

LEAN ON ORACLE AND CAPGEMINI FOR AUTOMOTIVE TRANSPORTATION AND LOGISTICS OPTIMIZATION

UNIQUE FEATURES

WITH ORACLE AND CAPGEMINI, OEM'S AND SUPPLIERS EMPLOY LEAN PRACTICES ACROSS THEIR GLOBAL LOGISTICS OPERATIONS:

- Plan and execute global transportation movements
- Source transportation services with bid collaboration and optimization
- Provide part-level global supply chain visibility to inventory in motion and at rest
- Centralize supply chain performance measurement and monitoring information
- Establish and manage appointments into and out of network facilities
- Rate, match, auto-pay, and bill freight charges and services
- Configure orders and shipments to maximize asset utilization
- Single source for import/export compliance information and documentation

As global competition in the automotive marketplace intensifies, automotive companies face increasing market performance challenges, and pressure toward building and maintaining brand effectiveness and profits. In the race to dominate market share and increase their competitive positions, OEMs and suppliers alike are looking outside the shop floor to optimize operating performance and eliminate waste. In fact, what was once considered a fixed cost of doing business, transportation and logistics operations have become a focus for significant cost-reduction programs across the global automotive supply chain.

Oracle's enterprise software applications and Capgemini's business process optimization services have merged to provide automotive companies with a truly unique, robust and flexible transportation management solution that enables route optimization, just-in-time fulfillment, trade and customs regulatory compliance and global supply chain synchronization. The objective is lean logistics. The solution is Oracle and Capgemini.

Global Supply Chain Synchronization

Oracle Transportation Management (OTM) provides a complete logistics platform to plan and execute the movement of materials through the automotive global supply chain. The foundation of Oracle Transportation Management is built to execute. For vehicle and parts manufacturers, this means Oracle Transportation Management helps you understand where all the products in the network are located, and what all the real capabilities are to move those closer to the customer. The parameters used in planning are not based on abstract assumptions, but rather on the history of proven supply chain flows and actual operational rates and capabilities of trading partners and service providers. When coupled with real demand signals, Oracle Transportation Management software plans and executes the movements of vehicles and parts closer to the operational window than any other competing alternative. Period. This capability ensures the highest level of certainty that the right quantity and mix show up when and where they are intended.

For parts sourced internationally, Oracle Transportation Management provides the benefits of understanding and managing the uncertainty of shipment times and compliance documentation. Through extremely close management in these

conditions, it is possible to sustain a tightly synchronized, rapidly moving materials network without large inventories. Oracle Transportation Management is also a single source for all the information necessary for import compliance and the associated documentation thus making it easier to participate in international fast-lane initiatives like the Customs Trade Partnership Against Terrorism (C-TPAT) and the Free and Secure Trade (FAST) program.

Global Trade Management

The promise of global trade management is to enable vehicle and parts shippers to exploit new markets overseas and benefit from lower cost supplies and operations.

Through its expert Transportation and Global Trade Management Services for Automotive, Capgemini helps automakers and logistics operators to conduct thorough and reliable regulatory trade compliance assessments as well as assist with:

- Gap analysis “diagnostics” and recommendations
- Corporate trade compliance policies and procedures
- Trade optimization strategies
- C-TPAT application and/or vendor security assessments
- Optimized system integration and supporting operations

Global Sourcing

Reducing risk in your international supply chain requires selecting your foreign vendors based on a full range of considerations. Capgemini Transportation and Global Trade Management Services for Automotive can assist with risk matrices that include:

- Countries eligible for Preferential Duty Programs, such as NAFTA, CAFTA and GSP
- Freight and transportation
- Vendor sanction/security screening
- Geo-political stability
- Labor and resources
- Currency/economic factors
- Transportation infrastructure
- Other related factors

PO Generation

Capgemini Transportation and Global Trade Management Services for Automotive can assist automakers with:

- Advice on the proper selection of Incoterms/instruments of payment
- Automated compliance screening of vendors/sold-to parties
- Real-time PO alerts to trade and customs and/or broker personnel
- Advance communication to vendor for all required data (e.g., Harmonized Tariff Schedule [HTS] codes, value, country of origin) and documentation
- Ability to develop a Global Trade Management Parts Database

Export and International Shipping

To simplify global logistics, Capgemini Transportation and Global Trade Management Services for Automotive can assist automakers with:

