Oracle Solutions for Industrial Manufacturing

Oracle Industrial Manufacturing Applications:

- Order Fulfillment
- Procurement
- Product Lifecycle Management
- Project Collaboration
- Project Management
- Supply Chain Management

Industrial Manufacturers Are Taking It on the Chin

Industrial manufacturers face increased global competition that is eroding margins while commoditizing many products. Meanwhile, customers are demanding lower prices, higher quality, new features, and customized services. To respond to these increased demands and maintain market share, manufacturers must learn to run lean. By removing any inefficiencies—from the shop floor to the extended supply chain—a lean manufacturing operation has become the new differentiator. Lean companies can best leverage supplier expertise to help design manufacturability into their products—at a low cost. The challenge is to do all this while still maintaining—or increasing—quality.

Many of the world's most successful industrial manufacturers rely on Oracle products and services to establish an efficient supply chain. And they're saving millions of dollars. Why Oracle? Because Oracle delivers integrated Oracle E-Business Suite applications and scalable, reliable, and secure database software that provides quality information and transactional efficiency—at a lower total cost of ownership. Oracle users can leverage a single source of data to easily share information across all applications—and help their organizations develop a leaner, faster supply chain.

Put an End to Fragmented Data: Standardize on a Single Data Model

A manufacturing company runs on data, and getting accurate data fast can make or break a deal. Your customer service representatives don't have time to look up customer information in a customer relationship management (CRM) system, find order details in a separate order management system, find the order location in an enterprise resource planning (ERP) or supply chain management (SCM) system, and finally—if they're lucky—give the customer the expected ship date. Getting at data becomes even more difficult when ERP and SCM systems have different information or use different data schemas. Better data access helps you avoid this common business disadvantage.

Oracle E-Business Suite uses a single, unified data model that stores information for all applications in one place, giving you a single version of the truth. You can have a single source of data on customers, suppliers, employees, and services—so that everyone is accessing the same data all the time. This allows for a single view of customer and order information, minimizing the likelihood of error and reducing redundant data entry. With comprehensive information stored in a single-schema database, you can run your business with less inventory, shorter lead times, and better on-time-delivery performance. Your organization can get accurate information at the right time and at a much lower cost.

Streamline Your Production Processes

If customers can't get what they want from your company, they'll get it from your competitors. Manufacturing companies used to solve this problem by making large

ORACLE®

inventory investments. The result was product stockpiles that met sales forecast expectations but didn't correspond to actual customer demand. Producing by guesswork meant longer lead times and the higher operational costs of holding excess inventory, and it turned expediting into the "real" production-management system. Today, smart companies know that to remain competitive, they need to keep inventories lean, lead times short, and quality high.

Eliminating activities whose purpose is not the filling of customer orders is the real key to shop-floor effectiveness. Oracle Flow Manufacturing provides tools to help optimize your production processes. Inventory-optimization routines help you calculate where in the production process to maintain inventories for maximum flexibility. This reduces your overall inventory and frees working capital for other, more productive uses. The integrated eKanban planning support helps ensure that you replenish inventory only as needed, not on an arbitrary schedule. With reduced inventories, factory throughput increases as lead times go down. And you can monitor your progress and your production processes easily with Oracle's built-in, real-time key performance indicators (KPIs). With built-in business flows such as Demand to Build, Build to Deliver, and Forecast to Plan, Oracle provides streamlined business models that help ensure the smooth flow of information companywide.

Integrate Your Supply Chain Management

Maintaining excess inventory is both a waste of time and an unnecessary expense, but stopping production because components and materials are missing is also costly. Supply-and-demand fluctuations mean that you must plan more accurately and procure materials more efficiently to maximize margins and control costs, and they demand supply chain visibility outside company walls, something traditional SCM applications don't provide. If you get an unexpected order and are missing critical components, you need visibility into supplier inventory. Your supplier may have the item you need on the shelf, ready for shipment. Have you turned down an order because you didn't have this critical information? Unfortunately, the most expensive result of an ineffective supply chain is unhappy customers.

Oracle Supply Chain Management, a completely integrated solution based on Oracle's unique information architecture, delivers value in five critical operational areas: planning, procurement, sourcing, order fulfillment, and supplier relations. It maximizes efficiencies by automating and streamlining the procurement process, and introduces more control into the process, including budgetary control, contract enforcement, and best practices. And it saves money, by enabling you to collaborate more effectively with suppliers and lowering the cost of each transaction.

Gain the Insight You Need to Meet Increased Customer Expectations

With increased global competition, many companies realize that their products have become price-driven commodities, meaning slashed margins and risk to the business model. In an effort to differentiate their products from competing offerings, many companies go out of their way to offer special services or custom configurations—whatever it takes to make their product stand out. But such customization can present problems in pricing, servicing, and shop-floor product identification. Furthermore, customers expect immediate response to all their service issues, even postsale. Companies can't afford to suffer downtime while waiting for spare parts or a service technician to arrive.

Although ingenious product features are always appreciated, today's discerning customers are most willing to give their business to the company that makes communication easiest for them. Oracle provides tools for improving every interaction with your customers. First, all customer information is related to a single customer record, making it easy to answer questions with one mouse click—your users can access orders, invoices, products, shipments, payments, and more, quickly and easily, without having to switch from a CRM system to an accounting system, to a shop-floor system. Second, Oracle's industry-leading product configurator can help you capture the nuances of your customers' needs—and communicate them seamlessly to the shop floor. Oracle's integrated service modules make installation and repairs as painless as possible—for both you and the customers. Finally, the integrated Oracle Spares Management helps you control costs without excessive inventory, and access to warranty information ensures that you capture costs and billings accurately.

The Right Tool for Industrial Manufacturing

With the manufacturing industry experiencing significant constraints on its bottom line, technology solutions that create efficiencies, improve business intelligence, and maximize the utility of existing investments are necessary for survival. Oracle products are helping address the needs of your industry. With Oracle you can manage your costs more effectively, by using integrated business intelligence, boosting performance, and gaining greater efficiencies.

CONTACT US

Visit oracle.com/industries/indus_manu or call +1.800.ORACLE1 to learn more.

04.0911

C14637-01

ORACLE®