

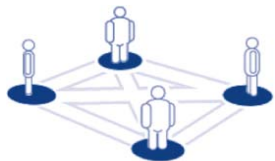
# The project PROZEUS

the German experience with application of  
standards in SME business processes

Berlin, 25 May 2007

Tim Bartram, GS1 Germany

Ralf Wiegand, Cologne Institute for Economic Research



[www.prozeus.de](http://www.prozeus.de)



# 13th eBSN workshop

## eBusiness Solutions and Standards for SMEs – state of play and perspectives –

### Sessions:

- Setting the scene in eBusiness standardisation.
- Assisting SMEs in applying standards in their business processes.
- Public policies helping SMEs apply standards in their business processes.

[www.eu2007-wirtschaft.de](http://www.eu2007-wirtschaft.de)



# Session 3: Public policies helping SMEs apply standards in their business processes

The main objectives of the workshop are:

- To identify enablers and barriers of the use of standards in eBusiness of SMEs.
- To identify good practice for the promotion of standards in business processes, notably of SMEs.
- To clarify the state and nature of development of various standards in the EU and worldwide and the problems of interoperability and other problems.
- To provide evidence in how far SMEs or the interests of SMEs could be better represented in standardisation initiatives.



# GS1 Germany at a glance

- Service and competence center for cross-company business processes in the sector of consumer goods and related industries
- Anti-Trust Law approved rationalisation association
- Member of the global GS1 network (2nd largest member organisation)
- German representative of EPCglobal
- Non-profit-orientated-organisation
- Basic technologies and standards like:
  - GLN, GTIN, SSCC, EANCOM, XML, WebEDI, EPCglobal, GDSN
- Process standards, for example:
  - Efficient Replenishment
  - Efficient Unit Loads
  - Cross Docking
  - Efficient promotions
  - Category management



The global language of business



# IW Köln at a glance



- The Cologne Institute for Economic Research is Germany's leading private economic research institute.
  - We stand for a free market economy.
  - Our task is to promote a better understanding of economic and social processes among politicians, opinion makers and the general public.
  - We analyse facts, reveal trends, explain economic developments and publish our proposals.

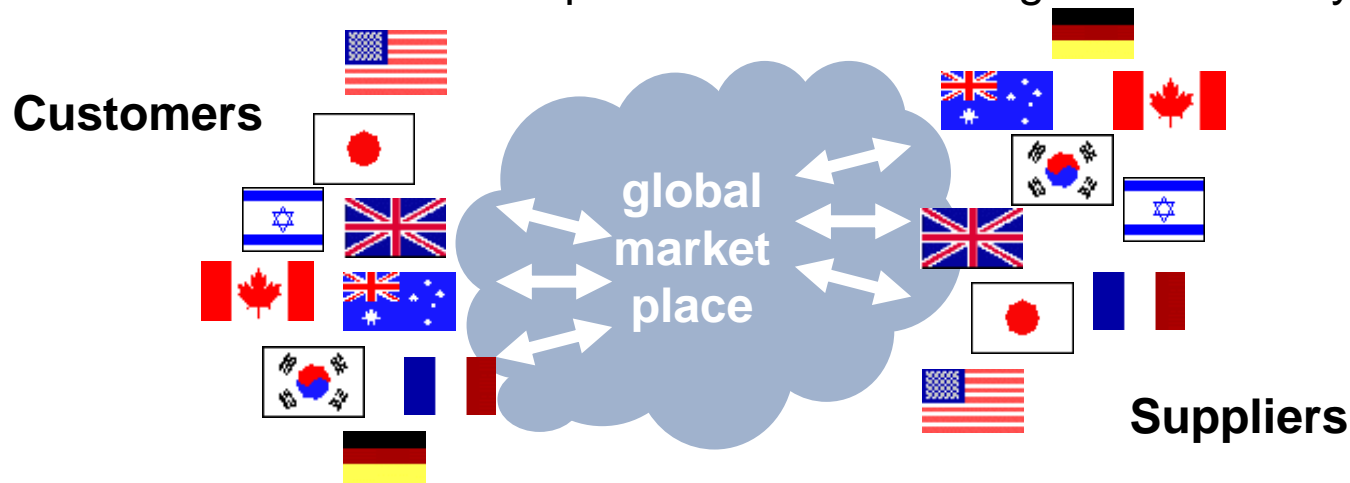


**“How does Germany cope with globalization?”**



# Global market place

- eBusiness standards are competitive factors in the global economy



- We need common “languages” to understand each other in electronic systems and to realize a global market place.
- Examples:
  - EAN-Code for identification
  - eCI@ss for classification/description
  - BMEcat for exchange of electronic product catalogs






