

Mandated to Use EDI? Now What?

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With more and more companies today trying to systematize business processes while minimizing costs, trading partners are requiring manufacturers to install Electronic Data Interchange (EDI) software. This is the #1 reason companies are installing EDI software.

What Does This Mean to me?

If you are developing a business relationship with a client who mandates the use of EDI, you will then be required to implement EDI into your data transfer system or risk losing the client and account.

But, you may be asking yourself, "What's in it for me and my company?" You can start with the addition of the new account; you will realize incremental revenue to your bottom line. Additionally, your worries about how to improve supply chain management, having accounts paid quicker and how to provide better service to your clients will all be solved with your use of EDI software.

Using EDI allows your company's computer system to "talk" to your client's system and electronically deliver account data. Because the information is digitally exchanged, any business process associated with this can be easily systematized and automated to alleviate unnecessary entries. This form of data transfer is routinely used for exchanging business information such as purchase orders, invoices and shipping information, while also being able to seamlessly integrate with leading accounting software such as Sage ERP and Sage Peachtree.

Advantages of EDI

Organizations use EDI to exchange data in an electronic format to increase efficiency and costs. It enables you to minimize the amount of paper used or totally eliminate it. Delivery times are also dramatically reduced from days to hours.

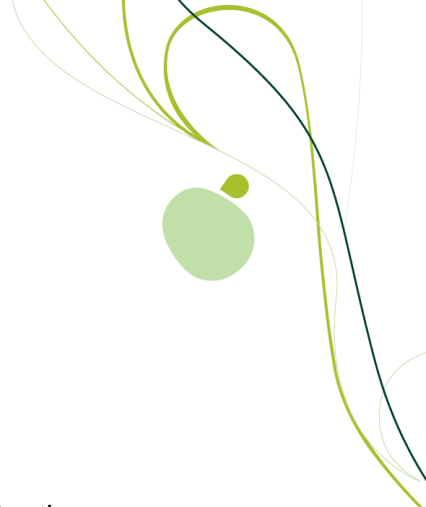
Being EDI-compliant will provide you a strategic advantage with retailers and organizations that rely on time sensitive delivery and electronic automation, having adding providers who offer the lowest market prices and the best customer service. Such relationships can also lead to new or innovative applications and services.

Reasons 2 through 5 for using installing EDI software

The benefits of electronic transfer of data are well documented. Here are reasons 2 through 5 why businesses install EDI:

2. Cost reduction

Paper-based data exchange systems produced inherent disadvantages in relation to their electronic counterparts. Once implementing EDI you will enjoy lower costs for:

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- Stationery and printers
 - Document storage
 - Lost documents
 - Postage

3. Reduce lead times and inventory

- Electronically exchanged documents are delivered dramatically faster than paper-based files, thus reducing order to delivery turnaround.
- Companies receiving advanced shipping notes or acknowledgments know in advance what is going to be delivered, and are aware of shortages.
- Using electronic data exchange means faster processing, reduced lead times and quicker payments.

4. Increased supplier relationships

- Printed electronic documents are easier to read than those faxed.
- Correct documents help ensure accurate shipments and reduce chargebacks.

5. Competitive advantage

In the end, being an EDI compatible organization makes you more attractive to potential clients, enabling you to provide lower cost services and as well as to be more efficient to work with than a paper-based competitor.

By seamlessly implementing EDI into your data exchange business processes, larger (big box) retailers and organizations will perceive you as being more attractive to deal with, cheaper and more efficient, and requiring less manpower to process orders, deliveries and payments.

For more information, visit our [website](#) or call 866-908-4545 to learn about the benefits of integrating EDI with your Sage ERP MAS system today!