

CORMA –VE ***A virtual enterprise in the horticulture sector***¹

The challenge

The CORMA network is a group of 33 small producers of ornamental plants based in the Maresme region of Spain (Barcelona). It is a co-operative structure lead by CORMA, which produces and distributes some 600 products. Its principal markets are Catalonia and Madrid but it does sell throughout Spain and about 18% of its sales are to other countries.

Two of the companies, CORMA and VIVERS LA VINYA wanted to co-operate more closely. They needed an effective and cheap means of communication to co-ordinate their distribution activities. They also needed to exchange data with the existing CORMA system.

The technical solution

A module from the PROVE-SME [ICT platform](#)² was selected to provide web-based ordering and order management. This allowed CORMA to put its catalogue on the web so that external clients could create orders on line and send them to CORMA. CORMA would then identify which member of the network would supply each item on the order and co-ordinate the delivery.

The results

This was a pilot exercise that only involved two members of the CORMA network and so the benefits were relatively limited. However the web-based ordering system was found to be particularly valuable and meant that customers received their deliveries more quickly.

Some measurements of the results of installing the system were made

Parameter	Change	Comments
Data transfer	slightly faster	The principal improvement is due to Internet based order management using the Web Portal.
Telephone calls	5% fewer	Thanks to the message module and to issuing orders through the Web Portal.
Communication costs	10% less	Thanks to document, message and order exchanges over the Internet.
Time for negotiation with customer	significant reduction	On-line catalogue with photos instructions etc and a common view of the delivery plan by all partners.
Co-ordination meetings	10% fewer	

The companies expect to see further benefits when they roll out the system to all the members of the co-operative.

The members of the CORMA and VIVERS LA VINYA involved in the trial made a number of recommendations for features to be included in the commercial version of the software. These included

¹ A more detailed case study can be found on the website of the IST project 'PROVE-SME' (www.prove-sme.com), which evaluated and tested best practice in supporting Virtual Enterprises consisting of Small and Medium Enterprises. To do this it created a methodology for analysing the requirements of networks of small businesses and developed a modular set of ICT tools to support the activities of such networks.

² This has been designed by one of the PROVE-SME partners (Democenter) to support all of the activities of a Virtual Enterprise consisting of small companies.



- optimising the rules for managing the progress of orders (e.g. if an item has been sent and accepted or rejected, it should not be sent again).
- the introduction of Windows-like features (e.g. the ability to select several items from a list at the same time by using the shift key)

Conclusions

The PROVE-SME software platform has proved effective in helping two members of the CORMA network to work more closely together and there are plans to roll out the technology to other members of the co-operative. The solution would appear to be suitable for any group of small companies who want to co-ordinate their order management and distribution processes and operate as a virtual enterprise.

The software is currently being developed into a commercial product that will be marketed through Applications Services Providers.