Unleashing Open Innovation potential in Living Labs by Enterprise Interoperability and Collaboration Services: the COIN project

Noordwijk, June 24th 2009
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Agenda

1. The COIN and Open Innovation
   – Enterprise Collaboration Services for OI
   – The SaaS-U (ISU) Model for OI

2. The COIN and Business Ecosystems
   – The Professional Business Ecosystem
   – The Social Business Ecosystem

3. Some Collaboration Ideas
   – COIN for LL to support existing OI scenarios
   – LL for COIN to create new opportunities for OI
**COIN VISION:** “By 2020 enterprise collaboration and interoperability services will become an invisible, pervasive and self-adaptive knowledge and business utility at disposal of the European networked enterprises from any industrial sector and domain in order to rapidly set-up, efficiently manage and effectively operate different forms of business collaborations, from the most traditional supply chains to the most advanced and dynamic business ecosystems.”

**COIN MOTTO:** “Enterprise Interoperability and Enterprise Collaboration are the two sides of the same COIN”
<table>
<thead>
<tr>
<th><strong>Project No:</strong></th>
<th>216256</th>
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<tbody>
<tr>
<td><strong>Project Full Name:</strong></td>
<td>Collaboration &amp; Interoperability for Networked Enterprises</td>
</tr>
<tr>
<td><strong>Duration:</strong></td>
<td>48 months</td>
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<tr>
<td><strong>Start date:</strong></td>
<td>January 1&lt;sup&gt;st&lt;/sup&gt; 2008</td>
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<tr>
<td><strong>Partnership:</strong></td>
<td>21 partners, 9 countries</td>
</tr>
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<td><strong>Strategic Objective:</strong></td>
<td>FP7 ICT-2007.1.3</td>
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<tr>
<td></td>
<td>ICT in support of the networked enterprise</td>
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<tr>
<td><strong>Total Eligible Cost:</strong></td>
<td>14.383.834 EURO</td>
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<tr>
<td><strong>EC Contribution:</strong></td>
<td>9.996.480 EURO</td>
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The COIN Consortium & Funnel Model

Industrial Partners
- TXT
- e-solutions
- SOLITA.NET
- IC FOCUS
- Atos Origin
- ESO.NET
- SIEMENS

Academic & Research Partners
- SINTEF
- DFKI
- VTT
- BIBA
- ESI
- European Software Institute
- EnSIEA
- Jožef Stefan Institute, Ljubljana, Slovenia

User Partners
- IND
- POYRY
- ISOIN
- Unconventional Business
- FINANZIARIA LAZIOLE DI SVILUPPO
- ACS
The COIN Metaphor

COIN MOTTO: “Enterprise Interoperability and Enterprise Collaboration are the two sides of the same COIN”

• The SIDE A of the COIN: Enterprise Interoperability
• The SIDE B of the COIN: Enterprise Collaboration
• The Substrate of the COIN: Service Platform
• The Value of the COIN: Software as a Service-Utility SaaS-U
• The Market of the COIN: Enterprise Networks (mainly SMEs)
COIN Architecture

SERVICE CLOUDS

ENTERPRISE INTEROPERABILITY ENTERPRISE COLLABORATION SERVICES

SERVICE GALAXY

GENERIC SERVICE PLATFORM

ENTERPRISE COLLABORATIVE PLATFORMS
COIN EC: state-of-the-art

- Short window of opportunity
- Fast configuration of a temporary consortium well suited to the needs
- Preparedness
- Breeding Environments
  - VBE
  - PVC
- CNO creation
- Metamorphosis
- Successful & Effective collaboration

© The ECOLEAD Integrated Project
COIN EC for Open Innovation

• The COIN Collaboration Space

- To allow **Endogenous** generation of Business Opportunities (LivingLabs & Open Innovation)
- To support **Product Design, Production Planning, Project Mgmt**
- To enable **Co-operativity** of Enterprise Applications (groups as users)
- To support **Web 2.0** and participative services (Enterprise 2.0)
- To involve also the Customers in the whole life-cycle of **Virtual Organizations** (VOs):
  - **VO preparation** (get the enterprises prepared to form VOs)
  - **VO creation** (select partners and competencies)
  - **VO operations & mgmt** (performance indicators definition-governance)
  - **VO dissolution** (inheritance and knowledge transfer)
COIN EC: the IKE model

• The Innovation Knowledge Ecosystem
**Software as a Service** is the delivery of application functionality via a subscription model. The customer does not take ownership of the software but rather ‘rents’ a total solution that is delivered remotely. (IBM)

