

# Benefits of EDI

## Remove document re-keying

By removing the manual data input of business documents such as Purchase Orders, Invoices, Acknowledgments and Despatch Advice your business will benefit significantly from:

- Reduced labour costs
- Elimination of human errors from data input
- Faster document processing enabling real time, event driven processes
- Improved Business Process through order accuracy

## Eliminate paper

Paper-based trading relationships have major disadvantages in comparison with the electronic trading equivalent:

- Stationery and Printer costs
- Document storage & retrieval costs
- Postage costs

## Improved Logistics Management and Increased Productivity

- Electronic documents can be delivered quicker than paper, thus order to cash cycle can be significantly improved.
- EDI enables companies to better manage and control production, purchasing and delivery requirements. EDI is a key component of "just-in-time" manufacturing, resulting in significant reductions in inventory levels.
- By using EDI for forecasting and planning, companies are able to get fore warning of likely orders and can plan their production and stock levels accordingly.
- Companies receiving Advanced Shipping Notes (ASN) or Acknowledgments know in advance what is actually going to be delivered and are made aware of shortages, so alternate supplies can be sourced.

## Better trading relationships

- Electronic trading documents, when printed, are much easier to read than copies faxed or generated on multi-part stationery by impact printers.
- Guaranteed delivery of correct documents help to ensure accurate supplies and eliminate delays.

## Competitive Advantage

Electronic Data Interchange (EDI) has been proven to lower your bottom line, increase efficiency and improve your order to cash cycle. Trading electronically gives you the edge on your competitors as you can Order, Supply your product in a faster more efficient means. The faster turnaround of documents allows you to take advantage of better discount terms.



## 3 Steps to getting started

1. Contact GS1 Ireland and get a GLN Licence.
2. Complete the attached questionnaire for GS1 and your chosen Solution Provider.
3. Contact a GS1 Ireland Accredited Solution Provider – [www.gs1ie.org](http://www.gs1ie.org)

GS1 Accreditation ensures that Solution Providers have the knowledge and capability to implement GS1 Standards correctly.



[www.gs1ie.org](http://www.gs1ie.org)



# Putting EDI into DIY



The Irish Hardware & Building Materials Association and GS1 Ireland have been working with Key Suppliers and Retailers from the Irish Hardware, DIY & Building Materials sector, to collaborate and develop an industry agreed electronic trading strategy that caters for the needs of all parties and provides significant cost savings & operational benefits for all concerned.

Having completed a very successful proof of concept pilot project with Atlas Products Ireland and a select group of both Retailers and Suppliers, a roll out to all companies in the Irish DIY Sector is now taking place. The major advantage to our sector is that our industry has agreed on a common and standardised suite of electronic trading messages, including Invoice, Credit note and Purchase order with other supply chain business messages to follow as the initiative progresses.

All major Irish Retailers are supporting the adoption of electronic trading and see it as a key commercial benefit within our sector and are committed to its implementation in their individual companies. They are also encouraging all of their suppliers to have the ability to trade electronically as soon as possible.

The electronic trading initiative is being coordinated, developed and supported by the IHBMA and GS1 Ireland, the global standards body for eCommerce and barcoding. GS1 Ireland have over 30 years experience providing community management in developing sector solutions. GS1 Ireland and the IHBMA are recommending that Retailers and Suppliers looking to implement a standards compliant EDI messaging solution, only use a **GS1 Ireland Accredited Solution Provider**. The GS1 Ireland Accreditation Programme ensures solution providers possess the knowledge and processes to correctly implement the agreed standard message for our sector. Every Accredited Solution Provider has undergone training on GS1 Standards compliance and submitted a detailed case study demonstrating their practice and understanding of the GS1 System. A list of Accredited Solution Providers is available from GS1 Ireland.

Should you need further information please don't hesitate to contact us at the IHBMA or GS1 Ireland for assistance.

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# What is GS1?

GS1 is a not for profit global body dedicated to the design and implementation of global standards for use in the supply chain. GS1 standards provide a framework that allows products, services and information about them to move efficiently and securely between trading partners. Our standards ensure effective exchanges between supply chain partners and act as basic guidelines that facilitate interoperability and provide structure to many industries.

In addition to Solution Provider Accreditation, GS1 Ireland offer a wide range of professional services that deliver expert impartial advice and recommendations to assist your implementation process. These include business and solution consulting on barcode implementation, EDI messaging and Data Alignment, to bespoke training in all aspects of supply chain functionality.