# eBusiness standards and the German experience

- The project PROZEUS – Promotion of eBusiness-competence in SMEs to participate in global procurement and sales markets using integrated processes and standards.
- Since 2002 PROZEUS has given answers about eBusiness standards such as:
  - Which business processes should SME optimize?
  - How can SMEs introduce eBusiness?
  - Which eBusiness standards do SMEs need to implement?
- PROZEUS offers case studies from SMEs for SMEs – “to learn from the others”:
  - Providing best practice (of over 60 pilots) in order to demonstrate (transfer) how even SME-processes are made fast and efficient by seamless automation.
  - To assure the competitiveness of SMEs by applying standards in their business processes – transparency, security in planning and investment decisions.



# The project PROZEUS – from 2002 to 2008

Initiated / lead by	 <b>Focus: FMCG</b>	 <b>Focus: Manufacturing Industry</b>
Funded by		
Subject	 <p><b>Over 60 SME pilots</b> applying electronic integration into the value chain – often together with their big partner-enterprises</p>	
Transfer to all SME	<ul style="list-style-type: none"> <li>• <b>pilot results and experiences as best practice</b></li> <li>• <b>network with experts, IT consultants and other multipliers</b></li> </ul>	



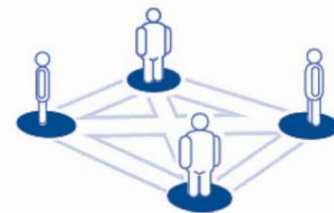


# Standards – the key to success

... in the manufacturing, retail, consumer goods and service sectors – such as:

- **Identification standards**  
EAN/GTIN, GS1 128, EPC/RFID ...
- **Classification standards**  
eCl@ss, ETIM, GPC, UNSPSC ...
- **Catalogue exchange format**  
BMEcat, cXML, Datanorm/Eldanorm, PRICAT ...
- **Transaction standards**  
EANCOM, GS1 XML, ODETTE, OAGIS, UBL ...
- **Process standards**  
Category Management, ebXML, RosettaNet, VMI

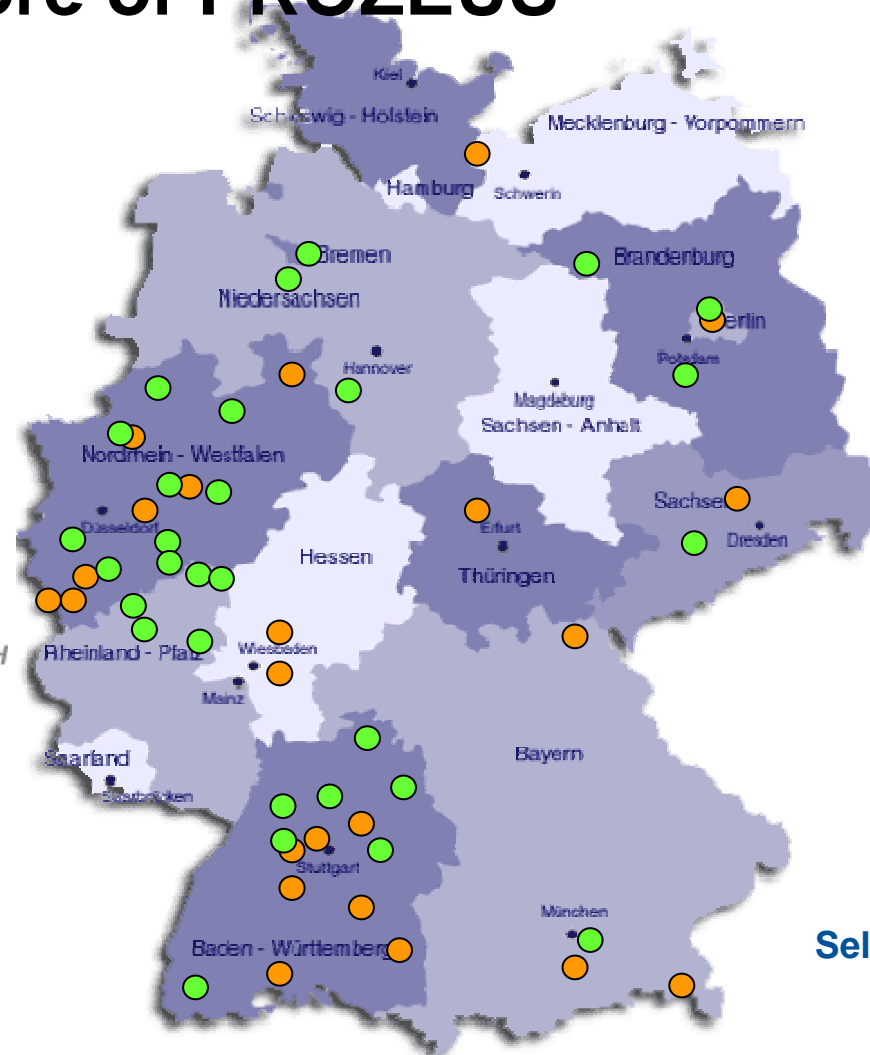
[www.prozeus.de](http://www.prozeus.de)



