



Electronic Commerce

ACH: Automated Clearing House. A network of financial institutions providing electronic funds transfer services.

AIAG: Automotive Industry Action Group. An organization that designs and maintains EDI transaction sets for the automotive industry. Also the name of the X12 subset used by the automotive industry.

ANSI ASC X12: American National Standards Institute Accredited Standards Committee X12. This committee develops and maintains U.S. standards for Electronic Data Interchange (EDI).

ASN: Advance Shipment Notice. The EDI document transmitted from a supplier to its customer to describe a pending shipment.

Authentication: A security measure that verifies that an EDI message was not tampered with or altered during transit.

Bar Code: An array of rectangular marks and spaces in a predetermined pattern. Usually used for automated product identification.

Business Application: A computer-based system that process business information in support of a specific business function such as purchasing, accounting, logistics management, etc. Business application data is produced by such applications and transmitted to a translation program for conversion into EDI format, and vice versa.

B2B: Business-to-Business. Business conducted electronically between two businesses.

B2C: Business-to-Consumer. Business-to-consumer electronic commerce is the purchase of consumer goods or services online.

Communications Protocol: Communications standards based upon which two computers coordinate the exchange of data.

Communications Software: Software to electronically link two computers for the exchange of information.

Compliance Checking: Comparison of EDI data being sent or received with the applicable EDI standard. Normally part of the EDI translation process.

Conditional: This is a data requirement designator that indicates that the presence of a specified data element is dependent on the value or presence of other data elements in the segment. The condition must be stated and must be able to be processed by a computer.

Control Characters: In communications, any transmitted characters used to control or facilitate data transmission between two or more computers. Also, characters associated with addressing, polling, message delimiting and blocking, framing, synchronization, error checking, and other control functions.

Control Segment: This is a segment that has the same structure as a data segment but is used for transferring control information for grouping data segments. For example, control segments may be loop control segments (LS/LE), transition set control segments (ST/SE) or functional group control segments (GS/GE).

Control Structure: The beginning and end (header and trailer) segments for entities in Electronic Data Interchange.

Data Element: The smallest, meaningful piece of information in a business transaction. A data element may condense lengthy descriptive information into a short code. Equivalent to a data field in a paper document; a series of data elements are used to build a data segment.

Data Element Dictionary: The publication that lists all of the data elements used within EDI standards.

Data Element Length: This is the range, minimum to maximum, of the number of character positions available to represent the value of a data element. A data element may be of variable length and range from minimum to maximum, or it may be of fixed length in which the minimum is equal to the maximum.

Data Element Reference Number: The number that identifies each element in the segment diagram with its corresponding definition in the data dictionary. Also known as a data element number.

Data Element Requirement Designator: This is a code defining the need for a data element value to appear in the segment if the segment is transmitted. Cummins may consider a data element "must use" even though it is conditional in the standards.

Data Element Separator: This is a unique character preceding each data element that is used to delimit data elements within a segment.

Data Segment: A data segment is a group of related data elements in a transaction set. Each segment has a unique segment identifier, a combination of two or three uppercase letters and/or digits that serves as a name for the segment and occupies the first character positions of the segment.

Data Segment Dictionary: The publication that shows the format of all the segments in the standard.

DUNS Number: Data Universal Numbering System Number. A unique nine character company identification number issued by Dun & Bradstreet Corporation.

ebXML: Electronic Business eXtensible Markup Language. Provides an open XML-based infrastructure enabling use of e-business information in an interoperable, secure, and consistent manner by all parties.

EDI: Electronic Data Interchange. The computer-to-computer transfer of business transactions using standard, industry-accepted message formats.

EDI Document: An EDI transaction set.

EDI-INT: EDI over the Internet (EDI-INT) is a standard for transmitting data over the Internet using AS1, AS2 or AS3.

EDI Standards: Rules by which business data are translated into a computer-readable format for electronic transmission to a Trading Partner's computer for processing.

EDI Translator: See Translation Software.

EDIFACT: EDI For Administration, Commerce, and Transport. Also known as UN/EDIFACT. The international EDI standard developed through the United Nations and administered in the U.S. by DISA.

EFT: Electronic Funds Transfer. Computerized systems for processing transactions between financial institutions. The electronic transfer of funds through the banking system.

EC: Electronic Commerce. The paperless exchange of business information, using Electronic Data Interchange (EDI), electronic mail, electronic bulletin boards, electronic funds transfer, and other similar technologies.

Encryption: A procedure for scrambling data to make it indecipherable to an outside observer. The receiver of the encrypted data must use a decryption procedure to unscramble the data.

Enveloping: An EDI software function that groups all documents of the same type and bound for the same destination into an electronic envelope.

