

Travel and transportation

When the going gets tough....

...the tough integrate and win customers



Contents



- 3 ○ Travel and transportation
When the going gets tough, the tough integrate and win customers
 - 5 ○ A break in the clouds
How airlines can win real advantage against a background of turbulence
 - 9 ○ Ready for take-off
How airports can leverage information to support operational, customer and strategic ambitions
 - 13 ○ Traveling hopefully – arriving profitably!
Delivering a strategy for success in tourism and hospitality
 - 16 ○ On track for a customer-led future
New challenges for railways in mass transit and cargo
 - 20 ○ First past the post
Delivering a winning strategy
 - 23 ○ The route to ROI in logistics
Time to harness the power of information
 - 27 ○ The gateway to future profits
New opportunities in ports and shipping
 - 29 ○ Next steps - new destinations
Choosing the right business systems and applications partner
-

Travel and transportation

*When the going gets tough...
...the tough integrate and win customers*

The travel and transportation industries face major challenges. This stage of the economic cycle will see many parts of the industries changing significantly. The pressure to cut costs has never been greater. The need to relate more effectively to customers is more pressing than ever. Consolidation and alliances up and down the supply chain are even more vital. More effective human resource and asset management is also key. And corporate governance issues provide a sizeable new challenge.

An information-enabled strategy

In this document we look at travel and transportation challenges sector by sector. We give examples of how the Oracle E-Business Suite and Oracle technologies are enabling our clients to achieve success.

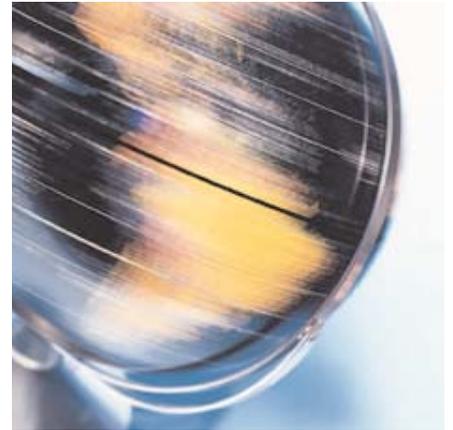
Nearly all the large strategic and all the day-to-day operational issues the industries face highlight the need for integrated information technology which can support the e-business process today and in the future. Data, applications, people, infrastructure – all working in harmony, all driving towards serving the customer and delivering value to stakeholders.

Some common themes emerge across all sectors:

- improving efficiency
- controlling costs while increasing the ability to respond pro-actively to commercial challenges
- optimizing operations and leveraging customer-focused opportunities
- seamlessly integrating the enterprise across diverse activities
- collaborating effectively with collaborators or alliances and third parties
- providing information visibility throughout the supply chain thus improving service delivery
- leveraging assets
- achieving rapid return on investment (ROI) on technology spend
- improving the customer experience
- ensuring corporate governance and compliance standards

Understanding your customers

The leaders in their field are focused on improving interaction with customers. They are exploring ways of selling services more effectively, building loyalty and changing business processes so that they are aimed at what the customer wants. Companies simply have to know their customers better – accessing all the business intelligence available to them.



The need to relate more effectively to customers is more pressing than ever. Consolidation and alliances up and down the supply chain are ever more vital. More effective human resource and asset management is also key.



Knowing your business

It is vital to have a global, enterprise-wide view of the organization, across business functions including financials, human resources, asset management and procurement.

Only integrated IT systems can deliver the value required. A seamless view of the whole enterprise is vital before management can ensure different business units work together more effectively – particularly when it comes to identifying the opportunities and implementing the changes which are necessary to compete and succeed.

How Oracle – and our partners – can help you be even more successful

Oracle itself has driven forward the rationalization and optimization of its own globalized operations – and reaped the rewards. We have stripped out more than \$1billion of cost through the implementation of the Oracle E-Business Suite and the consolidation of our information infrastructure.

The Oracle E-Business Suite is the industry's first integrated suite of Internet business applications, automating critical business processes. Its open architecture and single data model allow applications to be deployed as individual modules, business flows or as an entire integrated suite.

To ensure fast-moving companies can achieve their aims, Oracle provides 100% Internet-enabled enterprise software across our entire portfolio – including databases, tools, application servers and solutions. Our business intelligence and data warehouse technologies enable companies to connect more effectively to the customers they serve – across any channel. The Oracle E-Business and Collaboration Suites bring customers, employees and suppliers together.

In addition, we work closely with partners that have proven experience in their fields, to create the best environment for your e-business strategy. Together with these partners we enable travel, transportation and hospitality companies to operate more profitably, in the context of an integrated, transparent and constantly developing value chain.

Working with Oracle and our partners, every part of your business can win dramatic advantages in terms of ROI, speed, responsiveness, personalized service and well-targeted delivery, all geared to the demanding world you operate in. Together we can help you be even more successful.

 *The Oracle E-Business Suite is the industry's first integrated suite of Internet business applications, automating critical business processes. Its open architecture and single data model allow applications to be deployed as individual modules, business flows or as an entire integrated suite.*

A break in the clouds

How airlines can win real advantage against a background of turbulence

The dominant issues airlines face are the intense pressure to cut costs and fight back against slowing growth. The challenge could hardly be greater and the industry has recognized the need for change. The shape of networks, especially the traditional hub and spoke model, the structure of aircraft fleets and the management of labor have all been identified as key if gains are to be made in operating efficiency and effectiveness. There are a number of other priorities:

- targeting specific services at business and leisure travelers
- centralizing key operations internally and within alliances
- integrating and consolidating IT systems
- rationalizing and globalizing procurement activities
- leveraging the reservation system using open systems for lower costs, greater information on customers and more flexibility to adjust business models
- improving the customer experience

For the established airlines improving customer satisfaction, through the delivery of seamless travel services and leveraging their brand and status, is vital. Alliances are key. Sharing data within the framework of a number of collaborative models is also high on the agenda.

Everything points to the need for compatible data models, integration and standardization of processes inside and outside of the organization. The flexibility of the information technology platform an airline relies on has never been more important.

Customer relationship management

Maximizing yield remains a touchstone issue – and it is an increasingly complex one.

Understanding and managing customer relationships efficiently and cost-effectively is a massive



The dominant issues airlines face are the intense pressure to cut costs and fight back against slowing growth.



ATA provides 24x7x365 communication to 7,800 dispersed employees at significant savings with the Oracle E-Business Suite

American Trans Air (ATA) is the 11th largest airline in the US, serving eight million passengers annually. "We chose to go with Oracle Training Administrator, Advanced Benefits and HR, because of their tight integration with the other Oracle applications we had installed and the self-service functionality.

Their common data model was also very appealing, from both a technology and functional standpoint, and we felt very good about

Oracle's ability and commitment to advance these products in

the future," says Glen Baker, Vice President of Information Services, ATA.



exercise in data management. Typically airlines do not have the ready analysis to know which customers are the most profitable. As they cannot confidently target retention and loyalty initiatives their frequent flyer programs do not provide maximum payback or contribute fully to the yield strategy.

It is vital to manage customers actively, using business intelligence to forecast demand more accurately and fill capacity on less popular schedules and slots. Exploiting cross-selling and up-selling opportunities for both business and leisure travelers is essential.

However, customer focused initiatives need to be set not only within the context of fleet capacity rationalization and network restructuring – the organization itself needs to be re-oriented towards the needs of the customer at every level.

Enhancing employee productivity

Labor represents the largest single cost that an airline controls directly.

Labor represents the largest single cost that an airline controls directly. Headcount has been a major focus for some time and there is little 'fat' left. But there is considerable scope for reducing costs associated with HR – both directly and indirectly – as well as enhancing employee productivity. Improved management is never off the agenda – improved technology, processes and business systems all need to receive similar priority.

Centralization of core HR functions and a strategy to empower staff through self-service can work together to provide significant cost savings and economies of scale. While some HR functions within an airline must be managed locally, the fact that staff operate in widely dispersed locations, integrated HR systems can provide a global view and control of many functions. Recruitment is an excellent example. Regulatory and commercial pressures make it essential to select the best candidate from large numbers of applicants – a time consuming task which can be more effectively managed, involving a measure of automation, when processes and resources are centralized.



