

Abstract. Research on strategic collaboration has been interested for many years. Collaboration is believed as an effort to balance between competition and sharing which will take many benefits to create a strategic advantage between collaborating parties. With the growth of the Internet and ICT, the conducting of collaboration through WWW platform will transcend the barriers of time and horizon. It will also expand the spectrum of collaboration. However, Indonesian small and medium enterprises (SMEs) have been hesitant to utilize ICT in their business. This paper discusses architecture and basic requirements for creating digital collaboration network (DCN) for SMEs in Batik industry, Indonesia. We also describe in detail a four step which contains necessary activities toward the successful outcome of digital collaboration. This DCN is believed as a pathway to sustain the community of SMEs in specific industry.

Keywords: Digital Collaboration Networks, SMEs, Sustainability