Flat File: An ASCII data file produced by a business application that is converted into EDI format by translation software, and vice versa. Also known as a User Defined File (UDF).

FTP: File Transfer Protocol. A common way to move files between computers.

Functional Acknowledgment: An ANSI X12 Transaction Set (997) or EDIFACT CONTRL message which is produced by translation software upon receiving and validating an EDI transaction set, and sent to the sender.

Functional Group: A grouping of related transaction sets belonging to the same class. For example, a functional group may include a Purchase Order, Purchase Order Acknowledgment, etc.

Header: The transaction set header area contains preliminary information that pertains to the entire document, such as the date, company name, address, p.o. number, and terms.

HTML: Hyper Text Markup Language. An SGML-based language used to create Internet World Wide Web Pages that incorporate hypertext links, text, graphics, sound, and video.

Implementation Guide: A publication that documents the EDI messages used by a particular industry or company.

Integrated EDI: An approach to EDI implementation requiring no human involvement in the computer-to-computer exchange of data.

Interchange: The exchange of information from one Trading Partner to another. A set of transaction sets or messages sent from one sender to one receiver at one time. An interchange is delineated by an interchange control structure.

Interchange Control Segments: These segments identify a unique interchange being sent from one sender to one receiver.

Interconnect: The transmission of EDI data from one VAN to another. Enables trading partners to use different VANs.

Loop: A repetition of a group of segments in a transaction set.

Loop Repeat: A number that identifies the maximum number of times a loop (i.e., A group of segments) may be used in succession.

Mailbox: Part of the EDI network service set aside for a specific participant to hold that participant's message. Part of an EDI Value-Added Network service that holds a customer's message/transaction sets until retrieved.

Mandatory: An EDI data element/segment requirement designator that indicates the presence of a specified data element is required.

Mapping: The process of diagramming flat file data produced by a business application EDI format.

Maximum Use: A number indicating the maximum number of times a segment may be repeated in a single usage.

Network Acknowledgment / Mailbag: A response from the network indicating the status of an interchange envelope. For example, the response could indicate that the envelope was sent or delivered.

Non-Repudiation of Receipt: Is the basis of a "legal event" between sending and receiving parties that occurs when the original sender of an EDI interchange has verified the signed receipt coming back from the receiver. Non-repudiation of receipt is NOT a functional or a technical message.

Optional: An EDI data element/segment requirement designator that indicates the presence of a specified data element/segment is an option for the sending party and can be used upon the mutual agreement of the interchange parties.

Qualifier: A data element that gives a generic segment or a generic data element a specific meaning.

SCM: Supply Chain Management. The delivery of customer and economic value through integrated management of the flow of physical goods and associated information, from raw materials sourcing to delivery of finished products to consumers.

Segment: A group of elements which, when appropriately assembled, comprise an EDI document.

Segment Terminator: A unique character appearing at the end of a segment to indicate the termination of the segment.

Sender/Receiver ID: A unique number or series of characters which identifies a trading partner on all EDI networks.

Service Bureau: A commercial service providing data storage, reporting, and telecommunications links. Also a third-party supplier of EDI services.

SIC Code: Standard Industrial Classification (SIC) Code. Coding system used to identify specific industrial goods within the Federal Government.

Sub-Element: A data element that is used as part of a composite data element. For example, a data element and its qualifier can be sub-elements of a composite data element.

Syntax: The grammar or rules that define the structure of the EDI standards (i.e., the use of loops, qualifiers, etc.).

TCP/IP: Transmission Control Protocol/Internet Protocol. Defines and establishes the method by which data is transmitted over the Internet between two computers.

Trading Partners: Commercial entities that do business with each other using EDI.

Trailer: The ending segment of a set of segments. The trailer is part of a control structure.

Translation: The act of accepting documents in something other than the standard format and translating them to the standard.

Transaction Set: The EDI equivalent of a complete business documents such as an invoice, a purchase order, or a remittance advice.

Translation Software: Software that translates an incoming EDI transaction set into a file that can be loaded to a business application, or vice versa.

VAN: Value-Added Network. Generally commercial entities that transmit, receive, and store EDI transactions on behalf of their customers. VANs may also provide additional services known as Value Added Services. Also known as third party networks.

Version: A title given to the updates to the EDI standards as officially approved by ANSI or EDIFACT.

Web-based EDI Application: Application providing an online data entry screen for issuers to submit data.

X12 Standard: A public EDI implementation widely used in North America.

XML: eXtensible Markup Language. A simplified version of SGML that can be used, especially on the World Wide Web, to create a tagging scheme that allows elements of a document to be marked according to their content rather than their format.