



Is EDI a Growing Industry?

by Ray Atia, ratia@amosoft.com

Short answer is Yes!!! EDI is Growing big time!!!

EDI is expected to grow with business-to-business e-commerce overall, a sector that was growing quickly in the early 2000s. In 2000 alone, business-to-business sales were estimated to be \$3.3 trillion, with forecasts predicting an increase to \$5.2 trillion by 2004, according to Corporate EFT Report. The Gartner Group forecast sales in this sector to be even higher, reaching \$7.29 trillion by 2004. The use of EDI also is expected to grow along with international trade agreements like the North American Free Trade Agreement (NAFTA).

According to Corporate EFT Report, in the early 2000s the lines between EDI and other Internet channels—including hybrid EDI/Internet electronic trading networks, Internet e-marketplaces, extranets, Internet company-to-company links, and private emarkets—were beginning to blur, and companies were relying on a variety of channels to conduct business with suppliers, depending on the nature of their business goals.

In a Planet IT article, David Yockelson provided a similar snapshot of EDI in the early 2000s, as well as a glimpse at the road ahead: "VANs haven't gone away, but the demands of businesses and their trading partners have changed dramatically. Internet-based transport, broader and more robust sets of information and real-time connectivity are just a few of the items that have been appended to the connectivity wish lists of most companies. Moreover, the basic language of data movement has suddenly become XML, despite the presence of decades-old EDI standards. VANs aren't dead. EDI isn't going away any time soon. And XML, while incredibly exciting as an application and data-neutralizing standard, is in its infancy."

EDI was expected to grow, it was just a matter of time before internet will be everywhere and the low cost of electronic transactions reduced scientifically and EDI there are affordable EDI solutions of all sizes and to all types of companies. There is no way a business can continue to grow and trade with large vendors, retailers and suppliers without being able to exchange EDI documents online quickly. Every year more and more companies join the EDI network beginning to use electronic documents and enjoy the speed of electronic business.

Address: 12445 Pacific Ave 5, Los Angeles, CA 90066

Phone: 310-862-4259

Web: www.amosoft.com