- Proactive communication to freight forwarders and carriers and/or receipt

- of shipping documents
- Advanced validation of all customs-required data/documentation
- Ability to change routing, port of entry or other changes, while en route
- Event Management tracking and hand-off (e.g., container stuffing certification)
- Real-time track-and-trace updates and alerts

U.S. Customs Clearance

In addition to simplifying global logistics operations, Capgemini Transportation and Global Trade Management Services for Automotive also helps provide automakers with the ability to:

- Automate opening of customs entry upon successful PO
- Change entry type (e.g., bonded warehouse, and foreign trade zone [FTZ]), electronically
- Validate all required data and documentation prior to filing
- File electronically directly to customs, or through a third-party (i.e., customs broker)
- Track-and-trace updates and alerts in real-time
- Automate filing of required duties/tax

Post Entry

Capgemini Transportation and Global Trade Management Services for Automotive enables automakers to contain costs and monitor performance at post entry points. Specifically, Capgemini can help automakers to:

- Coordinate with receiving personnel for capturing item/quantity discrepancies
- Reconcile payments and entry discrepancies electronically with customs/broker
- Track select entries for protest, reconciliation, record keeping, etc.
- Perform automated audits of in-house data vs. what was filed with customs

Postponement Strategies

Oracle Transportation Management has complete inventory visibility and distributed order management capabilities to automate Vendor-Managed Inventory (VMI) and light assembly operations with service providers located closer to the end customer while providing the lowest cash-to-cash cycle time possible.

Logistics Data Hub for Single Source of Truth

Because Oracle Transportation Management is built using open-standards-based technology for its logistics data hubs, shippers and distributors can depend on a reliable, accessible and centralized data repository that remains up to date even in the rush of constantly changing business conditions.

The strength of Oracle's Logistics Data Hub technology is the enablement of OEMs, suppliers, dealers and logistics providers in the operation via one set of data—one version of the truth, which becomes integrated into the flow of all logistics events and transactions. Not only does Oracle's Logistics Data Hub help manage multiple third-party information sources, but it also presents a single view of comprehensive

supply chain information and separates IT-based information management from the tactical information necessary for business operations.

ORACLE AND CAPGEMINI
ENABLE VEHICLE AND
PARTS MANUFACTURERS
TO OPTIMIZE THEIR
LOGISTICS OPERATIONS
AND SIGNIFICANTLY:

- Increase asset utilization
- Boost supply chain reliability
- Improve in-carrier relations
- Elevate customer service levels
- Enhance flexibility of global fulfillment options
- Reduce regulatory exposure
- Enhance trade-process optimization

RELATED PRODUCTS
AND SERVICES:

- Oracle E-Business Suite
- Oracle Supply Chain Applications
- Oracle Purchasing
- Oracle Order Management
- Oracle Warehouse Management

Oracle Transportation Management does more than reduce transportation management and freight costs. It turns your logistics operations into a lean transportation management machine.

For vehicle manufacturers, suppliers, car dealers, aftermarket parts manufacturers and distributors – from inbound parts and components, to vehicles on their way to a dealer or customer – Oracle Transportation Management adds value with comprehensive and automated logistics support. Across all modes and geographies, domestic and international, from order management through financial settlement of freight costs, visibility of inventory at rest or in-transit, including intelligent proactive management of in-transit processes and tasks, Oracle Transportation Management provides a complete integrated logistics management solution.

With Oracle and Capgemini, automakers are able to more robustly, reliably and affordably source from and sell to new markets anywhere in the world. Oracle and Capgemini have partnered on multiple client installations (including global) during our six-year history with OTM. Oracle and Capgemini are focused on transforming the way companies manage supply chain logistics using the OTM solution. Turn your logistics operations into a competitive advantage with Oracle and Capgemini Transportation and Global Trade Management solutions.

About Capgemini

Capgemini, one of the world's foremost providers of Consulting, Technology and Outsourcing services, has a unique way of working with its clients, which it calls the Collaborative Business Experience. Through commitment to mutual success and the achievement of tangible value, Capgemini helps businesses implement growth strategies, leverage technology, and thrive through the power of collaboration. Capgemini employs approximately 63,000 people worldwide and reported 2005 global revenues of 6.954 billion euros. More information about individual service lines, offices and research is available at www.capgemini.com.

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