Quarterly Report

Highlights 1996 – 1999

GCN announced in Manila during APEC Summit

From left to right: Mr Raul Manglapus, Mr Nigel Arthur, President Fidel Ramos, Dr Kevin-john McIntyre, Mr John Raine and Mr Reymond Voutier

The Global Commerce Network was announced at the Malacanang Palace, Manila, on the eve of the APEC Leader's Summit. The announcement was made during a meeting with President Fidel Ramos, APEC's host and follows recommendations by the USA members – put to the Pacific Business Forum during the 1995 APEC summit in Osaka, Japan. The trade facilitation services recommended by the PBF were seen by many APEC member economies as critical to the future performance of Asian economies.

The vital importance of communications technology and business information, coupled with trade and financial services for crossborder trade has been recognised by the architects of the Global Commerce Network. The result is a comprehensive, sophisticated, yet simple-to-use global electronic trade support system. The Network is being recognised as having immense importance in ensuring the Asia Pacific economies are effectively and efficiently linked to the world economy.

Impressed with the GCN concept and its potential for the Philippines economy, President Ramos directed that discussions be held between GCN executives and the Secretary of Finance Roberto de Ocampo and nine key ministers.

Meetings with Finance Secretary de Ocampo

Roberto de Ocampo was named Finance Minister of the year for 1996 by the prestigious Euro Money magazine. This achievement was largely due to his role in the significant turnaround of the Philippine economy as Secretary of Finance of the Ramos Government.

On Friday 13 December, GCN's Executive Chairman Reymond Voutier followed up an earlier meeting with Secretary de Ocampo by calling on him at the Finance Ministry. Discussions covered opportunities for the Philippines to play a regional role in Global Commerce Network with, for example, the provision of a site for the Network's regional Knowledge Centre.

GCN's Executive Chairman expressed interest in the 1997 APEC Finance Ministers meeting, to be hosted by Secretary de Ocampo and held in Cebu. The Secretary has agreed to explore ways to introduce Global Commerce Network Inc. to APEC ministers attending

Asian roadshow

A series of banks have been identified as participants in the Global Commerce Network roadshow to be held in the Asian Pacific region during the first half of 1997. Participating banks include Far East Bank in the Philippines; China Trust and International Commerce Bank of China in Taiwan; Sanwa, Sakura, Fuji and Dai-ichi Kangyo banks in Japan; the Korean Exchange Bank of South Korea; the Duta and BCA banks in Indonesia; and Bank Bumiputra and Maybank in Malaysia. Banks in Australia, New Zealand, Thailand, China and Singapore will also be included.

Seminars, round tables and private meetings will be held in each country to assist Global Commerce Network in developing strategies and plans.

SWIFT, APEC/ABAC and PBF representatives in each country will also be invited, together with those from leading research institutes and the Asian Development Bank.

Meeting senior AIG executives

Global Commerce Network executives met with Ronald Anderson, chairman of AIG Japan, while Mr Anderson was in Manila with AIG worldwide chairman and Chief Executive Maurice Greenberg who spoke at several APEC events.

The meeting led to a visit to AIG's headquarters in Tokyo and further meetings with senior management from AIG's regional technical and development centre in Manila including Regional Vice President and Centre Manager, Robert Noddin.

During a lunch with GCN executives, Jose Cuisia Jr, chairman of AIG in the Philippines and former Central Bank governor, offered support for the GCN initiative in his capacities as chairman of the Far East Bank and Trust Company and of Philam, the local AIG operation. The largest financial group of its type in the Philippines, Philam was a major sponsor for APEC-related events.

In a reflection of the importance AIG places on its interests in Asia and the APEC economies, Mr Cuisia is arranging further high-level meetings with Global Commerce Network Inc. executives.

Bank meetings & briefings

Dr Kevin-john McIntyre, Reymond Voutier and senior executives met with leading bankers from the APEC economies during the summit. These included representatives of Duta Bank of Indonesia, First Pacific of Hong Kong, Maybank of Malaysia, Korean Exchange Bank and China Trust of Taiwan.

