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RosettaNet e-business standards

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THE dust over the hype and fuss created about e-business three years ago seems to have finally settled, as companies have embraced e-business to deal with real business issues.

With the dying down of the dot-com hysteria, these e-businesses have become focused and appear to have stepped effortlessly in the 21st century, through the application of Web technology for the articulation of new business plans, to leverage business partnerships and improve customer service against the setting of a currently fragile economy.

The Government's decision to support and adopt the promotion of RosettaNet - the global language for e-business - is set to take Malaysian companies miles ahead of their competitors, say experts, as this mode, opens lines of communication for companies to realise the full potential of the digital economy.

"The evolution of e-business", according to RosettaNet chief executive officer Jennifer Hamilton "has changed the way companies operate. Establishing standard processes for the electronic sharing of business information has opened the channels of communication and a world of opportunities for companies throughout the supply chain," she adds.

The RosettaNet initiative was first announced by Prime Minister Datuk Seri Dr Mahathir Mohamad when he tabled the 2002 Budget in October.

This was followed up by International Trade and Industry Minister Datuk Seri Rafidah Aziz this month when she announced that Malaysian electrical and electronics companies were eligible for a grant of up to RM100,000 each to embark on RosettaNet.

Just what is RosettaNet and how vital is its adoption to the survival of the country's small and medium-sized businesses?

RosettaNet (whose name is derived from the Rosetta Stone, a black basalt slab discovered in Egypt in 1799 which helped decipher hieroglyphics, a form of picture-writing) is a common messaging standard for global supply chain management.

It facilitates automated data identification, standardised schemes for business-to-business transactions, automated order processing, front-end and back-end integration, demand and production visibility, virtual monitoring and real-time interaction between buyers, suppliers and service providers.

RosettaNet is a consortium of over 400 of the world's leading electronics components, information technology and semiconductor manufacturing companies (accounting for over US\$1 trillion - RM3.8 trillion - in annual revenues) working to create, implement and promote open e-business process standards.

Besides the United States, a large number of countries have already signed up to implement RosettaNet. Asian nations which have established linkages include Japan, Singapore, Taiwan and Korea. Malaysia is set to emerge as the fifth Asian consortium to promote the adoption of RosettaNet standards.

"We are pleased Malaysia has achieved such significant momentum in terms of driving the adoption and implementation of RosettaNet e-business standards," Hamilton says.

"The tremendous government support and industry participation," she adds "is a key driver of success and an important factor as Malaysia continues to play a leadership role in the design, manufacturing and logistics arena

of the high technology global sector."

According to S.Y Foong, RosettaNet's newly-appointed executive director, the collaborative efforts between local industries, their trading partners, the government and associated organisations in these countries, have helped in jump-starting the adoption of RosettaNet.

"In that respect, Malaysia has already kicked off an excellent initiative," she says, highlighting that education about RosettaNet standards is a "very important factor" in establishing a baseline for accomplishing successful implementations.

"Another way to get started quickly," adds Foong, "is through the milestone program by the first movers and their sharing of collaborative learning experiences."

In addition, the formation of the local RosettaNet engineering team and their planned RosettaNet training will accelerate the foundational learning about the standards."

Foong, who will be heading the RosettaNet team in Malaysia has been with Intel Malaysia since 1982 and currently serving as the company's IT director.

Her other all-Malaysian team members at the RosettaNet Malaysia office (which will be housed within the Penang Skills Development Centre's main campus in Penang's Bayan Lepas Free Industrial Zone) will include engineering team members from Mimos Berhad, BCM Electronics Corporation Sdn Bhd, Intel Malaysia and Microsoft (M) Sdn Bhd. The goal of RosettaNet Malaysia, Foong says, is to encourage the adoption of RosettaNet Standards, and B2B (business-to-business) e-business.

"The adoption and implementation of RosettaNet Standards, will enable e-business by linking Malaysian suppliers to the global supply chain."

"E-business," she adds "puts suppliers into the Internet by opening up borders, making the entire world their market ... in this Information Age, being linked to the Internet is critical for survival."

On success stories so far on how RosettaNet has helped boost a country's electronics industry, Foong points to Taiwan, whose aggressive adoption of RosettaNet was meant as the basis for a B2B supply chain network and to build a world-class B2B infrastructure for the country's electronics sector.

"It's a work in progress and is already showing demonstrable success in the semiconductor industry."

"The areas of focus have been largely on work-in-process and order management," she adds, saying the intent was to create a common communications protocol for the industry's supply chain to achieve greater prominence in the economy.

For this model to work on home-grown, Foong says this:

"Local companies need to get their business 'e-business ready', for example, by having an e-business strategy and project plan, which looks at their systems, business process, people, and ability to link up with trading partners electronically."

"The Government has given excellent support in providing funds (for education/training/engineering) and encouragement, and I am sure this will continue."

RosettaNet and its implications in the next decade for a country's economy says Foong, is one which is dependant on how fast companies are in embracing its applications.

"I see RosettaNet enabling B2B e-business in the high technology supply chain, as most multinational companies in the electrical and electronics sector have adopted RosettaNet e-business standards."

Malaysian suppliers which are e-business ready and are using the RosettaNet standard, could be linked to the global supply chain and have

the opportunity to do business with trading partners, such as MNCs and other local companies."
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