

USE CASE 04 / COTO PPT 57-59; marketplace context 6-7

Weaver, distributor and company workflow

Proposed operating design, version 2.0, 28 October 2026. Source concepts are from the COTO presentation; detailed controls, timelines, test gates and charging units are implementation proposals, not PPT quotations or live-service promises. All examples are synthetic. Prices and trade principal remain USD; local labour payments follow mandatory local rules. No invented partners, committed customers, tariffs or efficiency results are asserted.

Business outcome

Connect demand, transparent offers, production, stock, delivery and USD payables/receivables through one controlled order record, while reducing opaque information gaps.

Accountable roles

Trade operations coordinates; the actual buyer/seller accept terms; producers approve understandable work orders; warehouse parties attest custody; finance reconciles without COTO holding money.

Required information

Business roles/authority; location and dispatch/destination; capacity and available volume/unit; quality brief; RFQ/quote validity and disclosed intermediary fees; landed-cost components; accepted order version; production work orders; delivery/inspection evidence; USD invoice/receipt references.

Separate lifecycle states

Demand: draft > qualified > quotes-open > evaluated > selected/expired. Sale: proposed > separately approved by both > accepted. Fulfilment: not-started > production-started > dispatched > received > inspection-accepted OR disputed. Allocation and finance are separate subledgers.

THE OPERATING WORKFLOW

From a real input to an approved outcome

01 / Qualify a comparable demand brief

Responsible: Buyer + coordinator

State quantity/unit, construction, tolerances, destination, deadline, minimum conditions, USD price basis and precise Incoterm/place. Confirm what costs are included. Producers can use an assisted route; coordinators record who supplied and approved the information.

02 / Collect and compare offers fairly

Responsible: Approved sellers + buyer

For the manual pilot, collect time-stamped written quotes with available volume, dispatch point, quality evidence and expiry. Apply disclosed eligibility checks first, then compare normalized landed-cost components and delivery feasibility. Mark unknown costs instead of manufacturing a cheapest offer. Document conflicts and selection reasons; do not guarantee an optimal clearing price.

03 / Agree allocation and freeze terms

Responsible: Actual seller + buyer

Permit partial/multiple-supplier allocation only with explicit buyer approval and separate accountable seller obligations. Each resulting order has an agreed quantity and USD terms. Both approve the exact version; reserve stock atomically. No model or coordinator silently changes an accepted price, quantity or supplier.

04 / Create fair production work orders

Responsible: Contracting payor + producer/group

Identify the real payor, material ownership, piece/hour rates, quality and dates in an understandable language. International trades remain USD, but wages follow local lawful currency/rules. Do not let hidden access fees or intermediary deductions consume earned pay. A producer complaint does not cancel earned remuneration.

05 / Reconcile site movements and exceptions

Responsible: Sender + each warehouse/receiver

Record separately owned, physically held, reserved, in-transit, quarantined and available quantities. Require receiving confirmation at each site, inspect and assign differences to an owner. Returns do not become sellable stock automatically; a documented restock inspection is needed.

06 / Compile and reconcile obligations

Responsible: Seller finance + buyer + reviewer

Issue authorized invoices for agreed milestones, present accepted and disputed amounts separately, and record bank evidence through the approved process. A consolidated statement references the original invoice lines; it is not a second invoice. Issue recipient-created invoices only where legally authorized and agreed. Keep worker pay obligations distinct from customer collection.

CONTROLS AND IMPLEMENTATION

Make exceptions visible

Failure handling and human safeguards

Expired quote or missing landed cost: obtain a new comparable quote. Capacity shortfall: seek a signed variation, not forced subcontracting. Duplicate allocation: reject the second reservation. Partial rejection: quarantine lines and seek agreed cure; do not withhold unrelated lawful wages. Late payment: assign an escalation owner and show aging rather than pretending to release funds automatically.

Blockchain, AI and private evidence

Current atomic order/lot versions reduce double reservation, and private audit records show approvals. A future RFQ/offer engine should use time-stamped access-controlled offers, explicit closing/allocation rules and auditable awards; no real auction is active. Optional AI extracts/comparisons only from approved quotes, showing source fields and uncertainty. It cannot set a collusive price, assess creditworthiness or approve people.

Start with the existing pilot

Run comparable quotes in the supplied RFQ/allocation register, then use existing lot/order approvals and invoice/balance endpoints. Use manual signed work-order and warehouse registers; the pilot has no RFQ service, multi-user business teams or multi-site stock subledger.

Additional software required

Add RFQs/offers/expiry, normalized cost components, allocation/stock locations, producer work orders and pay obligations, partial delivery/inspection lines, amendments/cancellation and controlled consolidated statements. Real bidding needs separate anti-manipulation and competition review before activation.

Current boundary: invited profiles, lot/order records and approvals, selected fulfilment events, invoices, operator-attested receipts, balances and protected private audit are configured. Several actions are API-only. Public blockchain worker, payments/crypto/escrow, AI, bidding, public passport resolver, evidence-vault uploads and the richer registers described here are not activated by publishing this design. Roles are proposed functions to assign and resource, not additional named team appointments.

PILOT AND COMMERCIAL VALIDATION

Prove the mechanism before scaling

Synthetic worked scenario

Use a synthetic brief for 20 rugs, a 12-piece seller in Jaipur and an eight-piece seller at another dispatch point. Compare freight and deadlines separately, approve any split explicitly, and create two seller-specific orders. Do not merge their liabilities into an unapproved single contract.

Required acceptance tests

Reject an expired offer, a non-comparable unit and a double reservation; account for one warehouse quarantine; ensure producer pay is not inferred from customer payment; confirm no bid, fee or bank transfer is executed by the planning register.

Measures and go/no-go

Complete comparable quotes; RFQ-to-agreed-order time; unallocated/over-reserved volume; undisputed overdue USD; producer payment timeliness; time spent re-entering data. Track baseline before claiming savings.

Proposed payer, charging unit and cost drivers

Proposed payer: buyer/seller subscription or a disclosed scoped coordination programme. Charge legitimate logistics/review partners transparently; removing opaque intermediation does not eliminate real transport, inspection or support costs. Any future bidding fee needs explicit enabled-service terms.

Pilot sign-off record

Before execution, assign the actual responsible people, permitted data source, cohort/route, approved costs, test dates, evidence reviewer and release authority. Record each test outcome, unresolved exception, manual fallback and rollback procedure. Do not activate an unapproved model, payment provider, public-chain transaction or unsafe equipment connection.

Source and scope

COTO presentation slides 57-59; marketplace context 6-7. Detailed operating steps, test cases and commercial units are new implementation proposals. Read operating-model.pdf for shared controls, templates, release gates and primary technical references. The legal pack remains draft until completed and reviewed.