

Delivering Value:
Oracle E-Business Suite Fulfillment
Release 12.1

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. . . This crisis is affecting equity and credit markets. . . and the discretionary spending power of everyone and every business. This means that companies must do two major things with regard to their global supply chains: (1) Find every bit of cost reduction and efficiency gain possible without degrading service, especially to their key customers, and (2) Determine what selective investments in supply chains will payback in the near-term when the economy begins to turn around.

**Gene Tyndall,
Global Logistics Person of the Year
President SCEA
December, 2008**

EXECUTIVE OVERVIEW

Logistics is quite literally where rubber meets the road in business. The rapid clip of change in recent years of market conditions, customer expectations, and business models have required logistics organizations to constantly innovate. Oscillations in fuel prices, rapid market expansion followed by an equally rapid contraction, new government regulations, increased end-consumer scrutiny of product safety, customer demands for unique products, and corporate mergers have all contributed to a dynamic business climate that have required changes in the way the supply chain is managed. And all of this has taken place against the backdrop of a rapid expansion of globalization. From low-cost sourcing of raw materials, to fully outsourced production of finished goods, it is now commonplace for thousands of miles to separate the points of origin and consumption. The massive distances involved introduce long transportation lead times and create new pressures on all nodes in the supply chain. This, in turn creates a need for more efficient execution responsive to customer needs.

The severity of the current global recession is creating extraordinary uncertainty among business executives across all industries and geographies. Executives are looking for ways to cut costs and IT budgets are under the microscope. No better time exists than during a recession to challenge mindsets about managing operations. Establishing a strategic agenda that will help drive the business through these recessionary times should be a priority and coming out of the recession stronger is a worthy goal for every company. Organization should seek to create a strategic agenda that will result in driving efficiency and productivity while reducing complexity across the enterprise without hindering future growth opportunities—and most importantly without compromising service levels to key customers. This strategic agenda should seek cost reduction through improve efficiencies while making selected investments in initiatives that will result in differentiated customer service.

Oracle's latest release, Oracle E-Business Suite Fulfillment Release 12.1, supports these objectives by offering a global solution for improving efficiencies, improving the customer experience, and delivering a global business platform that drives

standardization and simplification throughout the enterprise for long-term benefits. Oracle E-Business Suite Fulfillment Release 12.1 automates business processes, reduces operational costs, and, allows organizations to differentiate themselves by providing a differentiated customer experience.

With Oracle E-Business Suite Release 12.1, Oracle delivers on its Applications Unlimited commitment, the long-term plan to provide continuing enhancements to existing investments in Oracle applications. Oracle E-Business Suite Fulfillment Release 12.1 is based on extensive customer feedback, industry best practices, analysts' research and Oracle's own commitment to thought leadership.

This whitepaper is intended to provide guidance in regards to the types of benefits that may be realized through an upgrade or implementation of Oracle E-Business Suite Fulfillment Release 12.1. For those customers that are considering a move from an 11i implementation directly to Release 12.1, this whitepaper also calls out the significant, value-added enhancements from Fulfillment Release 12.1. For customers who are not planning an upgrade within the next 12 months, this paper also highlights the value of solutions that they can leverage in an 11i10 environment with stand-alone or distributed applications that can work with existing ERP instances.

“Oracle customers have increasingly expressed the importance of achieving rapid return on their IT investment, in addition to the need to standardize and simplify processes globally throughout the enterprise, With Oracle E-Business Suite Release 12.1, we wanted to provide options for all organizations to choose the focus that made the most sense for them strategically. We have addressed this with the approach of standalone solutions and, new features within the global enterprise platform.”

**Cliff Godwin
SVP Oracle Applications Development**

INTRODUCTION

In this ever changing and uncertain environment, it is important to understand the key drivers behind Oracle E-Business Suite Release 12.1 as a whole and specifically for the Oracle's Fulfillment offering. In the subsequent pages, the business benefits of key capabilities in Release 12.1 are discussed with reference to the following key business drivers:

- Reduce costs through improved operational efficiency
- Provide a differentiated customer experience
- Invest in ways to simplify with a global business platform
- Achieve rapid return today

Only Oracle has the thought-leadership and development resources to continue to offer the world's broadest and deepest fulfillment solutions that address these four drivers and deliver significantly more value on an organization's IT investment.

