ECommerce EDI Toolkit

Created by: Cummins ECommerce

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Classification: Public

What is ECommerce?

- The ECommerce team is ultimately responsible for:
  - Leading Cummins business units and plant sites in the establishment of and adherence to common EDI processes
  - Enabling Cummins business partners to optimize the benefits of paperless business processes

What is EDI?

- EDI (Electronic Data Interchange) is the electronic exchange of data using a common standard.

- Cummins uses the **EDIFACT EDI standard** with our supply base.

- The two options for exchanging EDI are:
  - Sterling Web Forms (SWF)
  - Traditional EDI

Sterling Web Forms

- SWF is a service offered by our VAN (Value Added Network), IBM Sterling, which allows non-EDI capable suppliers to exchange EDI via a web portal.

- For more information, please contact Electronic.Commerce.Support@Cummins.com

Traditional EDI

- Traditional EDI requires the trading partner to be capable of receiving and interpreting the requirements received in the EDI file.

- The following are the most common or effective in achieving this capability:

  - **Integrated EDI solution** – ERP system or some other method of receiving EDI demand and loading it automatically into your system.

  - **3rd party software** – there are many 3rd party EDI software companies who offer solutions to receiving EDI via the traditional method.
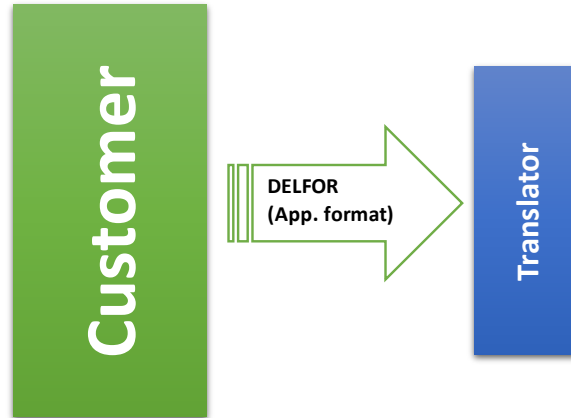
Cummins Most Common EDI Message Types

- DELFOR (Delivery Forecast)

- DESADV (Despatch Advice)

- INVOIC (Invoice)
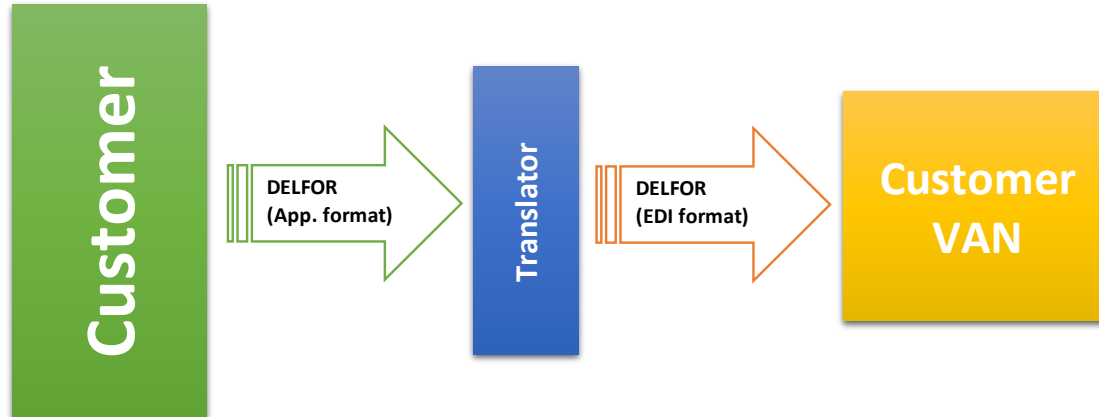
- APERAK (Application Error and Acknowledgement)