Senior management of the Far East Bank and Trust Company was briefed on the Global Commerce Network during a presentation at the bank's Manila headquarters. From this briefing has come an invitation to organise a seminar with the Asian Institute of Management in early 1997.

Asian Development Bank

The presence of Global Commerce Network Inc. executives in Manila during APEC provided the opportunity for Executive Chairman Reymond Voutier and senior executives to brief the Asian Development Bank. The two-hour presentation addressed micro economic database systems, electronic commerce and related topics. More than twenty managers and senior staff attended the briefing which was conducted at the bank's world headquarters in Manila.

The briefing has led to offers from the ADB to provide introductions to government officials in countries throughout the region.

GCN Executive Chairman in discussions with Philippine Finance Secretary de Ocampo

Global continues to build links with APEC

Mr. Reymond Voutier, executive chairman of GCN Inc. attended events during the APEC Ministers Meeting in Cebu, Philippines. This opportunity arose from a meeting with Secretary Roberto de OCampo the APEC host.

The Ministers of all 18 APEC economies including Japan's Hiroshi Mitsuzaka and US Treasury Secretary the Hon. Robert E Rubin attended the meetings at the Shangri-La Resort at Mactan Island near Cebu.

APEC Means Business

In 1993, APEC captured public imagination when President Bill Clinton, as APEC Chair, hosted the first APEC Economic Leaders meeting on Blake Island outside Seattle, Washington.

Since then, APEC has continued the tradition of annual summits with the 18 leaders with meetings at Bogor, Indonesia, and Osaka, Japan. The fourth Summit was held at Subic Bay last November.

A fifth and sixth summit will be held in Vancouver, Canada in 1997 and Kuala Lumpur, Malaysia in 1998.

Early Business Involvement
Throughout APEC's short history, a number of consultative groups have advised the leaders on economic and business matters. ABAC was preceded by the APEC eminent Persons Group and the Pacific Business Forum.

Key comments from Cebu
Robert F. De OCampo
The Pacific Rim countries are embarking today on the greatest infrastructure build-up humanity has ever seen. This build-up will lay foundations for the Pacific century. We are confident that the APEC will be a factor that abets - rather than inhibits - full private sector participation in this monumental endeavour.

President Fidel V. Ramos
In APEC, 18 economies - of varied sizes and at different stages of development - are coming together and turning the vast Pacific into the primary highway for commerce and economic development.

Robert Rubin, US Secretary of the Treasury
The President is fully committed to working with our partners to build a new Asia-Pacific community, a community built on a shared vision of sustained growth and prosperity in all Asia-Pacific economies, including the United States.
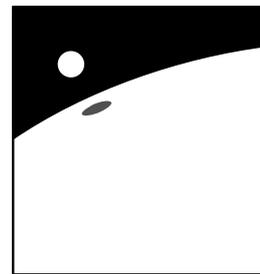
ITAC Shows the Way

Grace Voutier, (Hsu Shao-Yun), director and administrative manager for the GCN executive office in Asia, recently called on Dr James Tao, chairman and secretary general of ITAC (the International Trade Association of the Republic of China).

Mrs. Voutier is seen standing next to Dr Tao and the deputy secretary general Mr. Gregory Sun-Lin Hang, against a background of pictures of world leaders. The association is one of the oldest in the Republic of China and has been responsible for establishing links with many nations.

Travel service developments

Nigel Arthur, Director – Executive Office of Global Commerce Network Inc. announced high-level interest in GCN by executives of the world's largest travel company the Paris-based ACCOR Group. During July, Paul de Bruyle, worldwide chairman and co-founder of ACCOR confirmed his interest in GCN.

Aside from being the world's largest hotel management company, ACCOR also has a 50% share holding in Carlson Wagonlit the world's largest travel agency organisation with more than 4000 outlets. Strategic relationships are being developed with ACCOR Asia–Pacific and with the ABACUS reservation system. Based in Singapore, ABACUS is owned by the major Asian airlines.

New logo revealed

Commissioned by GCN Inc.'s Corporate Communications Office, the Global Commerce Network's newly introduced logo marks the first stage in the Network's corporate image program. The new logo was unveiled in November as part of GCN's announcement in Manila during the APEC summit.