BUSINESS BENEFITS OF RELEASE 12.1

The following sections focus on the business benefits that might be realized by either implementing distributed solutions in an 11i or other ERP environment or upgrading/implementing Oracle E-Business Suite Fulfillment Release 12.1. They are not meant to be the only benefits available, but highlight some of the main enhancements and where organizations should look to realize these benefits.

Reduce Costs Through Improved Operational Efficiency

Recent research by McKinsey shows that targeted IT investments, particularly in Supply Chain, which make operations more efficient or increase revenues can deliver larger returns than simple cost-cutting measures typically do.¹ It is possible to do more with less when operational activities are fine-tuned to be the most efficient possible. For example, reducing the amount of material handling time in the warehouse or redundant steps during administration of customer discounts means that employees can deliver the same amount of value to the organization in less time. In contrast to traditional cost-cutting measures, a targeted investment in IT to enhance productivity will not leave mission critical tasks in order management, pricing and core logistics at risk.

“In today’s economy, customers may not be inclined to implement large-scale upgrades of their core operational systems. The ability to recognize rapid value in the near term without requiring an upgrade could be viewed as an effective way to build a strategic IT roadmap and lay the ground work for long-term success.”

**Bruce Richardson
AMR Research Chief Research Officer**

Maximize Efficiencies in the Warehouse

Oracle E-Business Suite Warehouse Management Solution (WMS) 12.1 is the culmination of significant new investments in optimizing material handling, streamlining warehouse processes with transportation, and labor management. Thanks to a new distributed deployment option, Oracle WMS 12.1 can be implemented without the need to upgrade the rest of E-Business Suite, or even if the rest of the company is not running Oracle E-Business Suite at all.

Improve Labor Productivity

Labor commonly constitutes the largest portion of a warehouse’s operating expenses. Effective use of labor in the warehouse therefore presents one of the greatest opportunities to reduce costs while maximizing operational efficiency. Improved labor productivity come from formulating plans for maximal efficiency, avoiding chaotic behavior when mechanical failures occur, and utilizing the right mix of high-skill and low-skill workers. The latest release of Oracle WMS addresses all three of these areas and provides valuable analytics to measure workforce efficiency.

Oracle WMS lays out systematic plans to optimize the way that labor resources are used in the warehouse. It optimizes pick waves so that warehouse workers can reduce any unnecessary material handling. It also ensures that warehouse workers are only directed to pick inventory from forward picking locations that are properly replenished with inventory as demand requires so that their time is spent most productively.

Warehouses try to automate as many functions as possible. From time to time some of the automation equipment will break and the warehouse must revert to familiar manual processes. When mechanical failures occur in the warehouse the system is able to proactively identify impacted orders and optimally re-assign them to warehouse workers. This prevents poorly thought through reactions, panic and firefighting which could result in suboptimal labor utilization.

¹ McKinsey September 2008 research, “Managing IT in a Downturn”, authored by James Kaplan, Roger Roberts, and Johnson Sikes.

User interface enhancements in Oracle E-Business Suite WMS 12.1 allow logistics operations to effectively make use of low-skilled workers to augment their permanent, high-skilled workers. Increasingly, warehouses augment their permanent labor pool with temporary workers during times of peak demand. It is not practical to train temporary workers on complex processes and user interfaces. Oracle WMS 12.1 benefits from significant usability research and enhancements which simplify the execution of common tasks in the system. Interfaces can be easily customized for ease of use even by lower skilled workers allowing them to add value even with minimal training.

Synchronize Warehouse Activities with Transportation

In an ideal world, activities in the warehouse would be perfectly aligned with the transportation department. Products would be picked and packed in step with their scheduled time to be loaded onto the truck that would deliver them to the customer. In most companies there are disconnected business processes and systems driving warehouse activities and transportation. Now Oracle WMS not only is designed to communicate with the industry leading transportation system, Oracle Transportation Management (OTM), but the two systems are deeply integrated to maximize efficiencies in the end-to-end logistics process. For example, Oracle WMS receives information from Oracle OTM which allows it to optimize its pick waves with transportation plans, plan cross-docking, dock door assignments, and load sequencing to be in synch with the transportation function. Material handling costs are minimized and yard congestion is reduced.

More Productive Order Operations

Maintaining a competitive supply chain requires relentless reduction of costs. In the area of order operations this includes reducing the steps and time required to enter an order, as well as avoiding mistakes that would require manual corrections later.