Lufthansa empowers cabin attendants and boosts customer quality with its COSMIC program

Every year Lufthansa flies some 45 million passengers to 350 destinations in 94 countries, with in-flight service provided by 14,000 cabin attendants. Despite the airline's high quality of service not all customers are satisfied all of the time. In a time where airlines everywhere are evaluating their operations to stay competitive, Lufthansa is constantly looking for ways to improve its already outstanding service. In 1996 the airline developed its COSMIC project – Customer Oriented Service Management Improvement in the Cabin. The name says it all: it allows cabin staff to report customer complaints in detail for subsequent analysis and service improvement. COSMIC relies on Oracle Database for storing data and Oracle9i Application Server Discoverer for reporting. "By enabling us to monitor the quality of in-flight service, the Oracle database and tools help us dramatically improve customer satisfaction and employee motivation", says Bijan Ahlgrimm, Product Manager, COSMIC, Lufthansa.

The growing influence of self-service

Online self-service can provide huge advantages for widely dispersed and traveling staff communities. This includes managing their relationship with the airline, checking their expenses and schedules, keeping abreast of developments in other parts of the organization and having clear visibility of their current training status and certifications. Employee portals support all these activities, drawing together information resources and making them available instantly and securely. Staff training is another obvious area that gains considerably – online learning puts career development choices into the hands of individuals – it empowers, motivates and improves performance.

Across every aspect of HR administration – from maintaining staff records to payroll to staff development plans – self-service reduces paperwork and frees up management to focus on strategic issues.

Asset management and ROI

Infrastructure management is precisely such an area in which the opportunities to reduce cost and improve performance are significant. Oracle solutions can help manage material and cut the cost involved in keeping aircraft and associated assets in full operational order, providing information resources to plan and manage for minimal downtime and maximum availability while meeting all relevant regulatory requirements. Airlines need to be able to monitor, record and report the activities of external maintenance providers and also reliably track planned and unplanned maintenance to ensure that components are available rapidly.

The management of assets over their whole lifetime is crucial. Airlines are constantly seeking ways to reduce total cost of ownership and capitalize on aftermarket revenues.

Oracle can help manage an airline's initial acquisition, fleet introduction and planning, through to training and every stage of spares provisioning, configuration management, line and depot

Across every aspect of HR administration – from maintaining staff records to payroll to staff development plans – self-service reduces paperwork and frees up management to focus on strategic issues.



Emirates Group: centralized business functions enable reduced costs and fact-based decision-making

Emirates Group has implemented a groundbreaking Oracle-based e-business transformation aimed at centralizing and streamlining many of its core business functions. The Emirates initiative, based on the Oracle E-Business Suite 11i, has integrated the accounting, human resources, procurement and order management functions across the entire group. It enables more than 9,000 employees to access key business applications and information through the Internet. "The optimization of customer focus, reliability and efficiency are three of the overarching objectives in the diverse businesses of the Emirates Group. In order to achieve these goals and at the same time to profitably manage our rapid growth, we needed the powerful technological backbone uniquely supplied by the Oracle E-Business Suite," says

Maurice Flanagan, Managing Director, Emirates Group.

maintenance, warehouse management, inventory optimization, dangerous goods shipment and finally disposal. Performance indicators across internal operations and supplier performance and metrics are important to fine-tune operations for maximum efficiency. The Oracle solution for aircraft maintenance is designed for that purpose. It ensures that technical operations visibility is provided to the whole enterprise and that management is making decisions using the same data.



Tight control of project delivery is key in an industry where innovation is paramount. 'Earned value' management is key, tying payments to phases of completion, spreading costs, controlling risks and ensuring deliverables.

Projects and procurement

Tight control of project delivery is key in an industry where innovation is paramount. 'Earned value' management is key, tying payments to phases of completion, spreading costs, controlling risks and ensuring deliverables. This is highly complex and sensitive given the regulatory climate. It is also very information intensive. To meet the challenge, e-business solutions streamline and enable change, and improve project management, delivering results in complex, globalized companies.

The web is opening up new cost saving opportunities in procurement across the board. For example the web-based Aeroexchange trading marketplace, used by over 30 airlines, is powered by Oracle technology. It offers co-operative purchasing and economies of scale. This same capability can be provided to airlines at the enterprise level to manage their own supply chain, maximizing purchasing power, streamlining procurement processes, reducing inventory costs and enforcing purchasing rules internally.

Integrated purchasing is showing its worth in alliances, where purchasing power is maximized.

IT procurement itself can benefit from e-procurement and provide further onward benefits in consolidation and centralization of systems and the rapid deployment of new applications. A common integrated IT infrastructure is core to all the issues we have discussed. It is time for airlines to build for the future of collaboration and committed customer service.



Southwest Airlines improves customer service by minimizing delays caused by heightened security

Southwest Airlines serves 58 cities in 30 states, providing 90% of all discount air travel in America. In the wake of 9/11, the airline sought to improve customer service by minimizing delays caused by heightened airport security. It decided to integrate its Rapid Rewards frequent flyer, loyalty-based program with its reservation system to eliminate delays caused by reservation transactions.

"We knew that the new airport security mandates that make wait times longer weren't going to go away," says Kerry Schwab, Southwest's Senior Manager of Operations for Interactive Marketing.

"Southwest's goal was to have sub-second response times for reservation transactions. This upped our need for high availability. We chose Oracle because we knew it would meet our stringent uptime requirements, and it did. It has simplified deployment of mission critical applications by providing a standard for highly available database services."

Ready for take-off

How airports can leverage information to support operational, customer and strategic ambitions

Airports are information and business hubs – immensely complex, globalized enterprises. A modern airport is a retail center. A catering and hospitality complex. A transportation, transit and freight operation. A focus for security and customs operations. A fuel depot. A vast warehouse. A communication center and more.

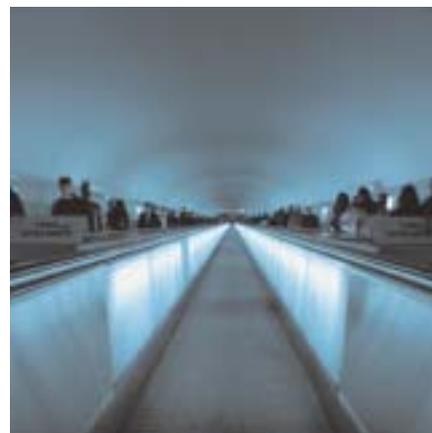
A large airport contributes major revenues to the local economy and directly or indirectly supports a huge number of jobs.

The very size and diversity of airport management challenges require business processes and business systems to be as streamlined, integrated and flexible as possible.

Serving stakeholders

In international hubs, regional hubs or point-to-point airports there is pressure from a wide range of stakeholders. The environment is highly competitive. There is a complex portfolio of customers to serve; not only business and leisure passengers, domestic and international markets, but also airlines themselves, partners on the ground and indeed governments. A balanced scorecard approach to managing all these issues calls for sophisticated information management systems.

The stakeholder-focused challenge is compounded as airports face complex, sometimes contradictory demands – rising volumes of traffic and capacity problems long-term, but uncertainty in the short-term. Higher standards demanded by governments, notably in terms of security and environmental care, should be balanced against deregulation, commercial performance and the customer requirement for ease of travel.

