

4. How to Select a Value-Added Network

Freight forwarders and their trading partners depend on sending and receiving messages on a timely and dependable basis. They may be located across the street, across town, across Canada, and in many foreign countries; they may be importers and exporters in many different industries; as well, they may be air, ocean, rail and motor carriers, brokers, customs agencies, warehouses, ports and banks. Quite simply, the freight forwarder's world spans many industries, many time zones and many countries.

To select an EDI VAN, a freight forwarder must first determine what features are important to it as a trading entity. This involves a review of requirements and a comparison of the features provided by VANs that compete for their business.

Not all value-added networks are the same. Certainly the ones we have surveyed have many similarities, but there are also significant differences which may be important to any freight forwarder contemplating becoming an EDI customer. Careful selection of the right EDI VAN is an important part of a company's initial EDI implementation and its ultimate success. The right VAN will be cost-effective, responsive, experienced, and able to attract initial trading partners already active in EDI. The wrong VAN will falter, waste time, and worse, cost business. Obviously, the decision as to which VAN to choose is an important one. In this section, we review the key elements to be considered when selecting a VAN. Later, we will apply these criteria to the VANs surveyed and readers will have an opportunity to determine for themselves which VANs are best suited to meet their respective needs.

4.1 How to prepare for EDI

1. Create a company profile, a stock-taking of the company's current status vis-a-vis application, communications and translation software, computer hardware, transaction or document types, projected messaging volumes, trading partners, and standards that are expected to be adopted.
2. Select preferred translation software.
3. Become knowledgeable about the compulsory and optional services offered by each VAN.
4. Compare VAN offerings.
5. Decide which selection criteria are most important.
6. Select the most appropriate VAN.