

ORACLE SUPPLY CHAIN ANALYTICS

KEY BENEFITS

FOR BUSINESS USERS

- Maximize revenues by ensuring that enough goods are available to fill customer orders while keeping inventory levels and costs as low as possible
- Streamline procurement and control material and component costs
- Quantify supplier performance to develop more profitable relationships
- Measure how effectively the organization is managing raw materials and finished goods inventories across multiple locations
- Manage suppliers more effectively, decrease the risk of material shortages, and ensure timely payments to the best-performing suppliers
- Achieve greater visibility into where and how both direct and indirect spending occurs across the organization

- Gain greater efficiencies through the ability to continually monitor and improve procurement and better manage costs

FOR IT

- Accelerate deployment of supply chain data warehouse
- Integrate supplier and product data from multiple sources to provide business users with a complete view of the customer and related supply chain business processes
- Tailor analytics to specific supply chain functions, including supplier management and sourcing
- Adapt to changing external and internal needs by leveraging, not replacing, existing investments
- Provides comprehensive user self-service capabilities to reduce the burden on IT resources

Oracle Supply Chain Analytics, part of the Oracle BI Applications product line, enable organizations to optimize their supply side performance by integrating data from across the enterprise value chain and enabling executives, managers, and frontline employees to make more informed and actionable decisions. Organizations using Oracle Supply Chain Analytics benefit from increased visibility into the complete supply chain process, including comprehensive procurement and spend analysis, supplier performance analysis, inventory analysis, and supplier payables analysis. Through complete end-to-end insight into the factors that impact supply chain performance, organizations can significantly reduce costs, enhance profitability, increase customer satisfaction, and gain competitive advantage.



Figure 1: Oracle Supply Chain Analytics' Sourcing Dashboard enables detailed spend analysis across the enterprise

Faster Time-to-Value and Better Business Results

Most organizations struggle to obtain timely and relevant data from their enterprise systems. The reasons are twofold. First, there is the explosion in both the volume and the complexity of enterprise data, which is often fragmented across many disparate systems and departments. Second, the traditional BI systems used by many organizations can't provide timely, cross-value chain insight nor deliver it to large numbers of front-line users where it has the greatest impact. Traditional systems also require considerable development effort, take too long to deploy, and involve significant cost and risk. By

contrast, Oracle BI Applications are powerful, pre-built solutions that enable organizations to implement quickly, with less risk and at a fraction of the cost required to build traditional BI solutions. They provide rapid time-to-value, better business results, and higher return on investment.

Better Supply Side Effectiveness

Oracle Supply Chain Analytics provide comprehensive visibility into every aspect of the company’s supply chain, including raw materials procurement, supplier performance, inventory management, finished goods, and delivery effectiveness. Oracle Supply Chain Analytics are tightly integrated with the other solutions in the Oracle BI Applications product line. They combine data from procurement, planning, inventory, and fulfillment systems with data from across the organization, including financial systems and customer relationship management (CRM) to deliver robust information to enhance customer satisfaction, increase operational effectiveness, and improve financial performance. For example, Oracle Supply Chain Analytics enable finance and service professionals to gain visibility into inventory availability and sourcing costs to better understand how these impact customer satisfaction and product profitability. Oracle Supply Chain Analytics provide hundreds of powerful metrics, alerts, and reports, delivered through intelligence dashboards, or mobile devices, that provide near real-time insight into the entire supply chain operation, enabling users across all roles to make better decisions and take appropriate actions. Procurement professionals can monitor specific metrics and reports, enabling them to compare the performance of a particular supplier to that of others or performance benchmarks, aggregate disparate orders to a few strategic suppliers, and reign in rogue spending across multiple systems. They can also receive timely information on spending and inventory at varying levels of detail such as by product, geography, and region that allow them to spot potential materials shortages and take action before they cause stock outs. Oracle Supply Chain Analytics enable organizations to compare purchase orders to inventory levels on a near real-time basis. By comparing this to sales order data, organizations can optimize inventory levels by ensuring that adequate supply exists to meet customer orders without unnecessarily tying up working capital.