# What is eCommerce?

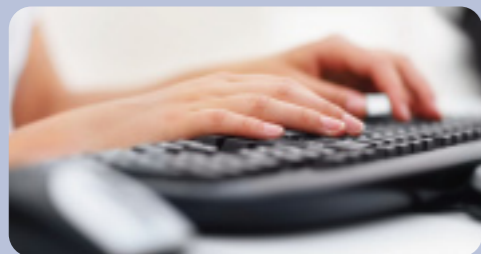
All businesses, whether product or service based involve multiple transactions across the supply chain: suppliers with manufacturers, manufacturers with wholesalers, wholesalers with retailers, retailers with consumers. These all generate huge volumes of paper based transactions at every stage – purchase orders, invoices, catalogues, delivery notes, statements, legal documents etc.

The challenge to all trading partners is to manage this information flow in an efficient, cost effective and productive manner. The appropriate data at each stage must be extracted, processed, communicated and stored – as quickly, as accurately and as cost effective as possible.

The term “eCommerce” applies to a range of practices and supporting technologies that use computers and telecommunications to facilitate this information flow. It includes technologies for capturing data (Barcode scanning) and for processing, storing, analysing, presenting and communicating it. In essence, eCommerce is about developing efficient and cooperative relationships with your trading partners.

## Did You Know

An average typist makes a minimum of 5 mistakes per 50 words typed !



# What is EDI?

EDI - Electronic Data Interchange is the electronic transmission of data (from one computer to another) by agreed message standards from one trading partner to another. EDI documents or messages generally contain the same information that would normally be found in a paper document used for the same organisational function.

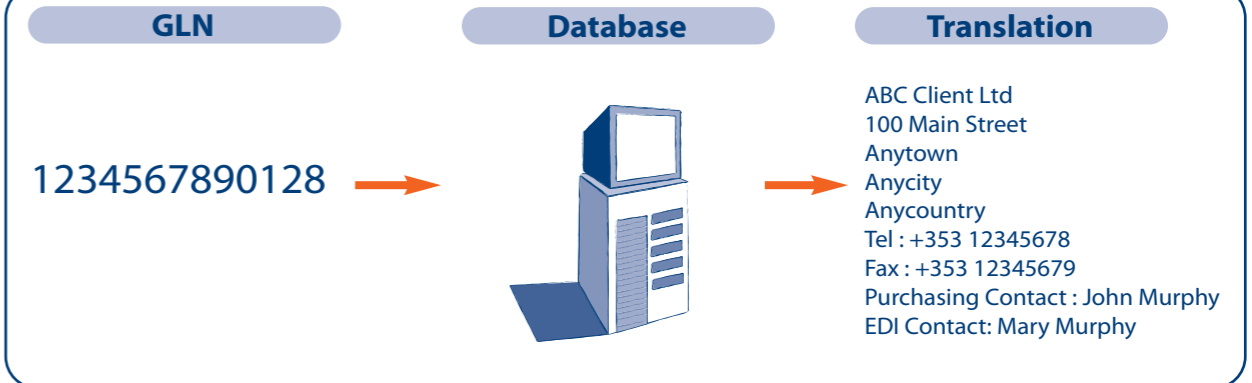
Automating these processes reduces the need for paper, cuts out any duplication of work, and means fewer mistakes due to human error. The sending company creates the electronic message and the receiving company interprets it, without the need for any human involvement.

EDI provides trading partners with a fast and efficient business tool for the automatic transmission of commercial data from one computer application directly to another. Companies do not need to worry about different incompatible computer systems. Through the use of GS1 EDI messaging standards, data is communicated quickly, efficiently and accurately irrespective of users internal hardware and software types.

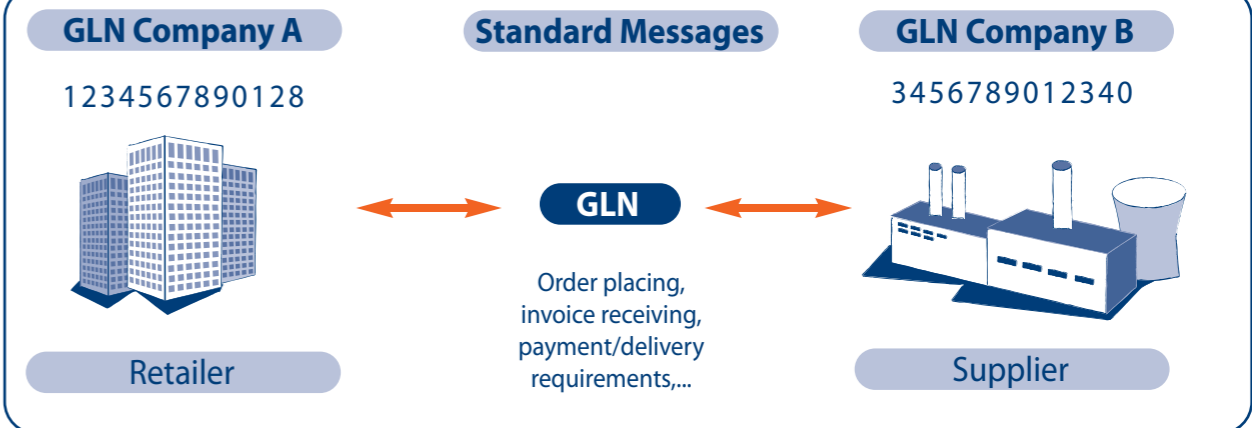
# What is a GLN ?