G L O B A L
C O M M E R C E
N E T W O R K

"Our aim is a strong, simple, yet elegant image that represents our business practically and emotionally – while meeting the usual requirements of reproduction and legibility"

If the comments of APEC officials and corporate executives in Manila are a guide the new logo has meet those requirements handsomely.

Government interest building in electronic commerce

Bolero - Document Registry Project

In June, executives from Global Commerce Network Inc. began a series of briefings on global electronic commerce – including transaction and security issues. These presentations will continue during July. The program includes briefings in Japan, Korea, Thailand, Malaysia, Indonesia and Australia.

Below, briefing the IBIS International Network Team. Left; Richard Hamerton from Global Commerce Network.

The presentations have generated considerable interest in the topic, and in Global Commerce Network. Senior officials from finance ministries, central banks and other government agencies – including export-import banks – have attended. The briefings have added considerably to awareness of Global Commerce Network Inc. plans in APEC economies.

Mr John Morgan, chairman of the Bolero project group that is studying the development of a centralised trade document registry, has been invited to attend briefings to the Australian government in Canberra on 24 and 25 July.

Mr Morgan will join Mr Reymond Voutier, executive chairman of Global Commerce Network, who will outline significant electronic commerce initiatives that are taking shape in the APEC member economies.

High-level participants from the Treasury, Prime Minister's Department, Attorney-General's Office, The Department of Foreign Affairs & Trade are to attend.

The Bolero Project proposes centralised storage and archiving of documents for trade featuring:

- management and transfer of negotiable documents
- strong security
- establishing a contractual frame work
- service delivery by a neutral, trusted third party.

A Brave New World

Global Commerce Network Inc. executives regularly meet leaders of emerging infrastructure and technology who will shape the 21st century. A recent meeting was with Mr Steve Orlowski an Australian Government adviser on electronic security to the OECD and APEC.

Mr Orlowski is considered an international expert on security aspects of public key and private key infrastructures. Speaking from Canberra, Mr Orlowski addressed issues facing countries and governments as commerce embraces the electronic networks.

Mike Cho, Director of Sales& Marketing, and Yannick Rouvrais, General Manager of the Novotel Ambassador, in Kangnam, Seoul with Reymond Voutier of Global Commerce Network Inc., during a recent visit.

The Global Commerce Network is undertaking a study into the most effective ways to deliver business and trade intelligence services to executives on the move through hotel and travel channels.

Preliminary investigations and a feasibility study involving ACCOR properties in Seoul, Manila, Bangkok, Sydney, Jakarta and Singapore is taking place. ACCOR property brands include the Sofitel, Novotel, IBIS and Mecure hotels.

Business Centre staff at the Novotel Kangman Seoul with General Manager, Yannick Rouvaris, right, during a demonstration of information services.

The Netplex
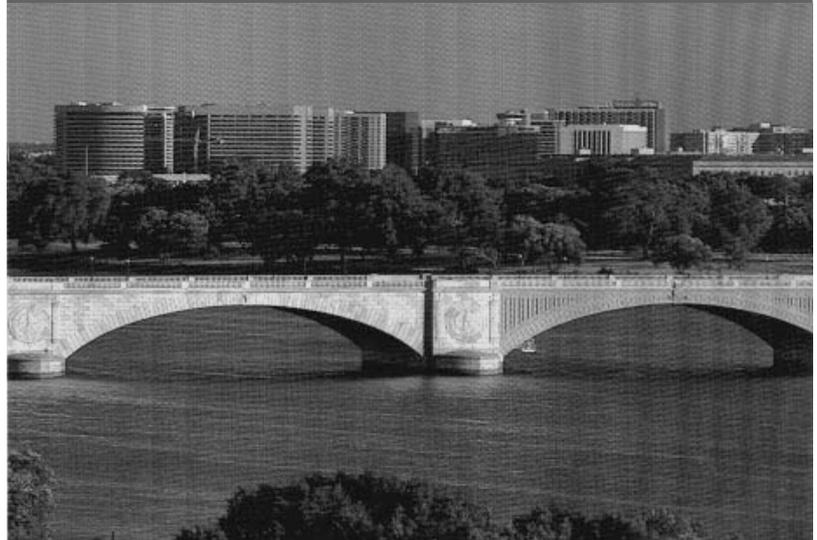
The area surrounding Washington D.C. is known as the Netplex and described by Fortune Magazine as the most information intensive area on earth.

