

ORACLE FINANCIAL MANAGEMENT INTEGRATION PACK FOR ORACLE TRANSPORTATION MANAGEMENT AND ORACLE E-BUSINESS SUITE

KEY CAPABILITIES

- Accounts Payable (3rd Party Service Provider Invoice Payment)
- Accounts Receivable (customer billing)
- Supplier synchronization across defined Oracle applications
- Accrue costs and recognize revenue
- Allocation of shipment costs to General Ledger accounts
- Synchronization of exchange rates across applications
- Defining and applying cost allocation rules to shipments

Leveraging Oracle’s Application Integration Architecture, the Oracle Financial Management Integration Pack for Oracle Transportation Management and Oracle E-Business Suite streamlines the Accounts Payable and Accounts Receivable process for enterprises managing global transportation and logistics operations. This prebuilt integration combines ease of use and rapid deployment capabilities of Oracle Transportation Management with Oracle E-Business Suite that can be easily extended to meet the unique requirements of your organization.

End-to-End Financial Management Business Process

The Oracle Financial Management Integration Pack for Oracle Transportation Management and Oracle E-Business Suite will enable your organization to accurately manage the holistic financial management lifecycle for transportation management. The Process Integration Pack (PIP) is a pre-built best practice process integration that will provide enterprises with the foundation to accurately manage the processes of Accounts Receivable and Accounts Payable to ensure that you are precisely paying service providers, billing customers, and accruing costs and revenue at the defined point in time required by your standard operating procedures. Based upon open, standards-based Service Oriented Architecture (SOA), the power to provide accurate visibility to your financial performance across your enterprise is fundamental to managing the profitability and loss for each Line of Business (LOB).

KEY BENEFITS

- Improve freight payment and billing processing efficiencies
- Automated customer billing process to support complex business rules
- Automate revenue recognition and cost accruals accurately
- Single source of truth for Supplier profiles and payments
- Improve effectiveness of operational and commercial transportation activities leading to higher profit margins
- Lower Total Cost of Ownership
- Drive continuous improvement
- Reduce integration time & costs

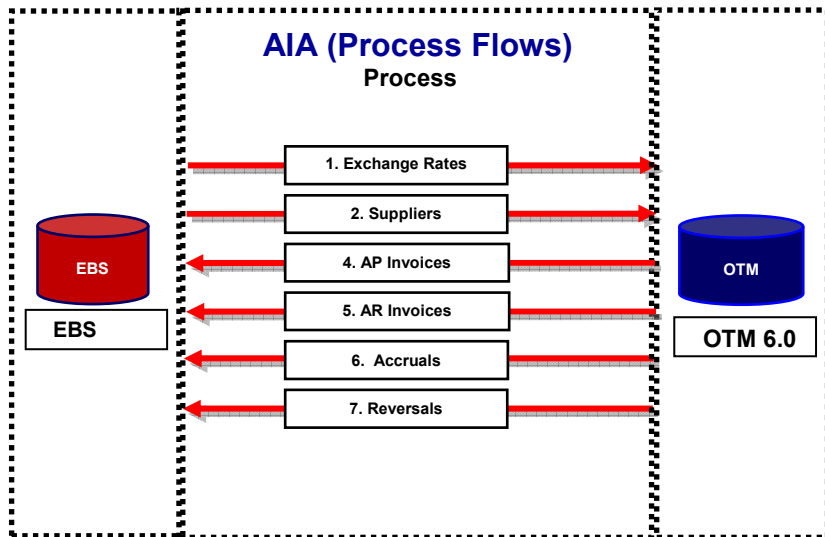


Figure 1. Oracle Financial Management Integration Pack Process Flow

Increase Agility for Supplier Management and 3rd Party Service

Provider Payment

Oracle Transportation Management allows Logistics Service Providers (LSP's) and Shippers to automate many of the manual procedures associated with freight bill payment and audit. You can perform detailed audits on carrier freight bills, validate bills, and reduce costs by identifying billing discrepancies. Freight bills are automatically matched against bill-of-lading details and audited based on user-defined percentage and/or amount tolerances.

