

**MULTILATERAL INVESTMENT FUND  
ICT4BUS PROGRAM**

**Call for Proposal 2003**

**SME METASYS**

**I. Project Basic Information**

1. **Title:** SME Metasys
2. **Country:** Brazil
3. **Project Number:** ICT4BUS Program #750
4. **Executing Agency:** Fundação de Desenvolvimento da Pesquisa – FUNDEP
5. **Estimated Cost and Financing:** Total Cost: US\$ 719,077; MIF Funding: US\$ 351,733; ICA Funding: US\$ 80,000; Counterpart Funding: US\$ 287,344.
6. **Date of Project Request:** February 2004

**II. Project Objectives, components, and activities**

The objective of the project is to provide SME with a complete and low cost ICT solution specially designed to improve their efficiency. This robust solution, which uses open software and does not require special skill for its installation and operation, includes the following elements:

- An operating system manager that controls most aspects of the system behavior automatically without the intervention of a local system administration.
- An ERP that offers most of the functionality needed by SME, such financial management (payable and receivable accounts, cash, and banks), commercial automation (sales, inventory management, invoice control), and integration with general ledger and banks.
- An integrated search engine that enables the retrieval of information from company documents of the web based either on keywords or on classification of terms defined by the company.

With this solution, SME will benefit from having ICT tools that will improve their efficiency and customer service while ensuring their profitability.

The project includes the following components:

**Component 1. Metasys**

In this component will be developed the remote monitoring and remote administration tools. Among others, it have been considered the following activities: (i) identification of existing tools; (ii) implementation of additional functionality; and, (iii) integration and testing.

**Component 2. The Girino ERP**

This component includes activities to develop the SME Metasys version of Girino. Some of those activities are: (i) software requirements analysis; (ii) finance, administration, and general ledger module construction; and, (iii) testing and documentation.

**Component 3. Search Engine Integration**

This component covers the activities to integrate the existing search engine into SME Metasys and the ones to develop the search *engine manager*, which will monitor the search engine behavior.

#### **Component 4. Integration and deployment**

Under this component, the following activities will be carried out: (i) technical integration; (ii) marketing and sales campaign development; (iii) customer training; and (iv) technical support).

#### **III. Executing Agency**

FUNDEP has been created in 1975 to provide management support for research, teaching and other activities of the Universidade Federal de Minas Gerais (UFMG), one of the top five universities in Brazil. Since then it has managed more than 6,000 projects, involving public and private institutions, both in Brazil and abroad. On average, the number of people directly involved in FUNDEP projects is above 20,000. In the year 2000 alone, FUNDEP has managed resources in excess of US\$57 millions.

Most FUNDEP projects are developed by UFMG departments. In this way FUNDEP guarantees the quality of the work done and that the project will be completed successfully. In the case of SME Metasys, the development will be the responsibility of the Computer Science department, DCC. DCC is a large computer science department with more than 25 years experience in both undergraduate and graduate courses. The department also has a long tradition of working closely with companies in projects that combine research and development. This has led to the development of products that not only get to the market and are successful commercially, but also of products that use the best technologies available, either from third parties, or developed during research work at the department.

#### **IV. Major Issues**

**Project Beneficiaries:** During the pilot phase, 92 SME will participate and benefit from the project. It is expected that the number of new SME using SME Metasys will be 1,341 on year 3; 2,226 customers on year 4; and, 2,653 customers on year 5.

**Project Indicators:** Below are the indicators defined for this project:

<b>Perspective</b>	<b>Indicators</b>
Objectives	Number of SMEs
	Number of work stations installed
	Number of sales channels
Processes	SME Metasys satisfaction grade
	Technical support satisfaction grade

**Sustainability:** SME Metasys business plan proposes to sell three different types of solutions depending on SME's size: SME METASYS Small Business (\$1,706.67), SME METASYS Medium Business (\$2,180), and SME METASYS Inclusion (\$840). Also technical support and deployment services will be provided at \$880 and \$500, respectively.

**Dissemination:** The commercialization strategy of SME Metasys is based on direct sales by the International Syst sales team and indirect sales by selected partners. For direct sales, a sales team will be put together to work in the cities of Sao Paulo, Belo Horizonte, and Brasilia. For the indirect sales, three categories of partners have been defined: diamond (usually computer manufacturers), gold (companies that assemble computers or are system integrators) and silver (distributors or resellers). The marketing plan designed for SME Metasys includes events (workshops, technical seminars and road shows), information literature, and publicity on specialized publications and workshops.

**Risks:** There are some critical aspects for the development and deployment of SME Metasys. The first is the fact that it uses open source software, a type of software with an unfamiliar interface to most users. To mitigate this risk, Metasys will include a user interface very similar to that of the Windows environment. In addition to that, all administration tasks have been simplified and integrated in a Web page. Another potential point of problems is the fact that ERPs cannot always be used for different business without adaptations. To address this problem we plan to concentrate initial efforts in SME with the same profile that the clients of Dharma Company and the International Syst.