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Guide →

EDI for Transportation and Logistics

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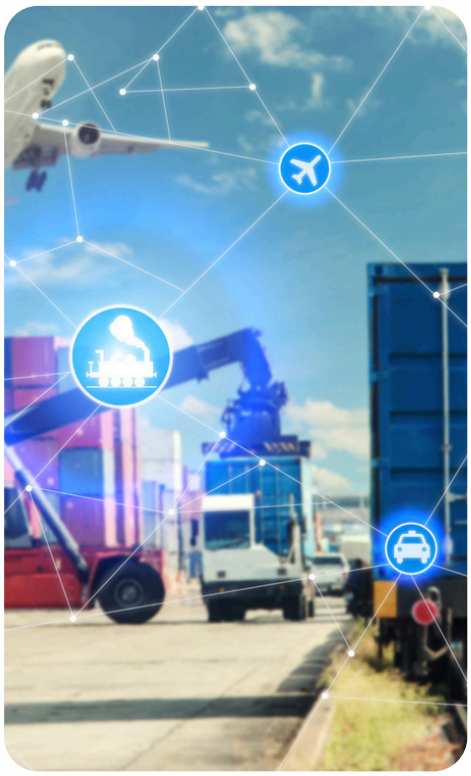
What is EDI?

Electronic Data Interchange (EDI) in logistics refers to the electronic exchange of business documents, such as purchase orders, invoices, shipping notifications, and other information, between different organizations in the supply chain.



EDI plays a crucial role in improving the efficiency, accuracy, and speed of information exchange in the logistics and supply chain management process.

EDI for Transportation and Logistics Management

Transport logistics is accompanied by constant "paperwork" associated with the movement of goods.
For efficient logistics, it is necessary to automate communication between all participants of the logistics process: manufacturers of goods, warehouses, retailers, carriers, freight broker. etc.

How is EDI Used in Transportation?

Shipment tracking and status updates: EDI messages can be used to provide real-time information about the status of shipments, such as pickup and delivery times, estimated time of arrival (ETA), and any delays or issues.

Shipping documentation: EDI can be used to exchange shipping documents such as bills of lading, packing lists, and customs declarations, which helps to reduce errors and streamline the shipping process.

Freight invoicing and payment: EDI messages can be used to exchange billing and payment information between shippers, carriers, and 3PLs, reducing the need for manual data entry and minimizing the risk of errors and disputes.

Transportation Modes and EDI

EDI is widely used in various types of transportation to automate communication and enhance efficiency across the supply chain.

EDI for Truck Transportation

Load Tendering: Shippers send EDI 204 Motor Carrier Load Tender messages to carriers to request the pickup of shipments.

Shipment Status Updates: Carriers send EDI 214 Transportation Carrier Shipment Status Message to provide real-time status updates to shippers, including estimated time of arrival (ETA) and delivery confirmations.

Invoicing: Carriers send EDI 210 Motor Carrier Freight Details and Invoice messages to shippers for billing purposes.

Some common EDI transactions related to motor transportation

- EDI 106 Motor Carrier Rate Proposal
- EDI 107 Request for Motor Carrier Rate Proposal
- EDI 108 Response to a Motor Carrier Rate Proposal
- EDI 204 Motor Carrier Load Tender
- EDI 210 Motor Carrier Freight Details and Invoice
- EDI 211 Motor Carrier Bill of Lading
- EDI 212 Motor Carrier Delivery Trailer Manifest
- EDI 213 Motor Carrier Shipment Status Inquiry
- EDI 214 Transportation Carrier Shipment Status Message
- EDI 215 Motor Carrier Pick-up Manifest
- EDI 216 Motor Carrier Shipment Pick-up Notification
- EDI 217 Motor Carrier Loading and Route Guide
- EDI 218 Motor Carrier Tariff Information
- EDI 240 Motor Carrier Package Status
- EDI 250 Purchase Order Shipment Management Document
- EDI 601 U.S. Customs Export Shipment Information
- EDI 602 Transportation Services Tender
- EDI 715 Intermodal Group Loading Plan
- EDI 920 Loss or Damage Claim – General Commodities
- EDI 990 Response To A Load Tender

EDI for Rail Transportation

EDI 404 - Rail Carrier Shipment Information:

This document provides detailed information about a shipment, including origin, destination, scheduled pickup and delivery times, and other relevant details.

EDI 410 - Rail Carrier Freight Details and Invoice:

The 410 document contains detailed freight charges and invoice information related to a shipment.