Global Commerce Network Inc. is concentrating some core activities in this area of Greater Washington through its offices in Crystal City and Pentagon City.

Some of the Company's most important connections are close to this area. Also within easy reach are the Internet Access Group, GE Information Services, Commercial Internet Exchange, Meta Network Uunet, Digital Nation, MCI Sprint, Natural Science Foundation. The Corporation for National Research Initiatives, many key US Government agencies and senior international representatives of most national governments.

Washington takes leadership role

On July 1st, U.S. President Bill Clinton raised the stakes for electronic commerce – particularly for companies such as Global Commerce Network Inc. – by releasing the report *A Framework For Global Electronic Commerce*. In issuing directives to the Secretary of Commerce, Secretary of Treasury, the Director of the Office of Management and Budget and Administrator of General Services the President is helping to propel the US federal government into the era of electronic commerce.

Speaking from Washington, D.C., Professor Malcolm Novins, Senior Vice-president – International & Government Affairs, Global Commerce Network Inc., outlined three reasons why the President's speech was important for the Global Commerce Network:

1. The President and the United States Government recognise that the world is on the verge of a global revolution.

2. The President believes that for electronic commerce to flourish, the private sector must lead with the government supporting private sector efforts.

3. The President was able to differentiate between technical issues associated with the new infrastructures and the business concepts involved.

Speaking shortly after the President's announcement, Professor Novins said 'during August and September considerable effort will be made to conduct follow up briefings for White House staff, the Office of the Vice President and the State & Treasury Department'.

In many ways the Global Commerce Network is a result of early US leadership from its members on the APEC PBF who identified the importance, scope and global nature of electronic commerce.

Office of the Vice President

GCN received a message from the Office of the Vice President expressing interest in its program. Global Commerce Network Inc. executive chairman, Reymond Voutier was fortunate to meet and brief Mr Jim Kohlenberger, Vice President Gore's senior policy advisor on electronic commerce.

Senior Global Commerce Network Inc. executives Dr Richard Steighlitz, Chief Technology Officer (left) and Professor Malcolm Novins, Senior-Vice-president meet in Washington D.C.

White House meetings

GCN briefed President Clinton's senior policy advisor Mr Ira Magaziner at the White House on September 3rd. Mr Magaziner who had been previously introduced to GCN by Dr Kevin-john McIntyre in Singapore expressed a strong interest in the Global Commerce Network and requested that follow up discussions take place between his staff and GCN executives.

Mr Magaziner told GCN executive chairman Reymond Voutier that APEC was the correct region for promoting global electronic commerce and the emerging digital economy. Mr Magaziner further commented that the U.S. administration was encouraging Canada and Malaysia to take positive steps to promote global electronic commerce via APEC.

President Clinton's report on the Internet

The full text of President Clinton's speech on Global Electronic Commerce can be found on the Global Commerce Network Inc.'s home page. Copies can also be obtained from the Washington Office of Global Commerce Network Inc.

Senior Global Commerce Network Inc. executive, Mr Richard Hamerton, left, with Executive Chairman, Reymond Voutier, in the foyer of number 1 Collins Street, Melbourne, the location of Global's Australian office.

The Bankers Roundtable

The Bankers Roundtable in Washington, D.C. represents the leading 125 U.S. banks and has recently formed the Banking Industry Technology Secretariat.

Following her meeting with Mr David Hough and Professor Mal Novins, the acting director of BITS, Ms Kit Needham, has invited Global Commerce Network Inc. to make a presentation on global electronic commerce to BITS and the Roundtable membership later this year.

