

Going for team Gold

Four member distributors from upstate New York recently demonstrated teamwork and collaboration to reach the goals set by the IMARK E-Commerce Uniform Standards Program. Andersen Electric Supply, from Niagara Falls, and Davis Electrical Supply, L.A. Woolley Electric, and Quermback Electric, all from Buffalo, have reached or are positioned to reach IMARK's Gold Tier level within the next month.

"We embraced the IMARK program because we know IMARK has our best interests in mind," said Roger Cleary, president of Davis Electrical Supply. "EDI is not the wave of the future. It is here now. Distributors of all sizes need to embrace it to get ahead of the curve and stay economically sound in the future."

The four distributors discovered they had more in common than IMARK membership while researching ways to integrate EDI with their business processes. They also use the same enterprise resource planning (ERP) software system, have the same ERP technical consulting partner, and buy product from many of the same suppliers. Careful consideration led to a mutual decision to collaborate and master EDI.

"All four owners recognized the opportunity to cut costs and increase efficiencies by creating one standard process to engage in e-commerce with trading partners," said Peter Quermback, president of Quermback Electric. "We are friendly competitors who want to maximize the benefits from our e-commerce efforts."

IDEA was jointly selected as the group's e-commerce service provider, utilizing industry data exchange (IDX)

to conduct EDI transactions. Andy MacVie, IT manager for Quermback Electric, worked with IDEA and ProServe, their mutual ERP technical consulting company, to begin the process. They chose flat files to conduct EDI through an IDEA-provided service that translates flat files to EDI documents. The EDI document is sent to trading partners via IDX. The company representatives worked with IDEA to reach a consensus on the flat file formats. This decision circumvented limited technical capacity at each company.

"None of us really believed that EDI could financially benefit our company outside the IMARK incentive program due to our company size, but the benefits of e-commerce are undeniable," said Cleary. "We are already noticing quicker order fulfillment, and we are now positioned to receive electronic price updates. Why would we stop now? EDI is just the beginning. We want to take advantage of everything e-commerce can offer."

Each company discovered there were challenges along the way—with trading partner interaction and electronic document formatting topping the list.

"Supplier responsiveness was one of the toughest challenges to overcome," said Woolley. "We assumed that our suppliers had vast experience in EDI, but many of them were not ready when we approached them."

IDEA provides a value-added service to build trading partner relationships by helping to make the initial contact and continually working to communicate and gather information the supplier and customer needs.

"Each supplier has unique needs, and our company does not have the capacity to collect the requested information and send it in the preferred format each time we want to conduct e-commerce with a trading partner," said Cleary. "IDEA is the perfect middleman for us. They find out what the suppliers need and make e-commerce happen."

MacVie agrees. "IDEA was an extremely effective liaison to our suppliers. They worked with me day to day and were able to push the right people when we needed it."

The teamwork demonstrated by the four distributors paid off. Each company is now engaging in e-commerce with multiple suppliers, and they are already discussing more ways they can work together in the future.

The accomplishments of these four distributor companies demonstrate what's possible when people work together to utilize the best resources and technology along the way.

"IDEA is proud to have had the opportunity to work directly with these four companies to make e-commerce not only possible, but effective within each of their unique corporate cultures," said Bob Gaylord, IDEA president and CEO.

MacVie was extremely enthusiastic with the end result. "It is time to break out the balloons and confetti and chill the champagne. The IMARK webpage shows that Quermback Electric has crossed the finish line for the Gold level. And they said that it couldn't be done."

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