

# Modernizing enterprise business

Connecting application data with IBM Blockchain



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# **Abstract**

This paper provides guidance on how to establish connectivity between Hyperledger Fabric and Oracle Database using the node-oracledb and cx\_Oracle modules and thus induce a sense of trust and reliability while modernizing enterprise businesses.

### Introduction

Supply chain management involves multiple business stakeholders who are distributed geographically. Large volumes of transactions are carried out between participants of supply chain and these transactions need to be traceable, immutable, reliable, shared, and run with a sense of trust.

These transactions currently use applications connecting different parties or interact offline through emails. But, this is inefficient as there is considerable delay from different parties to respond. With IBM® Blockchain technology, we can have these complex transactions run on a blockchain network and save them in a chain of blocks. As each transaction occurs, it is put in a block and each block is connected to one before and after it. Transactions are blocked together, creating an irreversible chain that is distributed, permissible, and secure. Hyperledger Fabric is emerging as the widely accepted standard for enterprise blockchain platforms. Through open source and open governance, it features innovative new capabilities hardened for use by businesses, ushering in a new era of trust, transparency, and accountability.

This paper discusses a use case from supply chain management and explains how business operations are run on a blockchain network by streamlining portions of ERP and thus eventually decrease the turnaround time. This paper can be used as a reference to solve similar problems and could be integrated with enterprise applications.

# **Prerequisites**

Oracle Database can run on IBM Power Systems<sup>™</sup> as well as on IBM z Systems<sup>®</sup>. The IBM Blockchain Platform offers an IBM LinuxONE infrastructure option specifically optimized for blockchain and is integrated into IBM Cloud<sup>™</sup> data centers. We have validated the stack on IBM Power Systems. To complete the steps in this paper, as a prerequisite, you need access to the following hardware and software:

- IBM® Power Systems<sup>™</sup> (IBM POWER8® or IBM POWER9<sup>™</sup>)
- IBM AIX® 7.2
- Oracle Database 12.2
- Ubuntu 16.04 LTS
- Hyperledger Fabric v1.1.0
- node-oracledb
- cx\_Oracle
- Node.js v8.11.2



# **Scenario description**

This section briefs a scenario with the following problem:

- When a purchase order (PO) is created by a retailer, the PO could contain multiple items with different quantities for different suppliers.
- If the requested quantity or item is not available, the supplier contacts the retailer offline and the retailer updates the PO accordingly.

The following solution using Hyperledger Fabric has been proposed for the problem:

- The retailer can directly send a request to the blockchain network consisting of suppliers and respective suppliers could respond back to the retailer's request.
- This is carried out in a trustful manner using smart contracts to raise, validate, and respond to requests. The response is sent to the retailer in real time through events which can be handled accordingly.



Figure 1. Architecture diagram

The architecture diagram in Figure 1 depicts the integration of business applications with an enterprise database such as Oracle Database, interacting with IBM Blockchain. The blockchain application (for example, Hyperledger Composer REST Server) help in communicating with the underlying Hyperledger Fabric and thus data flow happens between the blockchain application, enterprise databases, and Hyperledger Fabric.



IBM Blockchain – Hyperledger Fabric V1.1

Figure 2. Dataflow diagram

Let's look at the various components and modules involved in this exercise.

- *cx\_Oracle* is a Python extension module that can be used to enable access to Oracle Database. The recent version of *cx\_Oracle* is 6 and has been tested to work with Python versions 2.7 and 3.4. *cx\_Oracle* can be used with Oracle Database 11.2, 12.1, and 12.2 libraries.
- *node-oracledb* is an add-on for Node.js that allows high performance Oracle Database applications that are developed using Node.js and Python. The *node-oracledb* driver connects to an Oracle Database for fast and functional applications.
- Peers are a fundamental element of the network because they host ledgers and smart contracts.
- Orderer form ordering service is a communication medium that assures delivery of messages.
- Fabric CA is a certificate authority (CA) for Hyperledger Fabric. It allows registration of identities, issuance of enrollment certificates (ECerts), certificate renewal, and revocation.
- Smart contract or Chaincode helps in encapsulating the business logic. In our case, this represents the rules and regulations on which retailers and suppliers would interact.
- Composer is an application development framework that simplifies and expedites the creation of Hyperledger Fabric blockchain applications.



