EDI Requirements

Last modified: 01/07/22

EDI Requirements

Electronic Data Interchange (EDI) is the process that enables companies to exchange business information electronically. Using standardized formats, documents including Purchase Orders, Advanced Ship Notices and Invoices can be transmitted electronically without human intervention. Companies that exchange documents electronically are called trading partners.

- The Neiman Marcus Group (NMG) includes Neiman Marcus Stores, Neiman Marcus Direct, Bergdorf Goodman and Horchow.
- NMG requires all Suppliers to be EDI compliant. The only exceptions to the EDI requirements are Direct Imports (non-landed), Precious Jewelry, one of a kind Furs, Made to Measure custom orders, and Suppliers who are doing Drop Ship only.
- New Suppliers have 90 days to become EDI compliant from the time they are set up in NMG's Accounts Payable system. The EDI team will contact each Supplier informing them of their EDI mandate date along with EDI mandate details.
- After the 90 day grace period has expired, the Supplier will be subject to violation charges for every non-EDI shipment received by NMG.
- NMG has partnered with InterTrade Systems, a 3rd party EDI and catalogue service provider. NMG requires all EDI Suppliers to use the InterTrade catalogue to load and maintain all UPC/style data we are purchasing. NMG does not utilize any other catalogue service. Suppliers must create their catalogue and grant NMG access before EDI testing can begin. InterTrade Catalogue
- EDI compliance is determined using a series of EDI document tests to ensure that your transmissions are mapped to our specifications. Upon verification of all tests NMG will certify each Supplier as EDI compliant.
- Required EDI documents are as follows:
  - 850 Purchase Order
  - 856 Advance Ship Notice
  - 810 Invoice
  - 997 Functional Acknowledgement

Sign up for e-mail notifications from our portal to stay in the know. Sign Up for E-mail Notifications

Drop Ship Suppliers

Suppliers who are doing Drop Ship business will need to work directly with the Drop Ship Team to become compliant. This is a different program and process than partners whose merchandise will be sold in stores. Drop Ship Requirements

 © Copyright 2024, The Neiman Marcus Group, Inc. All rights reserved.

Benefits of EDI

- **Higher efficiency** – Sending and receiving EDI data takes seconds or minutes, as opposed to days, and can be processed immediately. This saves time for both retailers and suppliers.
- **Improved trading partner relationships** - Sending and receiving EDI data requires cooperation, as well as increased communication between trading partners, which enhances the business relationship.
- **Lower costs** – Manual data keying and document processing is reduced or even eliminated, which can potentially reduce the costs of labor, paper, and the costs associated with errors.
- **Improved accuracy** – Errors are greatly reduced by using EDI because manual and duplicate entry is eliminated. This can reduce violation charges to the supplier.
- **Improved supply chain visibility and efficiency** – With EDI, merchandise flow at the receiving distribution points is increased. Sales data and inventory status can be shared, which allows for better inventory management.

EDI Flow Process

The steps for basic EDI are as follows:

• NMG transmits a purchase order (850) to the Supplier. The Supplier sends a return transmission (997 Functional Acknowledgement) to NMG confirming receipt of the purchase order.

• The Supplier packs the merchandise and attaches a GS1-128 shipping label to the individual carton. This label provides information regarding the contents of the carton.

• The 856 ASN transaction must be transmitted at the time of shipment release from the Supplier's facility. The ASN is the electronic notice indicating what product is being shipped for a specific purchase order/store. ASNs are considered late if not received same day of shipment release. Violations will be assessed for non-compliance.

• The final step is the Supplier’s transmission of the electronic Invoice (810), which is sent to the NMG for payment.

 © Copyright 2024, The Neiman Marcus Group, Inc. All rights reserved.