Decision Sciences Institute international conference

Global Commerce Network Inc. executive chairman, Reymond Voutier, was a plenary session speaker at the Institute's annual international conference held in Sydney Australia between July 21–23.

Over 350 business and management school faculty leaders – from the world's major universities – attended the conference. Papers addressing major issues affecting the teaching of management and other decision science disciplines were presented.

Mr Voutier spoke on the changing role of information providers in a networked world.

Global Commerce Network announces the Digital Knowledge Environment

Business strategy group

Global Commerce Network Inc. began efforts in October to establish a business strategy group. Director of the Executive Office in Asia, Mr. Nigel Arthur, began meetings with potential advisory group members. His meetings included executives of Merril Lynch.

Appointment of Mr. Shaun Corette III and the law firm of Piper Marbury in Washington D.C. has strengthened Global Commerce Network Inc.'s capabilities in this important planning area.

Mr. Corette has a strong background in international banking and law – including a period as Chief Counsel with Eximbank of the United States. During 1980, Mr. Corette was a leading player in the legal case against the Hunt Brothers and their attempt to influence the world silver market.

The GCN/RGS development group in Crystal City, Washington, D.C. announced they had completed the phase-one feasibility work for establishing the Digital Knowledge Environment for Global Commerce applications.

A development office spokesperson, Dr Richard Steiglitz, said the Digital Knowledge Environment would fully complement the conceptual infrastructure for electronic commerce that the Global Commerce Network would be utilizing for the various electronic commerce applications and services.

Dr Steiglitz described the Digital Knowledge Environment for international trade and commerce as the heart of the services provided through Global Commerce Network's three Knowledge Centres.

The Digital Knowledge Environment will provide a new way of looking at the digital economy, global electronic commerce and the Internet or networked world.

Dr Steiglitz noted that the functional view of the international management life cycle was no longer adequate to understand the digital age.

He went on to explain that a non-integrated view of all the components was common while some forward-thinking organisations conceived a data integrated life cycle view.

In concluding, Dr Steigliz said that without the Digital Knowledge Environment at its heart it was not possible to allow for complete data recording or programs, functions, processes and products throughout an integrated environments life cycle.

The financial strategy group meeting in Hong Kong.

Knowledge and transaction centre concept development announced

Key strategic marketing appointment

Dr. C. K. Han, specialist advisor to the Malaysian Multimedia Super Corridor (left) and Dr. Kevin John McIntyre from Global Commerce Network Inc. meeting in Kuala Lumpur.

During December 1997, Global Commerce Network Inc. executives announced, in Washington, a project to commercialise one of the of the company's key concepts.

Code named the e*Notus* project, this work will build on work undertaken in developing knowledge and transaction center concepts.

As part of the e*Notus* project, Global Commerce Network is to work with its strategic partners to develop eight core service applications.

Development effort will also be focused on a global supply chain management system for electronic commerce and logistics.

A key element is selecting countries to host the three Global Commerce Network state-of-the-future digital knowledge and transaction centres.

Discussions have been held with Government boards in Malaysia and Australia during the last few months. The Republic of Singapore is also being considered as a site for Global Commerce Network's Asian knowledge and transaction centre.

Paris and Washington DC are likely locations for the European and Americas centres.

Discussions are also planned with key service and communications providers as part of developing a model for these centres.

Global Commerce Network is delighted to announce that David Asdorian is joining the senior executive ranks as Executive Vice President, Relationships, Marketing. Initially a consulting role, it is envisaged that Mr. Asdorian will play a key role in strategic marketing. The importance of this role will grow as concepts developed by Global Commerce Network are commercialised.

Mr. Asdorian brings a wealth of marketing and management experience and expertise to Global Commerce Network and the e*Notus* project. He has held senior management roles in corporations producing mainframe software, established and headed international subsidiaries and built and sold Marketing Innovation Inc.

As Chief Operating Officer for Schumann Security Software Inc., he established this US subsidiary of German software and consultancy company to service the North American market. He then assumed the role of Vice President Business Development for Technologic Software Concepts, Inc. with a specific brief to put in place the marketing and sales 'machine' to develop business outside the U.S.