# Best Practice – the core of PROZEUS

## Selected SMEs report their results and experiences:

- First there were 25 best practice projects in Germany.
- From 2006 more than 30 further SME have been recruited:
  - 22 in the manufacturing industry
  - 12 in the consumer goods sector



**Selected SMEs**



# Results and experiences in full detail

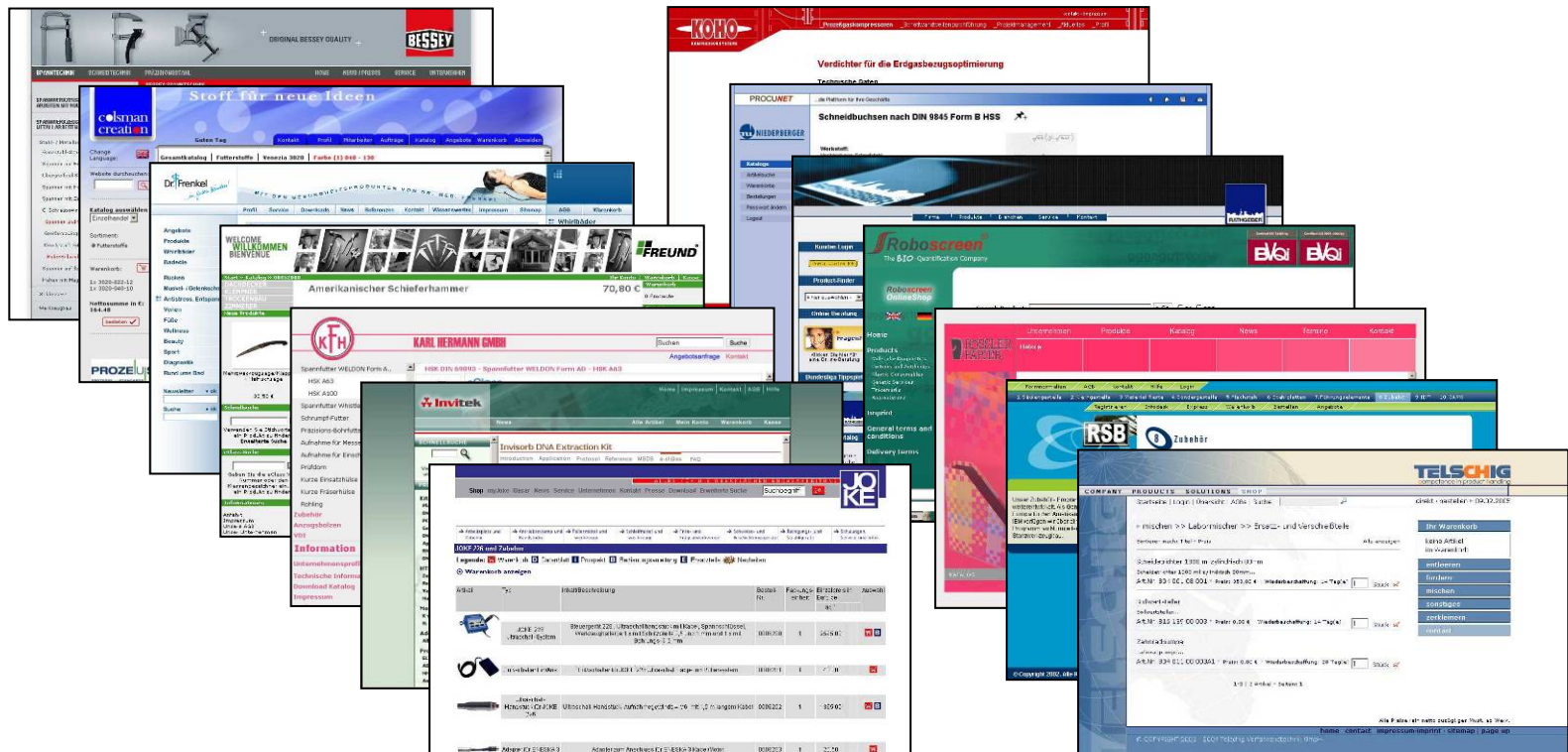
## Customized for SMEs:

- description of applied standards
- benefits and profitability – in facts and figures
- organisational prerequisites
- guidance for change management
- useful tools (check list, project plan)
- hints to avoid common mistakes
- answers on FAQ

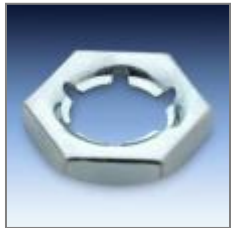


# Best Practice examples – manufacturing industry

- Screenshots: Nearly all SMEs now have B2B websites, using eCI@ss and BMEcat standards for their e-catalogs and webshops.



# Güde – Best Practice example manufacturing industry



- 50 employees, 15 mio. EUR annual sales
- metalworking industry
- products: lock washers

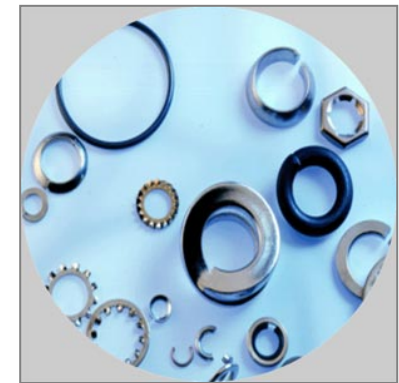


- **Project abstract:**

production and exchange of electronic product catalogues with key accounts (BMEcat, eCl@ss).

- **Costs:**

90 daily tasks were needed (calculated: 83 daily tasks).



- **Results:**

- 6.000 articles are acquired and classified in electronic catalogues.
- savings in process costs: 30 percent in order management and 50 percent in quotation processing.

# VMI at Enderlein – consumer goods sector - the EANCOM loop for the basic VMI-process

enderlein



Required message types \_\_\_\_\_

Optional message types - - - - -





# Benefits and profitability for Enderlein

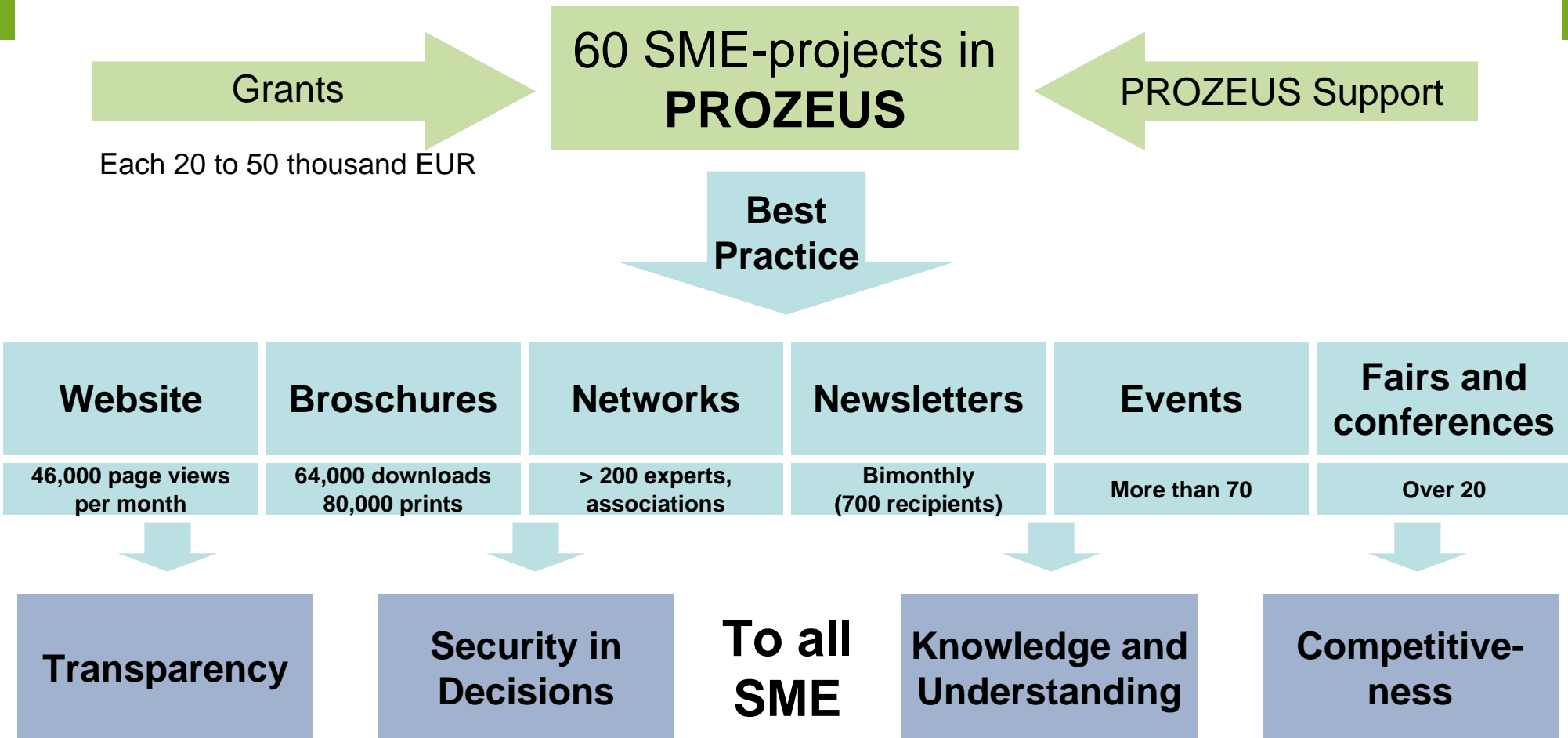
- + 22 % increase in turnover in outlets with VMI (test outlets)
- + 8 % on average (all outlets)
- - 4 % without VMI (control outlets)
- Reduction of out-of-stocks (=empty shelves) from 12 to 3 days
- No increase of stock of inventory
- Identification of flops after 2 months (vs. 6 months without VMI)