Reduce Key-Strokes and Wasted Time in Shared Service Operations

Shared Service Centers, often located in low cost regions or countries, provide a proven way for governments and businesses to gain better control of their order operations and streamline redundant processing and systems.² Organizations are increasingly consolidating administrative tasks in Shared Service Centers as a way to focus on their core competencies, increase efficiencies, and better manage and access information.

Many companies have customer service representatives (CSRs) in a single location who accept and process sales orders for multiple operating units. But often CSR's are burdened by juggling between multiple systems or log-on IDs to create and complete an order. Oracle E-Business Suite Order Management 12.1 increases the productivity of your shared service personnel by providing role-based access to

² Shared Services: Enabling Finance Mastery and High Performance, Accenture 2005.

various organizations in your corporate structure through Multi-Organization Access Control (MOAC). MOAC enables shared services personnel to enter transactions, process data, view information, and run reports on behalf of multiple divisions or business units within the enterprise.

More Efficient Management of Credit Hold & Partial Payments

CSR's often ask "May I take your order?" But perhaps the better question might be "Should I take your order?" That's because customer accounts are sometimes on 'credit-hold' for non-payment without the CSR's knowledge. To help prevent fulfilling orders from delinquent accounts, Oracle Order Management now honors credit holds placed on customers from Oracle Receivables (AR). When a customer's account is placed on hold in AR, a hold source will be created in all operating units which have a site defined (or an order placed) for that customer. This provides more efficient order processing, avoids shipping to delinquent accounts, and improves credit visibility.

In some industries customers pay for a portion of the total when placing an order (e.g. in telecommunications consumers cover a portion of equipment or activation charges). In Release 12.1, Oracle Order Management supports the ability for users to define the business logic needed to automatically calculate the payment due at the time of ordering. For example, payment due can be the sum of new equipment, sum of all the one-time service charges (such as activation and installation fees), or other combinations.

Other highlights that improve the efficiency of order operations include:

- *Item Orderability*: Ensures that companies are selling the right products to the right customers at the time of order capture, therefore avoiding manual corrections after the fact.
- *Post-booking Item Substitution*: Extends item substitution support later in the order cycle, allowing planners to manually or automatically recommend an item substitution after the sales order has been booked.
- *Cascading Changes*: Customers change sales orders over three times per order. Now, information modified on the sales order header will automatically apply to all lines on a sales order, avoiding time-consuming, redundant and error-prone manual entry

Reduced Costs of Administering Pricing

Automate Pricing and Price Publishing with Price Books

It isn't surprising that organizations operating in a variety of markets around the world attempt to drive uniformity by setting prices centrally. Central administration allows companies to rapidly respond to market intelligence as it arrives. However, this doesn't obviate the need to serve markets in local currencies and at prices that reflect local conditions.

Oracle Advanced Pricing enables users to centrally define global pricing while also managing rules for currency conversion, markup, and markdown for local regions. With the introduction of *Price Books* in Release 12, business can better communicate pricing to customers and partners. Price Books are viewable on-line, offered as a professionally formatted report appropriate for use in sales and marketing, or automatically synchronized with other electronic catalogues (via outbound XML messages).

Tame Pricing Administration Complexity with PLM Product Catalog Integration

As businesses seek to service more tightly targeted markets around the world, the number of products, product variations, and pricing agreements expands geometrically. In this environment of product proliferation and complex pricing, one of the most effective approaches to reducing complexity is to leverage Product Catalogs that organize products into logical hierarchies. This approach eliminates the need to manage pricing and discounts for every product. Instead, organizations can manage pricing and discounting at “higher levels” of the product hierarchy and apply pricing and discounts at the time of ordering. In Release 12.1, Oracle Advanced Pricing integrates with Oracle’s PLM Product Catalog and enables users to create pricing and discounting at any level of the product hierarchy. This provides an opportunity to increase organizational agility by rapidly revising products and pricing in response to changing market conditions.

