COAPROA runs a tighter ship with trading hub from IBM.

Overview

■ **Challenge**
Help maritime companies in Spain and abroad counter foreign competitive pressure by collaboratively streamlining business processes and marketplace interactions

■ **Solution**
Maritimesite.com, a trading hub for shipbuilders in Spain and their customers and suppliers

■ **Why IBM?**
Unique, comprehensive trading hub functionality of WebSphere® Commerce Suite, MarketPlace Edition; comparative cost-effectiveness of IBM's proposed solution; IBM's proven service, support and strategic vision

■ **Key Business Benefits**
Full payback on 400 million peseta (US$2.45 million) investment expected within 3 years; projected reduction of COAPROA members' costs by 20%; expected increase in number of participating clients and suppliers by 36%; boost in members' productivity due to standardization of business processes

Based on leading e-business technologies from IBM, the COAPROA trading hub enables Spanish maritime industries to collaborate more closely and compete effectively in world markets.

At the height of the Age of Exploration, the shipyards of Spain made possible the discovery of sea routes that tied together all of the world's continents. Today, Spanish shipbuilders continue to promote global commerce by building, repairing, overhauling and modernizing the vessels of maritime trade.

In recent years, Spanish shipyards have taken far-reaching cooperative measures to streamline their operations and optimize business

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–Jorge González Lapuente, Chief Executive Officer, COAPROA

Key Components

Software

- IBM WebSphere Commerce Suite, MarketPlace Edition, Version 4.3
- IBM WebSphere Application Server Advanced Edition
- IBM DB2® Universal Database™ for AIX®
- IBM Lotus® Domino™
- IBM Lotus QuickPlace™, Version 3.0
- IBM Directory Server
- IBM WebSphere MQIntegrator

Servers

- IBM @**server** pSeries™

Services

- IBM Global Services - Business Innovation Services
- IBM e-business Innovation Center, Madrid

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processes for the collective benefit of their industry. One such initiative was the 1992 establishment of COAPROA (Coordinadora de Aprovisionamientos de Astilleros—Spanish for "Shipyard Supply Coordinator"), a Madrid-based non-profit, private association formed to improve joint management of purchasing and supply activities among leading Spanish shipyards. COAPROA's members spend more than $126 million annually on materials, equipment and services purchased in the framework of more than 50 collaboration agreements maintained with a broad range of suppliers.

In 1999, COAPROA (*www.coaproa.es*) sought a way to counter competitive market pressures from abroad by boosting its members' operational efficiencies—for example, it simplified their control of thousands of orders, invoices and other business documents. To do so, the organization established a password-protected intranet where members could exchange data and documents, as well as access databases containing a wealth of information on maritime enterprises.

But COAPROA soon realized that its members needed more than an intranet to meet their principal business objectives. COAPROA Chief Executive Officer Jorge González Lapuente explains the challenge: "Our members could all click on the same documents, but they still couldn't collaborate. What we really needed was a powerful, collaborative e-business solution for members and their suppliers and customers—a trading hub. Ideally, this would combine commerce and supply chain integration, streamlined purchasing processes, realtime information sharing, efficient content management and comprehensive enterprise resource planning."

To design and implement the trading hub, COAPROA turned to IBM Global Services - Business Innovation Services (BIS). BIS carefully assessed the organization's needs, and proposed a solution based on IBM WebSphere Commerce Suite, MarketPlace Edition. COAPROA evaluated additional proposals from BroadVision and Commerce One—and selected the IBM solution as the clear winner.

González explains COAPROA's choice: "Neither BroadVision nor Commerce One could offer the superior cost/performance of WebSphere Commerce Suite, MarketPlace Edition. In addition, IBM had the only trading hub offering that provided a reliable, collaborative e-business platform compliant with J2EE [Java™ 2 Platform, Enterprise Edition] technology and based on open industry standards such as XML. This allows more rapid application development and better interoperability with members' legacy systems than other trading hub solutions could offer."

Lower costs, higher productivity
Working with an implementation team that included representatives from BIS and the IBM e-business Innovation Center in Madrid, COAPROA implemented Maritimesite.com, a virtual marketplace for COAPROA's members, customers, suppliers and maritime companies worldwide. Based on its successful results in the few months since the site went live, COAPROA expects the IBM solution to reduce its members' costs by 20 percent and to increase the number of their suppliers and customers by 36 percent within about 2 years. By standardizing business processes and creating a paperless environment, Maritimesite.com is also expected to boost COAPROA members' productivity. As a result, the organization anticipates 100 percent payback on its 400 million peseta (US$2.45 million) investment within 3 years.

The Maritimesite.com Web site is available in both Spanish and English. First-time users are asked to register their organizations, or to register as new users within a previously registered organization. They can then access online catalogs; browse and create supply requests, orders and offers; and participate in electronic auctions. In addition, the solution creates virtual communities where members, customers and suppliers can perform collaborative scheduling and planning, access industry news, retrieve shared documents, consult online databases, participate in realtime text chats and video conferences, and exchange information in online forums.

By collaborating in these communities, participants can coordinate all stages in the supply chain, including preparation, vendor selection, negotiation, ordering, delivery and invoicing. Members can consult and update an industry-oriented calendar of events, view and post announcements, access a central document repository, and participate in discussion forums, chat sessions and video conferences.

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Continuing a tradition that dates back to Roman times, Spanish shipbuilders now employ state-of-the-art technologies to build, repair and convert fishing vessels, tugs, supply vessels and reefer ships.

Maritimesite.com currently has nearly 50 registered suppliers and more than 130 shipyard users, and expects these figures to increase sharply over the next few years.

Impressive breadth of products and technologies

The functional core of COAPROA's collaborative business-to-business e-commerce solution is WebSphere Commerce Suite, MarketPlace Edition, which provides dynamic trade, advanced catalog aggregation, content management and sophisticated search functionality. Its Java technology-based transactions are managed by IBM WebSphere Application Server Advanced Edition, which resides on an IBM @server pSeries. IBM DB2 Universal Database for AIX running on the same pSeries server houses order information and business rules, as well as user registration, security and catalog data.

Data can be published on the site either by IBM Lotus Domino or by WebSphere Application Server. IBM Lotus QuickPlace provides users with virtual workspaces where they can reach consensus through discussions, collaborate on documents and coordinate plans, tasks and resources. To identify and authenticate users and their

system rights, IBM Directory Server uses Lightweight Directory Access Protocol (LDAP). IBM WebSphere MQIntegrator is the messaging broker that integrates WebSphere Commerce Suite, MarketPlace Edition with COAPROA's enterprise resource planning system, as well as with some of its legacy backend systems.

According to González, COAPROA was impressed with the breadth of products and technologies IBM was able to leverage in its integrated solution. "IBM furnished all the key components our trading hub required—and it backed them with the proven world-class service, support and strategic vision that's expected from a global IT marketplace leader. No other vendor could come close to that."

Pursuing the e-business vision

González says Maritimesite.com is just the beginning of COAPROA's e-business plans: "We are now extending our trading hub to our members' suppliers and customers throughout Europe, and plan to do so across the globe. As we expand geographically, we will continue to work with IBM to pursue our e-business vision, finding new and better ways to integrate business processes and share knowledge across organizational boundaries."

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