

UNIQUE COMBINATION OF DATA COLLECTION AND EDI TECHNOLOGY PROVIDES SCALABILITY, TRACEABILITY, FLEXIBILITY

Industry: Medical Device Manufacturing
Solutions: Integrated Data Collection & EDI

THE CUSTOMER

Headquartered in the North East and founded nearly 17 years ago, the customer, a Medical Device company, develops, manufactures and markets innovative products for the treatment of end-stage renal disease (ESRD) and acute kidney failure.

THE CHALLENGE

Managing an EDI system and processes can be a painful experience on its own. But replacing a legacy system that was developed by unknown persons to a detailed specification which incorporated an architecture that did not accommodate change was beyond technically challenging and extremely high-risk. Because business cannot be paused, replacing this legacy system seemed like *“changing a tire at 80 mph”* and was delayed and being avoided for as long as possible.

But EDI volume was growing, more trading partners were being added, more flexibility was required, additional efficiencies were mandated, and an ERP upgrade was in the plans. This customer was definitely going *“80 mph”*. Their legacy EDI interface programs were limiting productivity levels by constraining ERP functionality and it was suspected that the custom interface would not migrate forward without redevelopment. Their series of VAN’s required disruptive modifications and experienced frequent failures. EDI processes seemed to fail or crash weekly and the old hard-coded custom EDI interface to their ERP was inflexible to data element changes in EDI processing, negatively affecting the employees’ ability to respond to their customers’ needs. It was clear that choosing to continue with the current solution could not be justified. The customer needed a more productive EDI solution that would upgrade seamlessly, without a costly reimplementation to their ERP.

THE SOLUTION

“We moved away from a version-locked, invasive and incomplete solution to Radley Corporation’s Productivity Solutions,” said the Customer’s e-Business Project Leader, Commercial Ops, *“My first conversation with Radley revealed a company that **bristles with experience**. They immediately offered clear concise steps of what needed to be done, and better yet said they wouldn’t have to touch the ERP.”*

Unique Challenge, Unique Solution: CUSTOMER 3PL Process

The Customer uses Third-Party Logistics Providers (3PLs) to fulfill shipments to their customers. iR*EDI communicates with the ERP via APIs, to automate their EDI communications with its 3PLs. Radley's ability to utilize the API's allowed for no direct customization of the ERP itself. In addition, Radley's WatchDog utility is deployed to monitor the ERP order queues, and process new Customer Orders for 3PLs as EDI 850 Purchase Orders for receipt at the 3PL location.

When the 3PL fulfills the shipment, they send an 856 Advance Ship Notice (ASN) back to the Customer, which is processed as a shipment pick transaction inside of the ERP. They can relieve finished goods inventory, as well as update the original Customer Order with any adjustments to location or lot/serial number made by the 3PL during its' shipment process. These modifications easily met the Customers unique Customer Order fulfillment and inventory management needs within their ERP.

Radley's Integrated Data Collection pulls Picklist data from the ERP, performs the customer defined validations and then sends it to iR*EDI. iR*EDI then manages communications outbound and inbound with the 3PLs. iR*EDI reports 3PL transactions to a custom transaction, "CO Picking with Differences", which processes the 3PL's ASN as an update to the ERP Customer Order .

BENEFITS

- The Customer now processes hundreds of ERP Customer Orders correctly to the 3PLs – without system failures and manual interventions - and they get back their ASNs to update the Customer Orders after shipment has been made.
- Some benefits in productivity were immediate. Because the Radley solution contains many validation checks on each order, the Customer can trap incomplete orders or orders with errors and reprocess them without the amount of human intervention required with the legacy system.
- The improvement to system up-time was significant. Radley's iR*EDI solution and integration to the ERP proved to be much more stable and reliable.
- By using Radley's hosted solution, the Customer is no longer concerned about down time or system maintenance, including backups. Web services are used to connect to the ERP from the hosted site and information is sent directly, via FTP or VPN tunnel, to their 3PLs. This eliminated their need for VAN services and associated costs.
- Eliminating transactional failures with no apparent cause combined with the ease of tracking the status of transactions has served to strengthen the relationship with their supplier's IT teams.



iR*EDI links the shipment lines to the original purchase order lines and passes the combined shipment and purchase order information as a shipment pick transaction inside of the ERP. The Customer can now relieve finished goods inventory, as well as update the original Customer Order with any adjustments to location or lot/serial number made by the 3PL during its shipment process.



MOVING FORWARD

Continuous Improvement

At present, invoice processing must be suspended during normal business hours, due to the overhead placed on the system. Automation of invoice processing is being planned that will streamline EDI communication of 810 invoices to the Customers largest customer. In addition to eliminating degradation and improving system performance, it is anticipated that this automation will save them several thousand dollars per month by eliminating manual invoice processing.



“We used to have an EDI crisis every week, now all is fully automated. I love it. We were never able to send future orders and now we are sending those as well.”

e-Business Project Leader, Commercial Ops,



RESULTS/SUMMARY

- Languages English/Spanish/German/Chinese/
- Global Service Reach
- Time to Benefit Immediate – System performance improvement immediate; legacy EDI system was failing weekly.
- Greater, more accurate and timely processing of accurate shipping orders to 3PLs. Elimination of order errors requiring the Customers personnel to intervene, in order to resolve.
- Lower inventory costs due to improved accuracy and control
- Ability to select orders by carrier
- Fast response to emergency orders
- Reduced IT costs: no need for costly upgrades of legacy EDI system to each new ERP release.
- Significantly reduced overtime
- Increased customer satisfaction
- Greater reliability and throughput of the EDI system a whole
- Improved processing of customer orders via EDI to 3PL and return ASNs/Customer Order updates

For more information on Radley Corporation and its products, please visit <http://www.radley.com>.

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