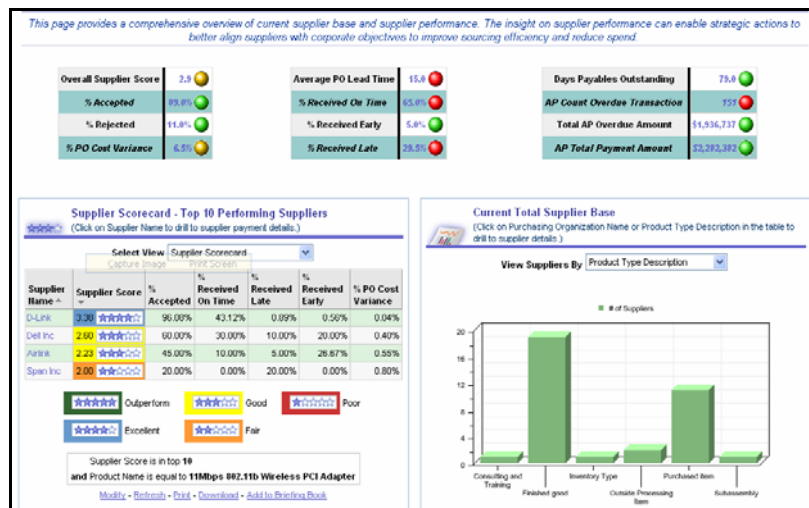


Figure 2: Oracle Supply Chain Analytics’ Supplier Performance Dashboard provides detailed insight on Supplier Performance

Improved Business Performance

Organizations depend on timely information to optimize performance. However, most organizations lack this kind of insight because the data they need is housed in disparate systems, including back-office, legacy, and CRM systems. Oracle Supply Chain Analytics provides source-specific business adapters that dramatically reduce the time and effort required to extract and transform data from disparate enterprise systems, including most legacy and leading commercial systems such as Oracle and SAP into integrated, easy-to-use, and actionable insight. The solution enables companies to more effectively manage their customers and improve business performance by:

- Providing timely direct and indirect spending data to all departments; reducing the time spent compiling, reconciling, and consolidating data from fragmented systems; and spending more time analyzing, making proactive decisions, and taking action
- Analyzing detailed, transaction-level data to understand the factors driving supplier performance, inventory costs, and profitability across business units, geographic locations, sales territories, customers, products, and distribution channels
- Optimizing cash flow through detailed accounts payable, procurement, and inventory analysis, and improving performance by identifying the worst-performing suppliers in terms of schedule adherence or pricing inconsistencies

Next-Generation Business Intelligence Platform

Oracle Supply Chain Analytics are built on the Oracle BI Enterprise Edition Platform, a next-generation analytics platform that fully leverages existing data warehouse and BI investments. Using a metadata-centric architecture, it is designed to support the growing needs of the business user while minimizing IT maintenance and administration. Oracle Supply Chain Analytics are built using standards-based technology, enabling easy integration with existing IT environments and support for all leading RDBMS products and commercial and custom enterprise applications. Moreover, Oracle Supply Chain Analytics support large numbers of concurrent users, multi-terabyte data sets, and the largest enterprise implementations.

Proactive Intelligence

Urgent business circumstances demand immediate attention. Oracle BI Applications provide proactive, event-based, and scheduled alerts that are delivered directly to users via email, mobile phones, and other portable devices—or to their personalized dashboard. This places powerful information in the hands of those who have to make daily decisions—not just at the end of the quarter. For example, a production problem at a key supplier automatically will trigger an alert notifying stakeholders of the event in time to procure materials from a different supplier and still meet orders. In another case, when orders for a key product fall below forecast levels, Oracle Supply Chain Analytics can send an alert to the plant manager or other operations executives, enabling them to quickly make adjustments to purchase orders or production levels to ensure that inventories do not exceed necessary levels. In contrast, traditional BI solutions require users to discover problems manually, and thus the problem may go undetected for days or weeks—too late to react.

