

International Pricing Model

The international pricing model calculated overall annual costs for a Canadian freight forwarder's EDI usage with foreign trading partners, for the initial three years of operation. The following volume assumptions were used:

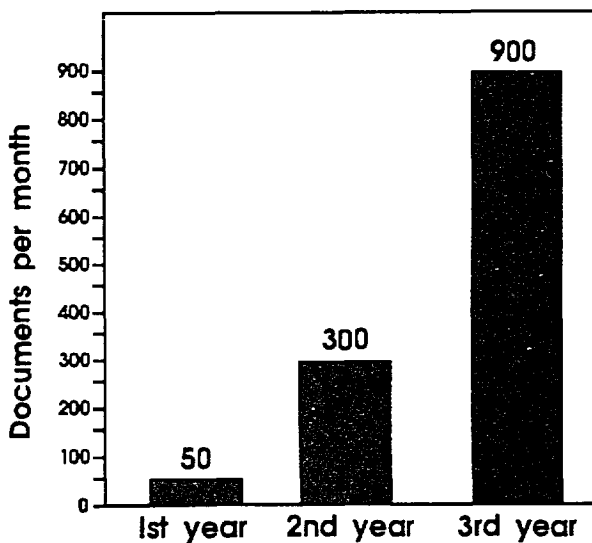
1st year	Send 100 Documents per month
2nd year	Send 600 Documents per month
3rd year	Send 1200 Documents per month

The average monthly costs per year ranged as follows:

1st year	\$80.00	\$565.00 with an average of	\$196.00
2nd year	\$280.00	\$1329.00 with an average of	\$643.00
3rd year	\$748.00	\$1894.00 with an average of	\$1568.00

With this model, AT&T, and Sterling Ordernet's prices were at the low end of the range. In the middle range were GEIS, IBM and TDNI. Kleinschmidt was at the upper end of the range.

**FIGURE 5
DOMESTIC PRICING MODEL**



**FIGURE 6
INTERNATIONAL PRICING MODEL**

