

Suppliers' ICT

High expectations in an SME reality

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Presentation outline

- About HME
- Dutch Supply Industry
- Dutch Maritime Cluster
- ICT developments
- Recent insights
- Conclusions



About HME (1)

- Trade association for marine equipment suppliers
- Established in 1986
- Representing over 150 member companies or 65% of production value Dutch marine supply industries (total € 2.6 bn)

About HME (2)

Key activities

- Innovation
- Export
- Education
- Networking

Dutch Supply Industry (1)

Key industries

- Electrical & mechanical engineering
- Propulsion
- Special products
 - Naval
 - Dredging
 - Workboats
 - Fisheries
 - Ferries
 - Mega yachts

Dutch Supply Industry (2)

Key economic factors

- Geography (Rhine delta, gateway to Europe)
- International orientation
- Infrastructure (Maritime Valley!!)

Dutch Supply Industry (3)

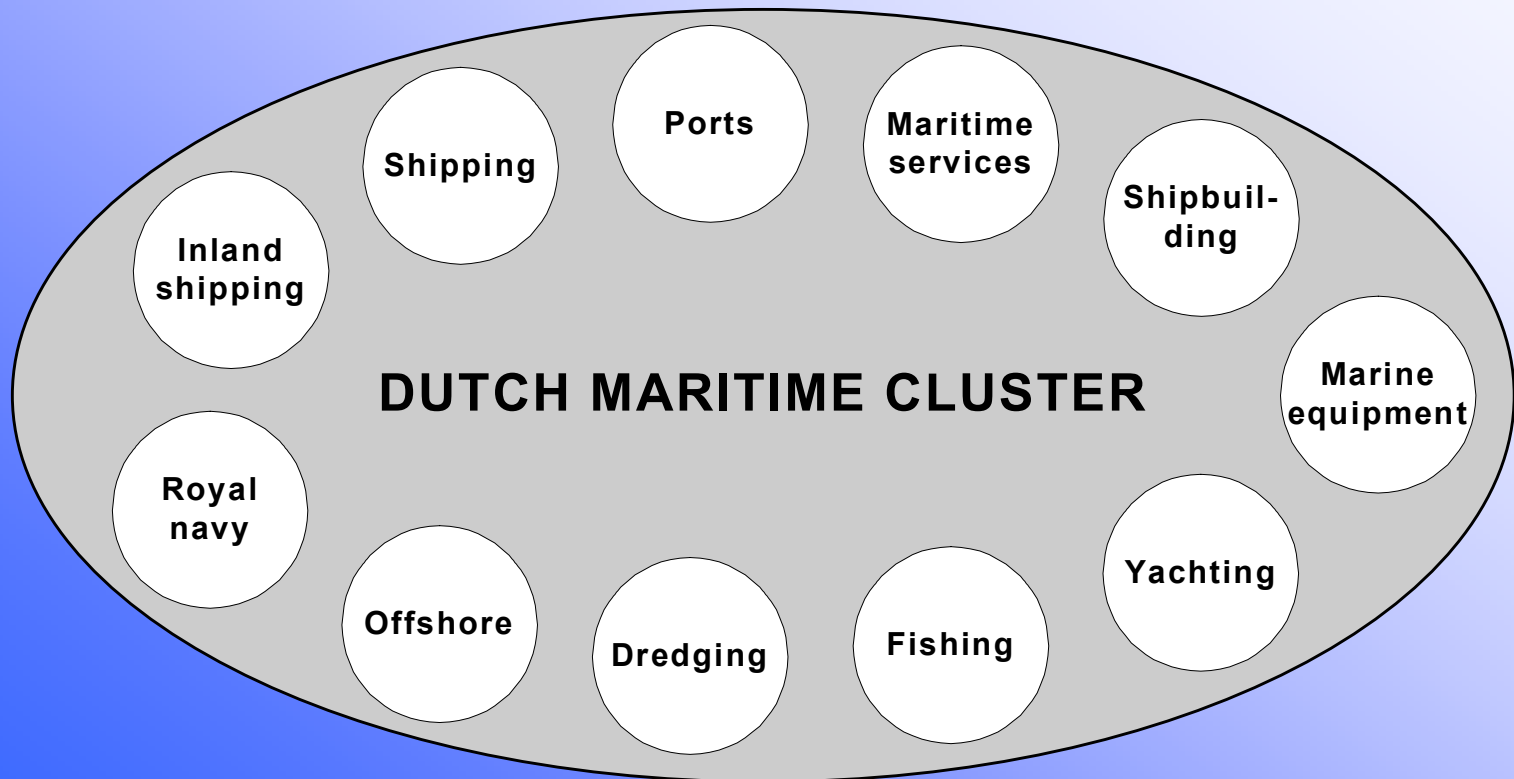
Plus

- Engineering
- Niche markets
- Knowhow

Minus

- Average company size
- Export outside Europe

Dutch Maritime Cluster



ICT Developments (1)

Expectations

- Sky high by the end of the 20th century
→ ICT hype!
- Rise of numerous maritime (equipment) portals (at its peak +/- 80 worldwide)
→ where have they all gone?
- EIM study (2001): Companies actively using internet perform better

ICT Developments (2)

Reality

- Not every company has a website (!)
- 90% of the sector is SME
- Most SME's overwhelmed by ICT hype/maritime portals → what to do?
- ICT-budgets are (extremely) low or non-existent

ICT Developments (3)

Reality

- ADSL technology is not adopted yet
- Marine Industry is about knowing and trusting each other

Shipyard \leftrightarrow Suppliers needs needs

- Standardisation
 - Transparency
 - Multiple sourcing,
low pricing
- Complexity
 - Co-makership
 - Relation end user
 - Quality, service,
after sales

Role ICT for suppliers

- Efficiency improvement
 - Streamlining data communication
 - CAD-data exchange shipyard/supplier
- Marketing
- Public Relations
- Component sales, series product

The role of E-databases

- Free databases fit supplier's needs perfectly (EMEC, SMI, VDMA, HME)
- E-commerce attractive for 'component' supply
- Commercial initiatives should focus on standardisation

The real problem (1)

- Complex, integrated systems are not fit for e-selling
- SME's are not part of the game, many have a 'let's wait and see' attitude
- Lack of one, independent (European) standard for data transfer (e.g. MARTIM)

The real problem (2)

- On the other hand: companies are reluctant to use one standard (e.g. MARTIM)
- Shipyards are not willing to invest in long term relationships with suppliers
- Most (commercial) e-initiatives are initiated single-sided by shipyards/shipbuilding industry

Opportunities

- Standardisation of European databases
- Leaderfirms to take the lead, but SME's should follow.
- EC should stimulate SME's to invest in down-to-earth ICT
 - Precondition: workable, non-bureaucratic programs (unlike ETISMAR)

Future actions HME

- Membership package (ADSL, membership benefits, collective deals)
- Exploring ICT as a production tool
- Participation in DMN- and EU projects
- Alliances with other maritime industries?

Conclusions

- Expectations have been too high
- Reality is reluctant.
- Maritime industry is conservative: still a long way to go before e-business fully implemented

Just remember

Marine business is people's business....



ICT is just a tool!



Holland Marine Equipment:
*Partners aboard, teamwork
ashore!*