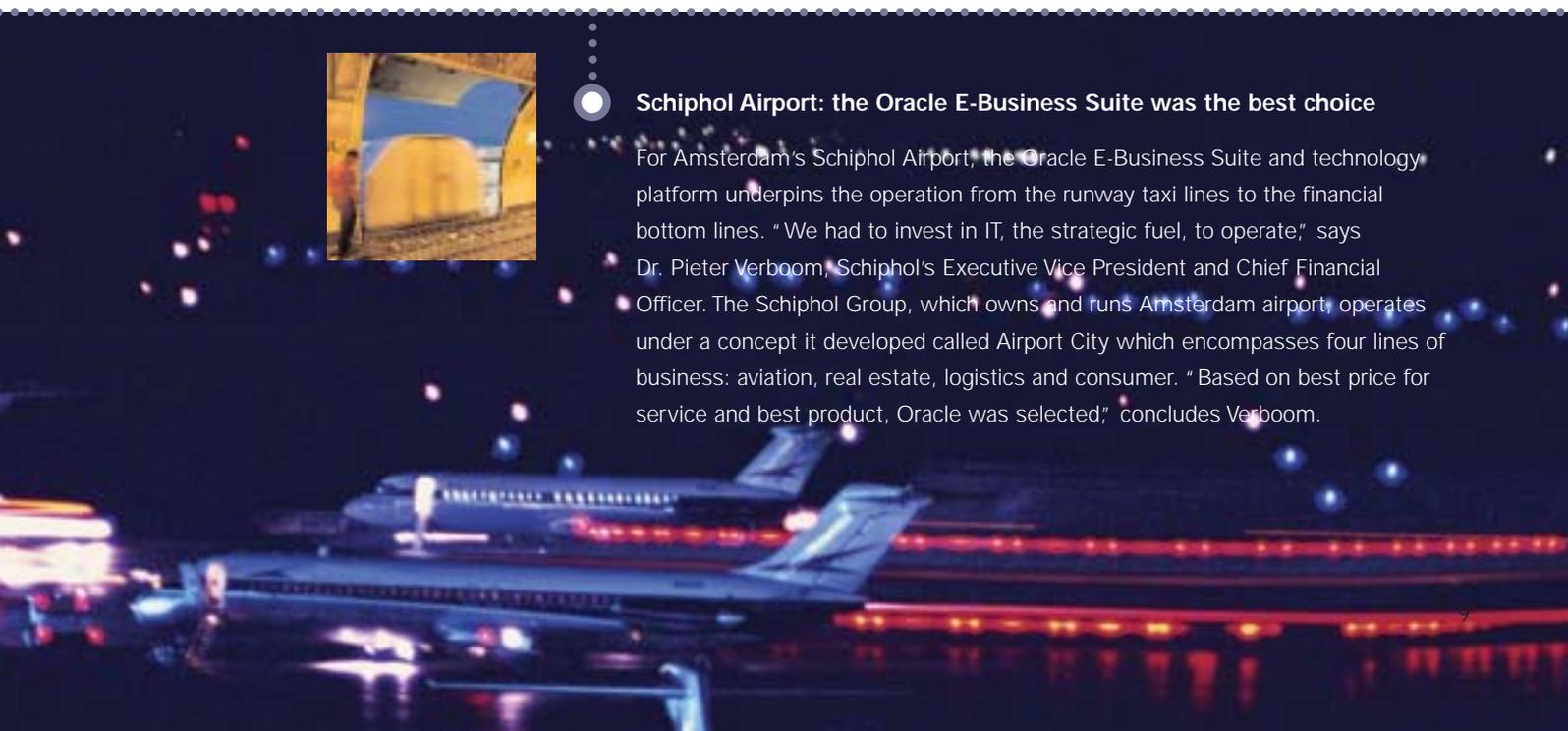


The very size and diversity of airport management challenges require business processes and business systems to be as streamlined, integrated and flexible as possible.



Schiphol Airport: the Oracle E-Business Suite was the best choice

For Amsterdam's Schiphol Airport, the Oracle E-Business Suite and technology platform underpins the operation from the runway taxi lines to the financial bottom lines. "We had to invest in IT, the strategic fuel, to operate," says Dr. Pieter Verboom, Schiphol's Executive Vice President and Chief Financial Officer. The Schiphol Group, which owns and runs Amsterdam airport, operates under a concept it developed called Airport City which encompasses four lines of business: aviation, real estate, logistics and consumer. "Based on best price for service and best product, Oracle was selected," concludes Verboom.



Managing the airport lifecycle

In fact airports are like small cities with large transient populations which have evolved their infrastructure over time and which need to continue to evolve. At any one moment they will be inhabited by different groups of people with various claims, expectations and needs. To understand that complex population, to service it, to profit from it, to win its confidence and loyalty calls for a sophisticated business model which maps the airport micro-lifecycle – almost minute-by-minute – using processes and systems to ensure delivery and performance across all the interests involved, including shareholders.

Operationally this model needs to offer a way to leverage assets on a real-time basis: buildings, gate equipments, vehicles, warehouses, technical and security installations. The goal is to optimize the capacity of those assets and increase the utilization while lowering unit operating costs. Airport authorities need to pro-actively manage the complete lifecycle of assets from procurement, through maintenance, all the way to decommissioning and sale or write-off. They can save money by optimizing maintenance schedules, labor and materials, as well as by reducing the need for new capital expenditures.

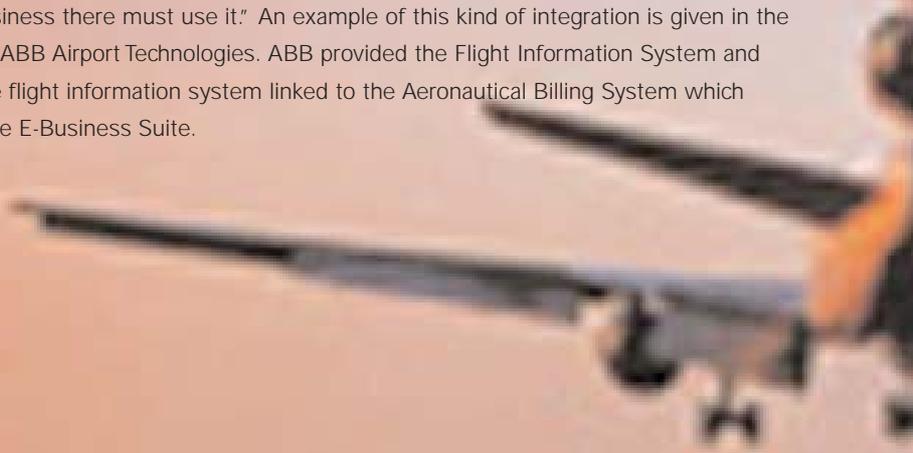
In terms of IT support, applications such as flight information and resource management, procurement and asset management will be of great value, especially when these systems leverage experience from other airport and port users.

...○ *The goal is to optimize the capacity of those assets and increase the utilization while lowering unit operating costs.*



○ Athens International Airport (AIA): Oracle and ABB deliver an integrated solution

The value of a single, enterprise-wide IT infrastructure to an airport cannot be underestimated. "Airports are not just transportation hubs. They are also information hubs and dynamic, living business communities," explains Fotis Karonis, Director of Information Technology and Telecommunications, Athens International Airport, "The whole airport should be linked together on the Internet, and everyone conducting business there must use it." An example of this kind of integration is given in the way Oracle worked with ABB Airport Technologies. ABB provided the Flight Information System and displays for AIA, with the flight information system linked to the Aeronautical Billing System which integrates with the Oracle E-Business Suite.



Building revenues

In order to continue to grow their profitability, airports are constantly seeking new revenue streams through affinity businesses such as shops, parking and hotels. An airport needs to ensure that the right retail outlets are in the right part of the airport to reach the right customers: budget airline customers want budget shops; travelers from different parts of the world have different needs; business travelers want facilities to enable communication and business transactions.

On the one hand it is vital to build individual, personalized relationships with customers. On the other hand it is essential to pool information and services across the enterprise. Customer relationship management (CRM) programs need to be supported by integrated systems for data management and data sharing, enabling offerings to be targeted to specific segments of the customer and stakeholder population and to achieve economies of scale in terms of introducing new services. Ensuring that the widest potential universe of prospects is aware of the offering.

At the level of service delivery, the integration of operational systems is essential.

Seizing new opportunities

New revenue streams do not only depend on creating new services within the existing infrastructure and leveraging customer relationships. Over the long-term many airports are seeking to leverage their assets of land, business experience and business partnerships. Alliances are key to this. Expansion in terms of runways and hard infrastructure or in terms of consultancy, partnership and soft skills equally depend on having a clear view of the business.



Automation of processes and information utilization not only enables the rapid identification of tactical opportunities, but also drives down costs and frees up resources.