Process Overview: Traditional EDI

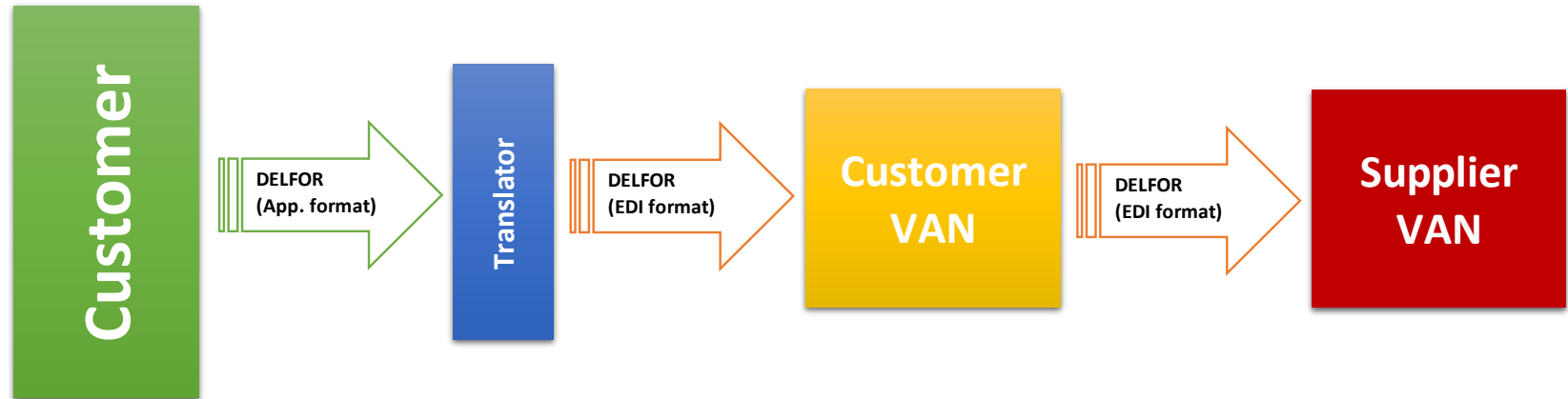- **Step 1:** Cummins plant sends DELFOR to translator (EDI server)

Process Overview: Traditional EDI

- **Step 2:** File is converted from application format to EDIFACT EDI format as it passes through translator on its way to our VAN (Value Added Network – IBM Sterling).
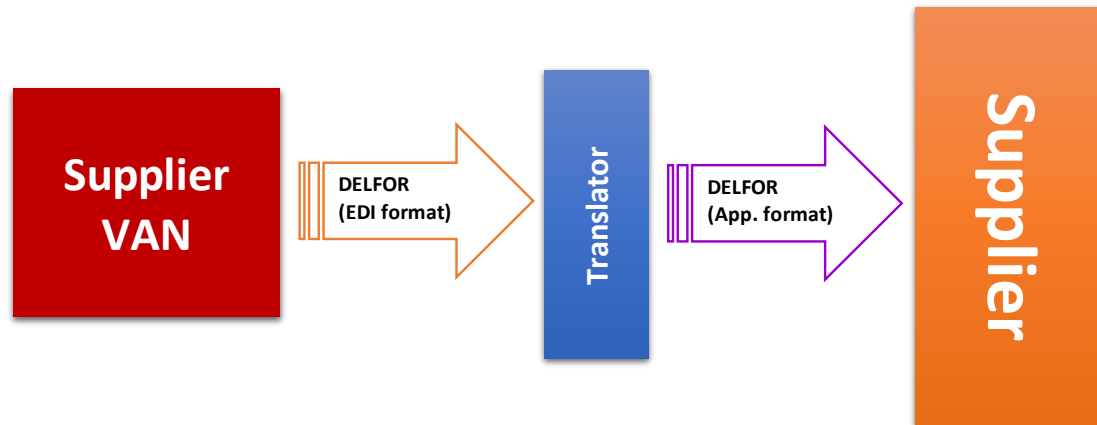
Process Overview: Traditional EDI

- **Step 3:** VAN receives DELFOR and sends to trading partner's VAN. If you don't use a VAN, our VAN will send the file directly to your application.

