



EDI for Fourth Shift

EDI Visualizer

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Agenda



- Introduction – Speakers & ICG
- EDI
- EDIV
- Demo
- Wrap-Up



Introduction



- Keith Vincent, **Evangelist, MFGStream**
- Ed Paty, **Senior Consultant, ICG**
- Roger Weidel, **Director of Sales, ICG**

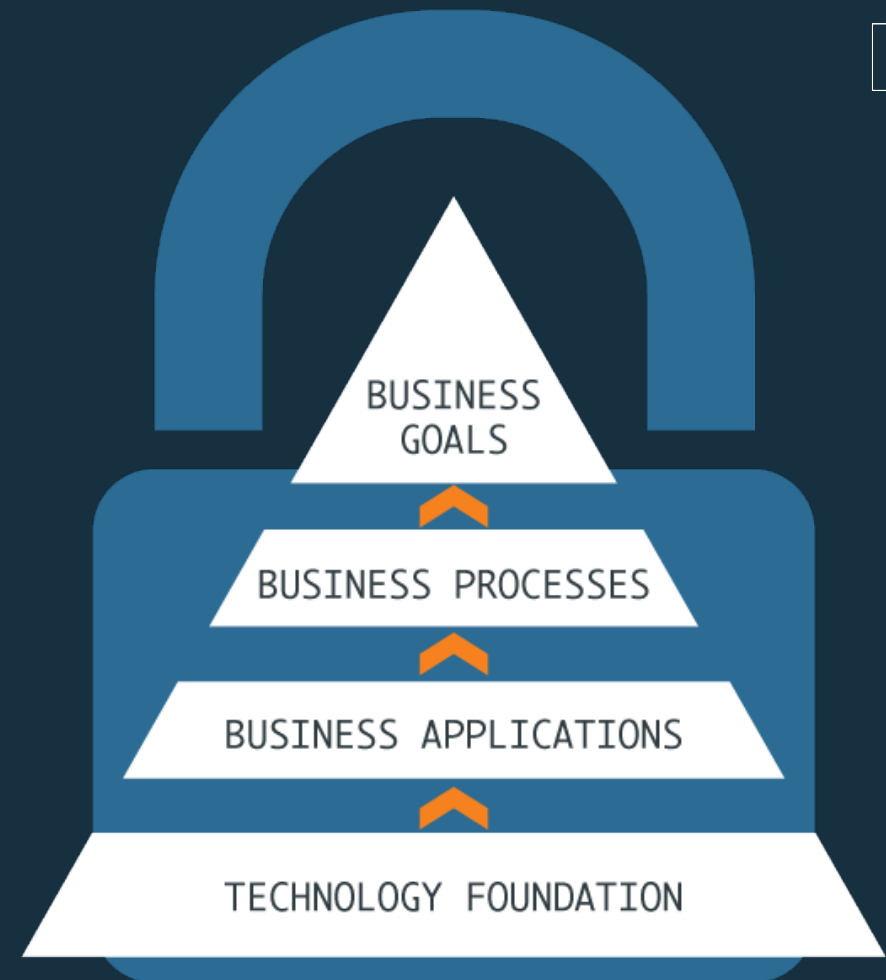


The ICG Approach



Technology plays a crucial role in the success and operations of businesses across all industries and sectors.

A solid **technology foundation** delivers your **business applications** when and where you need them. These two combined implement your unique **business processes** allowing you to reach your **goals**.



Value We Deliver

ERP Solutions

One-Stop-Shop:

- Sell
- Host
- Develop/Customize
- Implement
- Optimize
- Upgrade
- Train
- Provide professional services for Visual ERP, Acumatica Cloud ERP, and Fourth Shift ERP



IT Services

We Do What It Takes:

- We provide end-to-end IT services and technology solutions for small to large-sized businesses:
 - Managed services
 - Cybersecurity
 - Business Intelligence
 - Backups & Recovery
 - ... and more
- We consult and we partner
- IT Provider Since 2004



EDI Visualizer

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EDI vs electronic communications

- There are many ways to convey demands to your suppliers, or to receive demand from customers and to communicate with your partners.
- We have many sites using non-EDI mechanisms to manage overseas suppliers or to provide customers electronic access to data.
- For our discussion EDI is a subset of these communications where the transfer mechanism is EDIFACT or X12.

