

Product Information

CDI Premium EDI module



Computer Distributors, Inc.

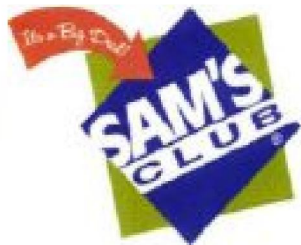
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CDI EDI with the TSI EDI

communications capabilities, allows you to send receive orders, invoices etc with your customers and vendors. EDI software will greatly enhance the distribution process. These communication tools give the necessary control to reduce unnecessary miscommunication, which often disrupt the distribution process and eliminates most of the data entry associated with this functions and the error that normally occurs in data entry environment.

it's all inside:



What is EDI:

Electronic Data Interchange (EDI) is the transmission between businesses of information in standard, computer-readable format. It includes electronic order placement, electronic shipping notification, electronic invoicing, and many other business transactions that computers can actually perform better than people. Companies began implementing EDI once they understand the importance, It has evolved into an essential business tool today. If your company is not doing business using EDI, we believe you can benefit. With EDI you can experience greater efficiency for your company and from Customers.

The Practical Possibilities of EDI

There's no such thing as business communication that's too fast or too accurate. Companies, like Sears, Wall-Mart, K-Mart that are determined to improve customer satisfaction learn this quickly. EDI helps Companies keep costs competitive and deliver product when it's promised. This information technology also enables the company to purchase and receive "just-in-time" materials. In short, EDI helps us keep our customers happy.

EDI The EDI Edge

The benefits of EDI to customers, suppliers and Companies are numerous. EDI: Improves accuracy and speed of information exchanged between companies Reduces operational costs for customers, suppliers and Helps Companies reduce cycle time to manufacture and deliver product Improves customer service Makes just-in-time manufacturing at possible Moves customers, suppliers toward a "paperless" environment

EDI Applications

Companies continually reviews and adds new EDI transactions based on the business initiatives, market needs and recommendations from business partners. Currently, Companies uses EDI for the following business applications and much more... Administration - product catalogs and price lists Sales Analysis - sales and inventory information Purchasing/Order Management - orders, acknowledgments, order status, and changes Shipping and Receiving - shipping, notification, proof of delivery, and customs information Billing - invoicing and statements Payment Applications - payment remittance

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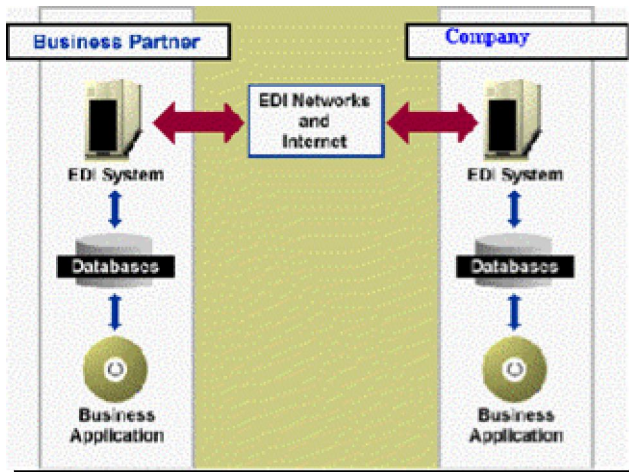
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How EDI Works:

The simplified diagram below shows the two-way nature of EDI. Transactions can begin at business partner (a customer or supplier). After business agreements have been reached between the two EDI-enabled partners, no human touch is required. The ultimate EDI implementation is a totally automated interaction between the business applications.



Why use EDI

EDI can benefit a company in two ways: tactical--enabling an organization to reduce operating costs and increase efficiency, and strategic--by creating alliances with important trading partners and by differentiating its product from the competition.

Some EDI benefits are:

- Improved customer service
- Decreased Operating costs as paper work and clerical tasks are reduced
- Eliminated information float as EDI speeds up the delivery of goods and services
- More accurate and timely information allows for better control over inventory and reduces safety stocks
- Faster account reconciliation lowers accounts payable overhead
- Improved cash flow process frees up capital for other investments.

