

# UPFRONT

E-BIZ BY JOE SALIMANDO

## Major suppliers push IDEA

**T**his past summer, Eaton's electrical business, Rockwell Automation, and Schneider Electric's Square D brand chose to get behind the Industry Data Exchange Association (IDEA)—and push incentives for distributor usage.

✓ Schneider's "Premier" co-op program now allows electrical distributors to use market development funds to cover 50% of IDEA's one-time start-up fee. According to the company, the move came "after the IDEA standards committee completed development of a new business document flat file standard to be used as an alternative for companies that have not implemented traditional EDI formats. The standards committee [which includes a Square D representative] urged the company's representatives to promote and increase awareness of the flat file format."

✓ On Aug. 17, Eaton noted that distributors who participate in the company's "Commitments" program can use business development funds to cover 50% of the IDEA start-up fee. "Eaton has found major benefits in the ways that e-commerce reduces costs for both Eaton and its distributors," said Kevin Hestad, channel operations manager, adding that IDEA "reduces order-to-delivery time and increases accuracy."

✓ Rockwell Automation is recommending the use of IDEA with all of its Allen-Bradley distributors in North America. "Moving forward, we see it as the platform we would like to use with all of our distributors," said Gar Kronhelm, manager of channel operations. "Rockwell has been and remains strongly committed to the use of IDW2 and IDEA."

### DAC and flat file info

Two noteworthy IDEA items:

• **Goodbye, DAC.** With the revamp of the Industry Data Warehouse (IDW2), the Data Audit & Certification program will disappear.

IDEA isn't abandoning the DAC program, which was introduced in 2003 to certify the quality of manufacturer-supplier data. Instead, DAC processes have been embedded in IDW2's normal operations. Manufacturer data will still be audited and certified. Data that doesn't make the quality cut will be put in a sidebar where, according to IDEA President Mike Rioux, the supplying manufacturer can access the data, correct it, and re-submit it. In addition, individual distributors can check the data. If whatever is wrong with it won't cause trouble for the distributor's system, it can be accepted and used.

• **The world file is definitely flat.** Square D referenced a flat file—a computer file that is not formatted for electronic data interchange (EDI). Why is the company excited about flat files? There is an obvious potential gain from using flat files as well as those in EDI formats: More distributors can participate in manufacturer-distributor e-commerce.

That's a big deal for large suppliers, who often quote high-percentage figures for e-business, relative to volume. Usually, the percentage of companies using e-business is much lower than the dollar volume.

### Future visions

One thing about the future and e-business: It keeps arriving.

Part of the new IDW2 is a four-level set-up for manufacturer data. Distributors and other IDW2 users can choose from one of four products. The four levels are:

1. Core: Basic transactional data consisting of approximately 25 fields and used primarily for small distributors using a legacy business system

2. Extended: Expanded transactional product data with as many as 250 attributes, including dimensions, weights, kits, etc., and providing the larger wholesale distributors more product and pricing data detail

3. Enriched: Enhanced product descriptive and reference information based on a product hierarchy with images, technical specifications, access to manufacturer Web sites, GSI (formerly UCC) connectivity to satisfy retail requirements, and more

4. Catalog: A combination of the extended data product and enriched data at a discounted rate

IDEA is also adding resources to speed up the acquisition of business information from manufacturers that do not currently supply data to IDW2, including enriched data and product images.

Another effort is the addition of an IDW2 implementation program managed by IDEA staff to assist manufacturers and distributors with setting up IDW2. Training modules are next on IDEA's agenda, including self-help for IDW2, IDX2, and other products to assist company staff.

All this leads to a vision that the IDEA Board (nine distributors, nine manufacturers) maintains in place, according to Rioux:

✓ All of the information in IDW2 will be supplied directly by manufacturers.

✓ Much of the information in IDW2 is at level three (enriched), so that distributors can access more than just pricing.

### It's a marathon, not a sprint

Put it all together, and there is hope for the future. According to Rioux, the goal is for a distributor to access IDW2 data from its suppliers that is both comprehensive and deep.

IDEA has made great progress in the past few years; persistence, industry support, and knowing that there is tremendous value to be gained has kept the program going strong.

"We will even see a day when a distributor's sales team accesses IDW2 data wirelessly, and has everything they need—information on all of the manufacturers, with proper pricing, and detailed data on product attributes," Rioux concluded.

That day is closer than anyone imagined a few years ago. ■■■

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