Customer → DELFOR (App. format) → Translator → DELFOR (EDI format) → Customer VAN → DELFOR (EDI format) → Supplier VAN

Process Overview: Traditional EDI

- **Step 4:** Supplier's VAN receives DELFOR and passes to the supplier's translator (EDI server), where the file is translated as it passes through on its way to the supplier's application.
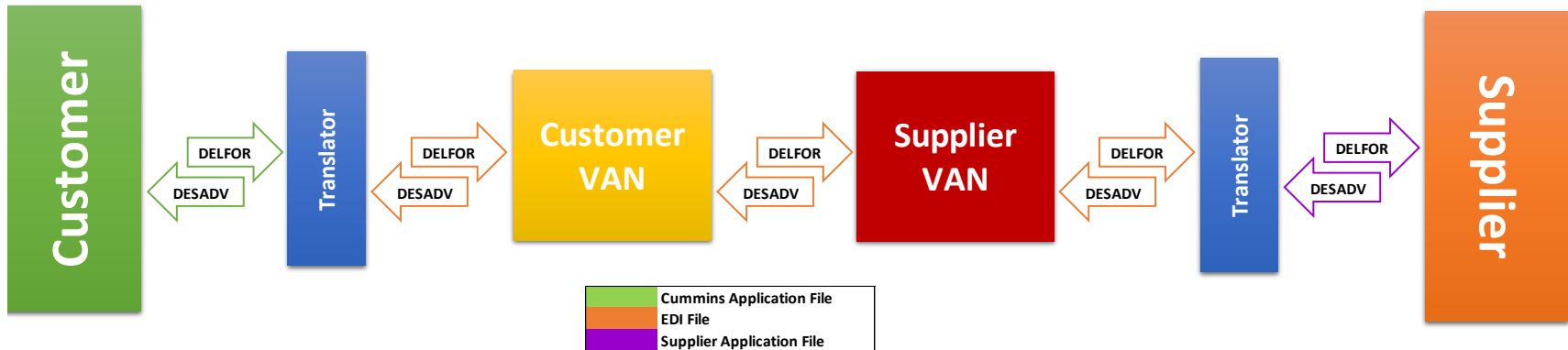
Process Overview: Traditional EDI

- **Step 5:** Once you have successfully received the DELFOR, you will need to send a DESADV within 30 minutes after your shipment has left the dock. The DESADV should be sent in the same manner the DELFOR was received (utilizing the same EDI ID).

Process Overview: Traditional EDI

Overall high-level process: DELFOR and DESADV

Message Type: DELFOR

- Delivery Forecast message sent by Cummins to suppliers

- Contains firm and forecast/planned demand

- Two types of DELFOR Schedules - Full replace; Net change

  – Full Replace Schedule – contains all of the demand for all parts replacing the data of the last schedule sent. This schedule type is typically sent weekly.

  – Net Change Schedule – contains only the demand for parts that have had any changes since the full replace schedule. This schedule type may be sent daily, as necessary.

- Schedule frequency differs between Cummins plants

DELFOR Benefits

- Cummins firm and forecast demand delivered directly to supplier's system

- DELFORs are generated and sent out automatically based on a regular schedule

Message Type: DESADV

- Advanced Shipment Notice sent by the supplier to Cummins

- Lists the contents of a particular shipment

- DESADV should be sent within 30 minutes of material departing the dock and must be received before material is received at the Cummins receiving location

- The Purchase Order number and part numbers must match the Purchase Order

DESADV Benefits

- Shipment information is directly received into Cummins inventory receiving system

- Reduces inventory discrepancies, material shortages, and manual error correction

- Material planners have visibility of inbound shipments

- No need to match receiving documents manually

Message Type: INVOIC

- Invoice sent from the supplier to Cummins

- Invoice loaded directly into Cummins accounts payable system

- Purchase Order number and part numbers must match the Purchase Order

INVOIC Benefits

- Eliminates the risk of an invoice being lost in the mail and greatly reduces delivery time