EDI 417 - Rail Carrier Waybill Interchange:

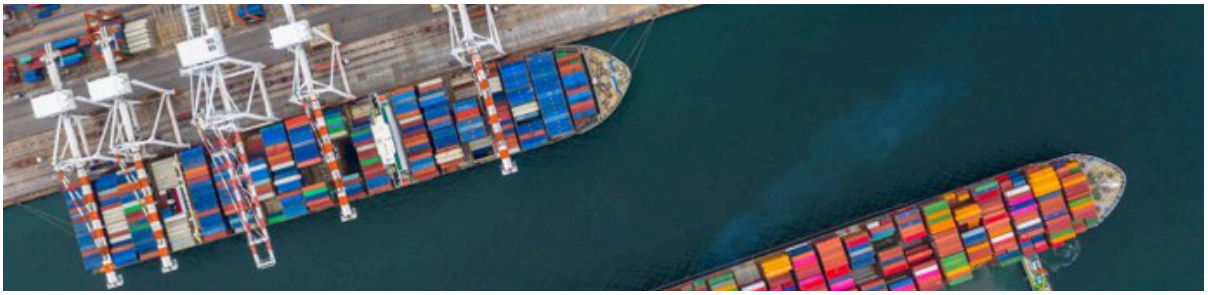
The EDI 417 serves as an electronic waybill, providing information about the consignment, routing, and handling instructions.

EDI 418 - Rail Advance Interchange Consist:

EDI418 provides detailed information about railcar contents and shipping details. It is used for advanced notification of incoming shipments.

Some common EDI transactions related to rail transportation

- EDI 404 Rail Carrier Shipment Information
- EDI 410 Rail Carrier Freight Details and Invoice
- EDI 411 Rail Carrier Freight Details and Invoice Summary
- EDI 412 Trailer or Container Repair Billing
- EDI 414 Rail Car Hire Settlements
- EDI 417 Rail Carrier Waybill Interchange
- EDI 418 Rail Advance Interchange Consist
- EDI 424 Rail Carrier Services Settlement
- EDI 425 Rail Waybill Request
- EDI 429 Railroad Retirement Activity
- EDI 440 Shipment Weights
- EDI 451 Railroad Event Report
- EDI 452 Railroad Problem Log Inquiry or Advice
- EDI 453 Railroad Service Commitment Advice
- EDI 455 Railroad Parameter Trace Registration
- EDI 456 Railroad Equipment Inquiry or Advice
- EDI 460 Railroad Price Distribution Request or Response
- EDI 463 Rail Rate Reply
- EDI 466 Rate Request
- EDI 468 Rate Docket Journal Log
- EDI 470 Railroad Clearance
- EDI 475 Rail Route File Maintenance



EDI for Maritime Transportation

EDI plays a crucial role in the maritime transportation industry.

Booking and Scheduling: Maritime companies use EDI to book cargo space, exchange booking confirmations, and share vessel schedules with shippers.
Shippers EDI 300 - Reservation (Booking) Request to request space for their cargo on a vessel. It includes information such as the type of cargo, quantity, and preferred vessel.

Cargo Tracking: EDI messages are used for tracking cargo. For example EDI 315 Status Details (Ocean) document provides status updates on the movement of cargo, including information about vessel departure, arrival, and any delays or changes in the schedule

Customs Declarations: EDI is essential for transmitting customs-related documents for international shipments.

Some common EDI transactions related to maritime transportation

- EDI 109 Vessel Content Details
- EDI 300 Reservation (Booking Request) (Ocean)
- EDI 301 Confirmation (Ocean)
- EDI 303 Booking Cancellation (Ocean)
- EDI 304 Shipping Instructions
- EDI 310 Freight Receipt and Invoice (Ocean)
- EDI 312 Arrival Notice (Ocean)
- EDI 313 Shipment Status Inquiry (Ocean)
- EDI 315 Status Details (Ocean)
- EDI 319 Terminal Information
- EDI 322 Terminal Operations and Intermodal Ramp Activity
- EDI 323 Vessel Schedule and Itinerary (Ocean)
- EDI 324 Vessel Stow Plan (Ocean)
- EDI 325 Consolidation of Goods In Container
- EDI 326 Consignment Summary List
- EDI 350 U.S. Customs Status Information
- EDI 352 U.S. Customs Carrier General Order Status
- EDI 355 U.S. Customs Acceptance/Rejection
- EDI 356 U.S. Customs Permit to Transfer Request
- EDI 357 U.S. Customs In-Bond Information
- EDI 358 U.S. Customs Consist Information
- EDI 361 Carrier Interchange Agreement (Ocean)

EDI for Air Transportation

IATA Cargo-XML is an XML-based messaging standard developed by the International Air Transport Association (IATA) to facilitate electronic communication and data exchange in the air cargo industry.