EDI Transactions

- **Commonly use ANSI X-12 in US, but can be EDIFACT**
- **Assuming you are the supplier and your partner is the customer**
- Inbound Automotive
 - 830/DELFOR Planning Schedule
 - 862/DELJIT Shipment Schedule
 - 861/RECADV Shipment Received Confirmation
- Inbound Retail
 - 850/ORDERS Purchase Order
 - 860/ORDCHG Purchase Order Change

EDI Transactions

- **Commonly use ANSI X-12 in US, but can be EDIFACT**
- Outbound
 - 856/DESADV Advance Shipment Notice
 - 810/INVOIC Invoice
 - 855/ORDSP (Retail) Purchase Order Acknowledgment/Confirmation
- Inbound and Outbound
 - 846/INVRPT ?
 - 997/CONTRL Functional Acknowledgment

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 - 997/CONTRL Functional Acknowledgment

EDI Promise vs Reality



EDI Promise vs Reality

- **Promise: EDI provides a standard for trading partner communications**
- Reality: Each Trading Partner you have will have their own variation to the standard
- Example
 - **Partner: The 810 (invoice) you sent is bad**
 - **Me: Looking through the logs and the data**
 - **Me: It is rejecting because it says the Invoice Number is bad**
 - **Partner: Yes we don't use the Invoice number in the Invoice Number field. It should contain the Shipment Number.**
 - **Me: OK... make change**
 - **Partner: The 810 you sent is bad**
 - **Me: ...Looking ... It says the Invoice Number is bad**
 - **Partner: When you ship to this particular plant you should have Invoice Number in Invoice Number field...**

EDI Promise vs Reality

Each Trading Partner you have will have their own variation to the standard

That conversation would be funny if it wasn't true. And this Trading Partner did \$280 Billion in revenue last year so not an insignificant customer.



EDI Promise vs Reality

- **Promise: EDI is peer-to-peer trading partner collaboration**
- Reality: It is absolutely dictatorial
- Example
 - Your partner will dictate the standards
 - They will require your compliance
 - You will be penalized if you don't comply or make errors
- Some of us with high order volumes may be able to see some cost reduction.
- Some of us with high volume may have to use EDI just to keep up.
- But the Bottom line is that for most of us, we do EDI because our customer(s) have asked/required us to.

EDI Promise vs Reality

It is a Dictatorship

...Companies who use EDI can typically spend up to 2% of their top line revenue to pay for supplier chargebacks, penalties, and other fees...

<https://www.coenterprise.com/blog/how-to-avoid-edi-related-fines-fees-and-chargebacks/>



EDI Promise vs Reality

- **Promise: EDI is electronic real-time integrated with your ERP system**
- Reality: Almost every site I have visited was manually integrated – not electronic
 - **The inbound demand transactions are so bad or non standard that they are manually reviewed before entry into FS.**
 - **Most told me over half of the transactions received had errors: Part number, Delivery dates, pricing, ship to...**
- Reality: It was/is a batch process
 - **Most were Rip-n-Read – they printed the incoming order and keyed it into FS.**
 - **They had to batch because they had to check and correct every order.**
 - **They didn't really have any integration to FS.**

EDI Promise vs Reality

Manually integrated Batch Process

'Duck Syndrome'

Rip-n-Read & manual integration of Demand - customer can't see all the underwater things holding the duck up. Seems like it's just floating on the water.

But they do see the ASNs and Invoices, they need to go correctly and on time to avoid penalties and chargebacks.



EDIV



EDIV



USS Jason Dunham

EDIV



Handle volume and ERP integration while available anywhere

- Review and configuration tools are all web based so they are available anywhere
 - Only Partner Name, ID, Part Number, Qty, Date are on web and can be obfuscated.
- The execution tools are all run on premise (or hosted with FS)
 - This way it can look at configurations and ERP data to make decisions and to quickly process into FS and handle extremely large and high volume systems.
 - Uses MFGStream BPA – Hopefully the same thing you use for shipping, barcoding etc.
 - Most data only on site (Accounting, Ship to, Prices, Phones, Email, Names).



EDIV



Rules based EDI manipulation

- Each partner will be 80% the standard
 - Easy ways for you to build rules and instructions that handle the other 20%.
 - Built in manipulation tools for more common scenarios. UM changes, swapping fields, etc.
 - Uses MFGStream BPA underneath. So all the rules that need further customization beyond the EDIV configurator are in a modern procedural language. And this is the same language and tool you are probably already using to support your data collection and other BPA needs.



EDIV



Can't stop the Tyranny, but we can Catch issues on the way in

- Data Validation on Inbound
 - Rules can be designed so that we stop the bad/incomplete data from coming into FS.
 - By stopping them here we get them corrected so that when it comes time for ASN or invoice, they are already validated and nothing much to do.
 - The outbound transactions are where the chargebacks occur so by catching the issues up front, we greatly reduce the opportunity for chargebacks.



EDIV



Exception based EDI

- Cannot stop your partners sending bad data
 - But we can allow you to configure rules so EDI transactions that pass the rules are automatically imported into FS, and EDI that flags a rule or fails a rule are highlighted for Customer Service to review.
 - This allows most EDI transactions to flow electronically and real time while alerting you to the ones that will require human intervention.





EDIV Demo

www.ICGTechnology.com

EDIV



EDIV



Advanced Features

- Can use more than EDI
 - Web Portals, API, XML, Vendor Managed Inventory, Supplier Inventory Control
- Always looking forward
 - AI/Chat GPT integration
 - AI decisions about bad inbound data
 - AI responses and emails to trading partners





Questions & Discussion

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THANK YOU

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Thank You

