

# Introduction to EDI by B2BGateway.Net

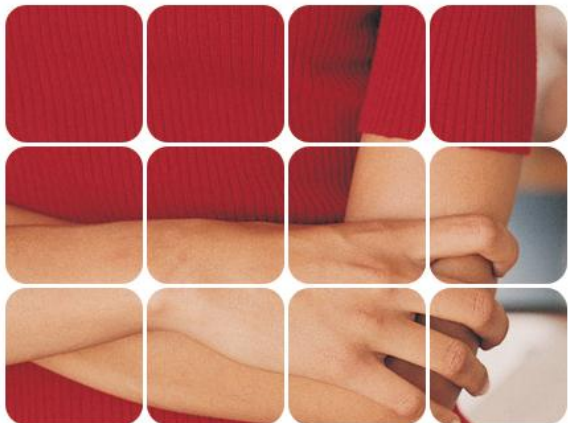
## What is EDI?

EDI stands for Electronic Data Interchange. Loosely defined, EDI is the structured transmission of electronic data (Purchase Orders, Invoices, Shipping Notices etc.) between organizations.....and what we here at B2BGateway.Net do best!

The benefits of EDI have made it a condition of doing business in multiple industries such as large format retail, third party logistic providers (3PL's), automotive, healthcare, real estate, government etc.



**Pulling together the pieces of your EDI project**



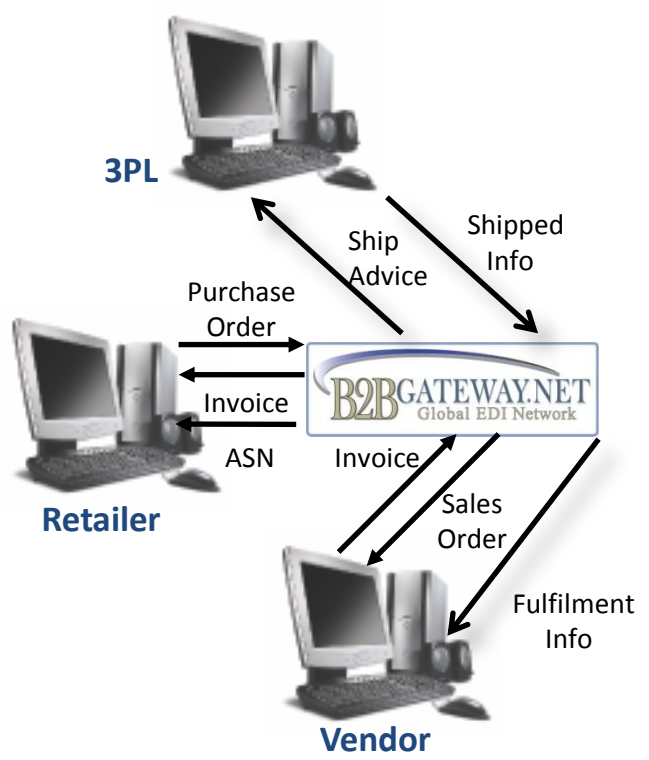
## Do you trade with or intend trading with any of the following?

3M, 7 Eleven, AAFES, Affiliated Foods, Amazon, Apple, Argos, Avery, Barnes & Noble, Bank of America, Bed Bath & Beyond, BJ's, Boeing, Buy.com, Burlington Coat Factory, Carrefour, Costco, Daimler Chrysler, DuPont, Estee Lauder, Exxon Mobile, Federal Express, Ford, Fred Mayer, General Mills, General Motors, Hewlett Packard, HMV, Home Depot, IBM, JC Penney, John Deere, Kuehne+Nagel, Kmart, Lowe's, Macy's, Petco, Saks, Target, WalMart etc., etc.?



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We can help you trade thru EDI with any of the above or any other organization requiring EDI. For a full list of our Trading Partners please visit [www.B2BGateway.Net/tradingpartner.asp](http://www.B2BGateway.Net/tradingpartner.asp) If you do not find your preferred Trading Partner on our list, we can still implement EDI for your firm and your Trading Partner according to their preferred standards and protocols.