If the business partner is a customer, for example, an electronic purchase order can flow directly from the customer's purchasing system into company's order management system. Conversely,

Company can send order shipment information electronically to the customer and the information will be deposited in the appropriate business application. all across the organization, people can know what is being shipped and when it should arrive.

Once an electronic invoice is sent, Accounts Payable can act upon it and a signal to pay can complete the cycle.

EDI software, consistent EDI standards, and the use of data communications usually through a third party [known as a Value-Added Network (VAN)] make transmission possible and secure for the sender and receiver. Different Companies adheres to diff. standards ASC/ANSI established by the American National Standards Institute, as well as EDIFACT (Electronic Data Interchange for Administration, Commerce and Transport), established by the United Nations.

EDI and the Reengineered Company

Companies everywhere are reengineering their business processes. In many companies, EDI goes hand in hand with these new procedures.

For example, a company has reengineered its entire procurement process using EDI to make it faster and more accurate. Real-time data now flows 24 hours a day, 7 days a week between the Company and raw-materials suppliers. EDI is used to communicate an electric "pull signal" to our suppliers when we need more raw materials, and our suppliers notify us when shipments are made. These notices and supplier bar coding of materials help expedite our receiving process.

For customers with extensive EDI efforts, the question is not if they should use EDI with the partners, but how fast EDI can be implemented and what new business processes can be automated by the use of EDI. Adding new EDI transactions with any customer or vendor takes time, and every company must decide how to best allocate its EDI staff and budget. But for most companies, adding EDI transactions with and can be done quickly and economically.

What can EDI do for you? Smart searches of inventory? Automatic updating of price lists? That's just the beginning. Customers are now extolling the virtues of doing business with EDI.

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What is Electronic Commerce & Electronic Data Interchange

Electronic Commerce (EC) is the integration of communications, data management, and security services that enables companies to rapidly, flexibly and securely exchange information for business purposes. It covers the spectrum of communication vehicles such as telephone, data, image, fax and electronic mail and is comprised of communication networks, computer hardware, software tools, interoperability standards plus established business transactions and practices.

Electronic Data Interchange (EDI) is one of the most proven applications of EC. EDI, as a component, is often described as the computer-to-computer exchange of formatted business transactions in a standard format. Like other modes of electronic communications-FAX, and electronic mail, EDI allows businesses to send information over public or private communications links. The result is that delivery of business documents can take seconds instead of days, and documents are far less likely to be lost or damaged.

Unlike other modes of electronic communications, EDI can enable your computer to process the information it receives, thereby eliminating laborious data entry tasks and possible keying errors. An EDI-enabled system, for example, can read key information from an incoming purchase order (customer name, part number, quantity, transportation carrier) and send it directly to an order entry system. This ability to keep information flowing directly from application to application is what makes EDI such a powerful business tool.

EDI Standards

Documents sent via EDI can serve as input for a receiving a company's business application because they are formatted according to standards that stipulate where certain information should be located, such as where net total amount should appear on an invoice. These standards also define how individual pieces of information should be represented. For example, in the standards for an electronics industry purchase order, there are specific codes defined to identify the type of product or service being requested, e.g. PN (company part number), BY (buyers part number), VP (vendors part number), PW (part drawing), etc.

The standard EDI document format is called a transaction set. Commonly referred to as the electronic equivalent of a paper document, a transaction set is actually more like a document generator. For example, a transaction set for a purchase order will contain several mandatory items such as purchase order number, shipping address, quantity and currency. The standards also contain a long list of optional items such delivery dates, references, transportation method and payment terms.

The American National Standards Institute (ANSI) is the governing body for EDI standards within the United States (Canadian companies also participate in the ANSI organization) and has developed national standards for most types of business. The most common transaction categories (and an example of each) include:

Additionally:

Some industry associations have developed industry-subsets of ANSI standards. These include EIDX for the electronics industry, UCS for grocery, WINS for warehousing and TDCC for transportation. The international standard equivalent to ANSI is EDIFACT (EDI for Administration, Commerce and Transport) which is predominately used in Europe. Most of the companies communicates with its partners in either ANSI or EDIFACT.