Provide a Differentiated Customer Experience

Ensure Multi-National Customers Get the Price Discounts they Deserve

Customers who are multi-national conglomerates are increasingly creating broad-based agreements with suppliers that specify discounts for their subsidiaries around the world. Systematically capturing the pricing details specified by complex, far reaching customer agreements can be challenging. To further complicate matters, the organizational structure of these companies is often changing because of reorganization or acquisition. Oracle Advanced Pricing already provides a complete and flexible method for defining even the most complex discount types. Now Release 12.1 of Oracle Advanced Pricing addresses makes it simple to apply these pricing discounts at any level of the customer’s organization with a new integration to Oracle’s Trading Community Architecture (TCA) Party Hierarchy. If customer accounts undergo mergers, acquisitions, or divestitures, changes in the party hierarchies made in TCA are automatically reflected in Oracle Advanced Pricing. The correct discount is always available to the right division of any large, global customer—no matter how they do business with you. And since this administration is centralized, duplicate efforts are eliminated. Administrative costs are reduced while the customer is ensured to receive the right discount on each order.

Tune Warehouse Operations to Respond to Customer Needs

Warehouse operations are key to matching or exceeding customer expectations. A number of factors including on-time shipments, compliance with standards and material traceability are important to ensure superior customer service.

Intervene in Product Quality Issues Before They are Visible to the Customer

No one wants to recall products. Product recalls are expensive, risky and highly visible events that are best avoided. Oracle WMS allows material traceability at any level of the warehouse operation so that earliest intervention can be made as quality problems become known—and most importantly, before it leave the warehouse and becomes visible to the customer. If a product is stored at the wrong temperature or if a leak in the roof occurs, the damaged products can be pinpointed inside your operation and holds can be placed on individual pallets, cases or totes.

Meet Customer Requirements for Special Product Labeling

Customer-specific labeling requirements can easily be supported, including those for RFID. Compliance to labeling standards of a customer is an important aspect in maintaining high customer service levels. The labeling standard varies from customer to customer and often these standards change frequently. As RFID becomes more pervasive, customers are also demanding compliance to commonly used RFID standards including tagging products with EPC standards such as SGTIN-96, SSCC-64, SSCC-96, etc. The user defined label fields and RFID compliance features in WMS makes it easier to address compliance needs of customers using a simple setup and without expensive customization.

Simplify With A Foundation For Global Business

Today's organizations continue to face a host of challenges in this global economy. Working across multiple geographies with multiple systems and rules, and according to local standards, call for global business processes and work flows that can span applications, divisions and regions. This need is particularly evident in the area of global financial management. With ever more compliance and governance mandates, organizations are centralizing critical finance operations in order to enhance control and visibility. Oracle E-Business Suite Release 12.1 enables you to stay competitive by giving you the ability to operate globally while meeting local compliance requirements.

Gain Full Visibility of an Item's True Landed Cost

In an effort to meet revenue targets and profitability expectations, companies often look to international trade to maximize their customer reach, gain competitive advantage, and reduce costs. However, international trade introduces new coordination and management complexities as well as costs. Understanding and attributing how much money an enterprise is currently earning by product becomes very difficult. This is due in large part to the fact that financial processes

do not often mirror complicated physical supply flows. Companies are looking for ways to bridge these two realities and accurately map product movement and costs to financial accounting. They need the confidence to know that cost and inventory valuations are correct. This is important not just for regulatory compliance but also for strategic decision-making. Knowledge and visibility into these trade costs would help organizations better evaluate new product plans, price their products, and negotiate contracts with both suppliers and customers.

Additionally, some industries and regions require that product specific landed costs be tracked and included on documentation even for domestic trade. These are often driven by a federal wide mandate in the case of countries like Brazil and India. However, they can also be driven by industries like process manufacturing where it is difficult to track the individual acquisition components against the resulting products that get stored and sold further downstream.

Oracle Landed Cost Management is a new product that captures and itemizes all the merchandise and non-merchandise related costs associated with an organization's supply chain. It apportions these costs back to the individual merchandise item providing traceability throughout the item's lifecycle. The result is overall visibility that drives strategic decisions around sourcing, product pricing, contract negotiation, and product planning initiatives. It also provides the evidence and data to support accurate fiscal reporting and compliant trade documentation.

Oracle's Landed Cost Management helps organizations:

- *Maximize profits:* By illuminating *real* product costs, organizations have the opportunity to identify areas for potential cost reduction.
- *Improve competitiveness and agility:* When all of the charges, feeds, duties and taxes are known, companies can more strategically source products and components from lower cost foreign locations.
- *Increase visibility and ensure compliance:* Itemizing and tracking all acquisition costs and material cost elements as they apply to a product enables organizations to better link their product supply flows with their financial processing and reporting. Organizations are able to adhere to country specific requirements for product profitability documentation and income tax calculations.