## Example of Raw EDI Purchase Order and Invoice

### Raw EDI Purchase Order

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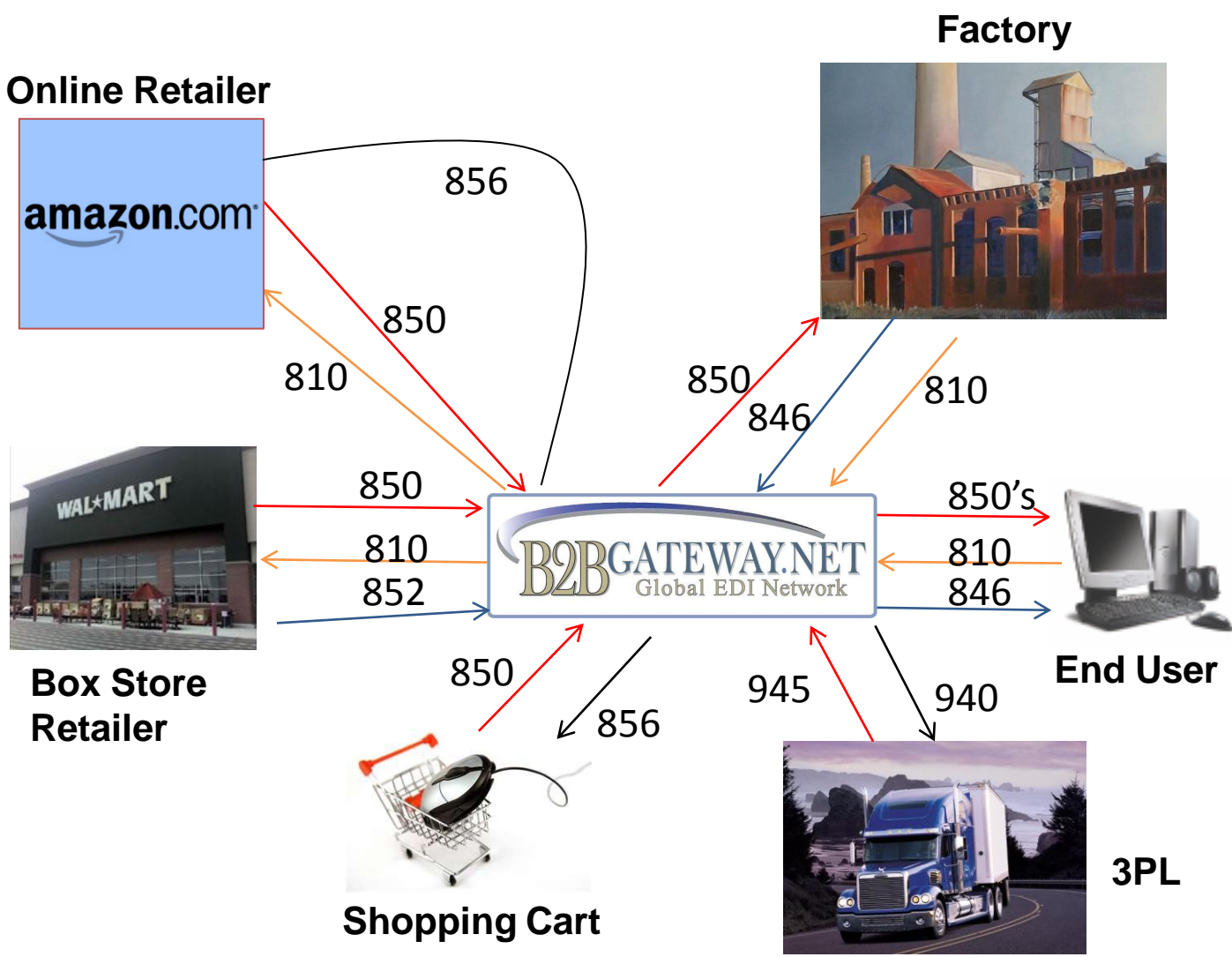
ISA*00*      *00*      *01*173808684
*12*508894111
*110405*0908*U*00401*000000766*0*P*>
GS*PO*173808684*50889411120110405*0908*525*X*00
4010
ST*850*0325
BEG*00*SA*604861362**20110405
CUR*BY*USD*1.000
PER*SU*JOHN SMITH
FOB*PP*FA
DTM*001*20110420
DTM*002*20110419
N1*BT*PETSHOPS*1*173808684
N1*VN*The Barkings*1*508894111
N1*ST*PHOENIX DISTRIBUTION CENTER*92*0012
PO1*1*624*EA*2.44**UP*129223240603*VC*24060*SK*
1265167
PID*F****Doggie Cookies PB/MOLASSES MED PAWS
20 OZ
PO1*2*624*EA*2.44**UP*129223240641*VC*24064*SK*
1292537
PID*F****Doggie Best ASST MED PAWS 20 OZ
PO1*3*600*EA*1.58**UP*129223101201*VC*10120*SK*
1230301
PID*F****BIG DOG PB SOFTIES TREATS 10oz
PO1*4*600*EA*1.58**UP*129223101256*VC*10125*SK*
126925
PID*F****Little DOG PB SMALL PAWS 10 OZ
CTT*4
SE*20*0325
GE*1*525
IEA*1*000000766~
  
```

### Raw EDI Invoice

