



Optimize Inventory and Fulfillment

To be responsive, high technology distributors need the capability to analyze, assess, and forecast demand in real-time while maximizing margins. Responding to demand signals has moved well beyond the ability to carry inventory and satisfy customers' response time needs. It is now up to the entire value chain to provide the competitive advantage. Oracle's solution for high technology distributors empowers you with the tools needed to optimize inventory and fulfillment.

Today's business landscape, characterized by increased competition, short product life cycles, increased outsourcing, and increased demand uncertainty, make it challenging for distributors to make informed decisions on inventory optimization across their distribution centers. A demand driven distribution model to sense, plan, and respond to demand signals is now a competitive necessity. Distributors need innovative planning solutions to improve forecast accuracy, reduce lead times and inventory while maximizing margins by leveraging on incentives offered by suppliers. Oracle Supply Chain Management (SCM) solutions enable you to reduce inventory costs and improve customer service levels while optimizing inventory and fulfillment. Only Oracle applications provide an end-to-end platform to:

- Optimize purchasing to line-card demand
- Balance volume discounts with optimal inventory levels
- Minimize inventory rebalancing between distribution centers

Optimize purchasing to line-card demand

Managing demand in a multi-tiered distribution environment is a constant challenge. However this is a critical for distributors as this gives accurate visibility on meeting business plans while driving fulfillment decisions. Oracle's Supply Chain solutions provide best-in-class demand management capability with integrated sales & operations planning to effectively optimize purchasing to line-card demand.

Oracle's SCM applications enable real-time demand sensing and collaborative consensus forecasting across all channels. It helps you to track demand signals in real-time, improve forecasting accuracy, shape demand for profitability, and provide a logical path to evolve to a real time sales and operations planning (S&OP) process.

"Demantra's solution allows us to collaborate with our customers in a single, consistent planning environment where changes in forecasts dynamically update replenishment and shipment plans. This next generation CPFR solution allows Vtech to maintain its lead in the consumer electronics business by delivering the highest possible service levels, while reducing current inventory levels."

Nick Delany
Senior Vice President, Vtech

The first step in moving to a real time S & OP process is to capture all demand and supply data in real time, and consolidate it in a central and secure repository. Oracle enables you to capture all supply and demand information, such as customer and supplier forecasts, POS data, sales and marketing forecasts, financial forecasts and budgets, and any other user-defined data. The repository can be configured and extended easily as it is completely meta-data driven and supports user-defined dimensions and hierarchies. With Oracle's real-time S&OP applications, distributors can quickly determine sourcing and allocations and automate the transfer and replenishment processes. It improves global distribution and service levels at lower costs.

Balance volume discounts with optimal inventory levels

Very often, distributors need to take tough decisions on inventory levels and balance it with volume based pricing that suppliers offer. There is a strong business case to design and implement an agile distribution network, and consider the outcome of unpredictable events. Oracle solutions enable distributors to optimize inventory and account for volume based incentives and make supply networks resilient to planned and unplanned events.

Oracle's inventory & cost optimization helps determine the optimal inventory levels. Oracle Strategic Network Optimization (SNO) generates the best sourcing strategy as an output, which can be used for the downstream supply and inventory planning processes. In addition, you can rationalize your capital assets, optimize your product and customer mix, manage your risks more effectively, and simulate changing business conditions to develop strategies and contingency plans.

Minimize inventory rebalancing between distribution centers

With margins under pressure, it becomes important for distributors to ensure that the right products are available at the right location at the right time. Distributors often end up having to redistribute inventory, while maintaining safety stock, between their centers.

Oracle Strategic Inventory Positioning minimizes inventory rebalancing between distribution centers (DC). Oracle Distribution Planning enables you to automate processes to balance stocks in various distribution centers rather than pulling additional supply from the central warehouse or supplier. It also automates the load consolidation process and provides flexible controls for significant savings on transportation costs. Oracle Distribution Planning is designed to streamline the work processes of distribution planners with a planner workbench designed specifically to improve planners' productivity.

Oracle's end-to-end integrated solution automates planning and execution processes. You can run a single holistic plan or multiple plans; evolve planning systems as your supply chain planning model evolves and multiple models can co-exist.

Oracle's end-to-end solution

Oracle applications for High Technology distributors deliver a powerful combination of technology and comprehensive, preintegrated business applications, including industry specific functionality. Look to Oracle to help you deploy integrated, world-class and a complete suite of capabilities to streamline the supply and demand chain and optimize inventory and fulfillment.

CONTACT US

To learn more, call +1.800.ORACLE1 to speak to an Oracle representative or visit <http://www.oracle.com/industries/distribution.html>

Outside North America, visit oracle.com/corporate/contact to find the phone number for your local Oracle office.

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- **All of the top 25** Electronic OEMs run Oracle Applications
- **9 of the top 10** Semiconductor companies run Oracle Applications
- **14 of the top 25** High Tech Distributors run Oracle Applications
- **All of the top 10** Fabless Semiconductor companies run Oracle Applications
- **8 of the top 10** Electronic Manufacturing Services (EMS) companies run Oracle Applications
- **22 of the top 25** Software companies run Oracle Applications