

# CVS Health Embarks on Supplier Enablement Program



Electronic trading made possible for the smallest of suppliers – effortlessly.

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## Executive Summary

CVS Health had managed to build up an impressive trading community, actively trading electronically with most of their big suppliers but they still had a gap to fill – thousands of small suppliers were still sending in paper invoices. Enter GraceBlood’s Easy-Trade solution and within a year, hundreds of the smallest suppliers, from family-owned Hawaiian lei companies to regional ice distributors, were suddenly EDI compliant.

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## Challenges

CVS Health grew fast and furious when the US economy was recovering from The Great Recession. After rebranding from a simple brick & mortar pharmacy to a full-service health partner including the impressive Minute Clinic, along with several acquisitions, 2009 found CVS in a position of needing to onboard thousands of new suppliers to electronic trading.

## How Supplier Enablement Helped

GraceBlood's Easy-Trade solution allowed CVS to send their smallest suppliers an electronic purchase order from the very day they were set up as a vendor. Once the vendor became a GraceBlood client, the vendor could also send electronic invoices, completing the supply chain for CVS without the need for paper or manual processes. In addition to purchase orders and invoices, CVS is also able to send PO changes, remittance advice, credit/debit adjustments, application advice and planning schedules.

CVS' Senior Manager, Data Transformation and Transmission reports, "The main benefit is enabling an electronic PO while the suppliers figure out their EDI disposition, preventing us from sending the supplier a manual PO." Another tangible benefit to this well-oiled machine is because of the secure connection between GraceBlood and CVS, and the use of a select few sender/receiver IDs, we have eliminated the need for time consuming testing. Electronic trading begins from the

time the vendor number is created, saving CVS immeasurable time and money.

## Results

By the end of 2009, GraceBlood had onboarded approximately 750 suppliers and processed more than 127k electronic documents. In the decade since, the process has been streamlined and improved. Moreover, we currently service CVS suppliers on six continents and process upwards of 250k documents per year. Now in 2019, CVS is streamlining their processes again with the addition of the Advance Shipping Notice (EDI 856) for select suppliers. We have met that challenge with a user-friendly Web EDI interface, allowing these suppliers to respond to the electronic Purchase Order with an electronic Advance Shipping Notice formatted according to CVS' unique specifications.

GraceBlood endeavors to foster our retail partners' growth by supporting their changing requirements with efficient B2B integration technology, from procurement portals to fulfillment systems and everything in between. We look forward to what 2020 holds for our long-term partnership with CVS Health.



CVS Pharmacy location inside Target, Salt Lake City, UT. Photo above courtesy of [PR Newswire](#) and CVS Health.

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