Civil Aviation of China: gearing up with Oracle for the rigours of international business

The General Administration of Civil Aviation of China (CAAC) has geared up with Oracle to the rigours of operating in an international and commercial environment. Oracle Financials have not only greatly improved efficiency. The Oracle solution has also strengthened accounting processes to meet international regulatory standards in financial management, notably for China's WTO accession.

The CAAC currently oversees six aviation companies: three key airports, including Beijing International Airport and Baiyun Airport in Guangzhou; airlines including China Southern Airlines, Air China and China Eastern Airlines; and the Accounting Center of China Aviation.

...○ *Passenger confidence – and airline confidence too – is enhanced by the reassurance that in the event of an incident, information is not only rapidly shared through the whole air travel network so that appropriate actions are taken, but that all this information also remains under command and control.*

That business is changing rapidly. As budget carriers continue to thrive, their business model needs to be reflected in airport strategy: that means costs controlled.

Automation of processes and information utilization not only enables the rapid identification of tactical opportunities, but also drives down costs and frees up resources.

Controlling events

Issues of security, service continuity and customer comfort and satisfaction are today inter-related as never before. Post 9/11 airports are extremely conscious of the need to be able to respond to events effectively, not only internally, but in co-operation with external partners such as airlines and other airports and also with government and international agencies. Passenger confidence – and airline confidence too – is enhanced by the reassurance that in the event of an incident, information is not only rapidly shared through the whole air travel network so that appropriate actions are taken, but that all this information also remains under command and control. This fundamental business need is met by Oracle Event Management. It allows consistent, coherent data about an event to be shared widely with all internal and external operational and management personnel and tracks all actions in relation to an incident.



○ Dallas/Fort Worth International Airport - relying on Oracle

Dallas/Fort Worth International Airport is large by any standard. In 2002 nearly 55 million passengers passed through its terminals, making it the sixth busiest airport in the US in terms of passenger traffic and the third busiest airport in the world in terms of the number of aircraft that fly through this international hub. To put it another way, Dallas/Fort Worth International Airport is an enormously complex business, with multiple stakeholders – and IT systems. Underpinning business operations, the Airport relies on Oracle databases, tools and financial applications. Airport officials report that Oracle provides an excellent business platform – which the Airport will continue to use and further expand in the future.

Traveling hopefully – arriving profitably!

Delivering a strategy for success in tourism and hospitality

Tough times call for fresh thinking

Every sale depends on that most elusive of factors: the personal choice of the customer. Increasingly, the range of choices available to customers is more diverse, more destinations are accessible, new channels for planning and booking travel are opening up and new personalized services for leisure and business travelers are coming to market.

Controlling customer relationships is a top priority. Marketing campaigns must be based on real knowledge. It is vital to capture feedback and intelligence from every transaction and target offers effectively according to demographics, lifestyle, lifestage, customer history and other key indicators.

Implementing this strategy calls upon several challenges:

- moving to a new customer centered approach
- enhancing yield management through pro-active inventory strategies
- building integrated business systems and processes to leverage the wealth of information in the organization, across the different brands, branches and go-to-market channels
- providing more opportunities for self-service – across customer, partner and employee communities
- streamlining supply chain and procurement management
- building a flexible infrastructure to support the whims of an ever-changing traveling public

Building the brand and achieving focused marketing

Success is more than a matter of having a clear view of the traveler. The customer in their turn needs a clear view of the company they intend traveling or staying with. Up-selling and cross-selling to existing customers through values of quality, reliability and innovation depends on



Controlling customer relationships is a top priority. Marketing campaigns must be based on real knowledge. It is vital to capture feedback and intelligence from every transaction and target offers effectively according to demographics, lifestyle, lifestage, customer history and other key indicators.



TUI Northern Europe: bringing down transaction costs with Oracle

TUI Northern Europe, which includes holiday company Thomson and travel agents Lunn Poly in the UK, has invested in Oracle Financials and Oracle Purchasing applications from the Oracle E-Business Suite. The integrated, real-time Oracle platform will replace disparate back office systems running at a number of different locations. This, in turn, will enable the company to bring down transaction costs, by, for example, centrally managing the procurement process with 'self-service' applications for web requisitioning. The time it takes to close the company's quarterly accounts will also be cut. The implementation follows a previous, successful implementation of Oracle Financials within the Fritidsresor Group business in Scandinavia that now forms part of the TUI business.

"Oracle was the only supplier who could provide truly integrated applications, vital to the goal of a single source of information," says Steve Newman, Project Director, TUI UK.

Lines of communication need to be fast and effective so that a query or feedback about a holiday is communicated effectively to everyone in the supply chain. All too often customers find they are talking to the 'wrong' person and their expectations today are far higher. They expect providers to have invested in technology to enable seamless service. The solution is an information management system able to map the roles of all the various parties across the whole travel value chain.

those values being presented effectively. By building the brand through targeted communications, operators not only confirm the loyalty of the existing client portfolio, which is the most cost-effective way to win future sales, they also lower the cost of new customer acquisition.

The era of 'mass customization' – one-to-one marketing which also reaches a wide universe of potential customers – is now a reality, but most travel and tourism operators are not yet using its power. The industry remains largely focused on mass advertising spent through the winter months. Extending peak periods and spreading demand to utilize capacity more effectively relies on more flexible marketing strategy and that in turn relies on information management to support profiling and segmentation.

Keeping customers happy

Leveraging information is also the key to providing first class customer service. For example, companies can make a huge impact upon customer perceptions in the handling of enquiries and complaints. In both cases it is hard to do the job well, since typically multiple parties are involved. Agents, operators, airlines, hotels and other providers have to inter-relate effectively so that up-to-date information is always in front of customer facing staff.

Lines of communication need to be fast and effective so that a query or feedback about a holiday is communicated effectively to everyone in the supply chain. All too often customers find they are talking to the 'wrong' person and their expectations today are far higher. They expect providers to have invested in technology to enable seamless service. The solution is an information management system able to map the roles of all the various parties across the whole travel value chain.

In a fast moving world it is time to get personal

The most progressive organizations in the industry are getting mobile not only in terms of their



Color Line: improving customer relationship management with Oracle

Color Line, Norway's largest ferry operator, has dramatically improved its customer relationship management (CRM), with Oracle Marketing Online, one of the CRM modules of the Oracle E-Business Suite, and a customer data warehouse to facilitate on-going analysis. "We are researching the whole customer process, how our people do their work and how we get our campaigns out to the market," explains Anders Langaas, Assistant Director of E-Business for Color Line. "The users are really motivated because they can see and evaluate results straight away." The benefits of the Oracle system include the ability to measure customer loyalty and profitability, create highly targeted marketing campaigns and measure the effectiveness of campaigns according to complex criteria. The company is already starting to enjoy the 360-degree view of the customer afforded by the single customer database.

operations, but in terms of their customer communications. The growth in web-based holiday and travel bookings is now complemented by a move to e-enable the whole process. Travel has been in the forefront of the growth of personal Internet use. And it promises to lead in the development of 2.5G and 3G mobile services. It is important that providers look to the future and consider how to couple their business infrastructure to mobile devices: the range of possible value added services enabled by the mobile future are extremely exciting. But it depends on having integrated information systems – to harness content, provide ease of use to the traveler and to enable cost-effective delivery of the next generation of services, woven with the Internet, call centers and other digital TV channels.

Optimizing distribution – maximizing yield

So a key focus for the application of new technology is across distribution channels. For example, the web can be used as an effective channel to offload excess inventory. Rather than selling unbooked holidays at distressed rates, a company that knows its customers and which is able to pro-actively promote via the Internet channel can create personalized packages targeted at the right customer at the right time. It is even more critical for the vertically integrated tour operators with a high fixed cost structure.

The web is also, of course, an effective support for the increasing trend of independent travel.

The benefits of self-service extend from the customer and partner interface, right inside the organization. Self-service human resources in the back office and online procurement to consolidate internal spending are further strong reasons to e-enable the enterprise.

Oracle's solutions provide the integrated business and information management infrastructure as you undertake this exciting new journey.

The benefits of self-service extend from the customer and partner interface, right inside the organization. Self-service human resources in the back office and online procurement to consolidate internal spending are further strong reasons to e-enable the enterprise.



