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Launched in November of 2000, Covisint is an online marketplace for the worldwide automotive industry. Originally conceptualized in late 1999 by industry leaders Ford Motor Co., General Motors, and DaimlerChrysler, the business-to-business (B2B) site has yet to live up to expectations that it will achieve significant savings by streamlining the purchasing and production processes of automobile making. In its first five months of operations Covisint had secured only 40 of the 30,000 manufacturers that supply parts to the world's largest automakers. With roughly 250 online catalogs, the site mainly functioned as a procurement and auction vehicle in early 2001. Design professionals also were able to use the site as a platform for collaborating with other automotive engineers.

The idea for Covisint grew out of a rivalry between Ford's Auto-Xchange and GM's Trade x-change, both launched in November of 1999. Realizing that a combined B2B exchange would likely be much more lucrative, Ford and GM executives began holding private meetings in early 2000 to discuss such an undertaking. A universal online automotive marketplace could improve the process of new parts development by facilitating better communication between automakers and suppliers. It also had the potential to speed vehicle development times and give dealers better control over inventory by allowing them to stock what customers want and maintain fewer numbers of cars on their lots. Intrigued by what appeared to be the potential to create one of the world's largest B2B exchanges, and by the possibility of a blockbuster dot-com initial public offering (IPO), Ford and GM approached DaimlerChrysler, who signed on as a third partner just weeks later. They announced their plan to create a joint site on February 25, 2000. [France \(/places/britain-ireland-france-and-low-countries/french-political-geography/france\)](#)'s [Renault S.A \(/social-sciences-and-law/economics-business-and-labor/businesses-and-occupations/renault-sa\)](#). and [Japan \(/places/asia/japanese-political-geography/japan\)](#)'s Nissan agreed to join the partnership in April of that year.

It soon became clear that the creation of such an [Internet \(/science-and-technology/computers-and-electrical-engineering/computers-and-computing/internet\)](#) portal would not be easy. For starters, Covisint's head executives, used to competing with one another, found it difficult to reach agreements on anything. Along with managerial clashes, the firm's technology experts—Commerce One and Oracle—also were intense rivals. To make matters worse, in March of 2000 the [Federal Trade Commission \(/social-sciences-and-law/political-science-and-government/us-government/federal-trade-](#)

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