ABOUT ORACLE BI APPLICATIONS

Oracle BI Applications provide complete, real-time, and enterprisewide insight for all users, enabling fact-based actions and intelligent interaction. Tailored for more than 20 different industries and designed for rapid deployment at a low cost of ownership, Oracle BI Applications are pre-built solutions that start with the customer, embrace any existing corporate data source, and are seamlessly integrated with other Oracle BI Application solutions to increase effectiveness across the entire customer life cycle. All Oracle BI Applications are powered by the Oracle BI Enterprise Edition platform, a family of high-performance, highly scalable, and highly reliable next generation business intelligence platform products that can be used to extend existing analytic solutions to meet any enterprise business intelligence need. Additional information about Oracle BI Applications is available at www.oracle.com/analytics.

Oracle Supply Chain Analytics

Oracle Supply Chain Analytics provide robust supply-side information, metrics, and alerts that integrate with the other applications in Oracle BI Applications product line. They deliver this insight across the organization to increase the company's effectiveness in managing its customers, suppliers, and financial decisions. Specific products enable organizations to analyze detailed performance areas that affect revenue, profitability, and customer satisfaction. The following modules are currently offered:

Procurement and Spend Analytics

Provides complete visibility into direct and indirect spend across the enterprise, payment, and employee expenses. Example analyses are spend by Commodity & Supplier, by Purchase Org, Cost Center, and expense by Employee, Buyer, etc.

Supplier Performance Analytics

Enables organizations to have a complete picture of the performance of the performance of their suppliers, including complete supplier scorecards, procurement cycle times, supplier price performance, delivery performance, product receipt quality, on-time payment ratings, payment activity and volume and payments due / overdue analysis.

Inventory Analytics

Incorporates analysis of inventory held by an organization; bill of materials; and inventory movements in, out, and through manufacturing plants, distribution centers, or storage locations. This enables companies to monitor inventory levels trend to Sales performance to improve cost exposure, increase turnover through inventory level reduction and increased velocity, properly deploy inventory at the right place / right time and better understand Customer and Supplier Returns to maintain quality.

Summary

Across industries, companies are facing increased pressure to minimize costs and achieve greater efficiencies. This means ensuring that expenditures on direct and indirect materials, as well as the number of vendors who provide them, are carefully controlled. Effective supply chain management helps ensure that revenue targets are met by properly anticipating customer demand and ensuring that there is adequate inventory to fill orders. At the same time, organizations must also ensure that inventory levels do not get too high and unnecessarily tie up working capital. Oracle Supply Chain Analytics provide the functionality, flexibility, and extreme usability required to meet the needs of procurement and supply chain professionals throughout the organization. Oracle Supply Chain Analytics create powerful synergies with all of Oracle BI Applications products by ensuring that rich supply chain insight helps drive all customer, supplier, and financial decisions, resulting in lower costs, increased revenue, and greater profitability.

Copyright 2006, Oracle. All Rights Reserved.

This document is provided for information purposes only, and the contents hereof are subject to change without notice. This document is not warranted to be error-free, nor is it subject to any other warranties or conditions, whether expressed orally or implied in law, including implied warranties and conditions of merchantability or fitness for a particular purpose. We specifically disclaim any liability with respect to this document, and no contractual obligations are formed either directly or indirectly by this document. This document may not be reproduced or transmitted in any form or by any means, electronic or mechanical, for any purpose, without our prior written permission.

Oracle, JD Edwards, PeopleSoft, Siebel and Oracle BI EE are registered trademarks of Oracle Corporation and/or its affiliates. Other names may be trademarks of their respective owners.