Fodors.com delivers real-time travel information to mobile users worldwide using Oracle9iAS Wireless

Fodors.com, the leading full-service online travel information provider supplies users with advice from travel experts, discussion areas, links, numerous planning tools and booking capability. To make this information even more ubiquitous for their users, Fodors.com launched a wireless service to access this content. Fodors.com wireless service is hosted by Oracle on Oracle9i Application Server Wireless Edition. By outsourcing to Oracle, Fodors.com reduced the technical complexity, time-to-market and IT costs of developing and hosting the service in-house. Oracle enabled Fodors.com to focus on its core business. "Oracle's hosted services based on Oracle9i Application Server provide Fodors.com with a strong foundation for future wireless growth. By working with Oracle to develop and host our new wireless applications, we can leverage Oracle's in-depth expertise to quickly deploy new services tailored specifically to the needs of our users," says Brent Peich, Fodors.com

On track for a customer-led future

New challenges for railways in mass transit and cargo



Public-sector models of infrastructure management and service delivery are being replaced with more explicitly commercial models as the need for investment in efficient, customer-friendly railway transportation facilities for the 21st century is increasingly recognized.

The traveling public and the cargo customer alike expect results. It is a major challenge with many dimensions:

- changing from a bureaucratic culture to a customer service culture
- moving from monolithic, inward-looking organizations relying on subsidy, to complex, outward-looking companies based on collaboration and partnership
- responding to market forces in a competitive environment, against a background of constrained resources in terms of finances, network infrastructure and rolling stock
- building integrated businesses ready to repel the threat from low-cost airlines and other competitors
- meeting new regulatory requirements within the unfamiliar context of delivering shareholder value

And there are a number of specific issues in the cargo sector which railway operators are also keen to command:

- businesses expect value added services such as tracking of cargo, visibility of delivery schedules and shorter delivery times
- increased market share and margins are enabled by more efficient operations, better coordination between railway companies – for example through the use of wireless technologies – and more precise tracking of infrastructure improvement and maintenance projects
- competitive advantage comes from better decisions made from better information, provided to all levels of supervision and management

Competitive advantage comes from better decisions made from better information, provided to all levels of supervision and management.



● Austrian Railways improves its performance in only one week using Real Application Clusters

Asset management is a major issue for railway operating companies. In the case of Austrian Railways, asset management includes the complete maintenance of the railway infrastructure, encompassing nearly 6000 kilometers of track, nearly 6000 bridges and viaducts, 240 tunnels and well over 6000 crossings. That adds up to nearly 100 GBs of information, for a dispersed user population of 1200, including engineers and managers. Austrian Railways is managing this information on Oracle databases, exploiting the new features of Oracle9i Real Application Clusters. This allows a full range of business functions to be applied to the company's assets, including accounting and order processing, as well as a geographical application, using Oracle Spatial, to view the actual location of equipment when being used in the field. "We were able to move into production on Oracle9i Real Application Clusters in a week", says Mr. Brimmer, Chief Information Officer, Infrastructure, Austrian Federal Railways (ÖBB).

- productivity is boosted via self-service for employees
- service and satisfaction are enhanced by customer self-service
- capacity management is optimized by offering and managing incentives for off-peak shipping
- in addition, cargo operators benefit from lower IT infrastructure costs and better management reporting of supplier performance

The need for customer focused services

It is vital to create a strategy that puts customers at the heart of the organization's thinking.

The obstacles are considerable; outdated legacy infrastructure at every level, legacy technology in terms of IT and communications, a history of under- and mis-investment, outmoded working practices and business processes and – on top of all this – increasing passenger demand, particularly at peak travel times on the most crowded routes.

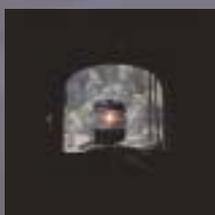
Against this tough background, supplying 'commodity transport' is no longer an option. The key to boosting revenue streams is customer satisfaction – leading to customer retention and acquisition.

Integration – the starting point for the customer-focused journey

There is a very real link between the individual passenger who wants their journey to be simple to organize, the business that wants its consignment to be easy to plan and the grand strategy which is required to ensure a profitable operation in the long-run.



It is vital to create a strategy that puts customers at the heart of the organization's thinking.



● MÁV (Hungarian State Railways): creating an integrated financial management system

Annamária Benczédi, Financial Vice President of MÁV, Hungarian State Railways, stresses that investing in IT is crucial to staying alive in today's commercial environment, especially when talking about an organization of the size and complexity of MÁV. To this end, the company is modernizing its entire information system, with the development and implementation of a country-wide integrated financial management system lying at its core. Other elements include control and logistics systems. This is the largest IT investment in Hungary and the central-European region – and it is built on Oracle technology.

MÁV chose Oracle for a number of reasons. Oracle Financials can deliver the operational information MÁV requires to support executive decision-making and project management. This, in turn, means that MÁV has access to the business intelligence it needs to ensure that project costs are kept under control and profitability is achieved as soon as possible.

For example, operators are beginning to offer integrated ticketing for longer journeys, using passenger information pro-actively to drive marketing campaigns and promotional offers. The same integrated approach to cargo operations is also essential. This combines two strands of a commercially focused, customer-led strategy. Becoming a customer knowledge organization requires highly sophisticated levels of integration – between numerous systems both inside and outside the company. In fact it calls for a fully e-enabled business infrastructure.

Empowering staff – creating a unified vision of the organization

As well as developing new, more effective customer interfaces, it is also vital to improve interactions and communications with staff. This is key to instilling and enabling a service culture and ensuring compliance with organizational standards – from the ticket office right through to the boardroom. But how is that to be achieved cost-effectively when staff are scattered widely in small teams, with highly diverse skill-sets and roles? Online learning is showing its worth in large dispersed organizations where compliance is of the essence and can provide substantial savings compared with traditional forms of training and staff communication. Oracle's iLearning adds value to the introduction of new processes and helps the delivery of training to all staff – no matter where they are physically located.

••• *Online learning is showing its worth in large dispersed organizations where compliance is of the essence and can provide substantial savings compared with traditional forms of training and staff communication. Oracle's iLearning adds value to the introduction of new processes and helps the delivery of training to all staff – no matter where they are physically located.*

Integrated asset management

Streamlined and co-ordinated customer and employee management processes will count for little unless the rail infrastructure itself shows similar levels of integration and interoperability. The first step to rationalizing the physical and business infrastructure is to gain control of every aspect of asset information. Many train operators and network companies simply do not know what they own in sufficient detail and an increasing number of post-privatized companies have found that without this basic information they have real difficulties meeting



● **First Great Western: 24x7 rail cover requires database excellence**

First Great Western is part of FirstGroup, the leading UK-based passenger transport group. "Because of the criticality and the need for increased continuity, we decided to take the managed service route for our database. We had some support from the Group IT function, but for Rail we needed a 24x7 cover to meet our specialized requirements," says Martin Blackburn, IT Manager, FirstGroup Rail Division.

The company turned to Oracle and went live within a month. FirstGroup Rail Division already has a number of key operational applications which all run on Oracle, including the day-to-day operation of the train fleet, staff rostering, train routes and timetables and train asset management. All of the main applications are inter-related and the databases are resident on one server. Other applications, including those controlling customer care and season ticket renewals, also run on Oracle.

"I know that our databases are being maintained without my having to worry any more," Martin Blackburn concludes.

safety and operational requirements, let alone developing the business to compete in a commercial environment.

Oracle asset management solutions offer substantial help. They provide a single, enterprise-wide system for gathering, storing, updating and accessing information, ensuring a framework within which information collection can take place efficiently and then be used to support business operations effectively.

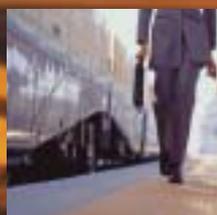
This is fundamental to ensuring collaboration and partnership. For example, modification and maintenance programs for track or signaling mean many other organizations and people have to be informed: train operators, contractors and sub-contractors, other bodies such as police and local authorities – and of course the traveling public! Collaborative planning, information sharing and co-ordinated infrastructure management all point the same way.

