Community-driven, open source solution for B2B transactions

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(PhysOrg.com) -- A new open source, Web 2.0-inspired solution for building and managing business relationships online promises to level the playing field for small- and medium-sized enterprises.

The ONE, or Open Negotiation Environment, platform is designed to overcome many of the limitations of existing business-to-business (B2B) electronic marketplaces and internet trading platforms that are run (or dominated) by large corporations.

"The ONE platform serves the interests of all players, creating a level playing field where companies of any size can sell goods and services, negotiate contracts and build business relationships," explains Luigi Telesca, a senior researcher at the CREATE-NET research centre in Italy who oversaw development of the software.

Telesca says the ONE project, which received funding from the European Union, was inspired by the belief that "all companies have an equal right to grow, their growth should not be limited by technology… and the technology should be neutral."

As an open platform designed with users' interests in mind, the ONE system aims to fulfil that neutral role.

Neutral, easy-to-use technology

Users, be they SMEs looking for partners to create a virtual organisation for a tender bid or a company seeking suppliers for a new project, sign up for an account and are able to start negotiations via the platform with other companies immediately. Using a web browser they can establish their own business network, access public negotiation processes, such as offers and requests for goods, services and relationships created by other members, or be invited into private deals.

Users also have the option to create and customise their own collaboration/negotiation models using innovative modelling tools. Templates for different negotiation models - different types of auctions, for example, or partnership structures - can be downloaded and easily adapted to their specific needs and requirements.

"It's not quite as straightforward as drag-and-drop but it is fairly simple. The software is built using simple interfaces so users don't need to know programming. They just have to know their business," Telesca notes.

The platform allows companies to set up either private negotiations between specific partners or public negotiations open to all, with logs of the entire negotiation process kept by all parties involved in order to ensure transparency and openness.

Trust is further boosted by a friend-to-friend reputation system that improves upon the ratings systems used by the e-commerce websites such as eBay. It allows users to gauge the reliability and trustworthiness of potential partners, while minimising the potential for malicious attacks on users' reputations.

Unlike eBay or B2B marketplaces such as Ariba, there is also no single company managing the platform, which operates instead across a peer-to-peer (P2P) web services architecture in which many different users can operate network nodes and information is stored securely on

decentralised servers. It is up to users to generate and manage their own negotiations without third-party involvement, akin to the user-generated content creation, collaboration and information sharing that is the backbone of the Web 2.0 era.

The approach seeks to address the issues - from trust and transparency to flexibility and cost - that have kept many SMEs from becoming active players in online B2B communities.

"Most B2B solutions out there at present are licensed and are too costly for SMEs to implement, or they have been created by a single corporation so it can deal with its suppliers, many of which are SMEs. The car industry is a key example of the latter model," Telesca says.

Such a hierarchical approach tends to put the interests of the corporation before its smaller partners and suppliers, who are often unable to cooperate among themselves and are kept from branching out on their own. It is a situation that can have dire consequences when market conditions change, as many car parts suppliers have recently discovered.

Targeting the services sector

The ONE partners are focusing primarily on attracting users from Europe's expanding services sector, which accounts for more than 70 percent of EU GDP and employment and in which the vast majority of businesses are SMEs.

Having established a test network of four nodes and 60 to 70 trial users during the course of the ONE project, the partners are now in talks with service sector cooperatives in various European countries who have expressed an interest in ONE's potential to enhance cross-border business cooperation. The cooperatives' involvement alone should give the ONE platform at least 20,000 users, Telesca says.

The ONE partners plan to set up an association to support the open source software, while also establishing a spin-off company or companies to sell additional services and applications to run on top of the ONE platform, a venture for which they are actively seeking investors.

The ONE project received funding from the ICT strand EU's Sixth Framework Programme for research.

More information: one-project.eu/

Provided by ICT Results

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