Retailer can interact with the enterprise application as a supply chain application for managing purchase orders, stores, inventory, and warehouses. For this demo, we considered order management system, which is part of the supply chain application. Node *oracledb* modules provide connectivity from the node application to the Oracle Database. After an entry is made in the Oracle Database, a database change notification will trigger an event which is captured by cx-oracle. cx-oracle will publish the event to the Composer REST Server which allows interaction with Hyperledger Fabric through Composer APIs.

Suppliers can interact and accept or reject the purchase order from a supplier using the blockchain application.

After the suppliers enter the quantity and submit a transaction, the respective transaction is validated against the smart contract and the result is captured through *cx\_oracle* from Composer REST Server back to Oracle Database.

# **Steps**

This section describes the steps to install Oracle Database and Hyperledger Fabric and thus setup supplier retailer application.

### Install and configure Oracle Database and create the schema

- 1. Install Oracle Database 12.2 on AIX 7.2 as per the instructions provided at the following URL: https://docs.oracle.com/en/database/oracle/oracle-database/12.2/axdbi/index.html
- 2. After the Oracle Database is up and running, checkout the Oracle Database scripts at the following URL to create schema:

https://github.com/harsha544/supplier-retailer-app/tree/master/oracle\_tables

3. After setting up the Oracle environment using the PATH, ORACLE\_HOME, and ORACLE\_SID environment variables, invoke SQL Plus using the sqlplus command.

\$ sqlplus user/user@dbname

Execute the wrapper.sql command to create the Oracle Database objects

\$@wrapper.sql

#### Install and configure node-oracledb and cx\_Oracle

You need to install *node-oracledb* and *cx\_Oracle* for Node.js and Python applications respectively running on Linux on Power Systems to access the Oracle Database. Refer to the following URL for detailed instructions:

https://developer.ibm.com/tutorials/connecting-python-nodejs-apps-oracle-db/

### Install and configure Hyperledger Fabric

This section provides the steps to install and configure Hyperledger Fabric on Ubuntu 16.04 LTS ppc64le.



To install nvm, run the following command:

• Using cURL:

\$ curl -o- https://raw.githubusercontent.com/creationix/nvm/v0.33.11/install.sh | bash

• Using Wget:

\$ wget -qO- https://raw.githubusercontent.com/creationix/nvm/v0.33.11/install.sh | bash

To install Python 2.X on Ubuntu, run the following command:

\$ apt install python2.7

Note: Ensure you have following version of Docker and Docker Compose:

- Docker Engine 18.03 or later
- docker-compose 1.11.0 or later

### Bootstrap the blockchain network

Refer to the steps at the following URL to bootstrap the blockchain network:

https://github.com/harsha544/supplier-retailer-app#bootstrapping-the-environment

### Install and configure UI services

In this section you will install dependent npm modules and start UI services through the Node.js server that invokes the retailer as well as the supplier UI through a set of REST services.

1. Start the retailer UI.

\$ cd \$HOME/supplier-retailer-app/UI/Retailer\_UI

\$ npm install

\$ nohup node server.js 2>&1 &

On successful completion, you can access the retailer UI at http://IPADDR:8082/



E	nterprise Plan Supply C Order Management St Bloc	e Resource ning hain Suite ystem - Powered by IBM kchain
3	CREATE PURCHASE ORDER	SEARCH PURCHASE ORDER
Figure 3. Home page		

2. Start the supplier UI

\$ cd \$HOME/supplier-retailer-app/UI/Supplier\_UI
\$ npm install

\$ nohup node server.js 2>&1 &

On successful completion, you can access the supplier UI at http://IPADDR:8083/

#### Create a purchase order

In section we will see how to raise a new purchase order in the system. (the PO number will be autogenerated). Users can choose from pre-populated item lists and click **Add** to add items to the purchase order. Users must enter the item quantity against each item in the form. Based on the quantity and price of each item State Goods and Services Tax (SGST) and Central Goods and Services Tax (CGST) along with total value gets auto populated in the PO value of the page.

Upon submission, the PO along with the item details such as *item ID* and *quantity* will be sent to the Blockchain network. The suppliers in the blockchain network will now bid the quantity against each item which they could supply and send their response back to the application. If all of the items could be supplied by the suppliers in the blockchain network, the status of the purchase order will be **Approved**. If all the items in the request could not be supplied by the suppliers in the blockchain network, the suppliers in the blockchain network, then the status of the purchase order will be **Rejected** along with the comments from the blockchain network on how the modification must be done so that the purchase order gets approved.