On track for success

The final piece of the jigsaw is integrated financials. Typically, operators' legacy systems are unable to deliver the kind of rapid, comprehensive financial information needed to support management decisions in a commercial setting. Oracle solutions help plan and monitor spending, improve accountability to all stakeholders and ensure that investment provides payback in better services and more profit.



The final piece of the jigsaw is integrated financials. Typically operators' legacy systems are unable to deliver the kind of rapid, comprehensive financial information needed to support management decisions in a commercial setting.



Hong Kong's rail construction company gets business intelligence from Oracle

MTR Corporation Ltd is a publicly listed company engaged in the construction and operation of Hong Kong's mass transit railway. Providing an efficient transport service has enhanced the attractiveness of properties situated at MTR's stations. Built on the foundations of their successful railway, property and other commercial businesses, MTR has gained access to a substantial proportion of Hong Kong's population, comprising an average of 2.3 million passenger trips per weekday on the railway. In addition to using the financial modules of the Oracle E-Business Suite to run their business, MTR has also implemented Oracle's Activity Based Management. "Oracle's Activity Based Management allows us rich business intelligence previously unobtainable. Decisions can be based on the known costs of every aspect of our business. Low value activities can be improved, or eliminated, and high value activities can be tuned to maximize cost-effectiveness. Activity Based Management will be expanded to trace the cost per passenger, per car, per route kilometer and so forth, to gain more business intelligence" says Phil Gaffney, Operations Director, MTR Corporation Ltd.

First past the post

Delivering a winning strategy



Deregulation and privatization are blowing a wind of change through the world's postal services:

- the main battleground is bulk mail business, where the volume and the profits lie – while incumbents are expected to maintain high-cost, low-margin universal services
- liberalization and competition demand that costs be cut, that processes become more efficient and that the most valuable profit streams be most effectively exploited
- postal providers also need to embrace the delivery of online and e-enabled services
- communication with customers, partners, suppliers and employees is a vital tool

Integrated information management is vital to meet all these objectives.

Capitalizing on customer trust

The first task is to ensure efficient business processes. Typically, nationalized and other incumbent services consist of multiple, fragmented business units, with little capacity to communicate with one another.

Marketing finds it hard to speak to sales, which finds it awkward to speak to fulfillment, which finds it impossible to speak to billing – and so on round the internal value chain. When it comes to the external value chain and particularly the fiercely contested bulk mail business, better management of relationships with customers across all operational dimensions is what differentiates the winners from the losers.

Of course this can appear, at least at first sight, to be what newer players, with their greenfield technology sites, are able to do so well. But there is a less well understood opportunity for incumbents too. Those that can integrate their business systems and processes have the opportunity to leverage the trust which customers already have in them. Incumbency has its advantages.

When it comes to the external value chain and particularly the fiercely contested bulk mail business, better management of relationships with customers across all operational dimensions is what differentiates the winners from the losers.



Hellenic Post (ELTA): thriving in the liberalized postal market

IT investment at ELTA is pivotal to supporting an efficient postal network and maintaining their competitive edge in an era of deregulation. Not only this but IT has enabled ELTA to establish its offices as multifunctional centers offering more than the expected, including access to government services and information. The company has recently implemented an integrated financial and administrative information system, which is to be rolled out across the whole organization. Working closely with Oracle, they are aiming to achieve a number of strategic goals:

- improving competitiveness in the European marketplace
- modernizing and expanding capabilities
- increasing revenues
- improving internal workflows and maximizing efficiency

ELTA has already implemented the financial modules of the Oracle E-Business Suite, and further implementations are planned.



In today's fast moving marketplace, efficient contract management processes are key to winning new customers and retaining clients.

Efficient contract management and billing

Many postal services have already taken a first step in business process integration by implementing ERP Solutions. The next step is to fill in the gaps – notably at the level of contract management and billing. In today's fast moving marketplace efficient contract management processes are key to winning new customers and retaining clients.

Oracle's automated solutions allow for pro-active management, with renegotiation alerts and rebate and discount management according to predetermined rules, to ensure speed of response, drive down cost and improve all-round service.

The same advantages apply to billing. Integrated technology and processes bring another key benefit: they allow for the consistent capture of customer information which can be used to support targeted sales and marketing.

Customer relationships – complexity and control

Today it is not only corporate customers who have wide-ranging requirements, though there are specific challenges in the B2B sector, where large scale services such as direct mail, distribution and logistics are areas of competitive challenge. Domestic and corporate customers typically have several accounts or distinct relationships with their postal service provider. It is vital to have a full view of all these customer interactions, which may aggregate several relatively low-value transactions into a high-value total, key to overall customer profitability.

Oracle's Trading Community Architecture (TCA) creates a framework for that total vision.

It feeds into marketing, sales and customer services. Apart from offering individual customers the right services, in the right way, at the right cost, this information supports strategic marketplace analysis and intelligence, highlighting new opportunities.



Die Post: BSI and Oracle provide eCounter management solution

The introduction of a single application to run all customer-facing transactions in post offices was identified as key for Switzerland's Postal Authority, Die Post, to meet the challenge of offering an integrated service to customers wherever they might come into contact with the organization.

Die Post approached Oracle Certified Solution Partner, BSI Business Systems Integration AG, to develop a solution that was simple to use, maintain and update. The goal was to service customers more quickly, more efficiently and from a wider portfolio of products and services.

The solution, called eCounter, demonstrates the flexibility, scalability and reliability of Oracle technology.



Once again, customer intelligence along with the automation and e-enablement of business processes is essential. Oracle provides a flexible, integrated technology platform to support the business changes you need to make and to enable new ventures to grow.

Training and employee empowerment

Customers are not the only people postal services need to communicate with. Partners, contractors and staff are vital too. Staff development is a rolling process, a continual improvement to meet the challenges of change and competition. Automation and e-enabling should be central to the staff empowerment strategy. Oracle iLearning using web and mobile communication technologies offers a cost-effective solution. Combined with other self-service HR functionality it provides another key ingredient for delivering success.

Addressing the online challenge

Your whole strategy has to embrace the online, electronic future, which impacts every business stream from direct marketing to individual letters and emails. Many postal services are already involved in new ventures, using their trusted brand to offer secure electronic communication services or setting up online shopping sites to exploit synergies with their delivery businesses.

Once again, customer intelligence along with the automation and e-enablement of business processes is essential. Oracle provides a flexible, integrated technology platform to support the business changes you need to make and to enable new ventures to grow.



Post Danmark: using Oracle technology as the platform for success

"A large part of our business relies on applications built using the complete Oracle Technology stack, and has been so for many years. All the way back from the earliest releases of Oracle Forms and up until today with Oracle9i Real Application Clusters, Oracle has proven its ability to keep up with the ever rising demands of a modern postal service organization meeting new requirements for capacity, availability and integration between diverse hardware and software components," says Jens Risgaard, IT Manager, Post Danmark.

The route to ROI in logistics

Time to harness the power of information

Recent research has highlighted stresses and strains as logistics companies grapple with complex problems of capacity management, customer expectations, industry consolidation and the emergence of new supply chain models. Information technology is seen as key to success, with the understanding that IT and e-business programs actually deliver in a reasonable time and with focused performance advantages:

- projects need to be implementable within three months and deliver ROI within six months
- third party logistics (3PL) providers are failing to deliver what they promise – collaboration requires integrated processes across enterprise boundaries
- more focused projects tend to achieve ROI more quickly
- but some 50% of all companies that implemented supply chain management or e-procurement software are failing to achieve anywhere near the expected savings
- in nearly every case the main obstacle to ROI is failure to rapidly deploy across the entire business



Whipping up success

Logistics and distribution are sensitive to the so-called 'bullwhip effect'. Small increases in input along the supply chain can get magnified to create a very large snap – causing considerable pain to the enterprise!

Logistics and distribution are sensitive to the so-called 'bullwhip effect'. Small increases in input along the supply chain can get magnified to create a very large snap – causing considerable pain to the enterprise!