Simplify Regulatory Compliance with Complete Accounting and Taxation

The flow of information can be just as important as the flow of physical goods. This is especially true in the Finance function which must maintain precise records of ongoing operations according to formal accounting principles. In a global setting, this means that Finance must conform to multiple accounting and disclosure standards across regions. Release 12.1 equips organizations to deal with the challenge by providing capabilities to:

- Speed revenue and cost recognition with customer acceptance
- Automatically assign and track COGS based on GAAP Standards
- Centralize tax controls and updates with eBusiness Tax integration
- Improve compliance with centralized sub-ledger accounting

Comply with Local Regulations with Customer Acceptance

Firms in some industries and geographies must defer invoicing and/or revenue recognition until a customer formally accepts a shipment. Oracle Order Management now provides a flexible infrastructure for managing customer acceptance events in the following ways:

- Customers can log into the self-service Order Information portal to confirm acceptance
- CSRs can use the Sales Order Workbench to call the Order Information Portal and confirm acceptance
- The Order Import/Process Order API can import customer acceptance captured from an external system
- Acceptance can be implicit based on a specified elapsed time after shipping

Automatically assign and track COGS based on GAAP Standards

It is common for companies to track and account for fulfillment operations according to generally accepted accounting principles (GAAP). This includes providing an accurate and timely accounting for Cost of Goods Sold (COGS). In a global setting this requires companies to provide GAAP accounting COGS on revenue earned or recognized in multiple accounting periods and geographies. In Release 12.1 Oracle Cost Management supports this requirement by automatically calculating COGS based on a percentage of revenue recognized in Oracle Receivables. Oracle Cost Management can even be used to track COGS in more complex scenarios. For example, cost accountants and managers can use flexible reports to track the value of inventory that has been shipped, but is still owned by the operating unit until the revenue has been recognized.

Centralize Tax Controls and Updates with eBusiness Tax

Release 12.1 provides broad-based support for global tax requirements by integration with Oracle E-Business Tax. Oracle E-Business Tax is a centralized tax repository for managing transactions and transaction tax rules. This integration delivers consistent tax services to all E-Business Suite process flows- including Oracle Inventory's Inter-company Invoicing. Oracle E-Business Tax also integrates with third party vendors that maintain country-specific content that automatically keeps tax rules up-to-date. Organizations will benefit from error reduction, improved compliance, lower cost of integration, and visibility into global tax obligations.

Improve Compliance with Centralized Subledger Accounting

All supply chain transaction accounting is managed by Oracle's new Subledger Accounting (SLA) rules engine, introduced in Release 12. Oracle Subledger Accounting ensures consistent financial reporting by applying standard accounting rules to all business transactions, whether they're generated in Oracle Discrete Manufacturing, Oracle Inventory, other Oracle E-Business Suite applications, a third-party program, or a legacy custom solution. In Release 12.1, SLA provides:

- Greater flexibility through modification of seeded account numbering and journal entry defaults in Oracle Cost Management, Inventory and Receiving
- Complete centralization of accounting logic in the SLA for Process Inventory and Production transactions across Oracle Process Manufacturing.
- Increased flexibility with custom journal lines that specify the accounting entries generated for specific supply chain transactions.
- Improved control and compliance with secure, over-ride protected exception processing.
- Better insight through detailed reports that analyze data across sub-ledgers to drive better understanding of root causes to enable immediate action.

Achieve Rapid Return Today

Technology has a role to play in helping organizations manage through an economic crisis and emerge stronger than ever – especially when you target your technology investments in the right areas.

Increased Visibility Drives Greater Shareholder Value

Oracle BI Applications are complete, prebuilt solutions. By providing a single, integrated view of enterprise information and enabling greater insight and alignment across business functions, Oracle BI Applications help people at all levels of the organization better understand how their business is performing. Oracle delivers pre-built adapters and ETL (Extraction, Transformation and Loading) maps for Oracle E-Business Suite Release 12.1, 12 and 11i10. Oracle BI Applications uniquely support Oracle E-Business Suite releases with tight integrations, including support for Oracle E-Business Suite SSO (Single Sign On) and Oracle E-Business Suite specific security at the user, object and data layers. Additionally, Oracle BI Applications leverage Oracle E-Business Suite Flexfields and have pre-built "Action Links" allowing Oracle BI Apps users to securely access appropriate content and drill to transactional detail within Oracle E-Business Suite applications, automatically.

