

## ZAPTHINK ZAPNOTE™

### FRX SOFTWARE *USING XML FOR BUDGETING AND FORECASTING*

August, 2001

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#### **Abstract**

Leveraging the Extensible Business Reporting Language (XBRL), and XML format for business financial reporting, FRx Forecaster (formerly ebudgets.com) has launched a product that uses XML to aggregate budgetary and financial information across many enterprise and legacy systems.

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## XML for Budgeting

XML has permeated throughout the business world, even extending into the once-stodgy environment of budgeting and forecasting. This is the place that eBudgets.com (now known as FRx Forecaster), acquired by FRx, a division of Microsoft's Great Plains Software, plays and thrives. eBudgets.com has developed an e-Business centric view of budgeting and is promoting the use and development of several industry-wide XML standards for budgeting and financial forecasting for use within its FRx Forecaster product.

Standards are very important to budgeting and financial reporting, since the data that is directly applicable to these needs are distributed among many systems in an organization. The different needs for salary, HR, accounting data, capital assets, revenue, and planning information must come from disparate systems including ERP, Customer Relationship Management (CRM), Sales Force Automation, capital assets, finance, and point-of-sale systems. The only way to retrieve this information effectively in a low-cost manner is to develop a cross-functional format with which to communicate budget and finance information.

As a result, eBudgets sought to use XML and the **Extensible Business Reporting Language (XBRL)** format to simplify data integration and exchange needs. The XBRL format, which is an open format used for financial data exchange, is supported by many organizations including the American Institute of Certified Public Accountants (AICPA) and PricewaterhouseCoopers LLP, and was developed by a committee of global financial, accounting and software organizations. The XBRL specification provides common data structures for the transfer of financial and accounting information between the various back-office and legacy systems needed for accurate budgeting, financial reporting, and planning needs. While XBRL hasn't yet met all of the needs for the FRx Forecaster product, the company hopes to work with the standards organization to expand it in ways that will meet the needs for budgeting and forecasting in general.

FRx Forecaster is almost exclusively sold through integration with other software products that use the application as a financial reporting module. These customers are users of the products FRx is integrated with or are users of applications such as Oracle Financials, SAP, or PeopleSoft. These applications will therefore then be able to take advantage of FRx Forecaster's use of XML in communicating budgeting and financial forecast information. The application can both output as well as input XBRL-formatted documents

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## Key Conclusions & Recommendations

FRx Forecaster is a great example of a company making use of an XML standard as it is intended and deriving business benefit. XBRL has shown much strength in being able to be applied in solving the immediate business needs of its users. We hope that this product can be a good example for how XML specifications and standards can be adopted by companies for their benefit.

<b>Profile: FRx Software</b>	(August, 2001)
Date Founded: 1996 (acquired ebudgets.com on March 30, 2001)	
Funding: A division of Microsoft's Great Plains Software	
President: Ken Kay	
Products:	
• FRx Forecaster	
Address:	
666 Plainsboro Road, Suite 1236	
Plainsboro, NJ 08536	
URL: <a href="http://www.frxsoftware.com">www.frxsoftware.com</a>	
Main Phone: (800) 600 - 9696	
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Matt Olear <a href="mailto:matto@warschawskipr.com">matto@warschawskipr.com</a>	
Ken kay <a href="mailto:kenkay@ebudgets.com">kenkay@ebudgets.com</a>	

## Related Research

- *XML in Financial Services* Report (ZTR-VI100)
- *IFX* ZapNote (ZTZN-0155)
- *Clareon* ZapNote (ZTZN-0236)
- *Fidesic* ZapNote (ZTZN-0183)
- *MISMO* ZapNote (ZTZN-0133)
- *XBRL* ZapNote (ZTZN-0130)

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## About ZapThink, LLC

ZapThink is an IT market intelligence firm that provides trusted advice and critical insight into XML, Web Services, and Service Orientation. We provide our target audience of IT vendors, service providers and end-users a clear roadmap for standards-based, loosely coupled distributed computing – a vision of IT meeting the needs of the agile business.

ZapThink's role is to help companies understand these IT products and services in the context of SOAs and the vision of Service Orientation. ZapThink provides market intelligence to IT vendors who offer XML and Web Services-based products to help them understand their competitive landscape and how to communicate their value proposition to their customers within the context of Service Orientation, and lay out their product roadmaps for the coming wave of Service Orientation. ZapThink also provides implementation intelligence to IT users who are seeking guidance and clarity into how to assemble the available products and services into a coherent roadmap to Service Orientation. Finally, ZapThink provides demand intelligence to IT vendors and service providers who must understand the needs of IT users as they follow the roadmap to Service Orientation.

ZapThink's senior analysts are widely regarded as the "go to analysts" for XML, Web Services, and SOAs by vendors, end-users, and the press. They are in great demand as speakers, and have presented at conferences and industry events around the world. They are among the most quoted industry analysts in the IT industry.

ZapThink was founded in October 2000 and is headquartered in Waltham, Massachusetts. Its customers include Global 1000 firms, public sector organizations around the world, and many emerging businesses. ZapThink Analysts have years of experience in IT as well as research and analysis. Its analysts have previously been with such firms as IDC and ChannelWave, and have sat on the working group committees for standards bodies such as RosettaNet, UDDI, CPExchange, ebXML, EIDX, and CompTIA.

Call, email, or visit the ZapThink Web site to learn more about how ZapThink can help you to better understand how XML and Web Services impact your business or organization.

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