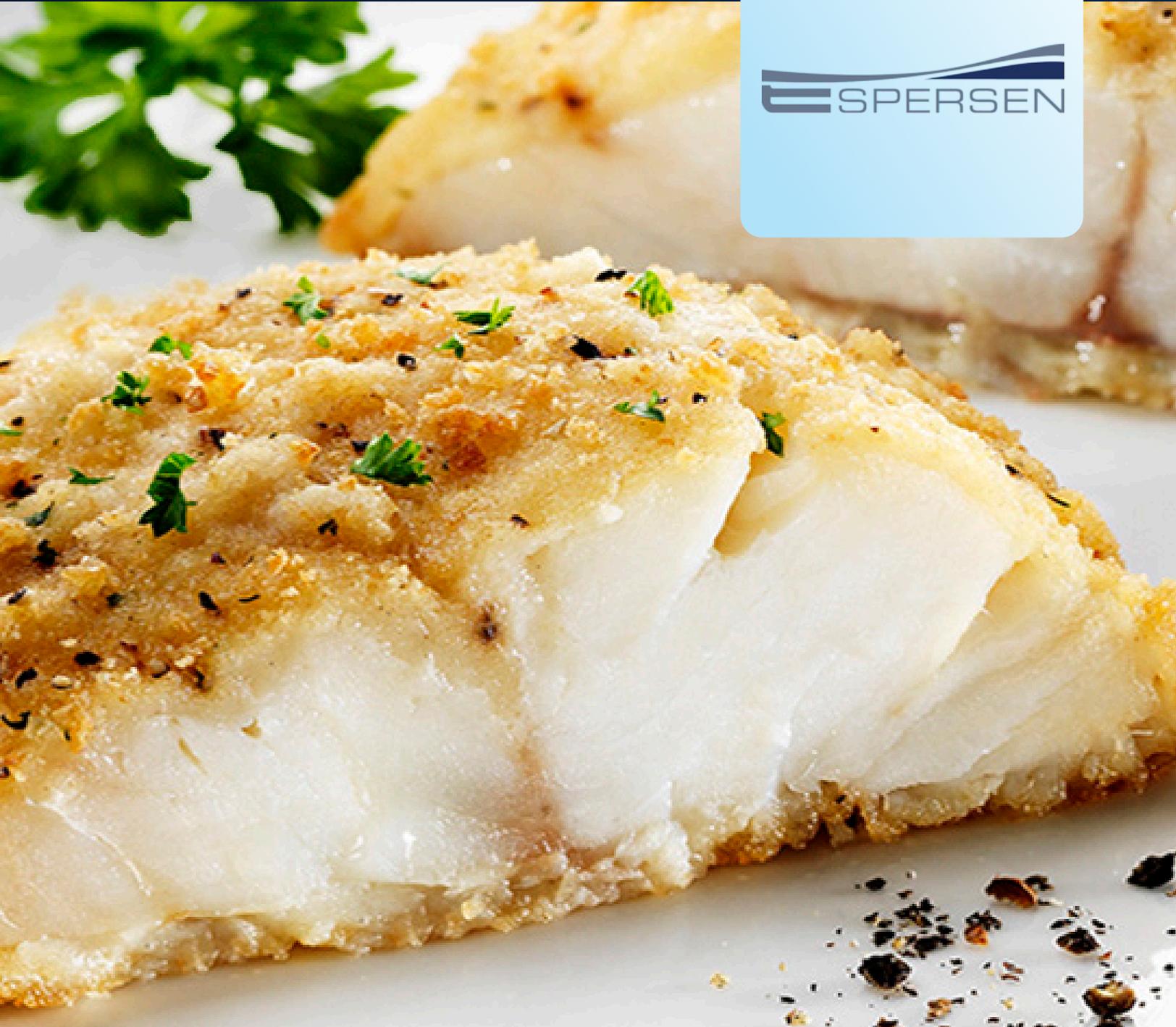


EDI and Digitalization: A Future Business Strategy for A. Espersen



The Objective

A. Espersen is a world leader in the production of fish products, which they supply to McDonald's throughout Europe. Espersen was founded on Bornholm in 1937. Today A. Espersen employs approximately 3,000 people in their production in Denmark, Lithuania, Vietnam and Poland, where their largest factory is located, as well as in offices in Denmark, the UK, France, Germany and Sweden.

