

AxiCom PR, CG No. 03/06, November 2006

[crossgate \(formerly SCI\) acquires interest to become Europe's largest EDI provider, offering new service flexibility to EDI customers](#)

crossgate to Acquire Interest in B&N Software AG

- **Crossgate acquires majority of B&N Software AG**
- **Merger creates new drive for B2B integration**
- **Increased focus on profitable target markets in Europe and the USA**

Starnberg, November 7, 2006 – EDI specialist Crossgate announced that it has acquired a majority interest in B&N Software AG (Rosdorf/Göttingen). With this acquisition, the two companies position themselves as a new major player in the leading group of B2B integration providers in Europe. The merged company will assemble a total of more than 2,000 customers, 32,000 business partners, nearly 200 employees and, last but not least, Europe's largest partner profile repository. This will create one of Europe's largest EDI provider who also has the largest German EDI business. The strategic goal of the merger is the development of new approaches for EDI and B2B integration solutions.

European EDI customers can expect completely new choices in the selection of B2B integration scenarios for their EDI activities: Market leader Crossgate, already provider of the Europe's largest integration platform, Business Integration Platform (B.I.P.), acquires B&N Software AG. The merger of the two companies offers the advantage that EDI customers will now be able to choose any mix of insourcing, outsourcing and SOA service scenarios, which will give them unprecedented flexibility for B2B integration. Since the EDI repositories of the two providers will be combined, customers will be able to reach hundreds of thousands of EDI connections with a click of a mouse.

Stefan Tittel, Chief Executive Officer of Crossgate, explains: "The merger offers a wealth of technological advantages and is the right strategic step. Moreover, the two companies are present in complementary markets: While Crossgate used to



set its main focus on the automotive and logistics industries, B&N's main activities are in the retail and Consumer Packaged Goods (CPG) sectors. We will combine our international activities and join forces to target the key markets in Europe and in the USA.”

Eckhard Neben, Officer of B&N Software AG, confirms: „Both crossgate and B&N Software are established market leaders in their home markets and have an impressive track record. Therefore, this merger is not just a ‚one plus one‘ but definitely creates something new: Together, we will offer our customers a completely new choice of services.”

In particular, crossgate has written an unprecedented success story over the past three years. With orders on hand of about €39 million and sales that jump to new heights from year to year, crossgate is the most rapidly growing company in the industry. Especially in the light of this development, the merger with B&N Software AG is a major step because an independent technological basis is key to further growth in Europe.

crossgate decided to acquire B&N Software after a comprehensive investigation of the market at a global level and the detailed analysis of 53 B2B software and service providers. B&N Software offers the particular benefit of a high degree of reusability of existing business partner links and their software architecture that is based on a universal software architecture. By using this software on crossgate's central transaction platform B.I.P., this platform will evolve into an EDI technology which will not only handle the largest number of transactions in Europe but which will also have the largest number of installations/users and win the largest number of new users/new customers per year in Germany.

CEO Stefan Tittel comments: “We firmly believe that B&N Software has the leading technology to handle even the most complex of EDI scenarios. Together, we mainly present one thing: critical mass. This will be especially attractive for large customer organizations because we can cover any desired IT option in the field of B2B integration.”

The two parties have already defined future service enhancements: “Our development roadmap will introduce some most innovative aspects in the B2B integration market, offering customers extended options to connect with their

business partners”, explains Uwe Weiss, Officer of crossgate. He added: “We will offer a completely new mix of classical licencing, outsourcing, and SOA service approaches.”

About crossgate

crossgate (formerly indatex SCI) has specialized on B2B integration and Cross Automation – the cross-media automation of business processes within and between companies. The heart of this approach is Europe’s largest transaction platform, the Business Integration Platform™ (B.I.P.): It is already used by more than 30,000 companies to share documents and data independent of formats and across any media. The transaction-based business model is already established practice in the automotive, logistics, retail, and industrial sectors. Customers include companies like Audi, Brembo, CeramTec, Fiege, Hartmann, Lanxess, Philips, voestalpine Automotive, VW, and Zumtobel.

crossgate was founded in 2000 in Starnberg near Munich, Germany. Investors include the DAH-Beteiligungsgesellschaft of the family of SAP founder Dietmar Hopp, Otto Wolff von Amerongen Group as well as Al-Jomaih Group. In addition to its headquarters in Starnberg, crossgate maintains 5 offices throughout Germany, including Berlin, Cologne, and Walldorf. In 2006, crossgate Italia S.P.A. in Milan was founded as the first regional company. Including the newly acquired B&N Software AG, the Cross Automation specialist currently employs about 200 people. The company’s founder and CEO is Stefan Tittel.

More information is available at www.crossgate.de.

About B&N Software

B&N Software AG develops software components to support corporate and inter-company process optimization initiatives. Key products include the m@gic EDDY® EDI / XML Transaction Adapter and the m@gic EDDY® AI EDI / XML Transaction Server. m@gic EDDY® AI is based on the open standards JAVA, C++, and Linux, meeting the rapidly growing demand for largely vendor-independent systems. The innovative EDI software products provide for sustained standardization, thus enabling significant cost savings through the implementation of inter-company electronic document interchange. For sharing EDI / XML data with customers and suppliers, users can rely on thousands of different partner profiles of all relevant trading, logistic and industrial companies. Partner profiles for communication partners that are not yet available as a standard profile are created and provided at fixed rates. As one of the first IT providers, B&N Software uses this business model to leverage the principles of the industrial division of labor also for the production of software. As a result, this can reduce the cost of ownership of such an innovative EDI infrastructure by as much as 90%.

More than 1,300 customers benefit from the services of B&N Software AG. Customers include renowned names like Bauhaus BAHAG, BRITA, Appolinaris & Schweppes, Freudenberg Haushaltsprodukte, Gerry Weber, Konica-Minolta, Linde AG, Holsten-Brauerei, Krombacher Brauerei, Tom Tailor, Winterthur Versicherungen, and others.

B&N has its headquarters in Göttingen, Germany and maintains offices in New York, USA and Dublin, Ireland. The highly profitable company B&N employs 75 people and has

annual sales of about €6 million. In the past, B&N Software generated more than 50% of its sales with the substitution of existing systems. B&N Software was founded in 1989 by the present board members Axel Bernigshausen, Eckhard Neben, and Uwe Neben.

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