The Global Location Number (GLN) makes possible the unique and unambiguous identification of physical locations and/or legal entities relevant to the EDI transaction. It is essentially a globally unique electronic mailbox number and is a prerequisite for efficient eCommerce as it is obviously preferable if all trading companies use the same location coding standard.

## GLN is your electronic mailbox number



## GLN are “key” to retrieving information from databases



# Order-to-Cash

is the business process where goods are:

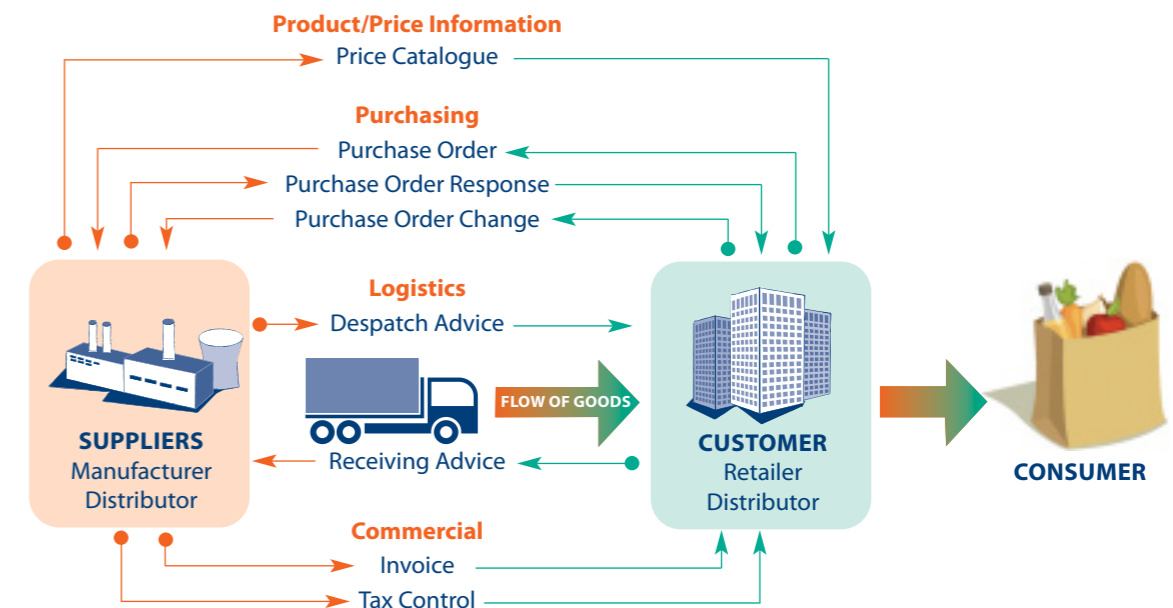
- Ordered
- Delivered and received
- Invoiced and paid for

Whether you're receiving or delivering goods, this process is critical for all businesses. When orders are poorly received, fulfilled, delivered or invoiced, payments may be delayed or refused and customers may cancel and even choose not to return.

It's critical that the process works as efficiently and accurately as possible. That is why many businesses have automated the entire process through EDI.

GS1 eCom standards help you automate your order-to-cash process by using— industry agreed standard EDI messages that handle each stage of the process.

## EDI MESSAGE FLOW – Order to Cash Model



# Getting Started **Questionnaire**

Company Name

Trading as

Entity Type

Limited Company  Sole Trader  Partnership  Other

Company Street Address

Address

Town/City  County  Postcode (if any)

VAT Number

Company Website address

Role in Supply Chain

Manufacturer  Retailer  
 Distributor  Supplier  
 Wholesaler  Other

IT / EDI contact

IT / EDI Contact Phone Numbers:

Main Number

Direct Dial Number

Mobile Number

IT / EDI contact email address

Operating System used (*ie UNIX, Linux, XP, Windows 2003 etc*)

Back Office system used (*ie invoicing software*)

Number of SKU

% of Products using Barcodes (GS1 GTIN)

GLN Number

**If you are already an EDI user please also complete the following:**

EDI Software (if any)

GLN Number

EDI mailbox type (*i.e. Value Added Network, IBM,BT,GXS,FTP,BDX, Eirtrade, Celerity, Other*)

Live with EDI Orders YES  NO

Live with EDI Invoices YES  NO

Message type and version (*i.e. Eancom 1997, 2001/Edifact 93A, 96A, 01B/ tradacoms order/Invoice 9, CSV*)

Comments

(*other information you feel is relevant*)