Banking industry takes centre stage

Mr. Scott Lang, Senor Director Network Products, National Automated Clearing House Association, with Professor Malcolm Novins, Senior-Vice-president, Global Commerce Network Inc. at the Treasury Management Association / National Automated Clearing House Association – Payment '98 conference in California.

During January 1998, Global Commerce Network Inc. vice-president Professor Mal Novins was a guest speaker at the Treasury Management Association / National Automated Clearing House Association Payment '98 Conference in California.

In his address to the conference Professor Novins spoke about 'A real solution to global electronic commerce - the position today'.

This session explored the very real example of global electronic commerce capability that has developed from direct investment by shipping and freight forwarding companies, port and terminal operators by means of the Through Transport Club; and potentially by banks through SWIFT's Bolero initiative.

Among the keys to successfully embracing real solutions for global commerce are:

• the ability to relate national and regional EDI initiatives to a global perspective

• understanding the impact of cross-industry /cross-geography

solutions to global electronic commerce and the consequences for trade and related business processes

• understanding process and business re-engineering possibilities.

The Bolero project is shaping as a major catalyst for change as a result of its adopting open standards, using appropriate technologies and developing an acceptable legal service.

Challenge of the virtual economy at SIBOS

The SIBOS conference highlighted that a comprehensive approach to worldwide electronic commerce is critical. Global Commerce Network executives strongly believe that a knowledge and transaction layer is the key to realising the potential for e-commerce in the emerging digital economy.

Mr. Roger Ward, SWIFT Bolero specialist, with Professor Novins at the Payment '98 conference.

Naming the eNotus project

In searching for a title for the project which will involve the first commercialise of its extensive e-commerce conceptual work, Global Commerce Network sought a memorable word with e-commerce connotations while standing apart from the general approach.

The word is based on the Latin word enotesco which means to become known, to be made public.

eNotus concept to become first commercial application

GCN/RGS development team

In 1997, RGS Associates – a long-established Washington D.C. technology project consulting group – and Global Commerce Network established a development team. The GCN / RGS Development Team is highly qualified to manage design, development and implementation for the eNotus application. The team draws on successful performance in similar projects for the US Department of Defence/Navy.

The Global Commerce Network e-commerce infrastructure initiative is a major business undertaking. It is the culmination of 20,000 man-hours of development , vast experience, and extensive intellectual property gained since 1995, when the project was based at Tymnet in San Jose, California.

During development, financial or other support for specific research and project development has been received from numerous sources including: British Telecom, News Corporation, Scitor, Hitachi, one of the world's largest insurance groups, and major Japanese trading companies.

Key organisations supporting the initiative, and the GCN/RGS Development Team, are leaders in their fields and include Autonomy, Teleperformance, WSA Web Development and major e-commerce players.

RGS Associates
Program Management

RGS, with 100 plus staff, provides IT services to US federal organisations and corporations.

Projects with relevance to eNotus include:
- Department of the Navy, Revolution in Business Affairs Executive Steering Group / Horizontal Integration Team: program management, product knowledge, and technical support for acquisition and implementation within the US Navy.
- US Nay – Chief of Naval Operations – support for enterprise-wide integrated data environments and knowledge management tools and techniques. The project includes working with industry partners and systems integrators to develop and implement business solutions across the navy.
- Naval Sea Command – corporate network management for over 4,000 users. Responsible for implementing enterprise-wide systems such as the corporate document management system, an integrated document management system providing documentation management, optical imaging, records management, electronic workshop for team collaboration and workflow.

Sierra Systems
Systems Integration

Sierra is a full-service consulting and integration firm with 900 people in its operations in North America. It will provide integration services to the project.
Projects with relevance to eNotus include:
- Government – USA and Canada – Significant experience with government implementation and interface (program/financial) development.
- MetroNet and Netcom financial systems to AT&T's SAP platform. Responsible for the six-month migration of Metronet's & Netcom's financial systems to the new platform. Migrated from an external payroll system and a number of legacy applications to the platform including FA, AP, AR and HR modules. Created interfaces from legacy applications (primary billing and customer management systems).