For Oracle E-Business Suite Fulfillment customers, Oracle Supply Chain Analytics, part of the Oracle BI Applications family, provides organizations with better visibility into the factors that drive revenues, costs, and shareholder value. Tight integration with other applications in the Oracle BI Applications family delivers

robust supply chain information across the company value chain to enhance customer, supplier, and workforce analysis.

Reduced Cost of Ownership

Historically, implementing and managing applications that cross operating units or geographic entities have taken considerable time and effort. Oracle E-Business Suite Release 12.1 makes it easier and less expensive to implement, manage and scale global applications. For example, Oracle E-Business Suite Release 12.1 offers a streamlined user experience, leveraging the best user experience practices from existing and acquired products. A new user interface helps ensure maximum employee productivity.

Increased User Productivity with New User Experience

Oracle made a focused effort to enhance the user experience in Oracle E-Business Suite Release 12 and 12.1. Over 120 user experience professionals, many from Apple, Yahoo, Google and Microsoft, performed extensive out-of-the-box usability tests on released products leveraging focus groups and eye-tracking studies. Results include a reduced overall number of pop-ups and duplicate screens, re-designed and streamlined workflows, a reduced number of steps to complete key tasks, and an improved overall look and feel and visual style. By designing business processes intelligently, eliminating manual steps, and leveraging technology, people can work faster and smarter.

Flexible System Connectivity

Connecting disparate systems and processes has long been a business priority and IT challenge. With an updated web services repository and process management tool, Oracle E-Business Suite Release 12.1 enables lowering the cost of integrations with third party applications and adaptable business processes.

Comprehensive Web Services Integration Repository

Oracle E-Business Suite Release 12.1 has hundreds of services so that IT can easily integrate the E-Business Suite into cross-business, cross-product business flows. It includes web services, public java & PL/SQL APIs, business events and batch interfaces. The Integration Repository enables key integration types including business-to-business, enterprise application integration, business process management, and business activity monitoring. Industry-standard messages and standards-based XML documents are supported. A user-friendly interface makes searching and viewing available integration points easy. Maintenance is simplified by functionality that automatically keeps in step with source code via standard patching.

Simplified Integration

Oracle Business Process Execution Language (BPEL) Process Manager offers organizations the ability to manage processes spanning heterogeneous

applications. Oracle, 3rd party, and legacy applications can be integrated to extend process automation. A graphical user interface facilitates the process of quickly integrating applications and a web-based console is used to manage system performance. Prepackaged, standard interfaces for applications and legacy systems are used to connect systems, reducing the integration effort and shortening time to value. In addition, the Process Manager is built on widely adopted industry standard language (BPEL).

Oracle Fusion Middleware Certification

Oracle E-Business Suite Release 12.1 is certified on Oracle Fusion Middleware, a comprehensive, hot-pluggable family of middleware products. This certification enables you to more easily leverage a portfolio of leading security, integration, and business intelligence solutions among others. For example, Oracle built cross-application flows between Oracle Retail and Oracle Financials in Oracle E-Business Suite Release 12.1. You can extend the capabilities of your E-Business Suite implementation by creating your own cross-application business flows.

“Upgrading to Oracle E-Business Suite Release 12 increased our efficiency and improved our overall ability to remain competitive and pursue aggressive growth goals in the challenging technology market”

Robin Shirley
Vice President of Finance, Apricorn, Inc.

Many clients are evaluating whether to upgrade from Oracle E-Business Suite 11i to Release 12 or wait for the larger Fusion release. There are significant application and architecture changes in Release 12. Upgrading now will help build the foundation to prepare for Fusion—maximizing business value while mitigating risk.

Sean Malinski,
Accenture Partner, Global Business Solutions - Oracle Practice

PLANNING YOUR UPGRADE

Oracle knows that continually upgrading and maintaining your current enterprise application investment can be challenging and costly. In addition to hundreds of cross-industry capabilities to help you manage the complexities of global business environments, Oracle E-Business Suite Release 12.1 was also designed to make the upgrade process easier.

