

# ORACLE INVENTORY MANAGEMENT CLOUD



Inventory is a major asset for many organizations, and effectively managing inventory, including the related inventory movement transactions, can impact your bottom line. Oracle Inventory Management Cloud Service offers a complete materials management solution that enables companies to successfully manage the flow of goods: inbound, within the warehouse and outbound. Oracle Cost Management allows cost professionals to capture, track, and analyze costs associated with inventory items as they move through the supply chain. Oracle Supply Chain Orchestration is a powerful rules based engine that manages more complex supply and fulfillment flows. Oracle Supply Chain Financial Orchestration automates the financial flow execution for internal trade between parties independently from the physical movement of goods and fulfillment of services.

#### KEY BUSINESS BENEFITS

- Global inventory visibility
- Reduce inventory levels and cycle times
- Reduce fulfillment cost of on-time fulfillment using partner capabilities
- Gain better insight into product costs and margins
- Flexibly manage trade between internal parties

#### Complete Materials Management Solution in the Cloud

Oracle Inventory Management Cloud offers an integrated inventory, advanced fulfillment, cost and financial trade management suite that is designed to automate, streamline, and control inventory, manage complex demand and supply scenarios, cost processes and internal trade end-to-end without expensive hardware and system management overhead costs.

The Oracle Cloud offers self-service business applications delivered on an integrated development and deployment platform with tools to rapidly extend and create new services. The Oracle Cloud is ideal for customers seeking subscription-based access to leading Oracle applications, middleware and database services, all hosted and expertly managed by Oracle. The application services are designed for ease-of-use, enabling business users to manage the solution directly with no IT involvement.

**KEY FEATURES**

- Proactive management of inbound, on-hand and outbound operations
- End-to-end supplier consigned inventory support
- Advanced fulfillment processes – Internal Material Transfer, Dropship, Back-to-Back Support
- Third party and advanced warehouse management integration support
- Internal and external manufacturing support
- Standard and configured Product support
- Dedicated cost transaction workbench
- Business intelligence dashboard for cost analysis
- Multiple simultaneous cost representations
- Flexible, configurable cost calculation levels
- Model physical flow and financial flow independently
- Landed cost support

**Comprehensive Materials Management Visibility and Control**

Oracle Inventory Management helps organizations ensure that material is effectively managed from receipt through the point of consumption in stock rooms, warehouses and manufacturing plants.

The flow of inbound materials is streamlined by providing centralized, proactive monitoring mechanisms that efficiently manage both expected receipts, in-transit and received lines by supplier, internal location or customer. Receiving agents are guided through prescribed receiving, inspection and put-away tasks ensuring receipts are processed quickly and easily, and exceptions are promptly identified and resolved.

Access to inventory, replenishment and counting tasks are arranged in a central inventory work area to simplify management of materials within and across facilities. From the centralized view of balances, users can easily see and manage different material statuses, lots and serial numbers enabling proper stocking and handling of different types of materials. Additionally, users can initiate issue, receipt, count and transfer of material within a facility and across facilities.

Classification of materials is simplified by offering a variety of ABC valuation methods allowing for effective counting of different types of materials. Based upon flexible approvals and controls, managers can identify problem products or handling within the facility.

Stock-outs can be costly to your business. Oracle Inventory Management offers robust Min/Max planning capabilities to replenish from your suppliers, manufacturing plants, from other internal organizations or from bulk stocking locations.

Consigning inventory from suppliers allows you to only pay for the inventory you use. This is great for controlling your inventory costs, but adds additional complexity and overhead to the procure-to-pay process because taking ownership of inventory needs to be decoupled from the physical receipt of inventory, and the actual ownership change and associated payments triggered by a later, separate process.

The consigned inventory from supplier solution addresses these requirements with functionality built-into the procure-to-pay process. Oracle Inventory Management provides full visibility to materials consigned internally from your suppliers and externally to your suppliers. As you consume goods a new document, called a consumption advice, is communicated to your supplier via multiple communication methods. This flexible solution allows you to consign goods from multiple suppliers, provides the ability to return “owned” goods to consigned or vice-versa as well as returned back to the supplier.

