

3rd Party Storage Provider Communications Description

As this potential project involves transaction sets, and possibly data repositories, that are not yet in place, it is meant to serve only as stimulus for further discussion. The intent of this document, and its accompanying slides, is to provide high-level description of the typical current state of communications with 3rd party storage providers, and then to describe a desired future state. That future state would incorporate the use of industry standard messaging sets and existing messaging tools to consolidate, and streamline, the communications process.

A 3rd party storage provider in this scenario is any entity that provides the service of both storing and managing inventory for Sellers. This service involves the receipt, storage and reporting of product in inventory, and the loading and dispatch of product to Buyers using various transportation Carriers.

First the 'Current State' of communications with 3rd party storage providers. (Slide #1.) Storage providers interact with multiple Sellers to provide product to Buyers, usually through the services of a Carrier for transportation. (For simplicity, a single Buyer is shown.) The Storage Provider typically communicates with the Sellers using varied communications methods. For those Sellers that have computer systems, it is not atypical for a Storage Provider to have multiple computer terminals, or possibly multiple user interfaces accessed via the Internet, that are used to input transactional data. In addition, many Sellers still communicate with Storage Providers using Fax and Telephone. This overall process is inefficient at best, and because of the inherent different communications methods used, results are not consistent. Timeliness and accuracy of product movement reporting is of greatest importance during periods of high activity. This of course means that precisely when the Storage Provider should be the most accurate and timely, they are in fact the most busy and therefore inefficient.

The desired future state, (Slide #2), is for the Sellers to adopt an industry standard message set to convey the required product movement and inventory status reporting. Using the existing messaging tools to communicate these transactions would allow for the use of a consistent process, and user interface, regardless of which Seller or Storage Provider is involved.

The potential benefits of implementing the described transaction flow using industry standard messages are as follows.

- As product movement requests in the Agricultural industry are often effected in a 'Just-In-Time' mode, the timeliness and precision of standards based electronic messaging will enhance the efficiency and accuracy of the entire process.
- Using existing Industry Standard messaging formats and tools already in wide use lowers the barrier to entry for smaller entities, both Sellers and Storage Providers, thereby considerably broadening the benefit of the efficiencies gained to a larger segment of the industry.
- By using industry standard messaging formats and protocols, both Sellers and Storage Providers will be able to reduce customization and training efforts.