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GM: Collaborative Xchange

“Any industry wishing to compete on a global scale must embrace new technology and keep pace with their international counterparts.”

On the wings of **e-business**

After the disappointment of the dotcom era, it felt like it was going to be a long time before the vision of e-business would come to fruition. Many in the business community struggled to reconcile the opportunities presented by e-commerce with their suspicion that every ‘next big thing’ was just another hypefest. Arguments surrounding standards, communications and enterprise infrastructure were often distractions from the real issue at hand – the will of the business community to just get out there and make it happen. Thanks in no small part to the Internet-enabled collaborative efforts of the likes of the automotive and aerospace industries, e-business is very much a success story in South Africa, with these two sectors at the forefront of a wave of acceptance.

For all the routine pessimism, what is often lacking is the genuine will to make things happen. The automotive and aerospace sectors have proved that even when multiple players with seemingly opposite goals are involved, each with their own flavour of enterprise systems (some not even Internet-enabled), they can engage in trade information exchange as part of a collaborative community.

The South African automotive industry saw the e-business light early on. Flying in the face of accepted notions of competition between local manufacturers, it had the vision to embark on a globally-minded project that required the entire industry to collaborate. The result is a local industry that has transcended artificial barriers to trade and success and a genuinely ‘think global’ mentality that fosters cross-border trade relationships.

Today, the aerospace sector is working to exploit the opportunities

presented by e-commerce. The timing is perfect: the lessons of the past have been learned, the technology is mature and you don’t need an Airbus A380-sized infrastructure to get the most out of it. As long as any supplier has an e-mail account and Internet connectivity, they can participate in e-commerce.

In industries as fast-paced or vulnerable to delays as the automotive and aerospace ones are, you have to keep moving. Like the automotive industry before it, many in the aerospace sector will have to overhaul or change their systems architecture if they are to get the full benefit of opening their markets to a worldwide customer base.

New technologies are always on the horizon. Suppliers are struggling to get their barcoding systems right, and don’t want to hear about RFID until that’s sorted. However, it’s imperative that any industry wishing to compete on a global scale embraces new technology and keeps pace with their international counterparts. Overseas OEMs are unlikely to want to deal with a supplier who relies solely on e-mail and faxing; they demand the immediate visibility of a slick supply chain system. Increasingly, they will require their suppliers to have sensor technologies such as RFID in place in order to satisfy stringent audit requirements.

Luckily, industry hubs can take the place of complex enterprise systems that achieve supply chain modernisation, and they need not cost the world. Some of the innovations that will make it easier to join the global tide of e-business include hosted enterprise applications, labelling solutions that comply with OEMs’ requirements and on-demand stock level feedback per intended destination. ✚