Femsa Solistica: the wireless warehouse – pulling the plug on inventory lag

Femsa Solistica, a warehouse management service in Monterrey, Mexico, handles more than 45,000 pieces of inventory each month. Customers – mostly small-appliance manufacturers – store their products in Femsa's warehouses. When orders come in, the company's employees assemble the orders and hand them off to carriers. Speed and accuracy are of the essence. The faster an order is assembled and delivered the faster everyone gets paid. Always looking for new methods to reduce mistakes and overhead, Femsa is implementing a new supply chain management system with wireless radio frequency (RF) capabilities. This solution comprises Oracle Warehouse Management Software (WMS). The wireless component of Oracle WMS lets the company use handheld devices such as a scanner or PDA-like unit and interact with inventory.

Manuel Lamadrid, Chief Executive Officer, Femsa Solistica projects a 10% savings on labor costs and an increase in order and inventory accuracy from 94% to 99% as a result of this new implementation.

Managers will be familiar with the syndrome. Orders are placed based on forecasts plus a small excess of material to allow for shrinkage and a provision of time-plus to allow for delays. When every outlet in the group does the same it quickly aggregates to a significant inventory and scheduling problem. It builds excess capacity into the system. Such inefficiencies can be seen in pretty much any logistics operation, eating away at already tight margins.

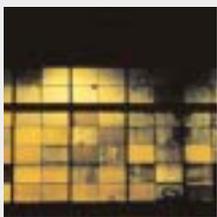
But there is no inherent reason why companies have to suffer the bullwhip effect to the extent that they do. Information technology can streamline capacity management and scheduling to reduce overheads, improve throughput and customer service. It is time to turn the bullwhip effect to advantage: small improvements in efficiency adding up to pain for your competitors!

Focusing on the customer

There is considerable pressure from customers. They are loyal to those providers which deliver tailored products and services at the right price and with the right commitment to putting customer requirements first. These include cost-effective delivery and distribution of smaller consignments in shorter timeframes.

At the same time, efficient logistics have never been more crucial as companies extend their geographic reach in terms of customers and markets and become more dispersed in terms of their own multiple sites. Flexibility of location in respect of manufacturing facilities and the

Flexibility of location in respect of manufacturing facilities and the various points in the supply chain is a key strategic need which puts a real premium on logistics. Those providers with the equivalent flexibility of service and responsiveness can win real advantage.



Servicio Urgente de Transporte: achieving top-performance in customer service

Servicio Urgente de Transporte (SEUR) is Spain and Portugal's largest door-to-door express delivery service. A review of strategy with Oracle, and partner IBM BCS (formerly PwC), showed that the acceleration of CRM implementations was key. Improving business process flows and implementing dedicated transportation solutions were highlighted as crucial if these operation areas were to be enhanced. "We were impressed with Oracle's capacity to offer SEUR an integrated CRM solution capable of driving and supporting our whole e-business strategy," says Raimundo Almeda, IT Director, SEUR. In December 2002, Datamonitor research revealed that SEUR International had been rated as the top performing courier and express supplier by their clients.

various points in the supply chain is a key strategic need which puts a real premium on logistics. Those providers with the equivalent flexibility of service and responsiveness can win real advantage.

Few logistics operators have fully embraced the benefits of new technology to manage the supply chain optimally or integrate systems for internal and collaborative efficiencies. Working together can enable you to achieve just-in-time delivery and to plan capacity and monitor performance in real time.

The emergence of 4PL™

To that end we are seeing the emergence of what is known as fourth party logistics. 4PL™ is carried out by participants in the supply chain that have no actual logistics assets, instead they have process knowledge which allows partners with such assets in the supply chain to operate more efficiently. This is giving rise to new kinds of relationships, requiring sophisticated, IT-driven, management solutions.

A supplier shipping goods to a customer via a 4PL™ service provider is at least two steps removed from the actual delivery of the goods to the door. They need to be able to trust their 4PL™ collaborator and that means visibility of the process, clarity of contract management, control of service levels and access to information.

Integration of the supply chain to allow real-time analysis and response to demand, plus total flexibility of operations is key. That is a tremendously complex task when extended over thousands of items, distributed globally and with traceability required by the minute! But it is the only route to inventory and scheduling optimization.



Deutsche Post World Net manages 60,000 vehicles on one database

Deutsche Post World Net manages its German fleet of 60,000 vehicles on a single Oracle database. Recording vehicle data centrally within a single database allows the Group's fleet managers throughout Germany access to the same data, which is always up-to-date. This brings significant commercial advantages. For example, the company has broad transparency of inventory history and costs, down to the level of each vehicle. With the aid of the new system the complete lifecycle of vehicles is tracked and all arising costs are recorded: from purchase and company use to disposal or sale. Alternatively the fleet can be managed more strategically. For example the system co-ordinates changes in vehicle usage locations, thereby effectively organizing adjustments in the operational inventory throughout Germany.

•••○ No matter how large or small the company, optimising the management of accounts receivable offers the quickest win and a fast return on investment in systems and processes. To speed up and maximize collections from customers requires a new level of command and control over fast moving, constantly changing information.

Towards smart e-enabled logistics

Integration of the supply chain to allow real-time analysis and response to demand, plus total flexibility of operations is key. That is a tremendously complex task when extended over thousands of items, distributed globally and with traceability required by the minute! But it is the only route to inventory and scheduling optimization.

To achieve the levels of business intelligence required calls for powerful and effective information technology. This needs to provide for the full e-enablement to support projections of future requirements as well as drive immediate execution of delivery. It is a vital resource enabling you to identify bottlenecks and other reasons for failure to meet service levels – and to switch routes, providers and capacity.

Improving cashflow

And finally, if logistics companies could guarantee to improve just one aspect of the business, most would choose credit control and cashflow above all others. No matter how large or small the company, optimizing the management of accounts receivables offers the quickest win and a fast return on investment in systems and processes. To speed up and maximize collections from customers requires a new level of command and control over fast moving, constantly changing information. Oracle Collections provides a powerful supervisory and actioning resource to ensure that payment for every transaction and every shipment is swiftly secured.



○ Omsan Lojistik improves efficiency, control and decision making through integration

Omsan Lojistik designs and delivers a range of logistics services providing land, air and sea transport in addition to warehousing, custom-clearance services and supply chain management. In 2001 Omsan Lojistik restructured its business consolidating facilities in order to create a more integrated logistics operation.

Today, seamless integration between Omsan's custom applications and the Oracle E-Business Suite, combined with consolidated, centralized data, enables a clearer, more timely view of the company's finances, which were previously tracked using spreadsheets. Omsan has reduced the time it takes to close its books each month by about 85%.

"Oracle is the only company that provides everything we need -- the database, the development environment, consultancy, project management and the enterprise resource planning system," says Sencer Salbas, IT Manager, Omsan Lojistik.

The gateway to future profits

New opportunities in ports and shipping

Throughput is the big issue for every port manager. The less time goods and passengers spend on site – the better!

But a host of factors complicate this simple business truth:

- a mass of paperwork relating in good measure to security and customs supervision
- the need to manage inventory efficiently in collaboration with shippers, distributors, agents and end customers – all of whom are themselves undergoing a process of change
- the pressure to cut costs within an increasingly globalized and privatized industry
- the drive to identify new opportunities, improve service to customers and exploit new revenue streams

Integrated services

Streamlining processes across third parties is key. For example, shipping lines now seek to control cargo from port to ship, then from port to truck and on to the customer. These integrated offerings allow economies of scale and lead to additional sources of revenue as new services come on stream. Consolidation is another aspect of the industry which drives towards a focus on integration.

Verticalization of activities is nothing without the infrastructure to knit operations together, particularly in today's 'just-in-time' environment. In an industry which has been relatively slow to adopt new information technologies there is a great deal of catch-up to do. But those who do adopt will gain real edge.

Streamlining processes across third parties is key. For example, shipping lines now seek to control cargo from port to ship, then from port to truck and on to the customer.



