efficiency and streamlines the onboarding of new business relationships. The gateway unleashes partner data by simplifying the task of integrating new suppliers and partners into Vale's applications—regardless of the source, type, or volume of data. This ensures that all information is acquired and transmitted in a timely, accurate and complete manner. It also reduces the costs and risks associated with partner management.

"This deployment is a blueprint for best practice B2B multi-partner integration," explains Christiane Bof, B2B project manager, Vale. "By making it quicker, easier and less expensive for the partner community to communicate and collaborate with Vale, the solution ensures the company maximizes the potential of its partner data."

The pilot use case for the gateway project (which Vale refers to as "Global Integrated File Transfer," or "GIFT") was to improve the way financial information is exchanged between Vale and the network of financial institutions worldwide that support the business. Financial analysts in both Vale and the banks can now share information on payments, payroll, credit card expenses, bank statements, and other data seamlessly. This event monitoring improves partner connectivity, response time, control, visibility and traceability. It

reduces costs by automating manual file transfers and file validation, while simultaneously enabling legacy mainframe-based file transfer solutions to be decommissioned. Moreover, the process adheres to Vale's auditing compliance by eliminating the risk of file modification.

Similarly, Vale is using the partner gateway to make it easier for external project engineering companies to send large documents to Vale engineers. For example, a Brazilian partner involved in the construction of a new nickel plant, simply logs onto the portal, and now sends Vale a five gigabit file of a machine specification. There's no expensive and time consuming manual file transfer anymore—just instant partner collaboration.

Some 25 pension fund sponsors are also part of the portal. They can send confidential employee and pension contribution information direct to the Valia pension fund enterprise resource planning (ERP) platform, improving security, compliance, and reliability.

"Mining is a globally competitive business and it's changing fast. Innovations in the way we on-board and manage partner relationships are helping to lower the cost of our channel relationships, usher in an enhanced partner experience with Vale and drive business growth," says Bof.

The Results

Vale is lowering the cost of operation with this new partner gateway model. For instance, the automated exchange of financial information between Vale and the banks is saving up to \$420,000 every year. These savings are derived from lower mainframe processing costs, reduced manual file intervention, and the retirement of legacy platforms, such as FTP and some mainframe applications.

Solution:

- Deployed Informatica B2B Data Exchange to manage data transactions with partners worldwide

Impact:

- Saved \$420,000 annually in on-boarding process and integration maintenance
- Automated and optimized relationships with trading partners to reduce risk
- Reduced the time to on-board new business partners from months to hours
- Established an independent and reusable architecture to face the diversity and criticality of Vale's global partner management strategy

Inside the Solution:

- Products: Informatica® B2B Data Exchange, Informatica B2B Data Transformation, Informatica PowerCenter®
- Sources: Multiple partner sources, file formats and file sizes
- Target: EMC Documentum (EDMS), SAP and other in-house developed ERP

Other results include:

- Reduced the on-boarding process for new partners from months to a few hours
- Completed end-to-end B2B implementation in 125 days
- Supported different service level agreements according to the business criticality
- Extended data integration beyond the firewall into the cloud
- Mitigated risk of file modification, compromising confidentiality and integrity
- Provided end users with visibility into processing and transaction status
- Complied with rules of information security: encryption, digital signature and auditing

The Role of Informatica

Vale chose the Informatica B2B Data Integration solution based on the rich functionality of the solution, including event monitoring, on-boarding, self-service, and data access control. The existing relationship with Informatica also influenced the role played by Informatica. Vale most recently used the best-in-class platform for data integration to support the company's merger and acquisition activity. An Informatica Application Information Lifecycle Management solution is used to retire obsolete and noncompliant applications as businesses are merged or acquired. An archived data compression rate

of up to 95 percent is reducing Vale's storage costs and eliminating much of the hardware, software, and maintenance costs associated with the redundant applications.

Technical Architecture

Vale's Informatica B2B Data exchange solution consists of Informatica B2B Data Exchange and Informatica B2B Data Transformation, with Informatica PowerCenter forming the data flow engine.

Data Transformation

The data transformation layer is used to unlock Vale's unstructured and semi-structured information, translating virtually any file format to any other. This enables Vale to extend its PowerCenter infrastructure to interface with business processes and partners—such as banking, pension providers and engineering consultants—that might not have been possible before without hand coding.

The solution gives the Vale the flexibility to manage simple flat file formats such as positional and .csv, as well as complex file formats such as COBOL, hierarchical data, and ASCII report dumps. Pre-built libraries in the data transformation layer handle standardized data formats. Finally, the layer delivers comprehensive event data and business monitoring capability.

Data Exchange

Vale uses the data exchange layer to aggregate exchange and share data with its business partners and suppliers. It comprises a GUI console and a data exchange server. When files are received from partners, the data is passed to the associated PowerCenter workflow for data manipulation and processing. Depending on the type of data received, data transformation is used for parsing the data.

Although data is exchanged primarily in batch mode, there is the flexibility to support real time and near real-time frequency should the need arise.



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