



Growing the extended enterprise: Integrating SMEs in smart digital supply chains

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Liederhalle Congress Centre
Stuttgart

A conference to promulgate the auto-gration initiative across the European automotive industry

Over 75% of the value-added created by the Internet economy is in traditional industries, and 85% of all new jobs created in the European Union come from SMEs.

And in a keynote conference address, these two statistics underpinned the logic behind the auto-gration initiative spearheaded by the European Commission, explained Daniel Calleja Crespo, Director-General DG Enterprise and Industry. The initiative's objective: to drive the adoption of digital business-to-business trading practices among the SMEs in Europe's automotive industry.

Delivered under a contract from the European Commission by a consortium led by automotive data exchange standards body Odette International, the conference represented the culmination of the work jointly carried out under the 27-month auto-gration initiative by Odette itself, major automotive industry representative bodies, IT services and software companies, and by individual automotive companies.

Key deliverables

- Over 200 delegates attended.
- 18 conference presentations from 27 highly-qualified presenters.
- 10 different proven use-cases demonstrated in detail, embracing 7 SMEs, a major international vehicle manufacturer, and a major tier 1 supplier.
- Under the banner 'Ensuring a Durable Future', a Memorandum of Understanding (MoU) signed between industry bodies Odette, supplier organisation CLEPA and aftermarket organisation FIGIEFA, committing the parties to promoting and maintaining the auto-gration solutions.
- Also under the banner 'Ensuring a Durable Future', a parallel MoU publicly endorsed by 25 IT services and software companies as *de facto* co-signatories.
- Public commitment by Odette to support and maintain the auto-gration website and standard in the future.
- The open-source auto-gration software 'connector' publicly released to the industry.
- Odette publicly committed to drive the creation of auto-gration training materials to promote adoption, and use industry conferences to highlight emerging use-cases.
- Two major international automotive enterprises—respectively a supplier and vehicle manufacturer—outlined plans to embrace auto-gration as part of their ongoing business-to-business supply chain processes.

auto-gration: the SME perspective

In conjunction with the consultants and IT services and software companies associated with their respective adoptions of the auto-gration connector, the detailed experiences of 7 automotive industry SMEs were highlighted: Anixter International, Ruffini SA, Marmillon, ALFAH, Ripoché Industries, Bowden, and Le Joint Technique.

Drawn from France, Germany and Spain, these 7 case studies embraced businesses of differing sizes and trading relationships—SME-to-customer, SME-to-supplier, and supplier-to-SME-to-customer.



In addition, compelling video testimony highlighted the positive auto-gration experiences of a number of distributors in the Spanish automotive aftermarket.

Key messages delivered: the auto-gration connector fulfils its stated promise, is easily and quickly implemented, and delivers significant benefits in terms of cost, speed of response, and accuracy.

auto-gration: the major automotive enterprise perspective

The conference heard from two representative major automotive enterprises: BMW, and electronics and lighting specialist Hella—the latter comprising one of the world’s top 50 automotive suppliers, as well as one of Germany’s largest automotive companies.

Both BMW and Hella demonstrated use-cases, outlining how auto-gration would help them achieve ongoing strategic initiatives formulated in response to existing business challenges.

For its part, BMW outlined firm plans to add the auto-gration connector to its existing portfolio of e-invoicing solutions by 2013, specifically to encourage the adoption of e-invoicing by SME trading partners.

Hella, meanwhile, declared that while auto-gration would not replace existing EDI relationships, the auto-gration connector would henceforth be its preferred business-to-business connection medium for SME suppliers not capable of interacting through traditional EDI.

Key messages delivered: auto-gration meets the existing business needs of SMEs’ larger trading partners, and has been identified by them as a viable solution.

auto-gration: IT services and software companies

A significant number of IT software and service providers attended the conference, with no fewer than 25 such businesses publicly endorsing the auto-gration initiative via their signatures on the MoU—many of them large international companies with significant cross-border and industry expertise.

Coming from all parts of the IT software and service provider spectrum—from consulting firms to ERP vendors, and from EDI providers to system integrators—the range of IT providers associated with the MoU means that no IT-related aspect of the auto-gration initiative is left uncovered.

Also of note was a public acknowledgement of the auto-gration initiative in a conference presentation by major ERP provider Microsoft, coupled to its selection of MoU signatory and automotive implementation specialist SilverProd as a partner best-qualified to formally add an auto-gration capability to Microsoft’s Dynamics AX ERP solution, which has a significant share of the SME ERP market.

Signatories to the IT software and service provider MoU included:

ABAS	ConXpert	Indra	OMS International	TecCom
Aimtec	eBusiness eXpert	Infodiv	Silverprod	TENOR EDI Services
Basware	Edicom	Infor	SupplyOn	TX2 Concept
Cegid	Galion Solutions	ISI Condal	Tangram Tele Office	Verbas
Commerce Connections	GOLDA	Numlog	TEC System	WSW

Key messages delivered: the auto-gration connector is non-disruptive and complementary to existing IT products and services, and IT service and software providers are happy to work with both SMEs and large enterprises in its ongoing promulgation.



auto-gration: industry representative bodies

A significant number of the automotive industry's representative bodies—both national and international—attended the auto-gration conference, with a number publicly endorsing the auto-gration initiative in conference presentations.

In a ceremony witnessed by the entire conference, 3 such bodies—Odette, supplier organisation CLEPA and aftermarket organisation FIGIEFA—publicly signed the MoU.

Other representative bodies, including Automotive Cluster Saarland and the VDA, spoke from the conference platform, publicly lending their support to it.

Key messages delivered: auto-gration has the support and active endorsement of the major representative bodies in the automotive industry, and their weight is behind its planned progressive rollout.

auto-gration: delegates

In addition to the automotive companies already mentioned, attendees included representatives from:

Bosal, Brigade Electronics, Brose, Continental, Fiat, Ford, Fraunhofer, Gates Corporation, GKN Driveline, Hilti, Johann Hay, Mahle, Nissan Motor, Porsche, Robert Bosch, Saint-Gobain, Skoda, Sogefi, Toyota, TRW Automotive, Valmet, Volkswagen, and ZF Friedrichshafen.

auto-gration: conclusion

The conference represented the culmination of the first phase of the auto-gration initiative—an initiative spearheaded and funded by the European Commission.

Subsequent phases will see the initiative progress and evolve independently, no longer reliant on the European Commission funding that brought it to critical mass. It is clear from the conference that the omens for this subsequent progress are very favourable.