<table>
<thead>
<tr>
<th>Application Hosting Model</th>
<th>Software as a Service Model</th>
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<tbody>
<tr>
<td>Customer pays on delivery of <strong>software</strong></td>
<td>Customer pays for delivery of <strong>functional services</strong></td>
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<tr>
<td>Customer responsible for software performance</td>
<td>Provider responsible for software performance</td>
</tr>
<tr>
<td>Customer responsible to <strong>customize</strong> software to business requirements</td>
<td>Customer responsible to <strong>configure</strong> software to business requirements</td>
</tr>
<tr>
<td>Customer pays maintenance to fix software</td>
<td>Provider fixes software or pays penalty for failure to meet service levels</td>
</tr>
<tr>
<td>Customer buys upgrades to keep current</td>
<td>Provider ensures currency of solution</td>
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COIN Value for Open Innovation

• The COIN SaaS-Utility model

  ➢ An evolution of SaaS towards commoditized ICT services

  ➢ Study and Design new Business Models for SaaS-U

  ➢ Identify and develop a Value Proposition for SaaS-U

  ➢ Support the identification of criteria and Design Principles for EI/EC services to be provided as utilities

  ➢ An implementation of the ISU Grand Challenge (interoperability service utility)

    ✓ Available at (very) low cost

    ✓ Accessible in principle by all enterprises (universal access)

    ✓ “Guaranteed” to a certain extent & at a certain (set of common rules)

    ✓ Not controlled or owned by any single private entity
**COIN Value: the TAP model**

- **Today’s Models** (mostly fixed)
  - Simple Increments (modify CPU/tiered models)
  - Hybrid (Fixed & Variable Usage)
  - Variable Usage (Metered)
- **Subscription**
- **SaaS**
- **SaaS-U**

**Value Driven** (based on function commoditisation)

**Fixed costs**
- Dedicated resources
- Product oriented

**Variable costs**
- Shared resources
- Service oriented

**Marginal cost > 0.0**
- Value based dynamic pricing
- Service infrastructure as utility
- Innovation focused

**COIN Value: the TAP model**

**IT Plug**

**IT Switch**

**IT Tap**
<table>
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<th>COIN Market: starting point</th>
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<tr>
<td><strong>Social Business</strong></td>
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<tr>
<td>SC</td>
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<tr>
<td>Automotive Cluster (Slovenia)</td>
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<tr>
<td><img src="image" alt="ACS" /></td>
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<tr>
<td><strong>Social Knowledge</strong></td>
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<tr>
<td>SC</td>
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<tr>
<td>Aerospace Supply Chain (Italy)</td>
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<tr>
<td><img src="image" alt="Filas" /></td>
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Digital Business Ecosystems

An economic community supported by a foundation of interacting organizations and individuals, the ‘organisms of the business world’. This economic community produces goods and services of value to customers, who themselves are members of the ecosystem” (Moore, 1996)
Social Services

- Healthcare – Financial Social & Political Context
- Sustainability – a point of view
  - Pressure on the Healthcare system – esp. operational units to cut costs and meet performance targets.
  - Increasing pressure from unhealthy and impoverished population

Geography of Disadvantage

Red zones are urban cities and towns, blue zones rural areas
The COIN Community mechanism aims to extend and multiply dissemination and exploitation of COIN concepts and outcomes to the external scientific, technical and industrial world.

COIN Community is structured as a Professional Virtual Community (PVC) at three increasing levels of commitment: Member, Testimonial, Angel.

**COIN Members** need to register to the community by filling a simple Registration Form. They will receive periodical COIN Newsletters and participate at the Social life of COIN

**COIN Testimonials** are members with recognized expertise & competence in COIN topics of interest. They will participate in COIN workshops and increase the Knowledge dimension

**COIN Angels** are members who are committed to animate the COIN Community and stimulate the adoption of COIN scientific and applicative results in industry. They will involve additional test cases as COIN Multipliers and contribute to the development of the Business dimension of COIN

http://www.coin-ip.eu/
COIN 4 Living Labs

1. COIN is a ICT Challenge 1 Project
   - Bringing Future Internet technologies to Enterprises
   - An ICT Infrastructure for EI/EC Services (Portal + GSP)
   - Advanced Enterprise Interoperability Services
   - Advanced Human-Enterprise Collaboration Services

2. A possible COIN collaboration offering
   - First integrated release at M24 (Dec 2009)
   - Second integrated release at M36 (Dec 2010)

3. Mechanisms for collaboration
   - Calls for COIN Multipliers (start 2010)
   - Some calls will be devoted to the LL community
Living Labs 4 COIN

1. Bringing LL spirit for OI into COIN
   - COIN technical solutions (usability co-operativity)
   - COIN business models (participative, web 2.0)
   - COIN pilots and testcases (mostly the ecosystem ones)

2. A possible LL collaboration offering
   - Influencing end-users involvement mechanisms (SGs)
   - Reviewing and evaluating COIN outcomes
   - Participating/organizing joint workshops studies events

3. Mechanisms for collaboration
   - Calls for COIN Angels (start 2010)
   - Some calls will be devoted to the LL experts