```

ISA*00*      *00*      *12*5088941111
*01*173808684
*110413*2304*U*00401*000068320*0*P*>
GS*IN*508894111*173808684*20110413*2304*68
320*X*004010
ST*810*68322
BIG*20110412*604861362*20110405*604861362
N1*ST*PetshopsDC#0010*92*0012
N1*VN*The Barkings*9*0342465580001
N3*1177 Doggie Circle
N4*Hope Valley*RI*02832
ITD*01*3****20110426*14****Net 14
IT1**104*EA*14.64**UP*129223240603
IT1**104*EA*14.64**UP*129223240641
IT1**100*EA*9.48**UP*129223101201
IT1**100*EA*9.48**UP*129223101256
TDS*494112
CTT*4
SE*14*68322
GE*1*68320
IEA*1*000068320
  
```

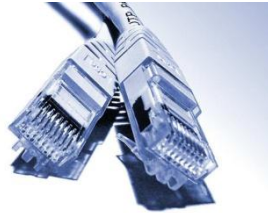
**EDI is not just all about Purchase Orders (850's) and Invoices (810's), there are many, many more documents to consider....**



### **How Does EDI work?**

EDI is not an out-of-the-box solution. Many procedures, standards and protocols must be put in place for you to trade successfully with your Trading Partner(s). Each Trading Partner may have their own standards, protocols and documentation that they wish to trade. These Standards may include ANSI ASC X12, UN/EDIFACT, TRADACOMS, XML, ODETTE and Protocols (communication methods) could include AS2, VAN, FTP, HTTP etc.

Overall, implementing the above standards and protocols can become quite a daunting task for any organization, but one that B2BGateway.Net will take care of on your behalf in a timely, hassle free manner.



### **Communication Protocols:**

#### **AS2**

AS2 (Applicability Statement 2) is a specification about how to transport data securely and reliably over the Internet. Security is achieved by using digital certificates and encryption making the AS2 connection secure. With an AS2 Connection you will be required to obtain an AS2 server, AS2 software, Encryption software, AS2 licensing, document mapping tools, consultant fees for updates to the documents traded. This can be a daunting task if you try to set up your own AS2 connections.

#### **VAN**

A Value-added Network (VAN) is a hosted service offering that acts as an intermediary between business partners sharing standards based or proprietary data via shared Business Processes. The offered service is referred to as "Value-added Network Service". To establish a successful VAN connection you will need a modem/phone, VAN software, mailbox setup, mailbox fees, document mapping tools and consultant fees for updates.

#### **FTP**

File Transfer Protocol (FTP) is a standard network protocol used to copy a file from one host to another over a TCP-based network, such as the Internet. FTP is built on a client server architecture and utilizes separate control and data connections between the client and server. FTP users may authenticate themselves using a clear-text sign-in protocol but can connect anonymously if the server is configured to allow it. FTP set ups include getting an FTP server, FTP software, software credential, document mapping tools and consultant fees for updates.

#### **HTTP**

The Hypertext Transfer Protocol (HTTP) is a networking protocol for distributed, collaborative, hypermedia information systems. HTTP is the foundation of data communication for the World Wide Web (Internet). For a successful HTTP connection you will require an FTP server, encryption software, software certification, document mapping tools and consultant fees for updates.

***B2BGateway.Net can take care of all of the above on your organizations behalf in a timely and hassle free manner.***

## Recognized EDI Standards:



### **ANSI ASC X12**

ASC X12 (also known as ANSI ASC X12) is the official designation of the U.S. national standards body for the development and maintenance of Electronic Data Interchange (EDI) standards. The group was founded in 1979, and is an accredited standards committee under the American National Standards Institute (ANSI). The acronym stands for "American National Standards Institute Accredited Standards Committee X12", with the designation of X12 being a sequential designator assigned by ANSI at the time of accreditation with no other significance.