A. Espersen has a turnover of approximately DKK 2.7 billion a year, and no less than 70 thousand tons of fish are processed at their factories every year. The company has Infor M3 as its ERP system, where it has integrated TrueCommerce's EDI solution. A. Espersen exchanges approximately 1,200 EDI documents per month (including orders, invoices and transport documents) with their 24 trading partners, which include both suppliers and customers in more than eight different countries. A business of this magnitude requires an efficient and scalable process for commerce.

Digitalisation as a Future-proof Business Strategy

The rising inflation and increased energy prices can be particularly felt by large manufacturing companies with multiple factories and significant exports. This development in the market is one of the reasons why A. Espersen chose to make EDI part of their future business strategy. René Nielsen, Head of Group IT & PMO at A. Espersen A/S, says:

“This is where EDI becomes a bit exciting for us, because we see it as an opportunity to remove some complexity and at the same time minimize and optimize our resources in the future.”

René Nielsen

Head of Group IT & PMO, A. Espersen A/S

As part of their new digitalization strategy, A. Espersen began the rollout of a major ERP project, where they upgraded to Infor M3 Cloud. Part of this project included EDI.

The driving force behind the EDI project was the need to reduce manual workload through automated processes. René Nielsen says: “We especially benefit from the automated order management. When I look at our business, it is when we receive the order that we can save the most time.”

A. Espersen has an ambition that 75% of the orders, invoices and transport documents they exchange with their customers, suppliers and logistics partners should be sent via EDI.

One of the major benefits that René Nielsen points to is that the company can save a lot of time and resources that can be spent elsewhere in the business rather than on manual typing work.

The Value of Outsourcing

A. Espersen has chosen to outsource their EDI to TrueCommerce, as they do not see EDI as a core area for their internal IT department. “We have chosen TrueCommerce as our strategic partner to help us on this journey. We have a really good collaboration with TrueCommerce, and they have been very flexible,” says René Nielsen.

By outsourcing its EDI, A. Espersen frees up time for their employees to focus on other priorities in the company.

The company’s top priority is to streamline its business and ultimately improve both the top and bottom lines. To achieve this, a business must strengthen the relationship with its customers and suppliers, and this is exactly where EDI plays an important role. René Nielsen, for example, points to how EDI has improved their customer service.

Data Is the Key to Success

As the first important step in the EDI strategy, A. Espersen has had to clarify which challenges they wanted EDI to solve for them, as well as what data they wanted to exchange. René Nielsen points out: “You have to remember that you are not just exchanging some data in tables and fields – in the end, it is about physical goods that need to be moved from one place to another. So it is critical that the data is in order.”

It is therefore essential to comprehend the complexity of the data to be exchanged, as well as the consequences that erroneous data can have, such as missing or incorrect deliveries. Therefore, a significant portion of the preparation for EDI implementation has consisted of securing and defining the necessary data. Once this work is in place, significant gains can be made in EDI. René Nielsen says, “When EDI works, we don’t spend any time on it. We can see that monitoring takes up less space in our IT department, we have eliminated a lot of manual work, and the data quality has increased.”

“We see a lot of opportunities for EDI to help us achieve our goals in efficiency and digitalization. And we have only just started. It takes work and resources to get ready, but when you go live with your EDI, it’s worth the investment.”

René Nielsen
Head of Group IT & PMO, A. Espersen A/S

The Results



Documented Processes

A. Espersen chose to document their processes and clarify their need for data, and this exercise has given them a better understanding of what the purpose of EDI is for their particular business. In this way, it will also be easier to train new employees or set up new customers if everyone in the organization is familiar with the same processes.



Internal/external Division of Roles and Tasks

It is essential to maintain transparency regarding the roles and responsibilities of all parties, both externally and internally. In a company, there can be many different internal roles and departments that are affected in one way or another by EDI. For example, these include finance, sales, customer service, and IT. And those who receive orders may not be the same as those who send the outgoing invoices.

René Nielsen points out that the organisation calmed down and that the projects became much more streamlined as soon as the roles and responsibilities were clearly defined and the EDI connection was set up.



Overview of Master Data

It is essential that you base your decisions on data rather than assumptions and intuition. Once you have defined your most important master data, you can ensure that it is also sent correctly to the EDI platform. A good place to start structuring your master data is in the ERP system, where a significant amount of data is already available.



Incorporate EDI Into Your Long-term Business Strategy

Most companies will need EDI at some point because they are either met with a demand for EDI from their customers, or because they need to automate some processes and increase data quality. But like many other IT projects, EDI takes time, and it cannot be set up overnight.

Therefore, it is important to think EDI into your overall digitalization strategy, for example in connection with a change or an upgrade of your ERP system. This way, you can let your EDI supplier know what you need and when you need it, ensuring that important deadlines are met.