Training Partner

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Title	ANSI	EDIFACT	Transactions/Messages Description
Purchase Order	<u>850</u>	ORDERS	Communicates a standard purchase order document to a supplier.
Purchase Order Ack.	<u>855</u>	ORDRSP	Acknowledges that a supplier has received a purchase order or group of purchase orders.
Purchase Order Change	<u>860</u>	ORDCHG	Communicates a change in the original purchase.
Purchase Order Change Ack.	<u>865</u>	ORDRSP	Acknowledges that a supplier has received a change to the original purchase order(s).
Invoice	<u>810</u>	INVOIC	Used for the billing of goods and services
Consolidated Service Invoice/Statement	<u>811</u>	.	This transaction is similar to Invoice (810) except that it is especially designed for electronic transmission of telecommunication service invoices.
Debit/Credit Adjustment	<u>812</u>	CREDADV	Used for Invoice debit/credit adjustments.
Payment Order/Remittance Advice	<u>820</u>	PAYORD & REMADV	To provide information to a seller about the application of a specific payment by a buyer, including (1) to order a financial institution to make payment to payee (s) on behalf of sending party, (2) to report the completion of a payment to payee (s) by financial institution, and (3) to give advice to the payee by the payer on the application of a payment, i.e. invoice, check number, etc.
Lockbox	<u>823</u>	.	Used to transmit lockbox data regarding incoming payments from a bank to its corporate customers.
Application Advice	<u>824</u>	.	A response sent by the receiving partners' business application identifying the level of acceptance of a sender's transaction. Errors such as invalid invoice numbers or other application related data are identified with the transaction.

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Title	ANSI		Transactions/Messages		Description
			EDIFACT		
Electronic Funds Transfer	EFT	EFT			This transaction is an Automated Clearing House (ACH) standard and is used to transfer monetary funds between trading partners, normally financial institutions. Combining the ACH EFT payment standard with the X.12 820 transaction set, or Remittance Advice Statement, allows corporations to pay vendors electronically.
Planning Schedule With Release Capability	830	DELFOR			The planning schedule transaction may be used in various ways in a combination of ways, such as: 1) a simple forecast; 2) a forecast with the buyer's authorization for the seller to commit to resources, such as labor or material; 3) a forecast that is also used as an order release mechanism, containing elements like resource authorization, period-to-date cumulative quantities, and specific ship/delivery requirements. The order release forecast may also contain all data related to purchase orders because the order release capability feature can eliminate the need for discrete generation of purchase orders.
Inventory Inquiry/Report	846	INVRPT			The inventory inquiry/report is for buyers and sellers to exchange information regarding inventory levels.
Receiving Advice/Acceptance	861	RECADV			The receiving advice or acceptance certificate transaction set provides for customary and established business and industry practice relative to the notification of receipt or formal acceptance of goods and services.
Ship Notice/Manifest	856	DESADV			An advance ship notice lists the contents of a shipment of goods as well as additional information relating to the shipment, such as order information, product description, physical characteristics, type of packaging, marking, carrier information, and configuration of goods within the transportation equipment.
Shipping Schedule	862	DELJIT			The shipping schedule transaction set provides the ability for a customer to convey precise shipping schedule requirements to a supplier and is intended to supplement the planning schedule transaction set (830). The shipping schedule transaction set is intended to facilitate Just-In-time (JIT) manufacturing and should not be used to authorize labor, materials or other resources.
Order Status Report	870	OSTRPT			This transaction set provides the ability to report on the current status of an entire purchase order, selected line items/product/services on a purchase order or purchases orders for a specific customer.
Order Status	-	-			Order status information is also available in a report format transmitted via e-mail.
Functional Acknowledgment	997	CONTRL			This transaction is used by the receiving trading partner to acknowledge back to the sender the results of a transmission. An acknowledgment is returned detailing what transactions were received and if there were any segment or data element syntax errors.