

“We are now far more responsive to the needs of our customers. As a result, we’re not only reaping impressive time- and cost-savings benefits, but also improving our customer relations. With less administration time, and improved document accuracy, we can focus our time on addressing more qualitative issues around the way we do business.”

— NICK HERMANN,
HEAD OF IT AT
ORGANIC FARM FOODS



Organic Farm Foods Makes Healthy Savings Trading Electronically

Leading Organic Food Company Improves Customer Service and Business Efficiency with Desktop EDI™ from GXS

Corporate Profile

UK's Largest Distributor of Organic Fresh Fruit and Vegetables

Organic Farm Foods was founded in 1986 by a group of organic growers in Wales who were aiming to develop an efficient infrastructure for British organic vegetable producers. Today, Organic Farm Foods has 320 employees and is the UK's largest importer and distributor of organic fresh fruit, salad and vegetables, selling 9,000 tons of produce each year.

With its head office in Ceredigion, Wales, Organic Farm Foods was the first company in Europe to target major supermarket chains as a potential market for organic produce. The company's distribution network already covers the whole of the UK and France. In addition, it is a pioneer in technology initiatives within the fresh produce industry. The company's commitment has always been to quality at every stage of production; care for its products and the environment in which they are grown; and innovation in the development of grower partnerships, information technology, packaging concepts and production techniques.

The Business Challenge

Reduce Data Entry Errors, Streamline Trading Processes

Working with six major supermarket chains means Organic Farm Foods receives over 250 orders and issues 100 invoices per week from these customers alone. Tesco, for example, issues one order each week which translates into 20 purchase orders for Organic Farm Foods. In the first few years of the company's life, these processes were handled manually: for example, orders were read out over the phone, written down and re-keyed into the company's spreadsheet based order processing system. This process would take up to two and half hours each day.

Faced with aggressive competition in the organic foods market and with the increased drive from major multiples to remove costs from their supply chains, Organic Farm Foods needed to take a closer look at how it exchanged business documents with its trading partners. Nick Hermann, Head of IT at Organic Farm Foods, explains:



GXS SOLUTIONS USED:

- Desktop EDI™
- Interchange Services

“We have a policy of on-going investment in IT, and constantly review ways in which we can cut costs and improve efficiency across the supply chain. With sales growing at a considerable rate each year, we recognised that we needed to automate our transactions not only to meet the needs of our customers, but also to further improve the running of our business.”

Organic Farm Foods wanted to speed up our processing and thereby:

- Achieve better cashflow
- Make savings in production and logistics
- Reduce errors
- Deliver better customer service

Organic Farm Foods turned to EDI (Electronic Data Interchange) to address these issues.

The Solution

Electronic Trading with GXS’s Desktop EDI™

Organic Farm Foods opted to digitize the exchange of supermarket sales orders, projections, invoices and depot entry codes using Desktop EDI™, a PC-based solution from GXS. Desktop EDI enables small and medium businesses to trade electronically by offering EDI-translation and business document management capabilities.

The software provides Organic Farm Foods with access to GXS’s Interchange Services global trading network and the necessary tools and services to help the company to expand and integrate with its in-house trading database. Hermann comments on selecting GXS:

“We had little experience of EDI when we embarked on electronic trade so, although setting up was relatively easy, the level of support GXS provided was important to us. And the company’s track record further convinced us that we had made the right choice.”

Organic Farm Foods uses Desktop EDI to perform data entry and document turnarounds (from ordering to invoicing). Currently, the company trades electronically with its six major supermarket customers, which represents 80 percent of its business, the rest of its trading partners are smaller organic retail specialists. Plans to expand its use of EDI to additional customers are already in the pipeline.

Moreover, the company is adding Advanced Shipment Notices (ASN) to its list of business documents exchanged via EDI. This will enable it to share information with customers regarding when the goods are shipped before they receive them.

The Results

Enhanced Customer Relations, Improved Efficiency

The use of EDI has dramatically improved document accuracy, accelerated processing of orders and invoices and improved customer relations for Organic Farm Foods. In addition, instead of having multiple invoices to turn around daily, EDI is used to convert the informa-



ORGANIC FARM FOOD'S RESULTS:

- Faster invoice and order processing—from two and a half hours to 15 minutes
- Improved document accuracy
- Reduced inventory
- Decreased supply chain costs
- Improved customer relationships

tion into consolidated electronic files which are automatically sent back to the customers. Hermann adds:

“We are now far more responsive to the needs of our customers. As a result, we’re not only reaping impressive time- and cost-savings benefits, but also improving our customer relations. With less administration time, and improved document accuracy, we can focus our time on addressing more qualitative issues around the way we do business.”

NORTH AMERICA AND GLOBAL HEADQUARTERS

100 Edison Park Drive
Gaithersburg, MD 20878
U.S.A.

+1-800-560-4347 t
+1-301-340-4000 t
+1-301-340-5299 f

EUROPE, MIDDLE EAST AND AFRICA

1 Station Road
Sunbury-on-Thames
Middlesex TW16 6SU
United Kingdom

+44 (0)1932 776047 t
+44 (0)1932 776216 f

ASIA PACIFIC

25th Floor, Shell Tower
Times Square
Causeway Bay
Hong Kong

+852 2884-6088 t
+852 2513-0650 f

www.gxs.com



About GXS

GXS is a leading provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration. Organizations worldwide, including 75 percent of the Fortune 500, leverage GXS' GS1 certified global interoperability and supply chain execution solutions. Active in the global standards arena, GXS offers solutions, powered by the Trading GridSM, that enable customers both large and small, to connect with global partners, synchronize product information and optimize the execution of supply chains. Headquartered in Gaithersburg, MD., GXS provides sales and support to businesses and their partners worldwide. For more information about GXS visit www.gxs.com.