ASC X12 has sponsored more than 315 X12-based EDI standards and a growing collection of X12 XML schemas for health care, insurance, government, transportation, finance, and many other industries. ASC X12's membership includes 3,000+ standards experts representing over 350 companies from multiple business domains.

### **UN/EDIFACT**

United Nations/Electronic Data Interchange For Administration, Commerce and Transport (UN/EDIFACT) is the international EDI standard developed under the United Nations. The work of maintenance and further development of this standard is done through the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) under the UN Economic Commission for Europe, in the Finance Domain working group UN CEFACT TBG5. EDIFACT has been adopted by the International Organization for Standardization (ISO) as the ISO standard ISO 9735.

### **TRADACOMS**

Tradacoms is an early standard for EDI (Electronic Data Interchange) primarily used in the UK retail sector. It was introduced in 1982 as an implementation of the UN/GTDI syntax, one of the precursors of EDIFACT, and was maintained and extended by the UK Article Numbering Association (now called GS1 UK). The standard is obsolescent since development of it effectively ceased in 1995 in favour of the EDIFACT EANCOM subsets. Despite this it has proved durable and the majority of the retail EDI traffic in the UK still uses it.

### **XML**

Extensible Markup Language (XML) is a set of rules for encoding documents in machine-readable form. It is defined in the XML 1.0 Specification produced by the W3C, and several other related specifications, all gratis open standards.

### **ODETTE**

Odette is a n EDI standard primarily used in the European automobile industry.

***B2BGateway.Net EDI solutions can work with all of the above EDI standards.***

**Will I need to invest in more hardware, software, staff resources to become EDI compliant?**

**No.** B2BGateway.Net operates a SaaS model in the Cloud. The only resources you will need to become compliant with B2BGateway.Net’s EDI solutions are a computer and an internet connection.

**Can I outsource my Warehousing & Transportation needs to a 3PL if I use EDI?**

**Yes.** All major 3PL providers are now EDI compliant and in fact many insist on using EDI to trade.

**Can B2BGateway.Net EDI handle Functional Acknowledgements 997’s?**

**Yes.** B2BGateway.Net will handle all 997’s on your behalf.

**What are the Advantages of EDI?**

- Eliminates Data Entry Errors and Charge backs
- Increases Efficiency & Speed
- Large Cost Savings on Labor
- Excellent Return On Investment
- Environmentally Friendly – Reduces Paper Transactions
- Improved Tracking Capabilities in Supply Chain Management
- Reduced Postal Charges



**What EDI solutions do B2BGateway.Net offer?**

We offer two EDI solutions (i) [Fully Integrated EDI](#) and (ii) [Web Based EDI](#). Our Fully Integrated EDI solutions integrate directly with your back end Accounts/ERP software. We have Business Partnerships with Accounts Software providers such as QuickBooks (Gold Developer), NetSuite, Sage, Mamut, Interprise Suite etc.

Our Web Based EDI solutions are suitable for smaller firms or firms who don’t envisage large amounts of paperwork. Many of our clients who start with our Web Based solutions trade up to Fully Integrated over time as their business grows.

As well as our core solutions of Fully Integrated EDI and Web Based EDI, B2BGateway.Net also offers the following Data Integration solutions:

- Vendor Managed Inventory (VMI)
- Scan-Based Trading (SBT)
- Warehouse Support Site (WSS)
- Supplier Portal
- EDI Testing & Validation

**Is B2BGateway.Net affiliated/recognised by any Trade Organization?**

Yes B2BGateway.Net has been certified by [GS1 as an Accredited EDI Solutions Provider](#). GS1 is an international not-for-profit association with Member Organizations in over 100 countries. It is dedicated to the design and implementation of global standards and solutions to improve the efficiency and visibility of supply and demand chains globally and across sectors. The GS1 system of standards is the most widely used supply chain standards system in the world.





