LANSA Case Study

Oil-Dri implements EDI-INT a month ahead of schedule

Oil-Dri Corporation of America is a manufacturer of floor absorbents and other sorbent clay products headquartered in Chicago. Through its brand names Jonny Cat®, Cat's Pride® and Lasting Pride®, Oil-Dri has a 25 percent market share in the U.S. cat litter market. Using LANSA Data Secure Direct, Oil-Dri met a large retailer's AS2 requirements one month ahead of schedule with minimal changes to its existing EDI processing.

Ron Rymarczyk, EDI coordinator at Oil-Dri, says, "Implementation didn't involve a lot of work at all. LANSA offers a shrink-wrapped AS2 solution. We already had EDI mapping software in place and didn't need to use LANSA Integrator's EDI mapping or translation services. We only had to upgrade our existing EDI mapping software and change one program to make it work."

A Challenging Deadline

Over the years Oil-Dri has been trading using electronic data interchange (EDI) transactions over a Value Added Network (VAN) to over 50 of its larger customers, including large retailers. In August 2002, one of Oil-Dri's retail customers announced that its suppliers needed to send EDI documents over the Internet using the Applicability Statement 2 (AS2) specification. AS2 is a specification on how to transport data, including the means to connect, deliver, validate and reply to data in a secure and reliable way.

Cat litter accounts for almost two thirds of Oil-Dri's revenue and a large retailer is Oil-Dri's biggest customer, buying approximately 22 percent of Oil-Dri's cat litter, so Oil-Dri wanted to meet this retailer's requirements well and on time.

Allison Park, director of Information Systems at Oil-Dri, explains, "Once one of our retail customer's mandated AS2, we basically had to do it. We committed being AS2 ready to this retailer by May 2003."

"As our core ERP system and EDI translation software are iSeries-based, we wanted an iSeries AS2 solution."

"We evaluated several solutions and they all appeared capable of doing the job. The major reason we chose

"LANSA puts us in a position to implement AS2 to unlimited numbers of partners."

LANSA Data Secure Direct was because of its scalability. The LANSA licensing allows us to connect to an unlimited number of trading partners, but other vendors increment their license fees for each additional connection. More and more of our customers are interested in the cost-savings that EDI-INT brings, so LANSA's offering was most appealing."

"While we were evaluating solutions, several other customers also expressed an interest in receiving their EDI documents over the Internet," adds Rymarczyk. "The fast growing demand for AS2 illustrated very clearly the need for a scalable solution."

As an added bonus, Oil-Dri has been using its own version of GEMMA, a LANSA-based ERP system, since 1994. "The fact that we worked with LANSA for almost 10 years was re-assuring," says Rymarczyk. "However you don't need LANSA skills to use LANSA Data Secure Direct. It would have been just as easy for an RPG or COBOL shop to implement."

Oil-Dri went live with LANSA Data Secure Direct a month before its deadline with its retail customer.

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A Shrink-Wrapped Solution

LANSA Data Secure Direct is installed on Oil-Dri's iSeries Model 820 production server and integrates directly with Oil-Dri's existing EDI mapping product, Sterling Commerce Gentran. LANSA receives the AS2 secured inbound EDI transactions and feeds the unencrypted documents to the EDI mapping software. Consequently, LANSA picks up outbound documents from the mapping software, encrypts those based on the trading partner profile and sends them via AS2. In addition, digital certificates are exchanged between Oil-Dri and its customers.

An important component of AS2 is the receipt mechanism. This ensures the sender of the document that the recipient has successfully received that document, providing the all-important non-repudiation. This means the recipient cannot dispute the fact that they received the document.

Oil-Dri already had an EDI mapping solution in place. LANSA Integrator can integrate directly with any line-of-business application and perform X.12 or EDIFACT transformation if no other EDI translation software is installed.

Oil-Dri and its retail customers exchange a number of different EDI document/transaction types including purchase orders (850), invoices (810), advance ship notices (856) as well as a few trucking type transactions for scheduling shipment pickups, such as load tenders (204) and responses to a load tenders (990).

Keeping Customers Happy

Park says, "We are very customer focused. For us, AS2 is about keeping our customers happy. With AS2 we are now able to offer our customers an additional, very secure and accurate way of doing business with us. But as long as our customers use traditional EDI over a VAN, we will continue to support this as well."

"LANSA's productivity allows us to have a lean IT department."

"While smaller customers may continue to call-in or fax their orders to our customer service center, perhaps in a few years AS2 will prove to be a way of making EDI easy and affordable for small companies. But time will tell on that. This year the uptake of AS2 is mostly to replace traditional EDI. Over 10 percent of our current EDI customers have expressed an interest in AS2."

"One day, perhaps several years away, we may be able to get the full cost savings from EDI-INT when we can cancel or renegotiate our VAN contracts."

"With LANSA we are in a good position, because we can implement AS2 to an unlimited number of business partners. If a customer wants to communicate with us via AS2, we are able to do it as quickly as we can implement it. It is not a matter of licensing and expense."

"Managing the process is easy with LANSA's browser-based utilities," adds Rymarczyk. "The Certificate Manager generates digital certificates for issue to trading partners. Trading partner profiles can be set up individually for each document type exchanged. The Event Manager examines all inbound and outbound AS2 communication activity and maintains a log of transactions and messages for auditing purposes."

A Flexible Future

"We are also looking at other electronic ordering options. LANSA Data Secure Direct is based on LANSA Integrator that can handle AS1, XML, CSV and simple spreadsheet formats," says Rymarczyk. "Any form of electronic ordering would certainly be an improvement over receiving orders by voice or fax. We haven't yet explored all the possibilities that LANSA Integrator offers."

"LANSA covers 90 percent of our development. LANSA's productivity allows us to have a lean IT department with three developers. It is hard for us imagining not using Repository-based development. We are certainly happy that LANSA is developing solutions for EDI-INT and UCCnet, to integrate with our ERP system."

Allison Park, director of Information Systems and Ron Rymarczyk, EDI coordinator.

Company and System Information

- The Oil-Dri Corporation of America was named after its original product, Oil-Dri® clay floor absorbent, in 1941. Oil-Dri is now the world's largest manufacturer of cat litter and a leading supplier of specialty sorbent products for industrial, automotive, agricultural, horticultural and specialty markets. Oil-Dri operates a research and development program in Illinois and has seven manufacturing plants in North America and one plant in the UK. Gross revenue for 2002 was $162 million. Oil-Dri uses an iSeries model 820 for production (with approximately 200 workstations connected) and a model 270 for development. Oil-Dri uses Gentran Integration Suite from Sterling Commerce for EDI translation. For more information on Oil-Dri visit: www.oildri.com

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