

Marine Electronics Company Steers Tight Ship by Switching EDI Operations to SEEBURGER

NAVICO AT-A-GLANCE

CUSTOMER BUSINESS

Navico is a leading developer of navigation instruments and other marine electronics products.

TYPE OF PROJECT

EDI upgrade

SOLUTIONS

**SEEBURGER B2B Gateway
SEEBURGER AS2 Adapter**

BUSINESS BENEFITS

- **90% reduction in EDI costs**
- **Reliable EDI message delivery**
- **Better trading partner relationships**
- **Elimination of retailer chargebacks**
- **Better cash flow from prompt invoice delivery**

TECHNICAL BENEFITS

- **Faster message mapping**
- **Easy message tracking**
- **Automated error checking**
- **Easy onboarding of new partners**
- **Global protocol support**

TECHNICAL ENVIRONMENT

**MANMAN ERP
HP Image database**

In 2006, the U.S. division of marine electronics manufacturer and navigation systems expert Navico International was in need of a mid-course correction in its EDI strategy. An earlier transition from an old DOS-based EDI system to an outsourced service provider was costing the company upwards of \$150,000 annually, providing inconsistent message delivery, and angering trading partners. Deploying SEEBURGER's B2B Gateway brought Navico's EDI operations back in-house, slashed EDI costs by 90%, and equipped IT personnel with advanced message tracking and error checking tools that cleared the decks for easy troubleshooting. As the company standardizes its ERP systems globally, all EDI transactions are expected to shift to the SEEBURGER platform.

The Challenge

A decade before the 2006 merger between Tulsa-based Lowrance Electronics and Norwegian-based Simrad Yachting that created Navico International, the IT team at Lowrance had installed Supply Tech's STX software to automate transaction processing with retailers who carried Lowrance's fish finding systems and other products. By 2004, the DOS-based Electronic Data Interchange (EDI) platform was ready to be mothballed.

Not only was the DOS interface unwieldy, but the system was unable to satisfy a Walmart EDI mandate requiring use of higher-speed modems. Lowrance global e-business and engineering applications manager Ken Anderson solved that problem by turning to STX's successor, Harbinger's Windows-based Trusted Link, exclusively for Walmart transactions. He ran both systems for roughly six months. But gradually the need to manage both platforms while adding new trading partners and updating message maps for existing partners overwhelmed the company's IT resources.

Outsourcing would reduce the IT overhead, so Anderson contracted with a third-party EDI application service provider (ASP) that was able to interface with Lowrance's MANMAN ERP system. He soon realized that he had sailed into choppy waters.

The combined mapping charges and monthly service fees of \$150,000 to \$190,000 a year were far greater than anticipated. The ASP was also unable to keep up with Lowrance's mapping demands, offered no tools for checking message delivery, and periodically dropped messages that in turn triggered retailer chargebacks and late customer payments. These issues prompted Anderson to chart a new EDI course.

The Strategy

In a classic case of perfect timing, Lowrance was preparing to migrate its MANMAN system to SAP R/3 at the same time the EDI issue was coming to a head. Anderson elected

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to deploy the SEEBURGER B2B Gateway for EDI because of its tight integration with SAP and SEEBURGER's track record of more than 1,700 SAP implementations. After Lowrance merged with Simrad to form Navico in early 2006, the SAP project was shelved to allow the new organization to make its own IT decisions, but Anderson decided to move forward with the SEEBURGER deployment for several reasons.

First, the platform's Mapping Designer would allow easy graphical definition of the processes required for orders, invoices and other messages to be translated from ANSI X12 to MANMAN-readable format and back again. Second, proceeding with the deployment would enable Navico to meet a number of pressing EDI-related deadlines. "We needed to onboard several large new customers within six months," Anderson said. "It didn't make sense to stay with our outsourced provider given the expense and limitations of the service, and I knew that SEEBURGER could handle the job."

The Benefits

After installing the SEEBURGER B2B Gateway in Navico's Tulsa data center and receiving a few days of SEEBURGER training, Anderson embarked on the message mapping task. Within four months, he had completed the mapping and certification testing for the first 15 trading partners, including customers from Walmart to Cabela's, West Marine and Dick's Sporting Goods as well as suppliers requiring parts forecasts. By mid-2007, he had added and activated 10 more partners for a total of 25.

Since terminating its ASP contract and going live with SEEBURGER, Navico has slashed its annual EDI maintenance costs from \$150,000-plus to just \$15,000 to \$20,000. The company has also gained the ability to create new message maps in a week's time compared to as much as a month with both its STX and outsourced systems; data validation ensuring that documents are exchanged in the proper format; and robust message search capabilities

enabling the IT team to instantly confirm that purchase orders, advance shipping notices and other messages have reached their destinations.

The new system's reliability has eliminated chargebacks and other complications related to the ASP's delivery failures. In addition, Anderson has been able to take advantage of SEEBURGER's capabilities to automate processes such as identifying exceptions in message acknowledgements, informing the sales department of purchase orders, and routing purchase order changes to sales representatives. "SEEBURGER does what I needed it to do and more," he said.

The Future

As of this writing, Navico was in the process of expanding its use of SEEBURGER's B2B Gateway by adding outbound purchase orders and inbound invoicing for the company's major parts suppliers to the EDI stream. Anderson expects this strategy to further cut costs by enabling Navico to qualify for price concessions offered by suppliers who prefer EDI communication to the costs and error risks of manual data exchange.

Over time, Anderson also expects to move the entire global Navico organization to the SEEBURGER platform, utilizing SEEBURGER's ability to support any ERP platform and global communications protocol.

In the meantime, Navico's U.S. office is reaping the benefits of SEEBURGER automation. Whether it's digital gauges or a sonar/GPS chart-plotting system that helps fishermen find their way, customer purchase orders and associated message documents pass transparently through the SEEBURGER server and get translated to a MANMAN-friendly format for seamless population in Navico's ERP system. Navico's EDI operation is now ship-shape. And that ensures smooth delivery of electronics products for all the anglers who need Navico's technology to bring home the big fish.