There are a number of technology and process improvements delivered with Oracle E-Business Suite Release 12.1 that will greatly improve the upgrade process. Whether it's the parallel infrastructure for distributing workloads during large table updates, scheduling improvements, or optimizer dynamic sampling, the Release 12.1 upgrade process is far more streamlined than prior upgrades.

This release has undergone more upgrade and system testing than any prior E-Business Suite release. It also requires fewer pre- and post-upgrade steps. Additionally, Oracle E-Business Suite Release 12.1 gives you unprecedented continuity and choice. For example, you will be able to run your business the same way as before once you upgrade, even with the new financials architecture. While Sets of Books become Ledgers and Ledger Sets, the Subledger Accounting engine performs accounting from the subledgers into the General Ledger, and *Operating Units* are used to segregate transaction data, your accounting results won't change. Release 12.1 uses the same business rules from your 11i environment to account for transactions and manage user access to operating units.

With Oracle E-Business Suite Release 12.1, *you* decide when you want to leverage the new features. Upgrading to Oracle E-Business Suite Release 12.1 may be the right opportunity for your organization to evaluate consolidating ERP instances in order to reduce IT and compliance costs, improve information quality and facilitate faster M&A integration. By moving to standardized processes and

systems, you will be able to make the most of the many capabilities delivered in Oracle E-Business Suite Release 12.1.

Take Advantage of Flexible Deployment Options with New Distributed WMS

If now is not the right time to upgrade core ERP modules such as Oracle Financials or Oracle Human Capital Management, all of the latest advances and features of the Oracle Warehouse Management Solution (WMS) are available in our new distributed Oracle WMS offering. By taking advantage of the new distributed deployment option for Oracle WMS, an enterprise can choose not to upgrade any other portion of their Oracle or non-Oracle ERP systems and only implement or upgrade Oracle WMS Release 12.1. Oracle WMS Release 12.1 will work with any Oracle or non-Oracle ERP systems.

CONCLUSION

Organizations desiring to be stronger after this recession will create a strategic IT plan that incorporates solutions that provide value to their organizations today. If a large scale upgrade is not part of the current IT budget, organizations should evaluate the stand-alone solutions that complement an existing 11i or Release 12 environment. Customers can take advantage of these rapid value solutions without having to upgrade to the latest release and achieve rapid value today. On the other hand, if organizations are committed to continuing their focus of transforming their logistics organizations through reducing cost and driving out complexity, upgrading to the latest release allows them to standardize and simplify on a global business platform.

Oracle E-Business Suite Release 12.1 was designed to help organizations achieve rapid value today, as well as standardize and simplify their infrastructure and business processes for long-term results. Logistics organizations can further benefit from their ability to differentiate their customer service and maximize their operational efficiency.

With an enhanced user experience, hundreds of new, cross-industry capabilities for improving productivity and efficiency, and Fusion Middleware for lower cost integrations, organizations can expect a lower total cost of ownership with this release. Additionally, Oracle E-Business Suite Release 12.1 demonstrates Oracle's continuing commitment to the Applications Unlimited program, the long-term plan to enhance current Oracle Applications while delivering innovative, next-generation solutions.

FOR MORE INFORMATION

Find out more about Oracle E-Business Suite Financials Release 12.1 from the following resources:

- [Release 12.1 Information Center](#) on My Oracle Support

- Release Content Documents for Oracle E-Business Suite Release 12.1 (Doc ID: [561580.1](#))
- Release Value Proposition for Oracle E-Business Suite Logistics and Order Management Release 12.1: Release Value Propositions describe the value associated with the new features and enhancements in Oracle E-Business Suite Release 12.1. They are intended to help you assess the business benefits of Release 12.1 and plan your information technology (IT) projects and investments. (Doc ID: [804373.1](#))
- Oracle Advisor Webcasts: Metalink: Knowledge > Tools and Training > Training (Web Seminars) > Advisor Webcasts; OR Headlines > Programs & Training > Advisor Webcasts – Product Related and select Current Schedule (Doc ID: [398877.1](#))
- Best Practices for Adopting Oracle E-Business Suite, Release 12 (Doc ID: [580299.1](#)).
- Oracle E-Business Suite Release 12.1 on Oracle.com (<http://www.oracle.com/applications/e-business-suite-release-12-1.html>)



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