



We Need More EDI – Not Less

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In the past 30 years EDI has given businesses the option of eliminating paper documents, reducing costs, and improving efficiency by exchanging business information in electronic form. Theoretically, companies of all sizes could build e-Business in a completely ad hoc fashion, without prior agreement of any kind. In reality, only large companies are able to afford to implement it, and much EDI-enabled e-Business is centered around a dominant enterprise that imposes proprietary integration approaches on its Trading Partners.

In the past few years BizTalk server came up with tools for processing EDI and in the last BizTalk version which is BizTalk 2006, Microsoft came up with an EDI component that can process EDI files. This new version has finally proved the point that there isn't any complete solution to electronic business document other than EDI. The fact that large company like Microsoft decided to build a whole new set of tools in order to process EDI documents, impose a big question to the XML community. How come with all the popularity and growing industry of XML, no one stepped to the plate and created a standard of business documents that will give an answer to EDI.

Today the popularity of EDI continue to grow and the X12 organization continue to bring us more documents and improve and increase the business types it's supporting.

It's true, there is XML, ebXML (which is electronic Business XML), but none of this format give companies the option to exchange electronic document based on some standard other than EDI standards like X12.

Some of the reason we need more EDI: savings, speed, errorless document data and standard communication between business partners. All of these arguments put the EDI in front of companies need and enable them to exchange EDI documents quickly. Also many companies over the years invested significant amount of money in developing software to integrate with their ERP software, which bring them to a point where they really need a good reason why to abandon EDI for something else which require a lot of work as well and doesn't bring any advantage over EDI.

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