Throughout the various material management flows, Oracle Inventory Management provides user friendly transactional and analytical reporting for business users to create, modify and publish reports and alerts tailored to the business needs and the audience.

## Support Simple and Advanced Fulfillment Flows

Whether your locations are fulfilling orders for internal or external customers, Oracle Inventory Management provides flexible capabilities to manage orders shipped from on-hand or from supply specifically created for these orders.

Picking and Shipping work areas provide intuitive analytics enabling managers and operators to see the state of fulfillment operations at a glance, work completed, work to be done, problems and potential problems. From there, users can drill into orders, lines and shipments.

Flexible release rules allow for orders to be released to warehouse operators for picking by a variety of attributes such as carrier, priority, customer, date and type of order to name a few. Shipments can then be packed and confirmed or interfaced to manifesting systems.

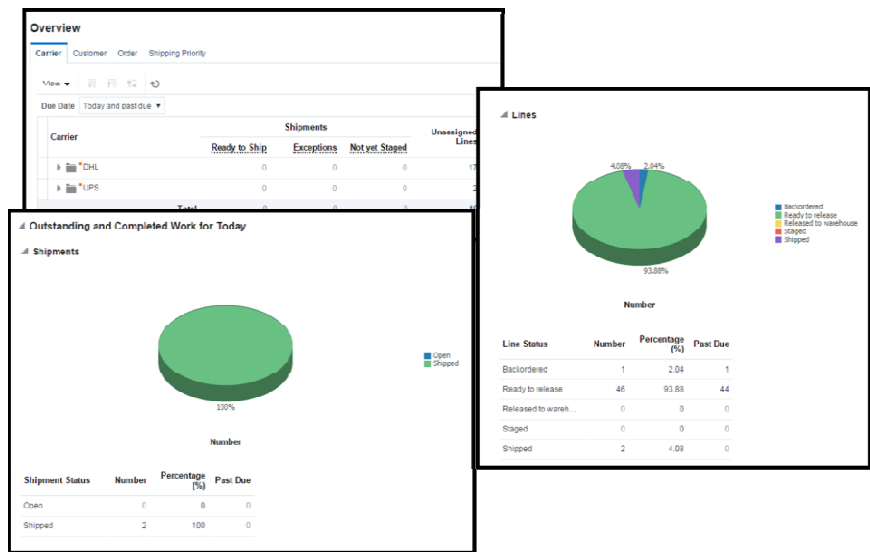


Figure 1 - Shipping Work Area

Advanced fulfillment techniques ensure on-time fulfillment and extend your product offering without carrying excess inventory. The supported flows are: Internal Material Transfers (IMT); Drop-shipment; Back-to-Back purchase, make, and transfer; and Supplier Consigned Inventory.

Support for Configured to Order (CTO) products blends the best of multiple worlds. Items representing each unique configuration are automatically created and re-used from prior orders to facilitate warehouse handling, promising and full forecasting and supply planning capabilities. Fulfillment of these products leverage the same advanced fulfillment processes of drop ship and back-to-back as other types of non-configurable items providing the same level of flexibility and change management for all types of items. Visibility to the details of each unique configuration is tailored to the type of user or trading partner ensuring simple and effective fulfillment, procurement and production and better communication with customers, transportation providers and suppliers.

IMTs are a fully-integrated flow that supports intra-organization, inter-organization, and inter-company transfers. Execution rules determine if the transfer will be executed as an

Inventory Transfer Order or a Procurement Purchase Order to buy/sell between the organizations.

Transfer Orders are a single document managing both demand in the source location and supply in the destination integrated into the standard fulfillment and receiving processes. Transfer Orders provide options to transfer supplier consigned goods as consigned or owned and provide full returns capabilities.

Using drop-shipment, orders for items can be filled from an external (your supplier's) warehouse. This process maintains full visibility into the material movement process and ensures supplier collaboration when changes to orders occur.

