AgGateway Case Studies

Specialty Business Increases Efficiency with AgGateway's Inventory Reporting File Format

Background

Nutrien Ag Solutions, based in Loveland, Colorado, is a leading agricultural retailer of crop inputs and solutions, with a national network of retailers and agronomists. The company is comprised of four business units: Nitrogen, Phosphate, Potash and Retail. It also services specialty markets including turf and ornamental; vegetation management; forestry; and aquatics.

Challenges

Nutrien sought to increase efficiency and accuracy in its inventory reporting and accounting with its specialty chemical supply partners. Until recently there have been limited choices for inventory reporting for retailers and small to medium-sized distributors. The choices have been to implement a one-off business-to-business integration (not a "one size fits all" solution), or to create dozens of custom spreadsheets, each with a format specific to the manufacturer or supplier. It takes considerable time to change the format and values being sent to each manufacturer's specification.

Solution

Nutrien and its partners – SePRO Corporation and Nufarm (working with TKXS) – collaborated with other companies within AgGateway to create a solution for the industry. AgGateway's Inventory Reporting File Format is a tab-delimited text file format designed for parties that are unable to implement the preferred method of reporting inventory electronically (AgGateway XML Inventory Actual Usage messages sent over a B2B connection). Some smaller manufacturers can't implement XML at this time, so if they want to connect electronically they must use a third-party to receive reported inventory information, or they can use AgGateway's new flat-file format. Nutrien opted to implement AgGateway's Inventory Reporting File Format due to its ease of generation and the efficiencies gained with a standardized inventory export process across trading partners. This is a workable, beneficial solution until electronic connections can be established with all trading partners.

Key Points

- **Faster turnaround** for inventory reconciliations and **rebate payments**.

- Savings in **time and labor**.

- Consistent inventory counts; **Fewer errors** in inventory reporting.

- No more manual data entry.

- **Easy implementation** of the new process.

About the Standard…

- **One simple, standard file format** for inventory reporting.

- **Free** and available for public use.

- Create files manually in Microsoft Excel, or automatically with minimal effort.

- Supports industry standard identifiers (GLN, GTIN, UOM).

- Leverages AgGateway's Ag Industry Identification System (AGIIS).

Nutrien started reporting the sales and inventory flat files to SePRO Corporation and Nufarm/TKXS in October 2017. Nutrien EDI Systems Analyst Donald Green said the company didn't run into any issues implementing the new system, and the benefits were almost immediate.

Results

"By adopting this standard, we have removed manual data entry from the reporting process and we have seen fewer errors in inventory reporting," Green said. "This has resulted in labor savings, time savings, and a faster turnaround for inventory reconciliations and rebate payments."

Green said the inventory flat file saves him 6-8 hours a month in the reporting and reconciliation of agency inventory with SePRO alone.

Green added that the flat file "really helped SePRO with its agency inventory," referring to the inventory owned by SePRO that physically sits at a Nutrien location. "We have more consistent inventory counts, and fewer invoice corrections to Nutrien throughout the crop year," he said.

Jill Boswell, SePRO Agency Specialist, agreed. "The same format each month allows me to have consistent inventory counts and less invoice corrections throughout the crop year," she said.

More on the AgGateway Standard

For companies that need to create inventory data manually, the standard includes a Microsoft Excel template, user guide and a specification. For those with modest IT capabilities, staff can easily implement software tooling to generate this one file format to satisfy the needs of dozens of manufacturers, suppliers and distributors.

Benefits for the Sending Party: Retailers and small-to-medium distributors benefit from the broad adoption by manufacturers and software providers. The standard is easy to implement, reduces manual data entry, improves data accuracy, and provides one format that satisfies the needs of dozens of manufacturers. Moreover, using the standard leads to faster processing of rebates/incentives; use of standard identifiers – GLNs, GTINs, UOMs – through AgGateway's Ag Industry Identification System (AGIIS) reduces errors. The file format fulfills agency product reporting requirements for manufacturers.

Benefits for Manufacturers and Software Providers: By supporting this standard format, manufacturers and suppliers benefit from a broad base of retailers and distributors who can easily support this format. The result: greater adoption, fewer formats to support and faster go-lives. Inventory reporting is valuable for manufacturers with agency product that is physically held at a distributor's location. For software providers it means fewer formats to support and less implementation work for inventory reporting integrations.

For more information on AgGateway's Inventory Reporting File Format, go to www.AgGateway.org, or contact AgGateway at Member.Services@AgGateway.org.

About AgGateway

AgGateway is a non-profit organization dedicated to the expanded use of information to maximize efficiency and productivity, promoting and enabling the industry's transition to digital agriculture. www.AgGateway.org

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