Hansjoachim Salbach, CEO Enderlein:

„I would not have been able to stand up to my competitors from the Far East without having introduced VMI. Our project proves, that VMI is applicable in SMEs, too.“



# Communication of best practice to other SME





# Vouchers for expert advice on initial implementation

- Experts from PROZEUS provide individual consultancy to SMEs on the implementation of standards and processes like:
  - Product identification code
  - Data alignment
  - Electronic Data Interchange (EDI)
  - Process Automation like VMI
  
- Beneficial factors for SME:
  - neutral
  - inhouse
  - funded

## Gutschein für eine Beratung

zum erfolgreichen Einstieg ins eBusiness  
individuell und vor Ort – gefördert von PROZEUS



GS1 Germany berät zur Starthilfe kleine und mittlere Unternehmen (KMU) neutral und systemunabhängig zu Möglichkeiten, Hindernissen, Lösungswegen, Kosten/Nutzenverhältnis und Zeitrahmen.

Sie erhalten klare Handlungsanweisungen für eBusiness-Projekte in Ihrer unternehmerischen Praxis.

Gutschein im Wert von 1.400 €  
Sie zahlen nur  
**200 €**  
Schutzgebühr zzgl. MwSt.  
Die Anzahl ist begrenzt.

**Bewerben Sie sich jetzt!**

gefördert vom



Bundesministerium  
für Wirtschaft  
und Technologie





# Summary

- eBusiness is successful when enterprises correspond correctly and efficiently with their business partners - suppliers and customers.
- eStandards ensure by seamless automation that business processes are fast, accurate and efficient at the same time.
- Selected SMEs are proving in their own operations eBusiness solutions based on globally applicable processes and standards.
- Results are published in full detail and available for free, incl. economic effects (in- and output) in facts & figures.
- Best practices make clear, that small enterprises can introduce successfully integrated business processes, too.
- PROZEUS provides information and transparency on eBusiness standards to help other SMEs acquire eBusiness competence.



# We thank you for your attention.

GS1 Germany


Tim Bartram

bartram@gs1-germany.de

Cologne Institute for Economic Research

Ralf Wiegand

wiegand@iwkoeln.de

supported by  
 Federal Ministry of Economics and Technology

**PROZEUS**  
PROZESSEundSTANDARDS


eBusiness practice for SMEs



**How PROZEUS prepares companies for eBusiness**

Case studies  
Introductory consultation

Expert network  
IT consultant pool

Manuals, Check lists, Brochures  
and eBusiness Online Check

[www.prozeus.de](http://www.prozeus.de) 

  Institut der deutschen Wirtschaft Köln Consult GmbH

supported by



managed by