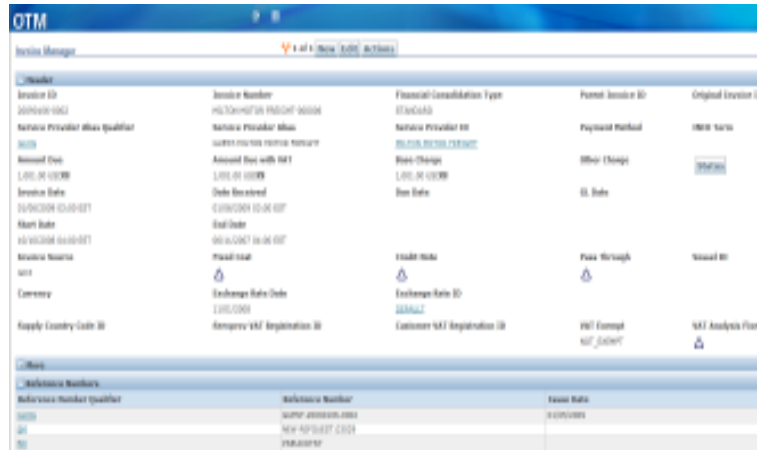


Figure 2. Oracle Transportation Management Invoice Manager

Oracle E-Business Suite improves margins, instills corporate and fiscal discipline, and optimizes supplier business relationships. As global competition increases, successful companies are improving their margins by lowering the cost of doing business. One way they are achieving this goal is by automating and integrating internal processes. Oracle E-Business Suite offers solutions for invoice processing by leveraging out-of-the-box automation.

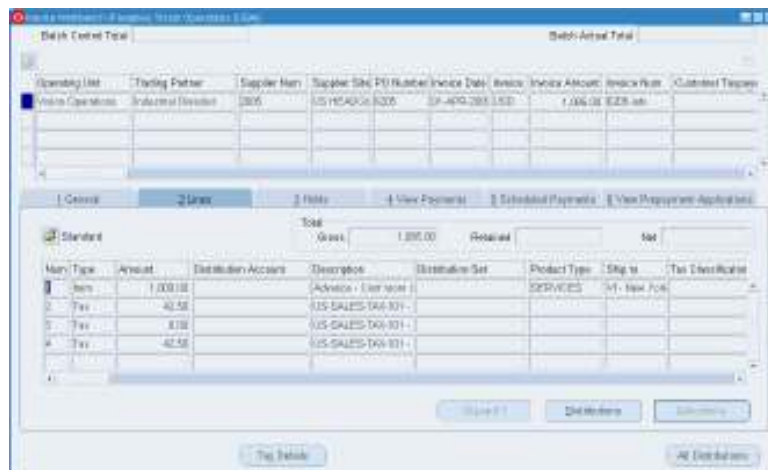


Figure 3. Oracle E-Business Suite Invoice Workbench

When seamlessly integrating Oracle Transportation Management and Oracle E-

Business Suite through the power of the SOA-based Application Integration Architecture, enterprises are able to gain significant efficiencies by leveraging the synergies of these best-in-class applications. The key capabilities that will be delivered to you are the following:

- Synchronization of supplier profiles across applications to ensure data integrity is preserved and there is one single source of truth for data entry and maintenance
- Automate the business processes for receiving, matching, auditing, approving, and paying 3rd party supplier invoices based upon defined payment terms.
- Implement operational and commercial processes by supplier – manage shipments from each perspective without compromise

Gain Efficiencies through Automated Customer Billing

Oracle Transportation Management offers a comprehensive customer billing solution for managing transportation shipments. Regardless of the complex billing rules and scenarios for each customer, Oracle Transportation Management provides an unmatched solution that can automate the financial management business process to offer efficient business processes.

