

JCPenney uses three GXS solutions to support EDI transactions, ASN and barcode requirements and an electronic product catalogue.

# JCPenney

## Corporate Profile

### One of America's Largest Department Store and Catalog Retailers

JCPenney is one of America's largest department store and catalog retailers. The company operates over 1,100 JCPenney department stores in 49 of the 50 US states and Puerto Rico. JCPenney Catalog, including e-commerce, is the nation's largest catalogue merchant of general merchandise. JCPenney Direct Marketing Services markets insurance products and membership services to various credit card customers by direct response solicitations primarily in the United States and Canada.

## Business Challenge

### Managing a Growing Supplier Base Cost Effectively

In the 1960s, JCPenney established direct connections with more than 500 key suppliers in order to transmit purchase orders and invoices electronically instead of sending them via mail. As JCPenney grew, however, so did its number of suppliers and the volume of transactions required to do business with them. To reduce the cost and time involved in managing hundreds of direct connections, JCPenney officials decided to move from the proprietary direct dial up system to EDI, standardising document formats and centralizing EDI processing. This also allowed JCPenney to reach more suppliers who were not yet EDI capable.

In the process of solving that problem, JCPenney forged a long-standing relationship with GXS. JCPenney turned to GXS once again to enable the retailer to pack shipments using scanning technology, label shipments with barcodes, and send Advance Ship Notices (ASNs).

## The Solution

### Fashioning the Right Electronic Commerce Solutions

Three GXS solutions help JCPenney's business run more smoothly:

- JCPenney uses GXS's EDI\*Express, a network that enables companies to exchange business documents electronically with their trading partners. EDI is an integral part of JCPenney's Quick Response program because it eliminates routine paperwork, which reduces administrative costs, product delivery delays and related supply chain inefficiencies. JCPenney now uses EDI\*Express with more than 3,000 trading partners, which represents about 80 percent of JCPenney's retail EDI traffic. GXS and JCPenney are also in an ongoing process of ramping and expanding documents to JCPenney's trading partners.
- GXS's ASN Plus allows suppliers to simultaneously pack product shipments and produce barcode-shipping labels, as well as electronically generate and send ASNs and invoice EDI documents to buyers. Currently more than 70 percent of JCPenney's shipment volume is processed via this system.

- JCPenney also uses GXS's Global Product Catalogue, a centralised, electronic product catalogue and data alignment service for universal product codes (UPCs), European article numbers (EANs) and related descriptive product information.

## The Results

### In-Store for Big Savings

Armed with GXS's EDI\*Express, ASN Plus and Global Product Catalogue, JCPenney has:

- Achieved overnight delivery of purchase orders
- Dramatically reduced the number of accounting department associates who handle more than 40 million invoices annually
- Reduced operational and personnel staff in the mailroom while cutting printing and mailing costs significantly
- Increased supply chain efficiencies
- Accelerated payments to suppliers
- Delivered merchandise to the selling floor faster by using EDI Advance Ship Notices (ASNs), which has reduced receiving costs
- Facilitated the management of UPC data
- Improved EDI data integrity so that both retailer and trading partners have the capability of integrating EDI into their application

## Quotable Quotes

**Jeanne Huling**  
Manager, Electronic Commerce (EDI), JCPenney Company, Inc.

GXS's Value Added Network (VAN) "made the implementation and the rollout of EDI a lot faster and easier because we have one connection with GXS as opposed to having to manage and install thousands of connections with suppliers."

"Before, we had about 500 or 600 suppliers using our proprietary network. Using GXS's VAN saves time, it saves pounds, and we're able to maintain a staff of people that has basically not grown even though our supplier base has grown from let's say 600 on the proprietary system to more than 3,000. So the efficiencies are in the economies of scale. A lot of the support that we would have to provide internally is handled by GXS."

"Over the years—it's been 10 years now—GXS has been an excellent business partner."



#### About GXS

GXS is a leading global provider of B2B e-commerce solutions that simplify and enhance business process integration and collaboration among trading partners. Organisations worldwide, including more than 70 percent of the Fortune 500, leverage the on-demand services on GXS Trading Grid® to extend supply chain networks, optimise product launches, automate warehouse receiving, manage electronic payments and gain supply chain visibility. GXS Managed Services, GXS' B2B outsourcing solution, empowers customers with the expertise, technical infrastructure and program support to conduct B2B e-commerce with trading partners globally. Based in Gaithersburg, Md., GXS has an extensive global network and has local offices in the Americas, Europe and Asia-Pacific regions. GXS can be found on the Web at [www.gxs.co.uk](http://www.gxs.co.uk).

#### UNITED KINGDOM

18 Station Road  
Sunbury-on-Thames  
Middlesex TW16 6SU  
United Kingdom  
+44 (0)1932 776047 t  
+44 (0)1932 776216 f  
[www.gxs.co.uk](http://www.gxs.co.uk)

#### NORTH AMERICA AND GLOBAL HEADQUARTERS

100 Edison Park Drive  
Gaithersburg, MD 20878  
U.S.A.  
+1-800-560-4347 t  
+1-301-340-4000 t  
+1-301-340-5299 f  
[www.gxs.com](http://www.gxs.com)

#### FRANCE

Cachan Porte Sud  
191, av. Aristide Briand  
94230 Cachan  
France  
+33 1 46 73 16 00 t  
+33 1 46 73 16 01 f  
[www.gxs.fr](http://www.gxs.fr)

#### GERMANY

Leyboldstrasse 16  
50354 Hürth-Efferen  
Germany  
+49 2233 609 0 t  
+49 2233 609 205 f  
[www.gxs-gmbh.de](http://www.gxs-gmbh.de)

#### ASIA PACIFIC

Room 1609-10  
16/F China Resources Building  
26 Harbour Road, Wanchai  
Hong Kong  
+852 2884-6088 t  
+852 2513-0650 f  
[www.gxs.asia.com](http://www.gxs.asia.com)