### **What do I need to do EDI?**

- A Business Application that can create standardized electronic business documents
- A translation process to convert your business document to and from the standards used in EDI
- An electronic communication network that can send and receive your standardized electronic documents.

### **Why should I choose B2BGateway.Net as my EDI Provider?**

- B2BGateway.Net has an excellent track record established since 1999 with thousands of client and trading partner relationships worldwide
- Strategically located offices in North America, Europe and Australia offering live 24/7 back up support
- Only EDI Provider to give each client a dedicated Support Engineer for the lifetime of the relationship
- Cost efficient pricing structure with excellent ROI
- Multi-Lingual Support Staff
- Leading Edge Cloud Based SaaS Technology
- GS1 Accredited EDI Solution Provider



### **How much does it cost?**

Full pricing, depending on solution required is available on our website [www.B2BGateway.Net](http://www.B2BGateway.Net) or alternatively you can email us at [Sales@B2BGateway.Net](mailto:Sales@B2BGateway.Net)

### **About B2BGateway.Net**

Established in 1999, B2BGateway.Net is a leading Global EDI (Electronic Data Interchange) Network with thousands of clients and trading partners worldwide. Having offices in North America, Europe and Australia, B2BGateway.Net offer 24/7 dedicated customer support with each client having their own designated Support Engineer. B2BGateway.Net has been independently rated by Intuit, the developers of QuickBooks, with the highest customer satisfaction rating, regardless of product of all Intuit Solution Providers. Our EDI solutions are simple to use, reasonably priced, highly efficient and can integrate with all leading Accounts/ERP software solutions (incl. NetSuite, QuickBooks, SAP, Sage, Peachtree, Interprise Suite, Everest, etc.). B2BGateway.Net Cloud based EDI solutions are highly flexible and adaptable so that they can cater for any organization from the small Sole Trader to the large Multinational Corporation.

## Glossary of frequently used EDI terms:

**ANSI X12** is the official designation of the US national standards body for the development and maintenance of Electronic Data Interchange (EDI) standards.

**ASN:** Advanced Shipping Notice.

**AS2:** Secure, encrypted data transmission protocol.

**Compliance & Validation:** A process for ensuring that all EDI transmissions comply with standards and protocols.

**Data Mapping:** The restructuring of data from one format to another.

**EDIFACT:** A recognized standard different from X12 mainly used in Europe.

**Flat File:** A file that contains alphanumeric and/or numeric data but not control characters.

**FTP (File Transfer Protocol):** Internet protocol for transferring files.

**Protocol:** Set of rules determining format and transmission of data.

**Trading Partner:** Organization/vendor with whom you will trade/exchange documentation.

**UCC-128 Labels:** Bar Code Labels located on the outside of shipping cartons for ease of scanning.

**VAN (Value Added Network):** A hosted service used for the transmission of data.

## Examples of Commonly Used EDI Transaction Sets.

**810 – Invoice**

**850 – Purchase Order**

**856 – Advance Shipping Notice**

204 – Motor Carrier Shipping Information

210 – Motor Carrier Freight Invoice

214 – Transportation Carrier Shipment Status

753 – Request for Routing Instructions

754 – Routing Instructions

812 – Credit/Debit Adjustment

820 – Payment Order/Remittance Advice

832 – Price Sales Catalogue

846 – Inventory Enquiry/Advice

852 – Product Activity Data

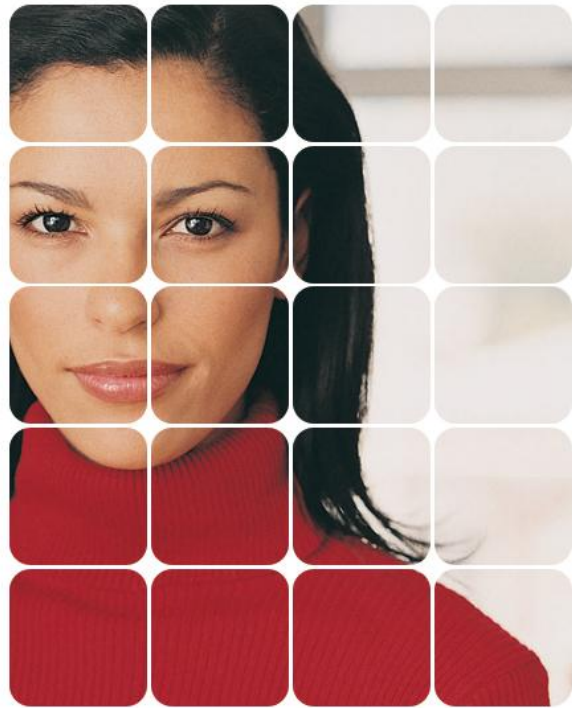
875 – Grocery Products Purchase Order

880 – Grocery Products Invoice

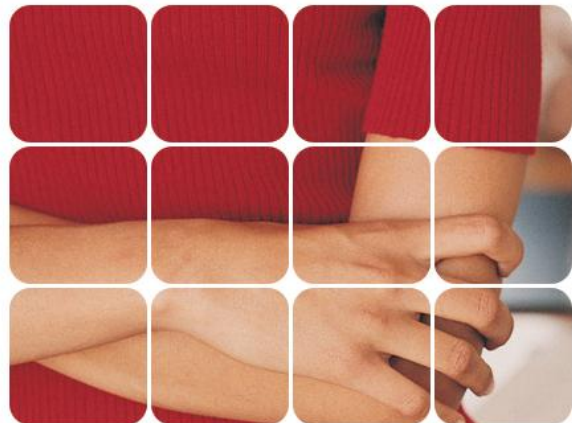
940 – Warehouse Shipping Order

945 – Warehouse Ship Advice

997 – Functional Acknowledgement



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