Hutchison Port Holdings (HPH)/Hong Kong International Terminals (HIT): using Oracle solutions and technology for global reach

Hutchison Port Holdings operates the Port of Hong Kong (HIT) and 17 other ports around the globe making it the world's largest private port operator and developer. Armed with the Oracle E-Business Suite, its database technology and the commercial determination to succeed, HPH has embraced the end-to-end solutions of e-business to squeeze time and money out of its, and its clients', port operations. HIT alone is a massive operation. HPH aggregates approximately eight million of Hong Kong's 16.1 million TEUs (20ft trailer containers or equivalent) and 17.9 million TEUs worldwide.

Mastery of the ports business is predicated on leveraging knowledge, experience and information, which explains the attraction to Oracle. HPH has huge databases of information about the shipping companies, importers, exporters, customs authorities, trade associations and others in the port communities. Moving quantities of goods this large is impossible without moving larger quantities of data first.

Meeting the challenge

Ports are by their nature regulated environments and delays from customs or security activity are part of the routine. In reality, improving the management of documentation and paperwork is key to speed and efficiency for all parties. That means automated clearance systems, reduced reliance on human intervention, online exchange of cargo manifests etc, to reduce replication of data and centralize information.

Trends and developments

The global shipping industry is seeing a trend of consolidation, with ever more extended supply chains.

Larger players are able to raise service levels and put downward pressure on freight rates because of their competitive power. All players need to operate at very high peaks of efficiency.

Finally ports and shipping companies are owners of substantial assets requiring maximum ROI. Complex handling equipment such as cranes and gantries must be maintained to ensure high availability and fast vessel rotation. Costs need to be controlled and reduced. Organizational performance enhanced.

Information technology is a key enabler, from dockyard management to berth allocation, from voyage planning to vessel tracking at sea. Oracle's solutions enable maximum leverage of assets.

Ports and shipping companies are owners of substantial assets requiring maximum ROI. Complex handling equipment such as cranes and gantries must be maintained to ensure high availability and fast vessel rotation. Costs need to be controlled and reduced. Organizational performance enhanced.



PCFC: delivering integrated finances with Oracle

After the merger of Dubai Ports Authority (DPA), the Ports Free Zone and the Ports & Customs Department to form the Ports, Customs and Free Zone Corporation (PCFC), the needs of the Finance Division grew substantially. For example, a wider constituency now needed financial information: management accounting was wanted for top executives, with an easy-to-use graphic interface, and powerful ad hoc enquiry and reporting facilities. PCFC decided that what it required was state-of-the-art technology.

Oracle was chosen and has implemented a comprehensive range of financial applications from the Oracle E-Business Suite. Oracle worked with partners on the successful migration to the new system, which included the smooth integration of other vertical systems, and data conversion from the old system.

Next steps – new destinations

Choosing the right business systems and applications partner

Oracle offers three key advantages to companies in the travel and transportation industries:

- Firstly, we help distributed businesses integrate – over a wide geographical area and across multiple business units. We also enable you to keep track of information in motion so that everyone has the same information as everyone else, always – vital in the fast moving world you operate.

We enable organizations to gain an enterprise-wide view of operations, treat individual customers as complex but single entities and build in the flexibility to manage peaks and troughs in demand more effectively.

- Secondly, Oracle understands travel and transportation from working closely with organizations and partners in every part of the industries. We are able to link our solutions directly to the core issues your business faces. We focus on your real world priorities.

Working closely with specialized industry solution partners such as Mercator, Amadeus, ABB Airport Technologies and DCS Transport and Logistics Solutions, Oracle complements its e-business solutions to deliver increased value and faster ROI for its customers. In addition Oracle works with the world's leading system integrators and management consultancies to serve travel and transportation customers around the globe such as IBM Business Consulting Services, Cap Gemini Ernst & Young, Unisys, Perot Systems, Bearing Point and others.

- Thirdly, Oracle adds real value right across the travel and transportation value chain. We are able to reach into every area of your business to expand your ability to compete, deliver service and respond to the marketplace.

We help global, distributed and integrated companies, because we too have a global, distributed and integrated reach.

A focus on meeting corporate governance obligations

In the US the newly enacted Sarbanes-Oxley Act seeks to introduce executive accountability for financial reporting. In Europe, the adoption of the International Accounting System (IAS) is gathering momentum. Even Asia-Pacific countries, such as Singapore and Australia are keen to adopt IAS.

These events have moved corporate governance to the top of today's business agenda. A recent survey conducted by the Economist Intelligence Unit found that 46% of senior executives designate corporate governance as one of their top three priorities – and for 14% it is the top priority.

Today corporate governance – and its implications for the business – is no longer limited to the boardroom. Executive accountability and good business practices have a critical role to play across the organization.

To help meet ever more exacting fiduciary requirements – and to give travelers, shareholders and regulators maximum confidence – integrated e-business processes are crucial.



“Oracle understands our business and that of our customers and so can propose solutions that answer a need in specific areas that should bring value to our offering in travel services distribution. By working with Oracle we are able to develop new and better value propositions that we believe are in line with our business objectives and correspond to our customers' expectations.”

Sam Jabbour, Director Systems Planning, Amadeus

“DCS is developing a close working partnership with Oracle to jointly sell our market leading solution ('DCSi.logistics') to freight and 3PL logistics providers. In addition to the integration with Oracle database and application servers, we plan to incorporate modules of the Oracle E-Business Suite which considerably strengthens the overall value proposition on offer to our customers.”

Bob Saul, Managing Director, DCS Transport and Logistics Solutions

“ABB Airport Technologies has been offering and delivering our airport operation solutions using the Oracle technology for a number of years already. UFIS and the Oracle E-Business Suite offer our joint customers more flexibility and a state-of-the art product line in airport automation.”

Giuseppe Dell’Oro, Project Manager,
Airport Systems & Processes,
ABB Airport Technologies GmbH

“Through the provision of integrated solutions and quality services for the airline industry, it is Mercator’s goal to exceed our customers’ expectations by helping them reduce the cost of implementing and running IT, improve customer service and help boost revenue. The airline industry is desperate for innovation to tackle the challenges it is facing in an increasingly competitive environment. That is why Mercator, with its 600 highly skilled airline professionals, is committed to continuing to deliver on a global basis the solutions that airlines need now – and tomorrow – to be ahead of competition. Mercator’s comprehensive offer of airline solutions, all based on Oracle’s technology, have a standard integration with the Oracle E-Business Suite. Together with Oracle we have today what I would consider the most complete offer to the airline industry.”

Hugh Pride, Director IT, Mercator (Emirates Group)

Oracle solutions support the three dimensions of effective governance:

- **Visibility** – business information is timely, relevant, accurate and available throughout the enterprise
- **Control** – implement strategies, enforce policies and detect and correct exceptions and violations before they spiral out of control
- **Efficiency** – visibility and control without adding significantly to the administrative overhead

Oracle and its partners – a key resource

Oracle’s mission is to be the leading business partner and information technology solutions provider for the travel and transportation industries. We have the know-how, the people, the methodologies and the technologies to support world-class business management: from financials to logistics, from procurement to customer relationship management, from reservation systems to mobile technology, from training to asset management, from human resources administration to supply chain management.

With Oracle and its partners, airports, airlines, logistics providers, postal services, ports and maritime related businesses, hospitality entities and travel companies, as well as railway and other public transportation companies, can integrate and improve the efficiencies of their operations to be ready to exploit the opportunities that lie ahead and turn them into real business.

The Oracle E-Business Suite for the travel and transportation industries

The Oracle E-Business Suite is the industry’s first integrated suite of Internet business applications that automate critical business processes, offering customers unprecedented choice and flexibility in implementing business applications. Its open architecture and single data model allow applications to be deployed as individual modules, business flows, or as an entire integrated suite. The Oracle E-Business Suite is offered as traditional inhouse software or as an outsourced service.





Worldwide Headquarters
Oracle Corporation
500 Oracle Parkway
Redwood Shores, CA 94065
USA

Americas Inquiries
Contact: Terry.Tooley@oracle.com
Phone: +1 972 401 5633

Europe/Middle East/Africa Inquiries
Contact: Lise.Donnez@oracle.com
Phone: +41 22 799 9925

Asia/Pacific Inquiries
Contact: Johnny.Wong@oracle.com
Phone: +61 3 8616 3000

Printed in the UK.



www.oracle.com