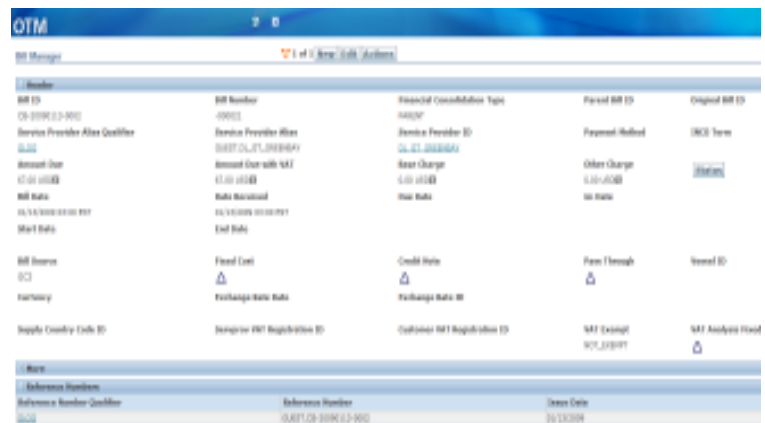


Figure 4. Oracle Transportation Management Bill Manager

Oracle E-Business Suite allows you to streamline invoicing, receipt, and customer deduction processing while improving cash flow, optimizing customer relationships, and providing strategic information. It provides the flexibility to meet the demands of a global market with strong financial controls to assist in instilling corporate and fiscal discipline.

The Oracle Financial Management Integration Pack for Oracle Transportation Management and Oracle E-Business Suite allows you to transform your customer billing processes to streamline billing and take control of revenue management to gain organizational efficiencies while adhering to strict corporate and fiscal standards. Key capabilities include the following:

- Generation of a bill for the services performed, sending the bill to the

customer outlining the services, receiving the payment from customer and matching it to a customer invoice, and processing the payment.

- Provide self-service capabilities to customers to manage and pay bills
- Reduce Days Sales Outstanding (DSO) to increase liquidity by offering multiple and flexible payment terms and billing methods
- Generate revenue once bill has been paid and apply revenue to appropriate ledger account

Figure 5. Oracle E-Business Suite Billing Workbench

Costs and Revenue Accruals for Complete Financial Visibility

The ability to view your company's financial results is the ultimate panacea that an enterprise strives to achieve when defining financial processes and enforcing controls. There are so many variables that you must control to enforce compliance with the goal of improving your bottom line. Capturing accruals timely and accurately are fundamental to forecasting your company's profitability. Accruing costs and recognizing revenue is an essential business process that allows you to gain the visibility to how well your operation is performing and predict future events.

The Oracle Financial Management Integration Pack for Oracle Transportation Management and Oracle E-Business Suite is the conduit for capturing cost and revenue accruals for transportation shipments. The SOA-based integration provides pre-defined integrations to allow you to flexibly configure complex financial management rules to mitigate compliance risks to drive the allocation of costs and revenue to the appropriate general ledger account. The Process Integration Pack supports complex business rules to automate cost accruals and revenue recognition to create detailed general ledger accounting events within Oracle E-Business Suite.

Some of the key capabilities are the following:

- Supports complex cost allocation business rules and General Ledger account assignment to customer bills and freight invoices

- Calculate and manage the profitability for every customer shipment in a single solution
- Flexibility to change business rules as customer requirements and business change
- Synchronize currency exchange rates across Oracle application to ensure accuracy of currency conversion and maintain single source of truth
- Offers comprehensive real-time reporting and advanced analytics to maintain regulatory requirements as well as continuous improvement initiatives
- Recognize expected revenue before billing for a service
- Accrue expected costs before being invoiced for service
- Flexible chart of accounts and reporting structure
- Robust drilldowns to underlying transactions

The Oracle Advantage

Leveraging Oracle Application Integration Architecture, The Oracle Financial Management Integration Pack for Oracle Transportation Management and Oracle E-Business Suite provides everything you need to deploy a sustainable integration on a unified information architecture for Corporate Shippers and Logistics Service Providers. By utilizing best practices and best in class Fusion Middleware, Oracle delivers an adaptable end-to-end solution. This is why thousands of leading organizations depend on Oracle applications to help drive their front- and back-end office business processes.

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