Strategic and Operational Benefits

of

EDI

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Telema AS in brief:

- •15 500 e-docs per day
- •20 500 e-supply pairs
- •2400 shops
- •750 suppliers
- •25 employees
- •10 years of expertise



Strategic and Operational Benefits

of

EDI

in 20 minutes



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EDI

EDI

EDI- Electronic data interchange is the structured transmission of data between organizations by electronic means. It is used to transfer electronic documents from one computer system to another, i.e. from one trading partner to another trading partner.

- **Documents become:**
- machine readable
- easy to transfer
- easy to store / archive
- → fast on exchange
- Iess errors
- → cheaper
- environment friendly



good	price	weight/ volume	pieces per box	supplier
Unicorn beer 5,5%	1,00\$	1 pint	6	Wizard brewery
Fresh bread "White brick"	0,50\$	1 pound piece	12	Baker across the street
Fake Cuban cigars	5,00\$	pretty heavy	30	Suspicious guy in hat
Orange	2,00\$	pound	never counted	Florida Plant Inc.
Soda "Huge bubbles"	1,00\$	¼ gallon	4	Huge bubbles Corp.



How?



EDI has proven to be the most efficient way of conducting business globally with our suppliers, by electronically sending and receiving core business documents. Walmart has EDI documents to support these business areas: Supply Chain Management, Global Indirect Sourcing, Accounting, Inventory Management and Logistics.



Strategic and Operational **Benefits**

of EDI

Benefits

EDI and other similar technologies **Save** a

COMPANY MONEY by providing an alternative to, or replacing information flows that require a great deal of human interaction and materials such as paper documents, meetings, faxes, etc.

Even when paper documents are maintained in parallel with EDI exchange, e.g. printed shipping manifests, electronic exchange and

the use of data from that exchange **reduces**

the handling costs of sorting, distributing, organizing, and searching paper documents.

EDI and similar technologies allow a company to take advantage of the benefits of storing and manipulating data electronically **without the cost of manual entry**. Another advantage of EDI is **reduced errors**, such as shipping and billing errors, because EDI eliminates the need to rekey documents on the destination side.

One very important advantage of EDI over paper documents is **the speed** in which the trading partner receives and incorporates the information into their system thus greatly reducing cycle times. For this reason, EDI can be an important component of **just-in-time** production systems.

- save a company money
- reduces the handling costs
- without the cost of manual entry
- reduced errors
- > speed / reduced cycle times / just-in-time

Some numbers:

- → paper order-invoice hadling average costs € 30 per delivery, meanwhile on EDI it is € 1
- pay off time of investments in EDI technologies is 2-12 months
- → Tere AS (diary products, Estonia) saves
 € 32 000 per year
- in Baltics maximum FTE's covered by full EDI integration- 19

GTIN



EDI operator





Thank you!

Next: EDI Business Software Integration



Enjoy the day!