

The DESK

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TPT Hooks Up With SAP

Over the Years We've Covered a Dozen or So JV's or Co-Development Deals with various ETRM vendors of all shapes and sizes and the Big Five or the big system infrastructure shops. Most of these deals open with huge fanfare and great promise, but are never heard from again after that initial bump. For some reason, these deals never really pan out as advertised for either party.

This may be about to change. The recently announced deal between Triple Point Technology and galactic enterprise software company SAP may prove to be a huge moneymaker for CT-based TPT thanks to a combination of extremely good timing, market tried-and-true apps and a fine-tuned rollout schedule. For this venture, TPT has beefed up its Commodity XL platform into something called Commodity SL, which integrates all the best bits from XL with SAP apps covering financials, invoicing and logistics. It all sits on top of SAP's NetWeaver.

SAP's NetWeaver will be deployed throughout the known universe, in more market sectors than TPT could have ever effectively marketed to by itself. All of these markets in one way or another have certain exposure to energy commodities. So, along with that bazillion-dollar enterprise platform featuring an SAP brain, why not add Commodity SL to better manage that physical or financial risk on the energy side? Why not, indeed.

We had a chance to chat with TPT and SAP officials about the deal, which we learned has already moved quite far from

the starting gate. The combined solution already has its first customer. And the beta process, which is expected to take roughly a year to complete, is well subscribed. For the TPT solution, SAP tapped a group of 10 current customers to tool around with the new apps and to provide what they call "functional development guidance." SAP says once the shakedown cruise is over, the new package will be available to customers in Q3 2007.

SAP's Peter Maier told *The Desk* that the firm had interviewed and tested a number of big-brand ETRM systems for the joint development before choosing TPT for the partner gig. The idea of building some similar package of ETRM solutions was also considered in lieu of a JV, but he says the TPT opportunity was too good to pass up. Its track record, ease of use, easily customized functionality and its adaptability to a variety of industries SAP covers eventually tipped the scales in TPT's favor.

The SAP NetWeaver platform is active in just about every industry imaginable, including the oil and gas sector, although that area makes up a relatively small slice of the platform's market. Companies large and small in 500 different industry sectors plug all their industry-specific apps into the ubiquitous NetWeaver platform, and know they'll all be able to talk to each other.

If you're the IT chief for an E&P company or an oil trading outfit, mining company, utility or the like, you might know TPT already so, hey, you might give NetWeaver a second look. Good for SAP. If you're an SAP customer and you've

been hounding the company to offer up some energy or metals risk management platform, you're in luck too. Good for TPT.

Why should current TPT users of Commodity XL or prospective customers of Commodity XL or SL pay special attention to this JV co-development? Because all the potential new market knowledge that will flow into all TPT apps and functionality from here on out to serve these new SAP customers is pretty darn unique. TPT is about to be exposed to commercial operations and markets to which it has never been exposed. And presumably neither has its traditional ETRM competition. This is huge.

Dilip Daswani, TPT's veep for business development, says that what TPT developers and designers stand to learn is almost limitless. He says the deal is a home run on several levels. Entrée into new markets by way of a trusted partner like SAP is great and the company's bottom line could potentially expand by 50 percent in no time, he says. And any new market knowledge, design tweaks and so on coming out of the co-development process simply makes TPT more competitive in the energy ETRM space. Advanced market knowledge, for a software vendor, is gift that keeps giving.

SAP says Commodity SL will be rolled out to the oil industry in 2007, with rollouts to gas, coal, metals, ag and freight to follow.

For more information, go to www.tpt.com.