Industry Adoption:

IATA Cargo-XML has gained industry-wide recognition and support. Airlines, freight forwarders, ground handlers, and other stakeholders in the air cargo supply chain can benefit from using a standardized messaging format.

Support for e-AWB:

IATA Cargo-XML aligns with initiatives such as the electronic Air Waybill (e-AWB) and other e-freight programs. It enables the electronic exchange of key cargo-related information, promoting a paperless environment.

Key IATA Standard cargo-XML messages

- XFWB Airway Bill data
- XFFR Booking request message
- XFFA Booking confirmation message
- MLD Mail Label Data
- XFSU Status Update

Mail Status Events (within MLD)

- DLV Delivered to office of destination
- HND Received from a flight or delivered to a flight
- REC Received from post office at origin

Cargo Status Events (within XFSU)

- RCS Consignment received from the shipper and accepted as “ready for carriage” by airline at origin
- DEP Consignment departed on a flight
- ARR Flight Arrival at an airport
- RCF Consignment received from a flight or “flying truck”
- DLV Consignment delivered to the consignee or its agent

Benefits of EDI for Transportation

EDI offers numerous benefits for the transportation industry, streamlining processes, improving efficiency, and enhancing communication between trading partners.
Here are some key benefits of EDI for transportation:

Automation: Optimizes the entire supply chain from order processing to tracking deliveries reducing manual tasks.

Accuracy: Minimizes errors associated with manual data entry, ensuring reliable information.

Efficiency: Faster transaction processing leads to quicker order fulfillment and reduced cycle times.

Cost Reduction: Cuts operational costs by automating processes and eliminating paper-based documentation.

Visibility: Real-time tracking and status updates provided by EDI contribute to improved visibility into the supply chain. This helps businesses make informed decisions and respond promptly to changes.

Productivity: Automation of routine tasks allows employees to focus on strategic activities, increasing overall productivity.

Compliance: Adheres to industry standards, ensuring consistent and standardized information exchange.

Improved Communication: EDI enables seamless communication between various stakeholders in the transportation network, fostering better collaboration and reducing the risk of miscommunication

Streamlined Billing and Payments:
EDI facilitates automated invoicing and payment processes, reducing billing cycles and ensuring timely and accurate financial transactions.

5 Steps to Implement EDI

Step 1: Assess Your Needs

Begin by assessing your transportation management requirements. Identify the specific areas where EDI can add value, such as order processing, shipment tracking, or invoicing.

Step 2: Choose the Right EDI Solution

Select an EDI solution that aligns with your needs. Whether you're a large player in the industry or a mid-sized company, there's an EDI solution tailored to your needs. Consider these options from EDI2XML:

- Fully Managed EDI Service: this comprehensive service covers everything from project planning to file format development. It's suitable for high-volume businesses.

- EDI Web Service (REST API): this solution is cost-effective, low-commitment, and quick to implement. It's a great choice if you have in-house technical resources.

Step 3: Partner with EDI Experts

Partnering with EDI experts is crucial when implementing EDI for your business. These specialists bring valuable expertise and experience, ensuring a faster and smoother integration process. Their knowledge of industry standards, customization abilities, and ongoing support contribute to compliance assurance and system scalability.

Step 4: Integrate EDI with Business Systems

Work with your EDI provider to tailor workflows to your transportation management processes. Ensure seamless integration with your existing systems such as TMS, ERP, CRM, or other business systems and applications.

Step 5: Training and Onboarding

Train your team on a new EDI process. Ensure that everyone involved understands the benefits and procedures.

Conclusion

Implementing EDI for seamless transportation management is a strategic move that can elevate your logistics operations.

If you're considering implementing EDI for transportation management, our team of experts is here to assist you at every stage of the process. Contact us today for a free consultation and start your journey towards seamless transportation management with EDI.

About EDI2XML

EDI2XML is powered by Namtek Consulting Services. Namtek Consulting Services is a leading Canadian IT firm, providing the latest software solutions and IT services to various industries in small and mid-size market.

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