Vermont Information Processing, Inc.

The Situation

Since 1972, Colchester, Vermont-based Vermont Information Processing, Inc. (VIP) has helped beverage wholesalers to be more efficient, effective and profitable through the successful use of information technology. VIP software applications support a full range of business functions including inventory management, order processing, sales reporting and financial management. Today, the company's 145 employees provide software and services to approximately 400 distributors.

Customers can run VIP's software on their own hardware or they can avoid the need for in-house technical skills and up-front capital costs by making use of VIP's Application Service Provider (ASP) offerings.

The Business Challenge

Early in 2004, VIP recognized an opportunity to help beverage distributors drive down costs, improve productivity and increase the accuracy of their business processes through the use of electronic, automated supply chain communication solutions. Moreover, many large retailers and grocery chains now don't just prefer to interact electronically with suppliers, they demand it. Consequently, many VIP customers needed to adopt EDI processes and solutions if they wanted to continue to sell to these retailers and grocers.

VIP couldn't adopt just any solution. The company supports some of the world's largest soft drink, beer, wine and spirits distributors, not to mention at least one Fortune 100 retailer. To meet the rigorous demands of these companies, the solution that VIP chose had to be reliable and secure.

A Complete Solution

To address these requirements, VIP implemented Inovis' full suite of integrated solutions for data exchange, data translation and communication to setup an EDI hub that enables the easy, secure exchange of business transactions between beverage distributors and their customers.

The choice of Inovis was an easy one because Inovis was recommended by one of VIP's customers. "When I was working at my former company, my boss established a relationship with VIP," said Tom Hickey, who is now E-Commerce Program Manager of VIP. "They had been using Inovis. When VIP was evaluating supply chain communication options, we had conversations with them and said, 'Here's what we use and we're very happy with it.' VIP then did its own due diligence and decided that Inovis was the best choice."

> " Currently, we have only a hand-ful of distributors that trade through AS2, but a number are AS2-capable. So we've started a project to expand our use of it. AS2 is transparent to our custom-ers, but BizManager's support for it will allow us to reduce our transaction costs and potentially adjust our transaction pricing to our customers to reflect those savings."
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> —TOM HICKEY E-COMMERCE PROGRAM MANAGER VERMONT INFORMATION PROCESSING

Now, VIP uses Inovisworks™, Inovis' leading-edge Value-Added Network (VAN), as the foundation for its supply chain communication and data exchange. Inovisworks' transaction delivery services and data management capabilities provide visibility into the entire order-to-payment lifecycle.

VIP uses TrustedLink® System i, which is written specifically for the System i platform, to standardize document formats through data translation. TrustedLink System i is a four-time winner of the Midrange Technology Showcase Product Excellence award for quality features, innovative design and exceptional value. TrustedLink supports a comprehensive array of industry standards including X12 and EDIFACT. Mapping capabilities link directly to in-house application files and fields, greatly reducing the amount of resources required to integrate EDI or XML with legacy systems or current ERP solutions, such as LX, XA, SAP and JDE.

VIP employs BizManager400™ to enable trading partner messaging, connectivity and B2B integration. The platform provides the flexibility to support FTP, FTP/s, HTTP, HTTP/s, Web Services, AS2, AS3 and ebXML. The support for AS2 was essential because some of VIP's customers insist on its use to ensure security while using the Internet as a low-cost transport medium for transactions.

The Results and Benefits

Together, Inovis' integrated solutions have enabled VIP to standardize and streamline its supply chain communication offerings while also helping beverage distributors improve efficiencies and reduce costs. The flexibility of Inovis' software and services, combined with the security and comprehensiveness of the solutions, have allowed VIP to meet its customers' diverse supply chain communication requirements.

Today, about 70 customers use VIP's EDI hub. In addition, approximately 50 retailers accept transactions through it and that number is growing. VIP supports an expanding list of business transaction types that leverage the X12 and EDIFACT standards. On average, the hub currently processes about 40,000 transactions per month. VIP expects transaction volumes to grow by 10 to 15 percent or more per year for at least the next year or two.

> " The Inovis people have been great to work with. Every time we've come back and said, 'We need this' or 'Can you help us with that?' they've been right there to be sure that we had what we needed."
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> —TOM HICKEY E-COMMERCE PROGRAM MANAGER VERMONT INFORMATION PROCESSING

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