Order-specific supplies can be created using the fully integrated back-to-back process that supports buying of products from a supplier, making them in-house (or at a contract manufacturer's facility), or transferring products between a distribution center and the fulfillment warehouse. Supply is reserved to the demand until fulfillment and automated change management procedures ensures perfect order fulfillment.

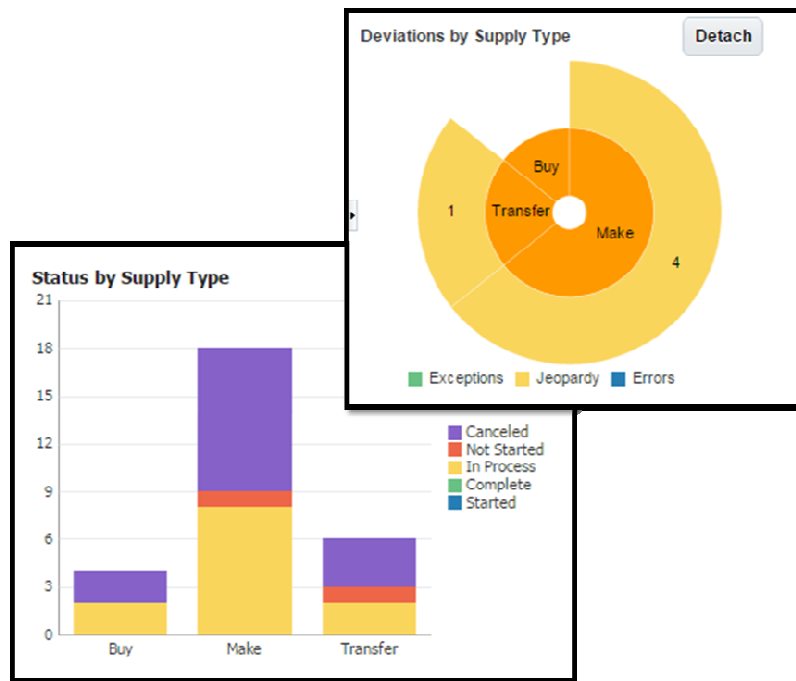


Figure 2 - Supply Chain Orchestration Workbench

### Advanced and/or Extended Inventory Operations

Many companies outsource warehouse operations to third parties to take advantage of their expertise and save on operational costs. Oracle Inventory Management provides tools to enable full visibility and control of warehousing operations managed by third parties such as third-party logistics (3PL) providers or contract manufacturers. These same tools can be used to fully integrate with your own advanced warehouse management systems.

## Manage Global Inter Company Transactions

Automate the financial flow execution for internal trade between parties independently from the physical movement of goods and fulfillment of services with Oracle Supply Chain Financial Orchestration. This configurable application manages all the financial relationships resulting from trade between internal parties. The framework provides modeling of flexible financial flows that define the parties involved, the nature of trade relationships and business rules for documentation and accounting. Model and automate multiple ownership changes for a single movement of goods so that you can account for supply chain functions that are centralized without sacrificing supply chain speed. In addition, the framework supports the ability to define and configure transfer pricing rules with markups and markdowns. There is a dedicated work area for the supply chain controller to monitor execution and manage exceptions.