Search Purchase Order Create Purchase Order Home

### **Create New Purchase Order**

	Item	Quantity	Primary Supplier	Secondary Supplier	Alternate Supplie
ā,	•				
Remove	AddNew				
		SGST	0		
		CGST	0		
		PO VA	_UE 0		
Submit	Reset				

Figure 4. Creating a new purchase order

### Access supplier page

After generating the PO successfully, suppliers will now bid the quantity that they can supply against each item in the PO. To do so, access the supplier UI at <a href="https://https/https://https/htt

				Supplier I	nformation	
Select Suppl	lier:					
Nike ᅌ						
S.No.	Pold	ItemId	Quantity	Status	Enter the Value	Submit
1	24	itm127	10	Pending	4	
2	26	itm128	10	Approved	0	
3	27	itm125	10	Approved	0	
4	28	itm122	10	Pending	5	submit



You can switch between the suppliers (for example, Nike/Adidas/Reebok) who are the participants of this blockchain network and specify the quantities to be supplied and click **submit**.

After recording the response from each supplier over the blockchain network, the PO gets evaluated and the quantity to be supplied for each supplier is shown (refer to Figure 6).



### **Supplier Information**

Nike ᅌ						
S.No.	Pold	Itemid	Quantity	Status	Enter the Value	Submit
1	24	itm127	10	Pending	4	
2	26	itm128	10	Approved	0	
3	27	itm125	10	Approved	0	
4	28	itm122	10	Approved	5	

#### Figure 6. Approved quantities

Select Supplier:

#### Search for the PO

The Search Purchase Order page is used to search an existing PO. User can enter the PO number and click **search**. The PO will be displayed on the page along with the **Total tax**, **PO Value** and **Status** fields of the PO.

			Search Purchase Order	Create Purchase Order
	Search	Purchase Order		
28				
28 28 PO Number	Total tax	PO Value	Status	





# **Summary**

The application discussed in this paper can be used as a reference to identify, implement, and integrate a functionality within an enterprise software with IBM Blockchain.

You can use the *cx\_oracle* and *node-oracledb* modules to integrate Node.js and Python modules with Oracle Database. This application demonstrates the use of IBM Blockchain not only in the banking industry but in other sectors and domains as well.



### Resources

- Why Linux on Power?
   <a href="https://www.ibm.com/developerworks/library/l-linux-on-power/index.html">https://www.ibm.com/developerworks/library/l-linux-on-power/index.html</a>
- node-oracledb 2.3 documentation <u>http://oracle.github.io/node-oracledb/doc/api.html</u>
- cx\_Oracle documentation
   <u>http://cx-oracle.readthedocs.io/en/latest/</u>
- IBM Power Systems
   <u>https://www.ibm.com/it-infrastructure/power</u>
- Hyperledger Fabric
   <u>http://hyperledger-fabric.readthedocs.io/</u>
- Installation of Oracle <u>https://docs.oracle.com/en/database/oracle/oracle-database/12.2/axdbi/index.html</u>

# About the authors

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Srirama Sharma has an overall IT experience of more than 14 years and has been with IBM for the last 7 years as a Technical Consultant leading ISV and open source ecosystem enablement at IBM Systems Development Lab (ISDL). He is the technical lead for the *Blockchain on Power* mission globally working closely with the Hyperledger Fabric community and evangelizes Blockchain technology in various forums, conferences, and meet-ups. He is also involved in building and enabling open source-based solutions supporting ISV and customer opportunities across different technologies such as private cloud and cognitive. He is also a key player in the financial software and systems industry. Srirama can be reached at sriramsh@in.ibm.com.

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Yash Agrawal has an overall IT experience of 6 months with a Bachelor of Technology degree in Computer Science from the PES University and is currently working as a cloud support associate (Linux) at Amazon Web Services. He has interned at IBM ISDL from Jan to July 2018 in ISV team. He helped contributors solve issues in Hyperledger Fabric. He has worked with open source technologies such as ONOS and software-defined networks. He is primarily interested in distributed community and open source technologies. Yash can be reached at yasagra1@in.ibm.com.

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Thasmiya has a Bachelor of Engineering degree in Information Science. Currently she is working at Infinera India as a software developer for Optical Line Systems. As an intern at IBM ISDL, she worked on a couple of Hyperledger Fabric projects. She is primarily interested in artificial intelligence, machine learning, and cloud computing technologies. Thasmiya can be reached at an.tasmiya@gmail.com.



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