

## **COXA –VE**

### ***A virtual enterprise making food packaging equipment<sup>1</sup>***

#### **The challenge**

The COXA network is a group of about 10 small Italian companies who produce electro-mechanical modules for complex food packaging lines.

The group is already structured as a hierarchical Virtual Enterprise led by COXA. COXA specialises in complex machine assembly and covers the whole production cycle from the purchase of materials through to quality certification audit. Certain specialist operations are carried out by other members of the group.

COXA and two of the members of the network OMR and NUOVA CAM decided to explore the possibility of using ICT to further integrate their operations. Important requirements were for:

- Support for negotiation during bidding
- Managing the frequent exchange of technical documents
- Monitoring the progress of tasks assigned to partners.

#### **The technical solution**

Modules from the PROVE-SME [ICT platform<sup>2</sup>](#) was selected to provide order and document management support for the companies web-based ordering and order management. These were integrated with the companies' legacy systems.

#### **The results**

Members of the COXA-VE were satisfied with way the new applications had been integrated with their legacy systems and found the order management and modification features particularly valuable. In addition electronic document management significantly speeded up the exchange of documents and reduced the expenditure on phone calls, faxes and courier services.

Some measurements of the results of installing the system were made.

<b>Parameter</b>	<b>Change</b>	<b>Comments</b>
<b>Data transfer</b>	30% to 70% faster	All information is now exchanged over the Internet, avoiding the need to print drawings and send them by courier to partners.
<b>Telephone calls / faxes</b>	75% fewer	The result of electronic exchange and sharing of most documents.
<b>Communications costs</b>	50%-60% less	Significant reduction of expenditure on telephone calls, faxes, copies and couriers.
<b>traceability</b>	60% better	The more formal approach to communication significantly improves the traceability of data.

The members of the COXA VE made a number of recommendations for features to be included in the commercial version of the software. These included:

- Automatic sending of messages to notify users of important events (e.g. changes in documents, new orders)

<sup>1</sup> A more detailed case study can be found on the website of the IST project 'PROVE-SME' ([www.prove-sme.com](http://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.

<sup>2</sup> 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.



- Multiple levels of access and user so that the VE leader can extend use of the software to less regular suppliers Access to functions and documents would be driven by user profiles
- Retrieving and displaying orders using customised filters (e.g. level of importance, date due, partners involved)

## Conclusions

The PROVE-SME software platform has proved effective in helping members of the COXA network to work more closely together and there are plans to roll out the technology to other members of the virtual Virtual Enterprise. The solution would appear to be suitable for any group of small companies who want to co-ordinate their order and document management and 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.