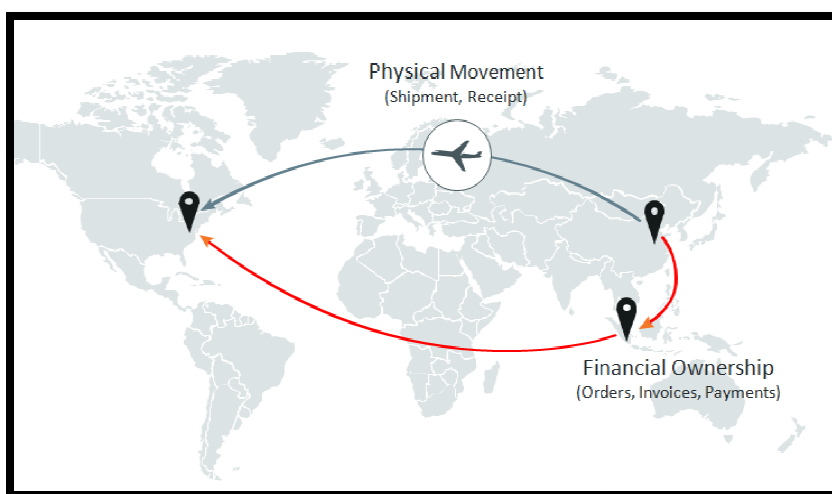


Figure 3 - Physical vs. Financial Flow

## Single Solution for GAAP, Management and Statutory Cost Reporting

Oracle Cost Management is an advanced cost accounting solution that helps companies effectively manage their product costing and inventory accounting business flows. The solution allows companies to maintain multiple cost books and financial ledgers to better meet external regulatory and internal management reporting needs. The solution increases product cost accuracy by providing a flexible cost infrastructure that allows cost accountants to define the level of cost calculations. It greatly reduces manual cost maintenance tasks by providing automated rules-based engines and efficient fault-tolerant cost processors tuned for high volume transaction environments.

Adding to the regulatory and managerial needs for full visibility of product cost across the entire global supply chain, market-based product pricing and sales deal quoting requires an accurate and full understanding of variable versus fully absorbed cost factors in order to maximize all sales opportunities.

## Graphical Views of Product Costs

Oracle Cost Management’s graphical user interfaces provide time-based, graphical views of product costs using line, bar and pie charts to show product costs over time and in comparison to other products or other organizations. Cost professionals and operations personnel can visually identify cost trend problems in their products facilitating the determination of root causes and timely corrective actions.

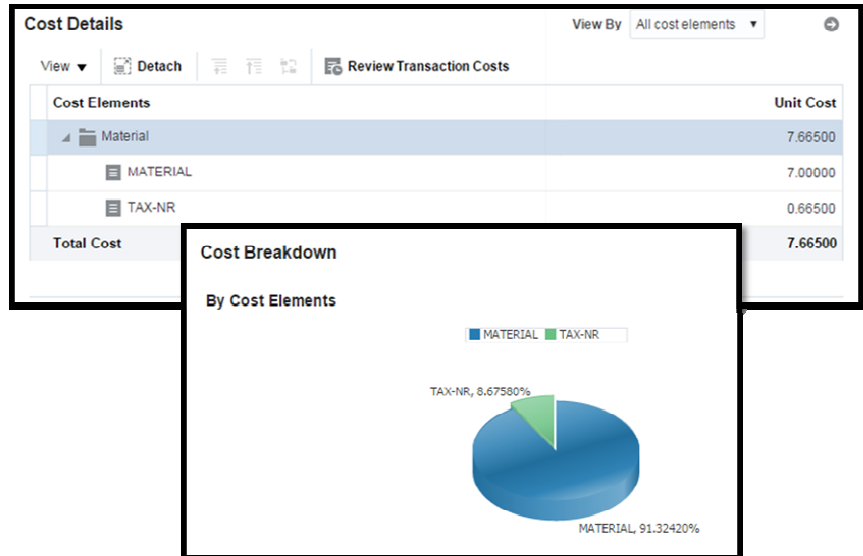


Figure 4 - Review Item Costs



CONTACT US

For more information about [insert product name], visit oracle.com or call +1.800.ORACLE1 to speak to an Oracle representative.

CONNECT WITH US

- [blogs.oracle.com/oracle](https://blogs.oracle.com/oracle)
- [facebook.com/oracle](https://facebook.com/oracle)
- [twitter.com/oracle](https://twitter.com/oracle)
- [oracle.com](https://oracle.com)

**Hardware and Software. Engineered to Work Together**

Copyright © 2016, Oracle and/or its affiliates. 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 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 and Java are registered trademarks of Oracle and/or its affiliates. Other names may be trademarks of their respective owners.

Intel and Intel Xeon are trademarks or registered trademarks of Intel Corporation. All SPARC trademarks are used under license and are trademarks or registered trademarks of SPARC International, Inc. AMD, Opteron, the AMD logo, and the AMD Opteron logo are trademarks or registered trademarks of Advanced Micro Devices. UNIX is a registered trademark of The Open Group. 0316