- Reduces costs associated with processing invoices manually

- Reconciliation process is automated

- Accuracy of data is improved

Message Type: APERAK

- Application Error and Acknowledgement message sent from Cummins to the supplier to inform of an error in the DESADV or INVOIC

- Automatically generated and sent to supplier when a file containing errors is received

- Supplier is required to correct the errors identified in the APERAK and resend the corrected file

APERAK Benefits

- Automatically notifies suppliers of incorrect data in their messages;

- No manual intervention required by Cummins plant

- Faster turnaround on error correction

Other Messages

- **DELJIT (Delivery Just-In-Time)**
  - Supplement to DELFOR
- **ORDERS (Purchase Order)**
  - One-time order; Drop Shipment order
- **RECADV (Receiving Advice)**
  - Part number or quantity discrepancy

Standard Message Flows
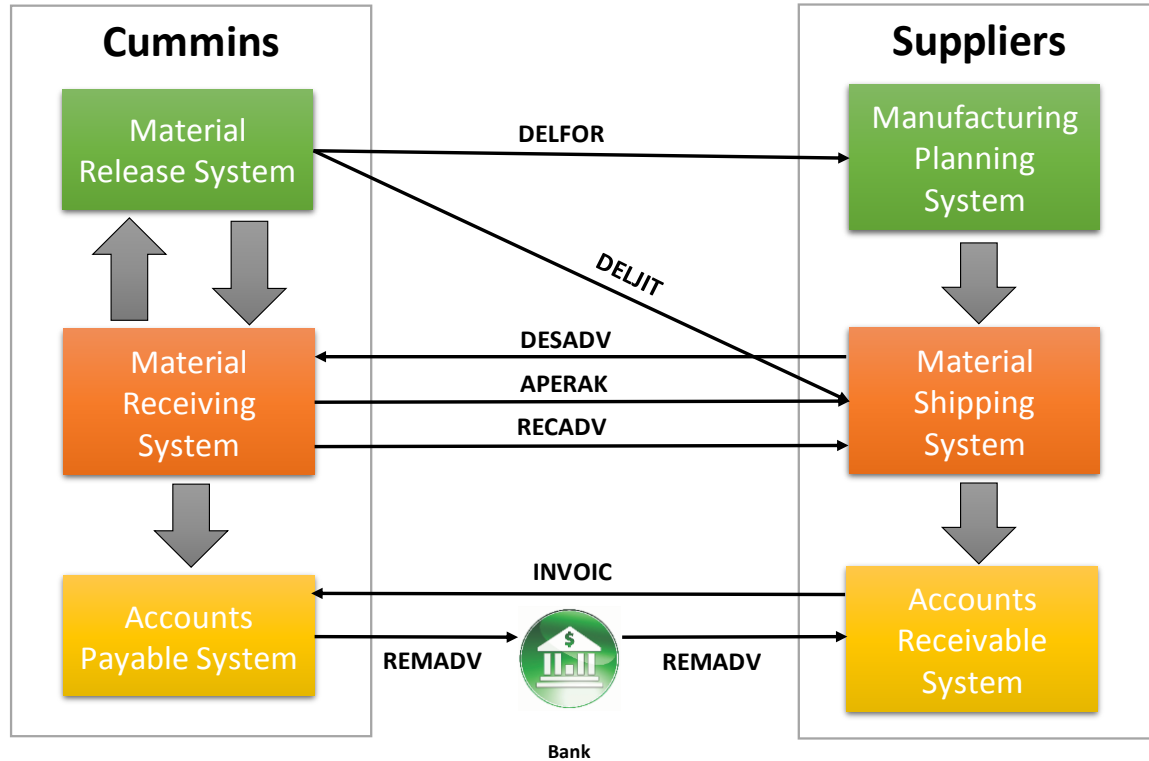
Getting Started

- Request your buyer to contact us directly to set up an EDI connection

- For questions, our team can be reached via phone or email

  - Electronic.Commerce.Support@Cummins.com

  - Support line: 812-377-3441